

COUNTY OF ANSON, NORTH CAROLINA
FINANCIAL STATEMENTS
Year Ended June 30, 2016

**COUNTY OF ANSON, NORTH CAROLINA
LOCAL GOVERNMENT OFFICIALS**

June 30, 2016

BOARD OF COUNTY COMMISSIONERS

Anna Baucom, Chair

Ross Streater, Vice-Chair	Bobby Sikes
Dr. James Sims	Harold C. Smith
Vancine Sturdivant	Jarvis Woodburn

COUNTY OFFICIALS

Megan Garner	County Manager
Cary Garner	Finance Officer
Larry Newton	Tax Assessor
Joe Dutton	Tax Collector
Joanne Huntley	Register of Deeds

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FINANCIAL SECTION



Thompson, Price, Scott, Adams & Co, P.A.

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INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Anson County
Wadesboro, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Anson County, North Carolina, as of and for the year ended June 30, 2016, and the related notes to the financial statements which collectively comprise Anson County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information Anson County, North Carolina as of June 30, 2016, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Law Enforcement Officers' Special Separation Allowance, the other Postemployment Benefits' Schedules of Funding Progress and Employer Contributions, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Asset and County Contributions, and the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions on pages 4 through 13 and 55 through 62, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Anson's basic financial statements. The combining and individual fund statements, budgetary schedules, other schedules as well as the accompanying Schedule of Expenditures of Federal and State Awards, as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards are presented for purpose of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, budgetary schedules, other schedules and the Schedule of Expenditures of Federal and State Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 19, 2017 on our consideration of Anson County 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 the 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 Anson County's internal control over financial reporting and compliance.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.

Whiteville, NC

June 19, 2017

Management's Discussion and Analysis

As management of Anson County, we offer readers of Anson County's financial statements this narrative overview and analysis of the financial activities of Anson County for the fiscal year ended June 30, 2016. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

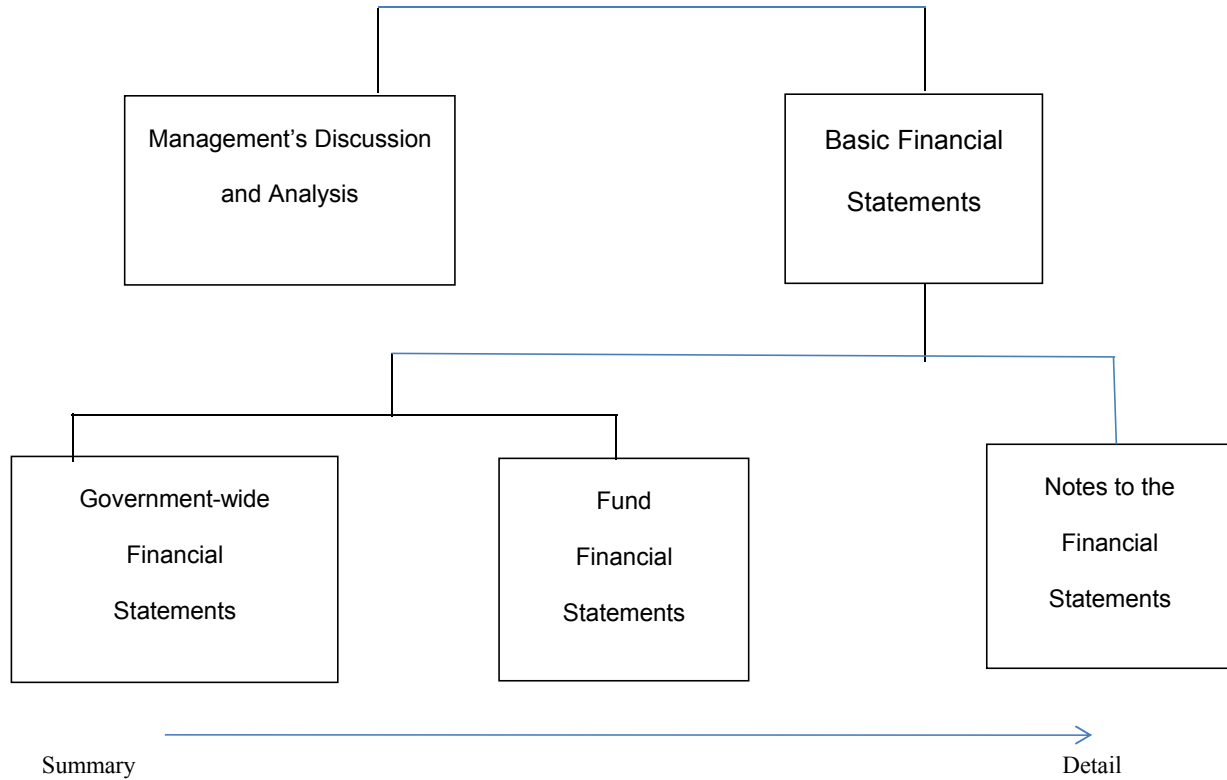
Financial Highlights

- The assets and deferred outflows of resources of Anson County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$70,878,216 (net position).
- The government's total net position increased by \$1,875,553, primarily due to increased net position in the governmental-type activities.
- As of the close of the current fiscal year, Anson County's governmental funds reported combined ending fund balances of \$16,129,721, an increase of \$2,265,586 in comparison with the prior year. Approximately 31.01 percent of this total amount, or \$5,002,259, is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$9,199,981, or 36.50 percent of total general fund expenditures for the fiscal year.
- Anson County's total debt decreased \$560,781 (8.60%) during the current fiscal year. The key factors in this decrease were the scheduled principal repayments on existing installment purchases of \$584,201 and \$164,437, in the governmental activities and business-type activities, respectively. These repayments were coupled with ongoing installment purchase activities.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Anson County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Anson County.

**Required Components of Annual Financial Report
Figure 1**



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits 3 through 9) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statement.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the total of the County's assets and deferred outflows of resources and the total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. These include the water and sewer and landfill services offered by Anson County.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. 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. Anson County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Anson County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting*. This method also has a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Anson County adopts an annual budget for its General Fund, as required by the General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds – Anson County has one kind of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Anson County uses enterprise funds to account for its water and sewer operations. These funds are the same as those separate activities shown in the business-type activities in the Statement of Net Position and the Statement of Activities.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Anson County has five fiduciary funds, all of which are agency funds.

ANSON COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS

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 notes to the financial statements start after Exhibit 9.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Anson County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found beginning at Exhibit A-1, directly after the notes.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government's financial condition. The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$70,878,216 as of June 30, 2016. The County's net position increased by \$1,875,553 for the fiscal year ended June 30, 2016. One of the largest portions, 68.22%, reflects the County's net investment in capital assets (e.g. land, buildings, machinery, and equipment). Anson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Anson County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Anson County's net position, \$5,002,259, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$17,519,737 is unrestricted; this balance may be used to meet the government's ongoing obligations to citizens and creditors.

ANSON COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS

Anson County's Net Position
Figure 2

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	\$ 19,753,158	\$ 17,942,970	\$ 7,616,172	\$ 6,944,195	\$ 27,369,330	\$ 26,950,512
Capital assets	23,280,073	24,240,169	31,037,211	31,698,621	54,317,284	70,076,547
Total assets	<u>43,033,231</u>	<u>42,183,139</u>	<u>38,653,383</u>	<u>38,642,816</u>	<u>81,686,614</u>	<u>97,027,059</u>
Total deferred outflows of resources	623,377	540,019	58,717	95,876	682,094	635,895
Long-term liabilities						
outstanding	6,917,451	7,234,190	2,098,509	2,240,642	9,015,960	9,474,832
Other liabilities	1,732,066	730,739	406,757	310,265	2,138,823	1,041,004
Total liabilities	<u>8,649,517</u>	<u>7,964,929</u>	<u>2,505,266</u>	<u>2,550,907</u>	<u>11,154,783</u>	<u>10,515,836</u>
Total deferred inflows of resources	307,825	1,654,532	27,884	28,819	335,709	1,683,351
Net position:						
Net investment in capital assets	19,001,717	19,565,469	29,354,503	29,851,476	48,356,220	49,416,945
Restricted	5,002,259	5,204,807	-	-	5,002,259	5,204,807
Unrestricted	10,695,290	8,333,421	6,824,447	6,047,490	17,519,737	14,380,911
Total net position	<u>\$ 34,699,266</u>	<u>\$ 33,103,697</u>	<u>\$ 36,178,950</u>	<u>\$ 35,898,966</u>	<u>\$ 70,878,216</u>	<u>\$ 69,002,663</u>

Several particular aspects of the County's financial operations influenced the total unrestricted governmental net position:

- The property tax collection percentage increased from 94.44% to 94.63%.
- Continued low cost of debt due to the County's high bond rating

ANSON COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS

Anson County Changes in Net Position
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues:						
Charges for services	\$ 4,944,513	\$ 4,439,780	\$ 7,147,664	\$ 6,897,139	\$ 12,092,177	\$ 11,336,919
Operating grants and contributions	5,087,230	5,877,332	1,160	1,370	5,088,390	5,878,702
Capital grants and contributions	38,984	100,915	-	4,365	38,984	105,280
General revenues:						
Property taxes	15,261,412	14,016,917	-	-	15,261,412	14,016,917
Other taxes	2,893,434	2,506,384	-	-	2,893,434	2,506,384
Grants and contributions not restricted to specific programs	21,125	54,401	-	-	21,125	54,401
Other	152,721	445,681	52,449	24,053	205,170	469,734
Total revenues	<u>28,399,419</u>	<u>27,441,410</u>	<u>7,201,273</u>	<u>6,926,927</u>	<u>35,600,692</u>	<u>34,368,337</u>
Expenses:						
General government	3,268,571	3,490,333	-	-	3,268,571	3,490,333
Public safety	7,704,518	7,179,948	-	-	7,704,518	7,179,948
Transportation	1,397,882	1,412,578	-	-	1,397,882	1,412,578
Environmental protection	528,151	450,268				
Economic and physical development	264,399	570,811	-	-	264,399	570,811
Human services	7,446,913	7,400,609	-	-	7,446,913	7,400,609
Cultural and recreation	715,842	802,411	-	-	715,842	802,411
Education	5,351,572	5,339,316	-	-	5,351,572	5,339,316
Interest on long-term debt	126,002	128,780	-	-	126,002	128,780
Water	-	-	4,557,473	4,444,484	4,557,473	4,444,484
Wastewater	-	-	2,363,816	2,413,819	2,363,816	2,413,819
Total expenses	<u>26,803,850</u>	<u>26,775,054</u>	<u>6,921,289</u>	<u>6,858,303</u>	<u>33,196,988</u>	<u>33,183,089</u>
Increase (decrease) in net position before transfers	1,595,569	666,356	279,984	68,624	1,875,553	734,980
Special items	-	-	-	(1,058,416)	-	(1,058,416)
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	1,595,569	666,356	279,984	(989,792)	1,875,553	(323,436)
Net position, beginning	33,103,697	30,549,384	35,898,966	35,510,016	69,002,663	66,059,400
Net position, beginning, restated	33,103,697	32,437,341	35,898,966	36,888,758	69,002,663	69,326,099
Net position, ending	<u>\$ 34,699,266</u>	<u>\$ 33,103,697</u>	<u>\$ 36,178,950</u>	<u>\$ 35,898,966</u>	<u>\$ 70,878,216</u>	<u>\$ 69,002,663</u>

Governmental activities. Governmental activities increased the County's net position by \$1,595,569. Key elements of this increase are as follows:

- Increase in property tax revenues.

ANSON COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type activities. Business-type activities increased the County's net position by \$279,984. Key elements of this increase are as follows:

- Increase in operating revenues.

Financial Analysis of the County's Funds

As noted earlier, Anson County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of Anson County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Anson County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Anson County. At the end of the current fiscal year, Anson County's fund balance available in the General Fund was \$11,071,366 while total fund balance reached \$15,717,779. As a measure of the general fund's liquidity, it may be useful to compare both available fund balance and total fund balance to total fund expenditures. Available fund balance represents 43.97 percent of total General Fund expenditures, while total fund balance represents 61.63 percent of that same amount.

At June 30, 2016, the governmental funds of Anson County reported a combined fund balance of \$16,129,721, a 16.34 percent increase over last year. The primary reason for this increase was the increase in operating revenues exceeded the increase in operating expenditures.

General Fund Budgetary Highlights. During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund decreased revenues by \$312,677.

Proprietary Funds. Anson County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water Fund at the end of the fiscal year amounted to \$3,057,852, and those for the Wastewater Fund equaled \$3,766,595. The total change in net position for both funds was \$490,497 and (\$210,513), respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of Anson County's business-type activities.

ANSON COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Asset and Debt Administration

Capital assets. Anson County's capital assets for its governmental and business – type activities as of June 30, 2016, totals \$54,317,284 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, facilities, distribution and collection systems, and vehicles.

**Anson County's Capital Assets
(net of depreciation)
Figure 4**

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 1,558,422	\$ 1,558,422	\$ 145,590	\$ 145,590	\$ 1,704,012	\$ 1,704,012
Construction in process	594,771	576,176	870,883	870,883	1,465,654	1,447,059
Water distribution system	-	-	14,292,945	13,992,378	14,292,945	13,992,378
Wastewater collection system	-	-	12,092,748	12,842,361	12,092,748	12,842,361
Buildings and sites	18,271,650	18,925,975	2,861,097	2,995,918	21,132,747	21,921,893
Furniture, fixtures and equipment	1,797,663	2,279,663	530,112	684,948	2,327,775	2,964,611
Vehicles	1,057,567	899,933	243,836	166,543	1,301,403	1,066,476
Total	\$ 23,280,073	\$ 24,240,169	\$ 31,037,211	\$ 31,698,621	\$ 54,317,284	\$ 55,938,790

Major capital asset transactions during the year include:

- Purchase of new equipment, vehicles, and improvements throughout the County.

ANSON COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS

Long-term Debt. As of June 30, 2016, Anson County had no bonded debt outstanding. Installment purchases totaled \$5,961,064.

**Anson County's Outstanding Debt
General Obligation and Installment Debt**

Figure 5

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Installment purchases	4,278,356	4,674,700	1,682,708	1,847,145	5,961,064	6,521,845
	\$ 4,278,356	\$ 4,674,700	\$ 1,682,708	\$ 1,847,145	\$ 5,961,064	\$ 6,521,845

Anson County's total debt decreased by \$560,781 (8.60 percent) during the past fiscal year, primarily due to the scheduled principal repayments on existing installment purchase agreements.

Anson County maintains an A3 bond rating from Moody's and a BBB+ bond rating from Standard and Poor's Corporation. These bond ratings are a clear indication of the relatively strong financial condition of Anson County, which would be a primary factor in keeping interest costs low on any outstanding debt.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Anson County is \$138,269,254.

Additional information regarding Anson County's long-term debt can be found in notes to the financial statements under Section B.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators impact the growth and future prosperity of the County:

Relative to the local economy, this has been another difficult year for citizens, businesses and local governments. Although the great recession which began in December 2007 officially ended in the summer of 2009, we are still dealing with a stagnant economy. While the County's unemployment rate has dropped to 6.5%, it is still above the state average of 5.5%. As a Tier-1 designated county by the North Carolina Department of Commerce, Anson County is among the state's most economically distressed counties. We anticipate little change in the local economy during FY 2016-2017.

Anson County's grants administration and economic development programs are continuing to invest to retain and grow existing businesses and attract new businesses to the County.

ANSON COUNTY, NORTH CAROLINA
MANAGEMENT'S DISCUSSION AND ANALYSIS

Budget Highlights for the Fiscal Year Ending June 30, 2017

Governmental Activities: The County property tax rate has been increased to 80.1 cents per hundred dollars (\$100) valuation of property listed for taxes as of January 1, 2016.

Budgeted expenditures in the General Fund are expected to increase to \$30,098,535 which represents a 5.33% increase from the original 15-16 budget.

Business-type Activities: In the Water Fund, water sales are expected to increase to \$5,592,444 which represents a 20.27% increase from the original 15-16 budget.

In the Wastewater Treatment Plant Fund, wastewater treatment fees are expected to increase to \$1,940,650 which represents a 3.75% increase from the original 15-16 budget..

Requests for Information

This report is designed to provide an overview of the County's finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Director of Finance, Anson County, 101 South Greene Street Wadesboro, North Carolina 28170. You can also call (704)-994-3203, visit our website www.co.anson.nc.us or send an email to cgarner@co.anson.nc.us for more information.

BASIC
FINANCIAL STATEMENTS

Anson County, North Carolina
Statement of Net Position
June 30, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Tourism Development Authority
ASSETS				
Cash and cash equivalents	\$ 12,523,036	\$ 3,998,693	\$ 16,521,729	\$ 85,091
Receivables, net	4,297,732	475,785	4,773,517	-
Due from other governments	198,623	-	198,623	2,688
Inventories	-	328,851	328,851	-
Prepaid items	56,096	-	56,096	325
Restricted cash and cash equivalents	2,636,961	2,812,843	5,449,804	-
Net pension asset	40,710	-	40,710	-
Capital assets:				
Land, improvements, and construction in progress	2,153,193	1,016,473	3,169,666	-
Other capital assets, net of depreciation	21,126,880	30,020,738	51,147,618	-
Total capital assets	<u>23,280,073</u>	<u>31,037,211</u>	<u>54,317,284</u>	<u>-</u>
Total assets	<u>43,033,231</u>	<u>38,653,383</u>	<u>81,686,614</u>	<u>88,104</u>
DEFERRED OUTFLOWS OF RESOURCES	623,377	58,717	682,094	-
LIABILITIES				
Accounts payable and accrued expenses	1,125,659	254,301	1,379,960	4,130
Miscellaneous liabilities	25,383	-	25,383	-
Customer deposits	-	98,807	98,807	-
Accrued interest payable	24,761	-	24,761	-
Long-term liabilities:				
Net pension liability	556,263	53,649	609,912	-
Due within one year	564,789	143,239	708,028	-
Due in more than one year	6,352,662	1,955,270	8,307,932	-
Total long-term liabilities	<u>7,473,714</u>	<u>2,152,158</u>	<u>9,625,872</u>	<u>-</u>
Total liabilities	<u>8,649,517</u>	<u>2,505,266</u>	<u>11,154,783</u>	<u>4,130</u>
DEFERRED INFLOWS OF RESOURCES	307,825	27,884	335,709	-
NET POSITION				
Net investment in capital assets	19,001,717	29,354,503	48,356,220	-
Restricted for:				
Stabilization by State Statute	2,148,107	-	2,148,107	-
Economic and physical development	24,087	-	24,087	-
School debt service	2,242,210	-	2,242,210	-
Public safety	372,660	-	372,660	-
Capital projects	215,195	-	215,195	-
Unrestricted (deficit)	10,695,290	6,824,447	17,519,737	83,974
Total net position	<u>\$ 34,699,266</u>	<u>\$ 36,178,950</u>	<u>\$ 70,878,216</u>	<u>\$ 83,974</u>

**Anson County, North Carolina
Statement of Activities
For the Year Ended June 30, 2016**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Primary government:								
Governmental Activities:								
General government	\$ 3,268,571	\$ 979,879	\$ -	\$ -	\$ (2,288,692)	\$ -	\$ (2,288,692)	
Public safety	7,704,518	1,160,577	241,285	-	(6,302,656)	-	(6,302,656)	
Transportation	1,397,882	141,332	-	38,984	(1,217,566)	-	(1,217,566)	
Environmental Protection	528,151	1,396,383	108,339	-	976,571	-	976,571	
Economic and physical development	264,399	0	89,461	-	(174,938)	-	(174,938)	
Human services	7,446,913	1,009,581	4,569,611	-	(1,867,721)	-	(1,867,721)	
Cultural and recreation	715,842	256,761	-	-	(459,081)	-	(459,081)	
Education	5,351,572	-	78,534	-	(5,273,038)	-	(5,273,038)	
Interest/Fees on long-term debt	126,002	-	-	-	(126,002)	-	(126,002)	
Total governmental activities	26,803,850	4,944,513	5,087,230	38,984	(16,733,123)	-	(16,733,123)	
Business-type activities:								
Water Fund	4,557,473	5,016,936	1,160	-	-	460,623	460,623	
Waste Water Fund	2,363,816	2,130,728	-	-	-	(233,088)	(233,088)	
Total business-type activities	6,921,289	7,147,664	1,160	-	-	227,535	227,535	
	\$ 33,725,139	\$ 12,092,177	\$ 5,088,390	\$ 38,984	(16,733,123)	227,535	(16,505,588)	
Component Unit:								
Tourism Development Authority	\$ 36,879	\$ -	\$ -	\$ -	-	-	-	\$ (36,879)
General revenues:								
Taxes:								
Property taxes, levied for general purpose					15,261,412	-	15,261,412	-
Local option sales tax					2,825,137	-	2,825,137	-
Other taxes and licenses					68,297	-	68,297	33,224
Grants and contributions not restricted to specific programs					21,125	-	21,125	-
Investment earnings, unrestricted					34,074	9,924	43,998	153
Miscellaneous, unrestricted					75,330	16,153	91,483	-
Gain/(loss) on disposal of assets					43,317	26,372	69,689	-
Total general revenues					18,328,692	52,449	18,381,141	33,377
Change in net position					1,595,569	279,984	1,875,553	(3,502)
Net position, beginning, previously reported					33,103,697	35,898,966	69,002,663	87,476
Restatement					-	-	-	-
Net position, beginning, restated					33,103,697	35,898,966	69,002,663	87,476
Net position, ending					\$ 34,699,266	\$ 36,178,950	\$ 70,878,216	\$ 83,974

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

Anson County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2016

	<u>Major</u>	<u>Nonmajor</u>	
	<u>General</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 11,725,240	\$ 797,796	\$ 12,523,036
Restricted cash and cash equivalents	2,636,961	-	2,636,961
Receivables, net	3,791,314	173,944	3,965,258
Prepaid expenses	56,096	-	56,096
Due from other governments	198,623	-	198,623
Due from other funds	86,214	-	86,214
Total assets	<u>\$ 18,494,448</u>	<u>\$ 971,740</u>	<u>\$ 19,466,188</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other funds	\$ -	\$ 86,214	\$ 86,214
Accounts payable and accrued liabilities	1,006,463	119,196	1,125,659
Miscellaneous liabilities	25,383	-	25,383
Total liabilities	<u>1,031,846</u>	<u>205,410</u>	<u>1,237,256</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Receivable	1,928,044	153,837	2,081,881
Prepaid Taxes	16,779	551	17,330
Total Deferred Inflows of Resources	<u>1,944,823</u>	<u>154,388</u>	<u>2,099,211</u>
Fund balances:			
Nonspendable:			
Prepaid items	56,096	-	56,096
Restricted:			
Stabilization by State Statute	2,148,107	-	2,148,107
Economic and Physical Development	-	24,087	24,087
School debt service	2,242,210	-	2,242,210
Public safety	-	372,660	372,660
Capital Projects	-	215,195	215,195
Committed:			
Tax revaluation	471,773	-	471,773
Assigned:			
Subsequent year's expenditures	1,399,612	-	1,399,612
Unassigned	9,199,981	-	9,199,981
Total fund balances	<u>15,517,779</u>	<u>611,942</u>	<u>16,129,721</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 18,494,448</u>	<u>\$ 971,740</u>	<u>\$ 19,466,188</u>

Anson County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2016

Amounts reported for governmental activities in the statement of net position
(Exhibit 1) are different because:

Total Fund Balance - Governmental Funds		\$ 16,129,721
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	39,139,051	
Less accumulated depreciation	<u>(15,858,978)</u>	
Net capital assets		23,280,073
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.		332,474
Net pension asset/(liability)		
LGERS		(556,263)
ROD		40,710
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position		
LGERS		530,621
ROD		12,000
Deferred outflows of pensions		
LGERS		78,180
ROD		2,576
Deferred inflows of resources for taxes and special assessments receivable		2,081,881
Pension related deferrals		
LGERS		(289,120)
ROD		(1,375)
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:		
Bonds, leases, and installment financing payable	(4,278,355)	
Compensated absences	(594,254)	
Unfunded pension obligation	(535,153)	
Other post-employment benefits obligation	(1,509,689)	
Accrued interest payable	<u>(24,761)</u>	<u>(6,942,212)</u>
Net position of governmental activities		<u>\$ 34,699,266</u>

Anson County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2016

	<u>Major</u>	<u>Nonmajor</u>	
	<u>General</u>	<u>Governmental</u>	<u>Total</u>
		<u>Funds</u>	
REVENUES			
Ad valorem taxes	\$ 14,476,864	\$ 1,009,125	\$ 15,485,989
Local option sales taxes	2,825,137	-	2,825,137
Other taxes and licenses	104,236	241,285	345,521
Unrestricted intergovernmental	134,767	-	134,767
Restricted intergovernmental	4,706,123	200,845	4,906,968
Permits and fees	221,447	-	221,447
Sales and services	4,551,822	-	4,551,822
Investment earnings	27,837	6,237	34,074
Miscellaneous	118,271	-	118,271
Total revenues	<u>27,166,504</u>	<u>1,457,492</u>	<u>28,623,996</u>
EXPENDITURES			
Current:			
General government	3,110,913	-	3,110,913
Public safety	6,118,316	1,182,115	7,300,431
Transportation	1,066,540	18,594	1,085,134
Economic and physical development	430,829	92,511	523,340
Environmental protection	180,184	72,400	252,584
Human services	7,515,627	-	7,515,627
Cultural and recreational	691,658	-	691,658
Education	5,351,572	-	5,351,572
Debt service:			
Principal	584,202	-	584,202
Interest and other charges	130,806	-	130,806
Total expenditures	<u>25,180,647</u>	<u>1,365,620</u>	<u>26,546,267</u>
Excess (deficiency) of revenues over expenditures	<u>1,985,857</u>	<u>91,872</u>	<u>2,077,729</u>
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	-	26,467	26,467
Transfers to other funds	(26,467)	-	(26,467)
Loan proceeds	187,857	-	187,857
Total other financing sources (uses)	<u>161,390</u>	<u>26,467</u>	<u>187,857</u>
Net change in fund balance	<u>2,147,247</u>	<u>118,339</u>	<u>2,265,586</u>
Fund balances, beginning as previously reported	<u>13,370,532</u>	<u>493,603</u>	<u>13,864,135</u>
Fund balances, ending	<u>\$ 15,517,779</u>	<u>\$ 611,942</u>	<u>\$ 16,129,721</u>

Anson County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2016

Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Net change in fund balances - total governmental funds	\$ 2,265,586
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	542,840
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the statement of activities but not in the fund statements.	(1,502,936)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	511,356
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.	396,345
Expenses reported in the statement of activities that do not require the use of current resources to pay are not recorded as expenditures in the fund statements.	
Difference in interest expense between fund statements (modified accrual) and government-wide statements (full accrual)	4,804
Compensated absences	8,712
Other post-employment benefits	(84,495)
Unfunded pension	(3,823)
County's portion of collection pension expense	(318,243)
Revenues reported in the statement of activities that do not provide current financial resources are not recorded as revenues in the fund statements.	
Increase (decrease) in deferred inflows of resources - taxes receivable - at end of year	(188,020)
Increase (decrease) in accrued taxes receivable at end of year	(36,557)
Total changes in net position of governmental activities	<u>\$ 1,595,569</u>

Anson County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 13,336,042	\$ 14,288,442	\$ 14,476,864	\$ 188,422
Local option sales tax	2,038,000	2,078,000	2,070,974	(7,026)
Other taxes and licenses	40,000	96,500	104,236	7,736
Unrestricted intergovernmental	81,000	124,000	134,767	10,767
Restricted intergovernmental	5,658,410	5,106,643	4,706,123	(400,520)
Permits and fees	168,300	209,497	221,447	11,950
Sales and services	7,205,924	4,344,480	4,551,822	207,342
Investment earnings	-	4,500	23,553	19,053
Miscellaneous	47,261	103,499	118,271	14,772
Total revenues	<u>28,574,937</u>	<u>26,355,561</u>	<u>26,408,057</u>	<u>52,496</u>
Expenditures:				
Current:				
General government	5,079,770	3,874,359	3,110,913	763,446
Public safety	6,641,651	6,833,635	6,118,316	715,319
Transportation	1,324,017	1,274,102	1,066,540	207,562
Economic and physical development	787,852	474,852	430,829	44,023
Environmental protection	229,471	229,471	180,184	49,287
Human services	8,462,889	8,564,879	7,515,627	1,049,252
Cultural and recreational	741,968	752,522	691,658	60,864
Intergovernmental:				
Education	5,190,232	5,374,515	5,351,572	22,943
Debt service:				
Principal retirement	(125,739)	589,532	584,202	5,330
Interest and other charges	138,000	138,000	130,806	7,194
Contingency	104,826	80,626	-	80,626
Total expenditures	<u>28,574,937</u>	<u>28,186,493</u>	<u>25,180,647</u>	<u>3,005,846</u>
Revenues over (under) expenditures	<u>-</u>	<u>(1,830,932)</u>	<u>1,227,410</u>	<u>3,058,342</u>
Other financing sources (uses):				
Transfers from other funds	-	99,261	102,261	3,000
Transfers to other funds	-	(75,767)	(88,076)	(12,309)
Loan proceeds	-	194,000	187,857	(6,143)
Appropriated fund balance	-	1,613,438	-	(1,613,438)
Total other financing sources (uses)	<u>-</u>	<u>1,830,932</u>	<u>202,042</u>	<u>(1,628,890)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,429,452	<u>\$ 1,429,452</u>
Fund balance, beginning of year			<u>11,374,344</u>	
Fund balance, end of year			<u>\$ 12,803,796</u>	

Anson County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2016

General Fund - fund balance, end of year	\$ 12,803,796
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Legally budgeted funds are consolidated into the General Fund for reporting purposes:

Tax Revaluation Fund:

Investment earnings	845
Transfer from (to) General Fund	61,609
Fund balance, beginning of year	409,319

Public School Capital Outlay Reserve Fund:

Local option sales tax	754,163
Investment earnings	3,439
Transfers from (to) General Fund	(102,261)
Fund Balance, beginning of year	1,586,869

Fund balance, ending (Exhibit 4)	\$ 15,517,779
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Anson County, North Carolina
Statement of Net Position
Proprietary Funds
June 30, 2016

	Major		Total
	Water Fund	Waste Water Fund	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,459,339	\$ 2,539,354	\$ 3,998,693
Accounts receivable, net	434,687	41,098	475,785
Due from other funds	-	-	-
Due from other governments	-	-	-
Inventories	297,583	31,268	328,851
Prepaid items	-	-	-
Total current assets	<u>2,191,609</u>	<u>2,611,720</u>	<u>4,803,329</u>
Noncurrent assets:			
Restricted Cash and cash equivalents	1,421,699	1,391,144	2,812,843
Net Pension Asset	-	-	-
Capital assets:			
Land and construction in progress	840,076	176,397	1,016,473
Other capital assets, net of depreciation	17,718,537	12,302,201	30,020,738
Total capital assets	<u>18,558,613</u>	<u>12,478,598</u>	<u>31,037,211</u>
Total assets	<u>22,171,921</u>	<u>16,481,462</u>	<u>38,653,383</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>35,446</u>	<u>23,271</u>	<u>58,717</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	161,159	93,142	254,301
Customer deposits	98,807	-	98,807
Accrued interest payable	-	-	-
Due to other funds	-	-	-
Net pension liability	32,387	21,262	53,649
Bonds and notes payable	143,239	-	143,239
Total current liabilities	<u>435,592</u>	<u>114,404</u>	<u>549,996</u>
Noncurrent liabilities:			
Compensated absences	68,306	39,235	107,541
OPEB payable	213,410	94,850	308,260
Bonds and notes payable	1,539,469	-	1,539,469
Total noncurrent liabilities	<u>1,821,185</u>	<u>134,085</u>	<u>1,955,270</u>
Total liabilities	<u>2,256,777</u>	<u>248,489</u>	<u>2,505,266</u>
DEFERRED INFLOWS OF RESOURCES	16,833	11,051	27,884
NET POSITION			
Net investment in capital assets	16,875,905	12,478,598	29,354,503
Restricted	-	-	-
Unrestricted	3,057,852	3,766,595	6,824,447
Total net position	<u>\$ 19,933,757</u>	<u>\$ 16,245,193</u>	<u>\$ 36,178,950</u>

Anson County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2016

	Major		Total
	Water Fund	Waste Water Fund	
OPERATING REVENUES			
Charges for services	\$ 4,895,219	\$ 2,130,728	\$ 7,025,947
Other operating revenues	121,717	-	121,717
Total operating revenues	<u>5,016,936</u>	<u>2,130,728</u>	<u>7,147,664</u>
OPERATING EXPENSES			
Administration	253,216	76,496	329,712
Water distribution	1,408,727	-	1,408,727
Water filtration	1,998,149	-	1,998,149
Wastewater treatment	-	1,472,756	1,472,756
Depreciation and amortization	897,381	813,226	1,710,607
Total operating expenses	<u>4,557,473</u>	<u>2,362,478</u>	<u>6,919,951</u>
Operating income (loss)	<u>459,463</u>	<u>(231,750)</u>	<u>227,713</u>
NONOPERATING REVENUES (EXPENSES)			
Interest and investment revenue	3,502	6,422	9,924
Sale of Assets	26,372	-	26,372
Interest on long-term debt	-	(1,338)	(1,338)
Other Revenues	1,160	16,153	17,313
Total nonoperating revenues (expenses)	<u>31,034</u>	<u>21,237</u>	<u>52,271</u>
Income (loss) before contributions and transfers	490,497	(210,513)	279,984
Other financing sources (uses)			
Transfers	-	-	-
Contributions - Town of Wadesboro	-	-	-
Capital Contributions	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>490,497</u>	<u>(210,513)</u>	<u>279,984</u>
Total net position, beginning	19,443,260	16,455,706	35,898,966
Restatement	-	-	-
Total net position, beginning, restated	<u>19,443,260</u>	<u>16,455,706</u>	<u>35,898,966</u>
Total net position, ending	<u>\$ 19,933,757</u>	<u>\$ 16,245,193</u>	<u>\$ 36,178,950</u>

Anson County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2016

	Major		Total
	Water Fund	Waste Water Fund	
Cash flows from operating activities:			
Cash received from customers	\$ 5,018,450	\$ 2,265,465	\$ 7,283,915
Cash paid for goods and services	(2,281,661)	(867,389)	(3,149,050)
Cash paid to employees for services	(1,464,570)	(695,806)	(2,160,376)
Net cash provided by operating activities	<u>1,272,219</u>	<u>702,270</u>	<u>1,974,489</u>
Cash flows from noncapital financing activities:			
Other nonoperating revenues	1,160	16,153	17,313
Net cash provided (used) by noncapital financing activities	<u>1,160</u>	<u>16,153</u>	<u>17,313</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(993,048)	(56,149)	(1,049,197)
Disposal of capital assets	26,372	-	26,372
Principal paid on debt	(157,183)	(8,592)	(165,775)
Interest paid on debt	(135)	(1,338)	(1,473)
Net cash used by capital and related financing activities	<u>(1,123,994)</u>	<u>(66,079)</u>	<u>(1,190,073)</u>
Cash flows from investing activities:			
Interest on investments	3,502	6,422	9,924
Net increase (decrease) in cash and cash equivalents	152,887	658,766	811,653
Cash and cash equivalents, beginning	2,728,151	3,271,732	5,999,883
Cash and cash equivalents, ending	<u>\$ 2,881,038</u>	<u>\$ 3,930,498</u>	<u>\$ 6,811,536</u>

Anson County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2016

	<u>Major</u>		<u>Total</u>
	<u>Water Fund</u>	<u>Waste Water Fund</u>	
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ 459,463	\$ (231,750)	\$ 227,713
Adjustments to reconcile operating income to net cash provided by operating activities:			
Pension expense	112,582	65,580	178,162
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(21,323)	134,737	113,414
Due from other government	-	-	-
Inventories	(84,046)	(12,884)	(96,930)
Prepaid items	-	-	-
Deferred outflows of resources for pensions	27,528	9,631	37,159
Customer deposits	22,837	-	22,837
Compensated absences	789	4,262	5,051
OPEB payable	11,944	5,309	17,253
Deferred inflows of resources for pensions	(172,870)	(88,065)	
Total adjustments	<u>812,756</u>	<u>934,020</u>	<u>2,007,711</u>
Net cash provided by (used in) operating activities	<u>\$ 1,272,219</u>	<u>\$ 702,270</u>	<u>\$ 1,974,489</u>

Anson County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2016

	Agency Funds
Assets	
Cash and cash equivalents	\$ 91,708
Total assets	91,708
Liabilities and Net Position	
Liabilities:	
Miscellaneous liabilities	25,383
Intergovernmental payable	66,325
Total liabilities	91,708
Net position:	
Assets held in trust	\$ -

ANSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2016

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Anson County, North Carolina (the County) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a seven-member board of commissioners, is one of the 100 counties established in North Carolina under North Carolina General Statute 153A-10.

Anson County Industrial Facilities and Pollution Control Financing Authority

Anson County Industrial Facilities and Pollution Control Financing Authority (the Authority) exists to issue and service revenue bond debt of private businesses for economic development purposes. The Authority is governed by a seven-member board of commissioners, all of whom are appointed by the County commissioners. The County can remove any commissioner of the Authority with or without cause. The Authority has no financial transactions or account balances; therefore, it is not presented in the combined financial statements. The Authority does not issue separate financial statements.

Anson Tourism Development Authority

Anson Tourism Development Authority (the Authority) exists to promote tourism in Anson County and to oversee the expenditure of the local occupancy tax. The Authority is governed by a ten-member board of commissioners, all of whom are appointed by the County commissioners. The County commissioners also appoint the chairman of the Authority's board. The County's finance officer services as the ex-officio finance officer of the Authority. The Authority's financial transactions and account balances are all accounted for as a discretely presented component unit as a governmental fund. The Authority does not issue separate financial statements.

CAH Properties, Inc.

CAH Properties, Inc. was incorporated March 29, 2012, as a tax exempt entity to receive, purchase, lease, own, operate, and manage real and personal property. Anson County is the sole member of the corporation. The initial board of directors is the board of commissioners of Anson County as of March 29, 2012. CAH has no financial transactions or account balances currently; therefore, is not presented in the combined financial statements. CAH does not issue separate financial statements.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation, Measurement Focus – Basis of Accounting

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government net position (the County). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Direct expenses also include allocated administrative centralized expenses. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units, if any. Separate statements for each fund category - *governmental, proprietary, and fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, result from non-exchange transactions. Other non-operating items such as investment earnings are ancillary activities.

The County reports the following major governmental funds:

General Fund. This is the County'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 Revaluation Fund and the Public School Capital Outlay Reserve Fund are legally budgeted funds under the North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54, they are consolidated into the General Fund.

Capital Project Fund. This fund is used to account for construction of major capital projects of the County. The County has just completed constructing an emergency services center.

The County reports the following major enterprise funds:

Water Fund. This fund accounts for the County's water operations.

Wastewater Fund. This fund accounts for the County's sewer operations.

The County reports the following fund types:

Agency Funds. Agency funds are custodial in nature and do not involve the measurement of operating results. Agency funds are used to account for assets the County holds on behalf of others. The County maintains the following agency funds: the Social Services Fund, which accounts for monies deposited with the Department of Social Services for the benefit of certain individuals; the Sheriff's Judgment Fund, which accounts for monies collected on judgments until such time as the monies are turned over to the court system; the Fines and Forfeitures Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Anson County Board of Education; the Municipal Tax Fund, which accounts for funds that are billed and collected by the County for various municipalities and special districts within the County, but that are not revenues to the County; and the Deed of Trust Fee Fund, which accounts for the five dollars of each fee collected by the Register of Deeds for registering or filing a deed of trust or mortgage and remitted to the State Treasurer on a monthly basis.

Non-major Funds. The County maintains two annually budgeted non-major funds and three non-major project funds. The Fire Districts Fund and the Emergency Telephone System - 911 Fund are reported as non-major special revenue funds. Also reported as non-major special revenue funds are the NC Catalyst Grant Project Fund, the Urgent Repairs Program Grant Fund, and the EPA Brownfields Grant Fund. The Airport Construction Project Fund is reported as a non-major capital project fund.

C. Measurement Focus, Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except for the agency funds which have no measurement focus. The government-wide, proprietary fund, and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 County enterprise funds are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the water and sewer 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 non-operating revenues and expenses.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

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

D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the ED Incentives Fund, the Revaluation Fund, the Fire Districts Fund, the Public School Capital Outlay Fund, the Emergency Telephone System - 911 Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the NC Catalyst Grant Project Fund, the Urgent Repairs Program Grant Fund, the EPA Brownfields Grant Fund, the Airport Construction Project Fund, the Capital Projects Fund, and the Enterprise Capital Project Funds, which are consolidated with the enterprise operating funds for reporting purposes.

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the departmental level for all annually budgeted funds and at the object level for the multi-year funds. The County manager is authorized by the budget ordinance to transfer appropriations within a department; however, any revisions that alter the total expenditures of any fund or department must be approved by the governing board. During the year, several amendments to the original budget were necessary. The budget ordinance must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the annual ordinance can be adopted.

E. Assets, Liabilities, Deferred inflows and Outflows of Resources, and Fund Equity

DEPOSITS AND INVESTMENTS

All deposits of Anson County and Anson Tourism Development Authority are made in board-designated official depositories and are secured as required by [G.S. 159-31]. The County and the Authority may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and the Authority may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State Law [G.S. 159-30(c)] authorizes the County to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust (NCCMT).

The County and the Authority's investments are carried at fair value as determined by quoted market prices. The securities of the NCCMT Cash Portfolio, an SEC-registered (2a-7) money market mutual fund, are valued at fair value, which is the NCCMT's share price. The NCCMT Term Portfolio's securities are valued at fair value.

CASH AND CASH EQUIVALENTS

The County pools money from several funds, including Anson Tourism Development Authority, to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

RESTRICTED ASSETS

The unexpended loan proceeds of the 1993 waterline extension note and the Raw Water Intake Project note and the unexpended grant monies in the Enterprise Capital Project Funds are classified as restricted assets within the enterprise funds because their use is completely restricted to the purpose for which the bonds, debt, and grant monies were originally received. Customer deposits held by the County are restricted to the service for which the deposit was collected. Monies in the Revaluation Fund and Public School Capital Outlay Reserve Fund are also classified as restricted assets because their use is limited per North Carolina General Statutes.

AD VALOREM TAXES RECEIVABLE

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the County levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2015.

ALLOWANCE FOR DOUBTFUL ACCOUNTS

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

INVENTORIES AND PREPAID ITEMS

The inventories of the County are valued at cost (first in, first out), which approximates market. The inventory of the County’s Enterprise Fund is recorded as an expense as it is consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

CAPITAL ASSETS

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets received prior to July 1, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after July 1, 2015 are recorded at acquisition value. Minimum capitalization costs are as follow: equipment, \$5,000; computer software, \$5,000; buildings, \$20,000; and infrastructure, \$100,000. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

The County holds title to certain Anson County Board of Education properties that have not been included in capital assets. The properties have been deeded to the County to permit installment purchase financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Board of Education give the Board of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Board of Education, once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Anson County Board of Education.

Capital assets of the County are depreciated on a straight-line basis over the following estimated useful lives:

	<u>Years</u>
Buildings	39-60
Improvements	15
Furniture and Equipment	7-10
Vehicles	5
Computer Equipment	5
Computer Software	10
Water Distribution System	40
Wastewater Collection System	40

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has three items that meets this criterion - a charge on refunding that had previously been classified as an asset, pension related deferrals, and contributions made to the pension plan in the current fiscal year. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has four items that meet the criterion for this category - prepaid taxes, property taxes receivable, grants, and other pension related deferrals

LONG TERM OBLIGATIONS

In the government-wide financial statements and in the 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.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as an other financing source.

COMPENSATED ABSENCES

The vacation policy of the County provides for the accumulation of up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the County's government-wide and proprietary funds, an expense and liability for compensated absences and the salary-related payments are recorded as the leave is earned.

The sick leave policy of the County provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the County has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

NET POSITION/FUND BALANCES

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets, restricted; and unrestricted. Restricted net position represent constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or b) imposed by law through State statute.

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Prepaid items - portion of fund balance that is not an available resource because it represents the year-end balance of prepaid expenses, which are not spendable resources.

Restricted Fund Balance - This classification includes revenue sources that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State Statute - portion of fund balance restricted by State statute [G.S. 159-8(a)]

Restricted for court facilities - portion of fund balance that is restricted by revenue source for maintenance of court facilities.

Restricted for health services - portion of fund balances that is restricted by revenue source for health department services.

Restricted for school debt service - portion of fund balance that is restricted for public school debt service in the Public School Capital Outlay Reserve Fund.

Restricted for public safety - portion of fund balance that is restricted by revenue source for fire districts and emergency telephone system expenditures.

Restricted for capital projects - portion of fund balance that is restricted by revenue source for the Airport Capital Project and the Capital Projects Funds.

Restricted for other purposes - portion of the fund balance that is restricted by revenue source for other specific purposes.

Committed Fund Balance - portion of fund balance that can only be used for specific purpose imposed by majority vote of Anson County's governing body (highest level of decision-making authority). Any changes or removal of specific purposes requires majority action by governing body.

Committed for Tax Revaluation - portion of fund balance that can only be used for Tax Revaluation.

Committed for LEO pension obligation - portion of fund balance that will be used for the Law Enforcement Officers' Special Separation Allowance obligations.

Assigned Fund Balance - portion of fund balance that the County's governing board as budgeted.

Subsequent year's expenditures - portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The governing body approves the appropriation.

Unassigned Fund Balance - portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds.

For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. The County has not adopted a minimum fund balance policy, but follows the State Treasurer's guidance.

Defined Benefit Pension Plans

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' retirement System (LGERs) and the Registers of Deeds' Supplemental Pension Fund (RODSPF) (collectively, the "state-administered defined benefit pension plans"). For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans' fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The County's employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. Investments are reported at fair value.

NOTE 2: DETAIL NOTES ON ALL FUNDS

A. ASSETS

DEPOSITS

All the deposits of the County and Anson Tourism Development Authority are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the County's or the Authority's agent in these units' names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and the Authority, these deposits are considered to be held by their agents in the entities' names. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, the Authority, or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or the Authority under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

Neither the County nor the Authority has a formal policy regarding custodial credit risk for deposits, but rely on the State Treasurer to enforce standards of minimum capitalization for all Pooling Method financial institutions and to monitor them for compliance. The County and the Authority analyze the financial soundness of any other financial institution used by the County of the Authority. The County and the Authority comply with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured.

At June 30, 2016, the County's deposits had a carrying amount of \$7,538,028 and a bank balance of \$7,706,915. This include Anson Tourism Development Authority's carrying amount of \$85,091, which is included in the County's pooled cash. Of the bank balance, \$500,000 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method. At June 30, 2016, the County's bank balances exceeded federally insurance limits by \$7,201,541. All deposits of the County are insured or collateralized under the Pooling Method. At June 30, 2016, the County had \$9,244 cash on hand.

INVESTMENTS

At June 30, 2016 the County's investment balances were as follows:

	<u>Reported Value</u>	<u>Fair Value</u>
NC Capital Management Trust Cash Portfolio	\$ 11,587,980	\$ 11,587,980
NC Capital Management Trust Term Portfolio	3,022,324	3,012,945
Total	<u>\$ 14,610,304</u>	<u>\$ 14,600,925</u>

The County limits investments to the provisions of G.S. 159-30. The County's investments in the NC Capital Management Trust Cash Portfolio carried a credit rating of AAAM by Standard and Poor's as of June 30, 2016. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the U.S. government and agencies and also in high grade money market instruments as permitted under North Carolina G.S. 159-30, as amended. The County has no formal policy on credit risk.

PROPERTY TAX USE-VALUE ASSESSMENT ON CERTAIN LANDS

In accordance with the general statutes, agriculture, horticulture, and forestland may be taxed by the County at the present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years, along with the accrued interest from the original due date. This tax is immediately due and payable. The following are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2012	2,540,023	\$ 831,858	\$ 3,371,881
2013	2,578,218	612,327	3,190,545
2014	2,617,028	386,012	3,003,040
2015	2,741,444	157,633	2,899,077
	<u>\$ 10,476,713</u>	<u>\$ 1,987,829</u>	<u>\$ 12,464,542</u>

RECEIVABLES

Receivables at the government-wide level at June 30, 2016, were as follows:

	<u>Accounts</u>	<u>Taxes and Related Interest</u>	<u>Due From Other Governments</u>	<u>Other</u>	<u>Total</u>
Governmental activities:					
General	\$ 1,863,270	\$ 2,931,416	\$ 198,623	\$ -	\$ 4,993,309
Other Governmental	20,107	153,837	-	-	173,944
Total receivables	1,883,377	3,085,253	198,623	-	5,167,253
Allow. for doubtful accounts	-	(670,898)	-	-	(670,898)
Total governmental activities	<u>\$ 1,883,377</u>	<u>\$ 2,414,355</u>	<u>\$ 198,623</u>	<u>\$ -</u>	<u>\$ 4,496,355</u>
Business-type activities:					
Water Fund	\$ 434,687	\$ -	\$ -	\$ -	\$ 434,687
Wastewater Fund	41,098	-	-	-	41,098
Total receivables	475,785	-	-	-	475,785
Allow. for doubtful accounts	-	-	-	-	-
Total business-type activities	<u>\$ 475,785</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 475,785</u>

Due from other governments that is owed to the County consists of the following:

Sales Tax Receivable	\$ 198,431
Federal and State Restricted Revenues	<u>192</u>
Total	<u>\$ 198,623</u>

Receivables for the Tourism Development Authority at June 30, 2016, were all other receivables of \$2,688.

CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2016, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,558,422	\$ -	\$ -	\$ 1,558,422
Construction in Progress and land options	<u>576,176</u>	<u>18,595</u>	<u>-</u>	<u>594,771</u>
Total capital assets not depreciated	<u>2,134,598</u>	<u>18,595</u>	<u>-</u>	<u>2,153,193</u>
Capital assets being depreciated:				
Buildings	14,847,276	-	-	14,847,276
Improvements	11,812,680	-	-	11,812,680
Equipment	3,404,936	-	-	3,404,936
Computer Equipment	2,724,916	-	-	2,724,916
Computer Software	254,014	-	-	254,014
Furniture	102,401	-	-	102,401
Vehicles	<u>3,315,390</u>	<u>524,245</u>	<u>-</u>	<u>3,839,635</u>
Total capital assets being depreciated	<u>36,461,613</u>	<u>524,245</u>	<u>-</u>	<u>36,985,858</u>
Less accumulated depreciation for:				
Buildings	4,571,609	355,155	-	4,926,764
Improvements	3,162,372	299,170	-	3,461,542
Equipment	2,138,831	169,020	-	2,307,851
Computer Equipment	1,734,725	311,942	-	2,046,667
Computer Software	234,713	-	-	234,713
Furniture	98,335	1,038	-	99,373
Vehicles	<u>2,415,457</u>	<u>366,611</u>	<u>-</u>	<u>2,782,068</u>
Total accumulated depreciation	<u>14,356,042</u>	<u>1,502,936</u>	<u>-</u>	<u>15,858,978</u>
Total capital assets being depreciated, net	<u>22,105,571</u>			<u>21,126,880</u>
Governmental activities capital assets, net	<u>\$ 24,240,169</u>			<u>\$ 23,280,073</u>

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

Governmental Activities:	
General government	\$ 202,825
Public safety	757,620
Transportation	453,186
Environmental Protection	11,815
Economic and Physical Development	4,529
Human Services	44,697
Cultural and Recreational	28,264
Total depreciation expense	<u>\$ 1,502,936</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Water Fund:				
Capital assets not being depreciated:				
Land	\$ 45,590	\$ -	\$ -	\$ 45,590
Construction in Progress	794,486	-	-	794,486
Total capital assets not depreciated	<u>840,076</u>	-	-	<u>840,076</u>
Capital assets being depreciated:				
Water Distribution System	26,143,601	914,285	-	27,057,886
Buildings and Building Improvements	6,513,785	-	-	6,513,785
Equipment	2,050,784	-	-	2,050,784
Computer Equipment	91,907	-	-	91,907
Computer Software	77,101	-	-	77,101
Vehicles	635,274	78,763	-	714,037
Total capital assets being depreciated	<u>35,512,452</u>	<u>993,048</u>	-	<u>36,505,500</u>
Less accumulated depreciation for:				
Water Distribution System	12,151,223	613,718	-	12,764,941
Buildings and Building Improvements	3,517,867	134,821	-	3,652,688
Equipment	1,566,345	101,114	-	1,667,459
Computer Equipment	87,353	1,071	-	88,424
Computer Software	71,244	-	-	71,244
Vehicles	495,550	46,657	-	542,207
Total accumulated depreciation	<u>17,889,582</u>	<u>897,381</u>	-	<u>18,786,963</u>
Total capital assets being depreciated, net	<u>17,622,870</u>			<u>17,718,537</u>
Water Capital Assets, net	<u>\$ 18,462,946</u>			<u>\$ 18,558,613</u>

Wastewater Fund:**Capital assets not being depreciated:**

Land	\$ 100,000	\$ -	\$ -	\$ 100,000
Construction in Progress	76,397	-	-	76,397
Total capital assets not depreciated	<u>176,397</u>	-	-	<u>176,397</u>

Capital assets being depreciated:

Wastewater Collection System	30,112,911	-	-	30,112,911
Equipment	979,594	-	-	979,594
Computer Equipment	76,121	-	-	76,121
Computer Software	34,267	-	-	34,267
Furniture	7,610	-	-	7,610
Vehicles	226,174	56,149	-	282,323
Total capital assets being depreciated	<u>31,436,677</u>	<u>56,149</u>	-	<u>31,492,826</u>

Less accumulated depreciation for:

Wastewater Collection System	17,270,550	749,613	-	18,020,163
Equipment	792,099	52,651	-	844,750
Computer Equipment	76,121	-	-	76,121
Computer Software	31,664	-	-	31,664
Furniture	7,610	-	-	7,610
Vehicles	199,355	10,962	-	210,317
Total accumulated depreciation	<u>18,377,399</u>	<u>813,226</u>	-	<u>19,190,625</u>

Total capital assets being depreciation, net	<u>13,059,278</u>			<u>12,302,201</u>
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Water and Sewer Fund capital assets, net	<u>\$ 13,235,675</u>			<u>\$ 12,478,598</u>
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Business-type activities capital assets, net	<u>\$ 31,698,621</u>			<u>\$ 31,037,211</u>
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Depreciation expense for the year ended June 30, 2016, for the Water and Wastewater Funds was \$874,524 and \$813,226, respectively.

Construction and Purchase Commitments

The County has various active construction projects at June 30, 2016. The projects are to be funded largely by State grants. The County's commitments with contractors and engineers at June 30, 2016, are approximately as follows:

Airport Project	\$ 26,467
Improvements at Water Treatment Plant	914,285
Total	<u>\$ 940,752</u>

B. LIABILITIES**PAYABLES**

Payables at the government-wide level at June 30, 2016, were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Due to Other Governments	Total
Governmental activities:					
General	\$ 813,323	\$ 218,523	\$ 24,761	\$ -	\$ 1,056,607
Other Governmental	119,196	-	-	-	119,196
Total governmental activities	<u>\$ 932,519</u>	<u>\$ 218,523</u>	<u>\$ 24,761</u>	<u>\$ -</u>	<u>\$ 1,175,803</u>
Business-type activities:					
Water	\$ 161,159	\$ -	\$ -	\$ -	\$ 161,159
Wastewater	93,142	-	-	-	93,142
Total business-type activities	<u>\$ 254,301</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 254,301</u>

PENSION PLAN AND OTHER POSTEMPLOYMENT OBLIGATIONS

1 **Local Governmental Employees' Retirement System**

Plan Description. The County is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic postretirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2016, was 7.15% of compensation for law enforcement officers and 6.80% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$581,797 for the year ended June 30, 2015.

Refunds of Contributions – County employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

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

At June 30, 2016, the County reported a liability of \$609,911, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. The total pension liability was then rolled forward to the measurement date of June 30, 2015 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2015, the County's proportion was 0.13590%, which was an decrease of 0.00341% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the County recognized pension expense of \$350,365. At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 143,364
Net difference between projected and actual earnings on pension plan investments	-	173,640
Changes in proportion and differences between County Contributions	85,721	-
County contributions subsequent to the measurement date	581,797	-
Total	<u>\$ 667,518</u>	<u>\$ 317,004</u>

\$581,797 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2017. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

2017	\$ (332,677)
2018	(332,677)
2019	(332,480)
2020	494,516
2021	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 Percent
Salary Increases	4.25 to 8.55 percent, including inflation and productivity factor
Investment Rate of Return	7.25 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real</u>
Fixed Income	29.0%	2.2%
Global Equity	42.0%	5.8%
Real Estate	8.0%	5.2%
Alternatives	8.0%	9.8%
Credit	7.0%	6.8%
Inflation Protection	6.0%	3.4%

The information above is based on 30 year expectations developed with the consulting actuary for the 2014 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 7.25 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
County's proportionate share of the net pension	4,252,994	609,911	(2,459,306)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

2 Law Enforcement Officers' Special Separation Allowance

Plan Description. Anson County administers a public employee retirement system (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers with five years of service are covered by the Separation Allowance. At December 31, 2015 the Separation Allowance membership consisted of:

Retirees receiving benefits	3
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	<u>29</u>
Total	<u><u>32</u></u>

A separate report was not issued for the plan.

Summary of Significant Accounting Policies:

Basis of Accounting: The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting.

Method Used to Value Investments: No funds are set aside to pay benefits and administration costs. The expenditures are paid as they become due.

Contributions: The County is required by article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings.

The annual required contribution for the current year was determined as part of the December 31, 2015 actuarial valuation using the projected unit credit actuarial cost method. The actuarial assumptions included (a) 3.57% investment rate of return and (b) projected salary increases ranging from 3.50% to 7.35% per year. Both (a) and (b) included an inflation component of 3.00%. The assumptions do not include post-retirement benefit increases.

Annual Pension Cost and Net Pension Obligation. The County's annual pension cost and net pension obligation to the Separation Allowance for the current year were as follows:

Employer annual required contribution	\$ 45,281
Interest on net pension obligation	26,567
Adjustment to annual required contribution	<u>(46,691)</u>
Annual pension cost	\$ 25,157
Employer contributions made	<u>21,334</u>
Increase (decrease) in net pension obligation	\$ 3,823
Net pension obligation beginning of year	531,330
Net pension obligation end of year	<u><u>\$ 535,153</u></u>

3 Year Trend Information

Year Ended June 30,	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation End of Year
2014	16,532	0.00%	521,527
2015	21,600	54.62%	531,330
2016	25,157	84.80%	535,153

Funded Status and Funding Progress:

As of December 31, 2015, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and the unfunded actuarial accrued liability (UAAL) was \$438,672. The covered payroll (annual payroll of active employees covered by the plan) was \$1,227,828, and the ratio of the UAAL to the covered payroll was 35.73 percent.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

3 Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of the State Treasurer and a Board of Trustees. The plan provides retirement benefits to law enforcement officers employed by the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. Contributions for the year ended June 30, 2016 were \$65,367, which consisted of \$61,704 from the County and \$3,663 from the law enforcement officers.

4 Supplemental Retirement Income Plan for Employees Not Engaged in Law Enforcement

All employees of the County, other than law enforcement officers, are eligible to participate in the Supplemental Retirement Income Plan for Employees Not Engaged in Law Enforcement, a defined contribution pension plan. Participation may begin six months after the date of employment. The County contributes three percent of each general participant's salary, and the employees may make voluntary contributions. Total contributions for the year ended June 30, 2016, were \$326,596, of which \$214,221 was from the County and \$112,375 from the employees.

5 Deferred Compensation Plan

The County offers its employees participation in a Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. The plan, which is available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

6 Register of Deeds' Supplemental Pension Fund

Plan Description. also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, defined benefit plan administered by the North Carolina Department of State Treasurer. RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed.

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$1,401 for the year ended June 30, 2016.

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

At June 30, 2016, the County reported an asset of \$40,710 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2015. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2014. The total pension liability was then rolled forward to the measurement date of June 30, 2015 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating RODSPF employers, actuarially determined. At June 30, 2015, the County's proportion was 0.1757%, which was an increase of 0.0094% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the County recognized pension revenue of \$1,302. At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 199	\$ 674
Net difference between projected and actual earnings on pension plan investments	2,019	
Changes in proportion and differences between County Contributions and proportionate share of contributions	358	701
County contributions subsequent to the measurement date	12,000	-
Total	<u>\$ 14,576</u>	<u>\$ 1,375</u>

\$12,000 reported as deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2016. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended		
2017	\$	(70)
2018		264
2019		463
2020		545
2021		-
Thereafter		-

Actuarial Assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 Percent
Salary Increases	4.25 to 7.75 percent, including inflation and productivity factor
Investment Rate of Return	5.75 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2005 through December 31, 2009.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 100% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2014 is 2.2%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2014 asset liability and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.19%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 5.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 5.75 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.75 percent) or 1-percentage-point higher (6.75 percent) than the current rate:

	1% Decrease <u>(4.75%)</u>	Discount Rate <u>(5.75%)</u>	1% Increase <u>(6.75%)</u>
County's proportionate share of the net pension liability (asset)	(36,729)	(40,710)	(44,135)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

7 Other Post-Employment Benefits

Health Care Benefits

Plan Description. Under the terms of a County resolution, the County administers a single-employer defined benefit Health Care Plan (the HC Plan). The HC Plan provides postemployment health care benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least twenty five years of creditable service. As of November 1, 2004, the HC Plan provides postemployment health care insurance premiums based on the age at retirement and the years of creditable service. The HC Plan provides \$229 per month towards the cost of health insurance for retirees retiring between June 1, 1992 and October 31, 2004. The HC Plan provides the full cost of health insurance for all retirees retiring prior to June 1, 1992. These benefits are through private insurers. Also, the County's retirees may continue dependent coverage (and pay full cost of this coverage) if they were enrolled in dependent coverage at the time of retirement. The County may amend the benefit provisions. A separate report was not issued for the HC Plan.

Membership of the HC Plan consisted of the following at December 31, 2014, the date of the latest actuarial valuation:

	General Employees	Law Enforcement
Retirees receiving benefits	62	1
Terminated plan members entitled to but not yet receiving benefits	-	-
Active Plan members	201	29
Total	263	30

Funding Policy. The County pays the full cost of coverage for the healthcare benefits and is reimbursed as noted above by the retirees, where applicable. The retirees pay the full cost of dependent coverage, if any. The County has chosen to fund the healthcare benefits on a pay as you go basis.

The current ARC rate is 5.11% of annual covered payroll. For the current year, the County contributed \$325,684, or 3.92% of annual covered payroll. The County obtains health care coverage through private insurers. The County's required contributions, under County resolutions, for employees not engaged in law enforcement and for law enforcement officers represented 4.43% and .69% of covered payroll, respectively. Contributions from retirees totaled \$3,472. The County's obligation to contribute to HCB Plan is established and may be amended by the Board of Commissioners.

Summary of Significant Accounting Policies. Postemployment expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. No funds are set aside to pay benefits and administration costs. These expenditures are paid as they come due.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer* (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County's annual OPEB cost for the current year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation for the postemployment healthcare benefits:

Annual required contribution	\$ 424,606
Interest on net OPEB obligation	63,264
Adjustment to annual required contribution	<u>(60,437)</u>
Annual OPEB cost (expense)	\$ 427,433
Contributions made	<u>(325,684)</u>
Increase (decrease) in net OPEB obligation	\$ 101,749
Net OPEB obligation, beginning of year	<u>1,716,200</u>
Net OPEB obligation, end of year	<u><u>\$ 1,817,949</u></u>

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/2013	441,929	53.9%	1,435,290
6/30/2014	413,036	64.6%	1,581,594
6/30/2015	427,433	68.5%	1,716,200

Funded Status and Funding Progress. As of December 31, 2014, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits and, thus, the unfunded actuarial liability (UAAL) was \$7,366,763. The covered payroll (annual payroll of active employees covered by the plan) was \$8,303,378, and the ratio of UAAL to the covered payroll was 88.7%. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and healthcare costs trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

In the December 31, 2014, actuarial valuation, the projected unit credit method was used. The actuarial assumptions included a 4.00% investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on plan assets (if any) and the employer's own investments calculated based on the funded level of the plan at the valuation date. The investment rate included a 3.00% inflation assumption. The medical cost trend varied between pre-Medicare of 7.50% to 5.00% and post-Medicare of 5.50% to 5.00%. The actuarial value of assets, if any, was determined using techniques that spread the effects of short-term volatility in the market value of investments over a 30 year period. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at December 31, 2014, was 30 years.

8 Other Employment Benefits

The County has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System (Death Benefit Plan), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months salary in a row during the 24 months prior to the employee's death, but the benefit will be a minimum of \$25,000 and will not exceed \$50,000. Because all death benefit payments are made from the Death Benefit Plan and not by the County, the County does not determine the number of eligible participants. The County has no liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the post employment benefit amount and the other benefit amount. Contributions are determined as a percentage of monthly payroll, based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pensions - Difference between expected and actual experience		
LGERS	\$ -	\$ 143,364
Register of Deeds	199	674
Pensions - Difference between projected and actual investment earnings:		
LGERS	-	173,640
Register of Deeds	2,019	-
Pensions - Change in proportion and difference between employer contributions and proportionate share of contributions		
LGERS	85,721	-
Register of Deeds	358	701
Contributions to pension plan in 2014-2015 fiscal year		
LGERS	581,797	-
Register of Deeds	12,000	-
Prepaid taxes (General)	-	16,779
Prepaid taxes (Special Revenue)		551
NCDOT Receivable (Capital Projects)	-	-
	<u>\$ 682,094</u>	<u>\$ 335,709</u>

COMMITMENTS

There are no commitments as of June 30, 2016.

RISK MANAGEMENT

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in two self-funded risk financing pools administered by the North Carolina Association of County Commissioners. Through these pools, the County obtains property coverage equal to replacement cost values of owned property subject to a limit as outlined in the contract. The County also purchases general, auto, public officials, and law enforcement liability coverage of \$2 million per occurrence, auto physical damage coverage for owned autos at actual cash value, crime coverage of \$250,000 per occurrence, and workers' compensation coverage up to the statutory limits. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request. The pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000 up to a \$2 million limit for liability coverage, \$600,000 of aggregate annual losses in excess of \$50,000 per occurrence for property, auto physical damage, and crime coverage, and single occurrence losses of \$350,000 for workers' compensation.

The County does not currently participate in the National Flood Insurance Plan (NFIP). As Flood Hazard Areas are designated within the limits of the County due to Extra-Territorial Jurisdiction and re-mapping of the Yadkin-Pee Dee River System, the County will consider the need for participation in the NFIP.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds or assets are performance bonded through a commercial surety bond. The finance officer and tax collector are each individually bonded for \$100,000 and \$50,000 each, respectively. The remaining employees that have access to funds are bonded under a blanket bond for \$250,000. The finance officer is also bonded under a separate bond for \$50,000 as the ex-officio finance officer of the Anson Tourism Development Authority.

The County carries commercial coverage for employee health coverage and all other risks of loss. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in any of the past three fiscal years.

CLAIMS AND JUDGMENTS

At June 30, 2016, the County was a defendant to various claims and/or lawsuits. In the opinion of the County's management and the County attorneys, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position. Any claims are expected to be covered by the County's insurance carrier.

LONG-TERM OBLIGATIONS

1 Capital Leases

The County has no capital leases as of June 30, 2016.

2 Installment Purchase Obligations

On June 13, 2016, the County entered into an installment purchase agreement to finance the purchase of \$ 187,857 vehicles. The financing agreement requires 3 annual payments of \$64,342 including interest at 1.91% beginning November 13, 2016. The agreement is being serviced by the General Fund.

On May 27, 2004, the County entered into an installment financing agreement to finance renovations for Anson County Board of Education. The installment purchase was issued pursuant to a deed of trust that requires legal title remain with the County as long as debt is outstanding. The County has entered into a lease with the Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education. The installment purchase requires one payment of \$225,000 due May 28, 2020. The financing agreement requires annual funding of the debt in the amount of \$12,261 per fiscal year. The agreement is being serviced by the General Fund. 77,871

On March 10, 2008, the County entered into an installment purchase agreement to finance improvements to the administration building purchased in 2007 and to pay off the existing note on the purchase of the building. The financing agreement requires 15 annual payments of \$127,426 plus interest at 3.83% beginning October 18, 2008. The agreement is being serviced by the General Fund. 891,979

On March 10, 2008, the County entered into an installment purchase agreement to finance the purchase of a mobile radio meter read system. The financing agreement requires 15 annual payments of \$65,824 including interest at 3.41%. The agreement is being serviced by the Water Fund.	351,785
The County was awarded \$1,195,373 through the Drinking Water State Revolving Fund. As part of the American Recovery and Reinvestment Act of 2009, the unpaid principal sum is immediately reduced by one half of the loan amount as principal forgiveness. The remaining principal requires 18 remaining annual payments \$63,023 at 0% interest. The agreement is being serviced by the Water Fund.	882,325
On June 14, 2013, the County entered into an installment purchase agreement to finance construction of the Emergency Services Center. The financing agreement requires 15 annual payments of \$245,799 including interest at 2.37% beginning June 14, 2014. The agreement is being serviced by the General Fund.	2,949,594
The County was awarded \$550,000 through the Drinking Water State Revolving Fund. The financing agreement requires 20 annual payments of \$26,388 at 0% interest. The agreement is being serviced by the Water Fund.	448,598
On November 19, 2013, the County entered into an installment purchase agreement to finance the purchase of vehicles. The financing agreement requires 3 annual payments of \$64,013 including interest at 1.89% beginning November 19, 2014. The agreement is being serviced by the General Fund.	62,825
On November 17, 2014, the County entered into an installment purchase agreement to finance the purchase of vehicles. The financing agreement requires 3 annual payments of \$55,491 including interest at 1.69% beginning November 17, 2015. The agreement is being serviced by the General Fund.	108,230

TOTAL INSTALLMENT PURCHASES PAYABLE

\$ 5,961,064

The future minimum payments of the installment purchase obligations as of June 30, 2016, (using the interest rate ceiling after the first five years of the first contract) are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2017	\$ 564,789	\$ 109,580	\$ 143,239	\$ 11,996
2018	501,975	97,596	145,075	10,160
2019	448,605	84,688	146,973	8,262
2020	385,486	72,824	148,936	6,299
2021	385,486	61,892	150,966	4,270
2022-2026	1,500,416	162,381	510,710	2,171
2027-2031	491,599	17,735	384,033	-
2032	-	-	52,776	-
Total	<u>\$ 4,278,356</u>	<u>\$ 606,696</u>	<u>\$ 1,682,708</u>	<u>\$ 43,158</u>

At June 30, 2016, Anson County had a legal debt margin of \$138,269,254.

3 Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the year ended June 30, 2016:

	Balance July 1, 2015	Increases	Decreases	Balance June 30, 2016	Amount Due Within One Year
Governmental activities:					
Capital Leases	\$ -	\$ -	\$ -	\$ -	\$ -
Installment purchase obligation	4,674,700	187,857	584,201	4,278,356	564,789
Net Pension Liability	-	556,262	-	556,262	-
Compensated absences	602,966	-	8,712	594,254	-
Net OPEB Obligation	1,425,194	84,495	-	1,509,689	-
Net pension obligation	531,330	3,823	-	535,153	-
Total governmental	\$ 7,234,190	\$ 832,437	\$ 592,913	\$ 7,473,714	\$ 564,789
Business-type activities:					
Installment purchase obligation	\$ 1,847,145	\$ -	\$ 164,437	\$ 1,682,708	\$ 143,239
Net Pension Liability	244,602	-	190,953	53,649	-
Compensated absences	102,490	5,051	-	107,541	-
Net OPEB obligation	291,007	17,253	-	308,260	-
Total business-type	\$ 2,485,244	\$ 22,304	\$ 355,390	\$ 2,152,158	\$ 143,239

The LGERS plan had a net pension liability as of June 30, 2016; however, the plan had a net pension asset at the beginning of the fiscal year.

Compensated absences typically have been liquidated in the General Fund and the Water/Wastewater Funds and are accounted for on a LIFO basis, assuming employees are taking leave as it is earned.

4 Operating Leases

The County leases office space and office equipment under various noncancellable operating leases. The annual minimum lease payments as of June 30, 2016, are as follows:

<u>Year Ending June 30.</u>	
2017	\$ 20,473
2018	4,123
2019	340
2020	-
2021	-
Thereafter	-
	<u>\$ 24,936</u>

Rent expense for the year ended June 30, 2016, was \$89,549.

C. INTERFUND BALANCES AND ACTIVITY

Transfer from/to other funds at June 30, 2016, consist of the following:

	From	To
General Fund:		
Public School Capital Outlay Reserve Fund	\$ 102,261	\$ -
Revaluation Fund	-	84,000
Revaluation from General Fund:	84,000	
Public School Capital Outlay Reserve Fund from/to General Fund	-	102,261
Capital Projects Funds:		
Airport Construction Project Fund	-	26,467
Capital Projects Funds:		
Airport Construction Project Fund from General Fund	26,467	-
	\$ 212,728	\$ 212,728

Transfers are used to move unrestricted revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts providing matching funds for various grant programs.

D. OPERATING LEASE REVENUE

The County has entered into leases with communications companies granting the companies the right to install communications equipment on County property. The initial leases are for five years with varying automatic renewal terms of five years each. Lease revenue under these leases for the year ended June 30, 2016, was \$74,996. The total future minimum rental payments receivable under these leases (excluding any future renewal options) are as follows at June 30, 2016:

2017	\$ 66,193
2018	67,426
2019	71,206
2020	72,513
2021	73,860
	\$ 351,198

NOTE 3: JOINT VENTURES

South Piedmont Community College

The County, in conjunction with the State of North Carolina, the Anson County Board of Education, Union County, and Union County Board of Education participates in a joint venture to operate South Piedmont Community College. Each of the participants appoints two to four members of the thirteen-member board of trustees of the community college. The president of the community college's student government serves as an ex-officio nonvoting member of the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operation. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$560,629 and \$233,250 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2016. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2016. Complete financial statements for the community college may be obtained from the community college's administrative office on U.S. Highway 74, Polkton, North Carolina 28135.

Sandhill Regional Library System

The County also participates in a joint venture to operate Sandhill Regional Library System (Library) with four other County governments (Hoke, Montgomery, Moore and Richmond). Each participating government appoints three board members to the fifteen member board of the Library. The County has an ongoing financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflect in the financial statements at June 30, 2016. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$8,200 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the Library's office at 412 East Franklin Street; Rockingham, North Carolina 28379.

The Sandhills Center for Mental Health, Developmental Disabilities, and Substance Abuse Services

The County, in conjunction with seven other county governments (Harnett, Hoke, Lee, Montgomery, Moore, Randolph, and Richmond), participates in a joint venture to operate The Sandhills Center for Mental Health, Developmental Disabilities, and Substance Abuse Services (Center). The Center operates units in each of the counties to provide services to residents who are in need of assistance for either mental health, developmental disabilities, or alcohol or drug related problems. Each participating government appoints members to the Center's twenty-five member governing board, with the County of Anson appointing two. The County has an ongoing financial responsibility for the joint venture because the Center's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Center, so no equity interest has been reflected in the financial statements at June 30, 2016. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$55,000 to the Center to supplement its activities. Complete financial statements for the Center can be obtained from the Center's office in West End, North Carolina 27376.

Yadkin/Pee Dee Lakes Project, Inc.

The County also participates in a joint venture to operate Yadkin/Pee Dee Lakes Project, Inc. (Project) with six other county governments (Davidson, Montgomery, Randolph, Richmond, Rowan, and Stanly). Each participating government appoints three board members to the twenty-five member board of the Project which also includes members appointed by the North Carolina House of Representatives, the North Carolina Senate, Carolina Power and Light Company, and Alcoa/Yadkin, Inc. The purpose of the project is to promote and support efforts to balance economic development and environmental management within the Yadkin/Pee Dee River Region of North Carolina. The County has an ongoing financial responsibility for the joint venture because the Project's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Project, so no equity interest has been reflected in the financial statements at June 30, 2016. The County did contributed 4,063 to this venture in the current fiscal year. Complete financial statements for the Project can be obtained from the Project's office in Badin, North Carolina 28009

Rocky River Rural Planning Organization

The County also participates in a joint venture, Rocky River Rural Planning Organization (RPO), with 2 other counties and 14 municipalities to work cooperatively with each other and the North Carolina Department of Transportation to enhance transportation planning opportunities for rural areas in the region. Rock River RPO is the only RPO in the State not housed in a Council of Governments. The RPO's fiscal agent is the County of Stanly. None of the participating governments have any equity interest in the RPO, so no equity interest has been reflected in the financial statements at June 30, 2016. In accordance with the agreement between the participating governments and the RPO, the County paid \$3,464 to the RPO during the fiscal year ended June 30, 2016, for membership dues. Complete financial statements for the RPO can be obtained from the RPO's office at 1000 North Front Street, Suite 17; Albemarle, North Carolina 28001

NOTE 4: JOINTLY GOVERNED ORGANIZATION

Centralina

The County, in conjunction with 8 other counties and approximately 70 municipalities, is a member of the Centralina Council of Governments (Council) and the Centralina Council of Governments Economic Development Commission. The Council coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board and one member to the Commission. The County paid \$6,316 to the Council and \$1,000 to the Commission during the fiscal year ended June 30, 2016, for membership fees and zoning and code enforcement services.

NC Southeast

Additionally, the County is a member in NC Southeast. This organization promotes economic development in the region. The County contributed \$20,000 to NC Southeast during the fiscal year ended June 30, 2016.

NOTE 5: BENEFIT PAYMENTS ISSUED BY THE STATE

The amounts listed below were paid directly to individual recipients by the State from federal and State monies. County personnel are involved with certain functions, primarily eligibility determinations that cause benefit payments to be issued by the State. These amounts disclose this additional aid to County recipients which do not appear in the basic financial statements because they are not revenues and expenditures of the County.

	Federal	State
Women, Infants and Children	\$ 575,598	\$ -
Temporary Assistance for Needy Families	176,126	-
Low-Income Home Energy Assistance Block Grant	169,500	-
Brownfield Assessment & Cleanup Cooperative	72,400	-
Medicaid	31,410,262	17,064,288
N.C. Health Choice	333,123	18,514
State/County Special Assistance for Adults	-	191,283
State Foster Home	-	10,360
Adoption Subsidy	-	18,146
Total	<u>\$ 32,737,009</u>	<u>\$ 17,302,591</u>

NOTE 6: SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

FEDERAL AND STATE ASSISTED PROGRAMS

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

NOTE 7: SIGNIFICANT SUBSEQUENT EVENTS

There have been no significant subsequent events.

**REQUIRED
SUPPLEMENTAL FINANCIAL DATA**

This section contains additional information required by generally accepted accounting principles.

Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance

Schedule of Employer Contributions for the Law Enforcement Officers' Special Separation Allowance

Schedule of Funding Progress for the Other Postemployment Benefits

Schedule of Employer Contributions for the Other Postemployment Benefits

Schedule of County's Proportionate Share of Net Pension Asset (LGERS)

Schedule of County Contributions (LGERS)

Schedule of County's Proportionate Share of Net Pension Asset (ROD)

Schedule of County Contributions (ROD)

**COUNTY OF ANSON, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
12/31/2011	-	191,589	191,589	0.00%	1,086,657	17.63%
12/31/2012	-	219,884	219,884	0.00%	1,148,017	19.15%
12/31/2013	-	247,158	247,158	0.00%	1,194,033	20.70%
12/31/2014	-	291,260	291,260	0.00%	1,114,701	26.13%
12/31/2015	-	438,672	438,672	0.00%	1,227,828	35.73%

**COUNTY OF ANSON, NORTH CAROLINA
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2012	23,411	0.00%
2013	23,125	0.00%
2014	16,532	0.00%
2015	21,600	54.62%
2016	25,157	84.80%

Notes to the Required Schedules:

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

Valuation date	12/31/2015
Actuarial cost method	Entry Age Normal
Amortization method	Level dollar closed
Remaining amortization period	15 years
Asset valuation method	Market Value of Assets
Actuarial assumptions:	
Investment rate of return*	3.57%
Projected salary increases*	3.5% - 7.35%
*Included inflation at	3.00%
Cost-of living adjustments	N/A

**COUNTY OF ANSON, NORTH CAROLINA
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) -Projected Unit Credit (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a % of Covered Payroll ((b - a)/c)
12/31/2011	-	7,034,159	7,034,159	0.00%	7,816,780	90.0%
12/31/2012	-	6,897,726	6,897,726	0.00%	7,944,015	86.8%
12/31/2013	-	7,282,218	7,282,218	0.00%	8,164,993	89.2%
12/31/2014	-	7,366,763	7,366,763	0.00%	8,303,378	88.7%
12/31/2015	-	7,366,763	7,366,763	0.00%	8,303,378	88.72%

**COUNTY OF ANSON, NORTH CAROLINA
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

<u>Year Ended June 30,</u>	<u>Annual Required Contribution</u>	<u>Percentage Contributed</u>
2012	464,894	56.7%
2013	441,929	53.9%
2014	413,036	64.6%
2015	427,433	68.5%
2016	427,433	68.5%

Notes to the Required Schedules:

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

Valuation date	12/31/2014
Actuarial cost method	Projected unit credit
Amortization method	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market Value of assets
Actuarial assumptions:	
Investment rate of return*	4.00%
Medical cost trend rate:	
Pre-Medicare Trend Rate	7.50% - 5.00%
Post-Medicare Trend Rate	5.50% - 5.00%
Year of ultimate trend rate	2020
*Includes inflation at	3.00%

Anson County
Schedule of Proportionate Share of Net Pension Liability (Asset)
Local Government Employees' Retirement System
Last 3 Fiscal Years*

Local Government Employees' Retirement System			
	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.13590%	0.13249%	0.13380%
County's proportion of the net pension liability (asset) (\$)	\$ 609,911	\$ (781,354)	\$ 1,612,804
County's covered-employee payroll	\$ 8,385,464	\$ 8,185,211	\$ 8,185,211
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	7.27%	-9.55%	19.70%
Plan fiduciary net position as a percentage of the total pension liability**	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

** This will be the same percentage for all participant employers in the LGERS plan.

Anson County
Schedule of County Contributions
Local Government Employees' Retirement System
Last 3 Fiscal Years

Local Government Employees' Retirement System			
	2016	2015	2014
Contractually required contribution	\$ 581,797	\$ 596,989	\$ 582,787
Contributions in relation to the contractually required contribution	581,797	596,989	582,787
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County covered-employee payroll	\$ 8,494,657	\$ 8,385,464	\$ 8,185,211
Contributions as a percentage of covered-employee payroll	6.85%	7.12%	7.12%

Anson County
Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Register of Deeds' Supplemental Pension Fund
Last 3 Fiscal Years*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportionate share of the net pension liability (%)	0.1757%	0.1780%	0.1690%
County's proportionate share of the net pension liability (\$)	\$ (40,710)	\$ (40,339)	\$ (36,143)
County's covered-employee payroll	\$ 47,495	\$ 20,552	\$ 20,552
County's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-85.71%	-196.28%	-175.86%
Plan fiduciary net position as a percentage of the total pension liability	197.29%	193.88%	190.50%

* The amounts presented for the fiscal year were determined as of June 30.

Anson County
Schedule of County Contributions
Register of Deeds' Supplemental Pension Fund
Last 3 Fiscal Years*

	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's required contribution	\$ 3,233	\$ 3,358	\$ 1,453
Contributions in relation to contractually required contribution	<u>3,233</u>	<u>3,358</u>	<u>1,453</u>
Contribution deficiency (excess)	<u>\$ -</u>		<u>\$ -</u>
County's covered-employee payroll	\$ 47,578	\$ 47,495	\$ 20,552
Contributions as a percentage of covered-employee payroll	6.80%	7.07%	7.07%

GENERAL FUND

The General Fund accounts for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current Year Taxes	\$ 13,508,542	\$ 13,647,687	\$ 139,145
Prior Year Taxes	550,000	561,221	11,221
Deferred Taxes	35,000	38,639	3,639
Penalties and interest	194,900	229,317	34,417
Total	<u>14,288,442</u>	<u>14,476,864</u>	<u>188,422</u>
Local option sales tax:			
Article 39 one percent	618,000	584,152	(33,848)
Article 40 one - half percent	850,000	882,728	32,728
Article 42 one - half percent	245,000	250,567	5,567
Article 44 one - half percent	-	259	259
Article 46	365,000	353,268	(11,732)
Total	<u>2,078,000</u>	<u>2,070,974</u>	<u>(7,026)</u>
Other taxes & licenses:			
Deed stamp excise tax	38,000	43,888	5,888
Privilege licenses	800	805	5
Cablevision franchise tax	30,000	23,604	(6,396)
Scrap Tire Disposal Tax	27,700	35,939	8,239
Total	<u>96,500</u>	<u>104,236</u>	<u>7,736</u>
Unrestricted intergovernmental:			
Payments in lieu of taxes	35,000	34,677	(323)
ABC profit distribution	8,000	20,000	12,000
DMV - LPA State Revenues	81,000	80,090	(910)
Total	<u>124,000</u>	<u>134,767</u>	<u>10,767</u>
Restricted intergovernmental revenues:			
Federal Grants	4,234,503	4,203,135	(31,368)
State Grants	715,748	361,137	(354,611)
Lottery funds	90,892	78,534	(12,358)
ABC bottle tax	6,500	5,339	(1,161)
Controlled Substance tax	500	1,125	625
State imposed tipping fee	9,000	12,061	3,061
Electronics management program	1,500	-	(1,500)
Court facilities fees	48,000	44,792	(3,208)
Total	<u>5,106,643</u>	<u>4,706,123</u>	<u>(400,520)</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Permits and fees:			
Building Permits	79,500	105,706	26,206
Zoning, building and inspection fees	9,997	7,075	(2,922)
Concealed Weapon Fees	8,000	7,295	(705)
Register of Deeds Fees	112,000	101,371	(10,629)
Total	209,497	221,447	11,950
Sales and services:			
Landfill Fees	1,350,000	1,384,322	34,322
Ambulance Services	953,500	926,898	(26,602)
Health Department Fees & Donations	1,132,627	1,009,581	(123,046)
Rents	80,106	77,777	(2,329)
Concessions & Recreation Fees	20,520	14,683	(5,837)
Jail and Officers' Fees	56,000	68,811	12,811
Aviation Fuel Sales & Fees	122,900	61,242	(61,658)
Library Fees & Donations	7,000	7,787	787
Map Sales	430	376	(54)
Assistance - Enterprise Funds	150,240	150,240	-
Reimbursements from Other Agencies	635,168	615,814	(19,354)
Civic Clubs & 4H Programs	(164,011)	234,291	398,302
Total	4,344,480	4,551,822	207,342
Investment earnings:	4,500	23,553	19,053
Miscellaneous:			
Sale of Fixed Assets	70,500	43,317	(27,183)
Other Miscellaneous	32,999	74,954	41,955
Total	103,499	118,271	14,772
Total revenues	\$ 26,355,561	\$ 26,408,057	\$ 52,496

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Expenditures:			
General Government:			
Governing Body:			
Salaries and Employee Benefits	\$ 507,945	\$ 393,813	114,132
Professional Services	77,665	50,528	27,137
Insurance	30,076	25,670	4,406
Operating Expenditures	95,861	58,178	37,683
Total	<u>711,547</u>	<u>528,189</u>	<u>183,358</u>
Administration:			
Salaries and Employee Benefits	228,054	188,459	39,595
Operating Expenditures	51,365	32,141	19,224
Total	<u>279,419</u>	<u>220,600</u>	<u>58,819</u>
Grant Administration:			
Salaries and Employee Benefits	33,984	28,660	5,324
Operating Expenditures	7,709	2,166	5,543
Total	<u>41,693</u>	<u>30,826</u>	<u>10,867</u>
Human Resources/Assistant County Manager:			
Operating Expenditures	8,400	5,238	3,162
Total	<u>8,400</u>	<u>5,238</u>	<u>3,162</u>
Finance:			
Salaries and Employee Benefits	269,506	248,062	21,444
Operating Expenditures	61,890	53,650	8,240
Total	<u>331,396</u>	<u>301,712</u>	<u>29,684</u>
Tax Assessor:			
Salaries and Employee Benefits	244,321	219,912	24,409
Professional Services	54,500	28,052	26,448
Operating Expenditures	48,710	41,500	7,210
Total	<u>347,531</u>	<u>289,464</u>	<u>58,067</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Tax Collector:			
Salaries and Employee Benefits	160,306	159,896	410
Operating Expenditures	116,052	86,339	29,713
Total	<u>276,358</u>	<u>246,235</u>	<u>30,123</u>
Court Facilities:			
Operating Expenditures	<u>56,664</u>	<u>49,989</u>	<u>6,675</u>
Board of Elections:			
Salaries and Employee Benefits	166,507	152,007	14,500
Operating Expenditures	106,000	92,003	13,997
Total	<u>272,507</u>	<u>244,010</u>	<u>28,497</u>
Register of Deeds:			
Salaries and Employee Benefits	167,014	138,452	28,562
Operating Expenditures	60,310	54,804	5,506
Total	<u>227,324</u>	<u>193,256</u>	<u>34,068</u>
Data Processing:			
Salaries and Employee Benefits	115,836	115,817	19
Operating Expenditures	259,268	245,877	13,391
Capital Outlay	125,000	-	125,000
Total	<u>500,104</u>	<u>361,694</u>	<u>138,410</u>
Public Buildings:			
Courthouse Building			
Operating Expenditures	79,240	65,265	13,975
Capital Outlay	22,700	19,184	3,516
Total	<u>101,940</u>	<u>84,449</u>	<u>17,491</u>
Law Enforcement Building			
Operating Expenditures	<u>145,503</u>	<u>122,451</u>	<u>23,052</u>
EMS Building:			
Operating Expenditures	<u>21,049</u>	<u>11,251</u>	<u>9,798</u>
Belk Building:			
Operating Expenditures	38,402	32,101	6,301
Total	<u>38,402</u>	<u>32,101</u>	<u>6,301</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Administrative Building:			
Operating Expenditures	99,878	85,094	14,784
Board of Elections Building:			
Operating Expenditures	27,595	17,186	10,409
Emergency Services Center:			
Operating Expenditures	169,394	133,883	35,511
Animal Shelter Building:			
Operating Expenditures	52,900	21,125	31,775
Central Services:			
Gasoline	426,755	201,239	225,516
Less: Departmental Allocations	(418,781)	(201,909)	(216,872)
	7,974	(670)	8,644
Janitorial Services:			
Contracted Services	105,784	105,780	4
Less: Departmental Allocations	(105,784)	(105,780)	(4)
Total	-	-	-
Information Technology Services:			
Operating Expenditures	81,048	71,513	9,535
Less: Departmental Allocations	(72,048)	(72,048)	-
Total	9,000	(535)	9,535
Building Maintenance:			
Salaries and Employee Benefits	46,951	44,065	2,886
Operating Expenditures	10,102	4,396	5,706
Less: Departmental Allocations	(57,053)	(57,053)	-
Total	-	(8,592)	8,592

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Veterans:			
Salaries and Employee Benefits	47,813	47,794	19
Operating Expenditures	10,080	7,434	2,646
Total	<u>57,893</u>	<u>55,228</u>	<u>2,665</u>
DMV-License Plate Agency			
Salaries and Employee Benefits	84,358	84,190	168
Operating Expenditures	5,530	2,539	2,991
Total	<u>89,888</u>	<u>86,729</u>	<u>3,159</u>
Total General Government	<u>3,874,359</u>	<u>3,110,913</u>	<u>763,446</u>
Public Safety:			
Sheriff and Communications:			
Salaries and Employee Benefits	2,029,619	1,936,374	93,245
Operating Expenditures	525,280	396,782	128,498
Capital Outlay	239,500	194,325	45,175
Total	<u>2,794,399</u>	<u>2,527,481</u>	<u>266,918</u>
Jail:			
Salaries and Employee Benefits	842,215	730,631	111,584
Contracted Services	74,000	45,069	28,931
Operating Expenditures	405,447	301,734	103,713
Total	<u>1,321,662</u>	<u>1,077,434</u>	<u>244,228</u>
Emergency Management:			
Salaries and Employee Benefits	56,461	56,383	78
Operating Expenditures	136,547	109,949	26,598
Capital Outlay	29,500	29,494	6
Total	<u>222,508</u>	<u>195,826</u>	<u>26,682</u>
Fire:			
Volunteer Fire Services	9,000	9,000	-
Building Inspections and Zoning:			
Salaries and Employee Benefits	115,913	115,599	314
Operating Expenditures	18,996	8,833	10,163
Total	<u>134,909</u>	<u>124,432</u>	<u>10,477</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Planning Department:			
Salaries and Employee Benefits	9,689	7,572	2,117
Operating Expenditures	16,350	1,346	15,004
Total	<u>26,039</u>	<u>8,918</u>	<u>17,121</u>
Medical Examiner:			
Other operating expenditures	<u>25,000</u>	<u>23,500</u>	<u>1,500</u>
EMS:			
Salaries and Employee Benefits	1,021,974	960,589	61,385
Operating Expenditures	309,252	265,273	43,979
Capital Outlay	111,080	111,073	7
Total	<u>1,442,306</u>	<u>1,336,935</u>	<u>105,371</u>
911 Services:			
Salaries and Employee Benefits	573,127	550,441	22,686
Operating Expenditures	47,224	41,710	5,514
Total	<u>620,351</u>	<u>592,151</u>	<u>28,200</u>
Rescue Services:			
Contributions to Rescue Squads	<u>44,000</u>	<u>34,000</u>	<u>10,000</u>
Domestic Violence Coalition:			
Operating Expenditures	<u>193,461</u>	<u>188,639</u>	<u>4,822</u>
Total Public Safety	<u>6,833,635</u>	<u>6,118,316</u>	<u>715,319</u>
Transportation:			
Anson County Transit System:			
Salaries and Employee Benefits	549,077	520,036	29,041
Operating Expenditures	369,392	294,517	74,875
Capital Outlay	157,082	124,380	32,702
Total	<u>1,075,551</u>	<u>938,933</u>	<u>136,618</u>
Airport:			
Salaries and Employee Benefits	53,383	53,331	52
Operating Expenditures	145,168	74,276	70,892
Total	<u>198,551</u>	<u>127,607</u>	<u>70,944</u>
Total Transportation	<u>1,274,102</u>	<u>1,066,540</u>	<u>207,562</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Environmental Protection:			
Landfill/Solid Waste Management:			
Salaries and Employee Benefits	15,407	14,781	626
Operating Expenditures	120,472	80,508	39,964
Total	<u>135,879</u>	<u>95,289</u>	<u>40,590</u>
N.C. Forestry Service	<u>93,592</u>	<u>84,895</u>	<u>8,697</u>
Total Environmental Protection	<u>229,471</u>	<u>180,184</u>	<u>49,287</u>
Economic and Physical Development:			
Economic Development Commission:			
Professional Dues	36,000	36,000	-
Operating Expenditures	3,800	3,296	504
Total	<u>39,800</u>	<u>39,296</u>	<u>504</u>
Road Naming:			
Salaries and Employee Benefits	47,426	47,354	72
Operating Expenditures	13,060	9,201	3,859
Total	<u>60,486</u>	<u>56,555</u>	<u>3,931</u>
Cooperative Extension Service:			
Salaries and Employee Benefits	161,486	145,299	16,187
Operating Expenditures	96,969	79,899	17,070
Total	<u>258,455</u>	<u>225,198</u>	<u>33,257</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Soil Conservation Service:			
Salaries and Employee Benefits	94,508	94,456	52
Operating Expenditures	21,603	15,324	6,279
Total	<u>116,111</u>	<u>109,780</u>	<u>6,331</u>
Total Economic and Physical Development			
	<u>474,852</u>	<u>430,829</u>	<u>44,023</u>
Human Services:			
Health:			
General:			
Salaries and Employee Benefits	26,543	25,921	622
Contracted Services	16,311	16,310	1
Operating Expenditures	211,502	127,792	83,710
Total	<u>254,356</u>	<u>170,023</u>	<u>84,333</u>
Bioterrorism:			
Salaries and Employee Benefits	287	80	207
Operating Expenditures	31,587	29,306	2,281
Total	<u>31,874</u>	<u>29,386</u>	<u>2,488</u>
Tuberculosis Control:			
Salaries and Employee Benefits	14,419	13,974	445
Professional Services	350	446	(96)
Operating Expenditures	3,117	950	2,167
Total	<u>17,886</u>	<u>15,370</u>	<u>2,516</u>
Adult Health Services:			
Salaries and Employee Benefits	203,449	203,492	(43)
Professional Services	9,800	9,466	334
Operating Expenditures	11,600	6,587	5,013
Total	<u>224,849</u>	<u>219,545</u>	<u>5,304</u>
Environmental Health:			
Salaries and Employee Benefits	132,021	131,257	764
Professional Services	6,000	5,775	225
Operating Expenditures	9,314	6,222	3,092
Total	<u>147,335</u>	<u>143,254</u>	<u>4,081</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Animal Shelter:			
Salaries and Employee Benefits	173,152	165,395	7,757
Professional Services	3,860	1,879	1,981
Operating Expenditures	59,522	44,011	15,511
Capital Outlay	-	-	-
Total	<u>236,534</u>	<u>211,285</u>	<u>25,249</u>
Health Promotion:			
Salaries and Employee Benefits	148	62	86
Operating Expenditures	15,151	3,165	11,986
Total	<u>15,299</u>	<u>3,227</u>	<u>12,072</u>
Maternal Health:			
Salaries and Employee Benefits	93,671	93,541	130
Professional Services	10,220	9,218	1,002
Operating Expenditures	29,504	18,827	10,677
Total	<u>133,395</u>	<u>121,586</u>	<u>11,809</u>
Family Planning:			
Salaries and Employee Benefits	234,280	233,723	557
Professional Services	16,000	14,892	1,108
Operating Expenditures	85,932	56,740	29,192
Total	<u>336,212</u>	<u>305,355</u>	<u>30,857</u>
Child Health			
Operating Expenditures	2,500	-	2,500
Total	<u>2,500</u>	<u>-</u>	<u>2,500</u>
Women, Infants and Children-Gen Admin.			
Salaries and Employee Benefits	8,988	8,129	859
Total	<u>8,988</u>	<u>8,129</u>	<u>859</u>
Women, Infants and Children-Nutrition Education			
Salaries and Employee Benefits	51,558	49,648	1,910
Operating Expenditures	386	-	386
Total	<u>51,944</u>	<u>49,648</u>	<u>2,296</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Women, Infants and Children-Client Services			
Salaries and Employee Benefits	127,090	126,905	185
Professional Services	400	259	141
Operating Expenditures	12,121	6,161	5,960
Total	<u>139,611</u>	<u>133,325</u>	<u>6,286</u>
Women, Infants and Children-Breastfeeding Promotions			
Salaries and Employee Benefits	12,060	9,828	2,232
Total	<u>12,060</u>	<u>9,828</u>	<u>2,232</u>
Epidemiology:			
Salaries and Employee Benefits	190,182	189,675	507
Professional Services	5,935	6,291	(356)
Operating Expenditures	10,775	9,108	1,667
Total	<u>206,892</u>	<u>205,074</u>	<u>1,818</u>
Food and Lodging:			
Operating Expenditures	<u>6,762</u>	<u>433</u>	<u>6,329</u>
Immunization Action Plan:			
Salaries and Employee Benefits	44,470	43,852	618
Operating Expenditures	47,665	36,501	11,164
Total	<u>92,135</u>	<u>80,353</u>	<u>11,782</u>
Total Health	<u>1,918,632</u>	<u>1,705,821</u>	<u>212,811</u>
Mental Health:			
Sandhills Mental Health	55,000	55,000	-
Anson County Council on Alcoholism	6,500	5,339	1,161
Total Mental Health	<u>61,500</u>	<u>60,339</u>	<u>1,161</u>
Social Services:			
Administration:			
Salaries and Employee Benefits	2,628,673	2,497,227	131,446
Contracted Services	112,118	74,249	37,869
Operating Expenditures	216,888	174,822	42,066
Capital Outlay	107,200	79,032	28,168
Total	<u>3,064,879</u>	<u>2,825,330</u>	<u>239,549</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Work First Program:			
Operating Expenditures	585,900	247,686	338,214
Miscellaneous Services:			
Operating Expenditures	59,500	38,658	20,842
Child Daycare Program:			
Operating Expenditures	1,065,090	1,058,456	6,634
Title XIX Transportation			
Operating Expenditures	321,521	291,927	29,594
TANF			
Operating Expenditures	1,000	200	800
Foster Care:			
Operating Expenditures	54,580	45,227	9,353
Title IV-E Foster Care:			
Operating Expenditures	121,250	115,937	5,313
Medicaid Program:			
Operating Expenditures	293,000	196,992	96,008
Crisis Intervention:			
Operating Expenditures	348,463	345,262	3,201
Public Assistance:			
Operating Expenditures	25,321	24,950	371
Total social services	5,940,504	5,190,625	749,879

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Other Human Services:			
Elderly Services:			
Activity Center:			
Salaries and Employee Benefits	33,941	34,103	(162)
Operating Expenditures	74,738	53,484	21,254
Total	<u>108,679</u>	<u>87,587</u>	<u>21,092</u>
Title III - Chore and Transportation:			
Salaries and Employee Benefits	173,616	148,064	25,552
Operating Expenditures	30,699	27,198	3,501
Total	<u>204,315</u>	<u>175,262</u>	<u>29,053</u>
Home Delivered Nutrition Services:			
Salaries and Employee Benefits	36,238	35,051	1,187
Operating Expenditures	56,550	50,522	6,028
Total	<u>92,788</u>	<u>85,573</u>	<u>7,215</u>
Congregate Nutrition Services:			
Salaries and Employee Benefits	68,964	60,868	8,096
Operating Expenditures	53,250	43,960	9,290
Total	<u>122,214</u>	<u>104,828</u>	<u>17,386</u>
Aging - Planning and Administration:			
Operating Expenditures	3,587	-	3,587
Total Elderly Services	<u>531,583</u>	<u>453,250</u>	<u>78,333</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Youth Services:			
Youth Services Advisory Council:			
Operating Expenditures	1,465	1,446	19
4-H Youth Promise:			
Salaries and Employee Benefits	92,021	87,130	4,891
Operating Expenditures	19,174	17,016	2,158
	<u>111,195</u>	<u>104,146</u>	<u>7,049</u>
Total Youth Services	112,660	105,592	7,068
Total Other Human Services	644,243	558,842	85,401
Total Human Services	<u>8,564,879</u>	<u>7,515,627</u>	<u>1,049,252</u>
Cultural and Recreational:			
Library:			
Salaries and Employee Benefits	176,922	176,404	518
Operating Expenditures	34,479	29,048	5,431
Sandhills Regional Library System	11,200	8,200	3,000
Total	<u>222,601</u>	<u>213,652</u>	<u>8,949</u>
Parks and Recreation:			
Salaries and Employee Benefits	327,242	303,349	23,893
Operating Expenditures	154,260	126,426	27,834
Capital outlay	-	-	-
Total	<u>481,502</u>	<u>429,775</u>	<u>51,727</u>
Library Building:			
Operating Expenditures	48,419	48,231	188
Total Culture and Recreation	<u>752,522</u>	<u>691,658</u>	<u>60,864</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Education:			
Public schools - current expense	3,694,598	3,694,598	-
Public schools - capital outlay	180,892	168,534	12,358
Public schools - Grant	418,391	406,658	11,733
Public schools - State A.D.M.	209,755	209,755	-
Community colleges - current	560,629	560,629	-
Community colleges - contribution	233,250	233,250	-
McLaurin Vocational Training Center	77,000	78,148	(1,148)
Total Education	<u>5,374,515</u>	<u>5,351,572</u>	<u>22,943</u>
Debt service:			
Principal retirement	589,532	584,202	5,330
Interest and fees	138,000	130,806	7,194
Total debt service	<u>727,532</u>	<u>715,008</u>	<u>12,524</u>
Contingency	<u>80,626</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 28,186,493</u>	<u>\$ 25,180,647</u>	<u>\$ 2,925,220</u>
REVENUES UNDER EXPENDITURES	<u>\$ (1,830,932)</u>	<u>\$ 1,227,410</u>	<u>\$ 3,058,342</u>
OTHER FINANCING SOURCES (USES):			
Transfers from (to) other funds:			
Revaluation Fund	(49,300)	(61,609)	(12,309)
Public School Capital Outlay Reserve Fund	99,261	102,261	3,000
Capital Projects Funds - Airport	(26,467)	(26,467)	-
Total	<u>23,494</u>	<u>14,185</u>	<u>(9,309)</u>
Loan proceeds	194,000	187,857	6,143
Appropriated fund balance	1,613,438	-	(1,613,438)
	<u>1,807,438</u>	<u>187,857</u>	<u>(1,619,581)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>\$ 1,830,932</u>	<u>\$ 202,042</u>	<u>\$ (1,628,890)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>1,429,452</u>	<u>\$ 1,429,452</u>
FUND BALANCE, BEGINNING		<u>11,374,344</u>	
FUND BALANCE, ENDING		<u>\$ 12,803,796</u>	

Anson County, North Carolina
Revaluation Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Investment earnings	\$ -	845	\$ 845
EXPENDITURES			
General Government:			
Revaluation	84,000	-	84,000
Revenues over (under) expenditures	<u>(84,000)</u>	<u>845</u>	<u>84,845</u>
OTHER FINANCING SOURCES			
Fund Balance Appropriated	34,700	-	(34,700)
Transfer to General Fund	(34,700)	(22,391)	12,309
Transfer from General Fund	84,000	84,000	-
Total Other Financing Sources	<u>84,000</u>	<u>61,609</u>	<u>(22,391)</u>
 Net change in fund balance	 <u>\$ -</u>	 62,454	 <u>\$ 84,845</u>
Fund balance, beginning (July 1)		<u>409,319</u>	
Fund balance, end of year (June 30)		<u>\$ 471,773</u>	

Anson County, North Carolina
Public School Capital Outlay Reserve Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
REVENUES			
Local option sales tax	101,811	754,163	\$ 652,352
Investment Earnings	450	3,439	2,989
Total Revenues	<u>102,261</u>	<u>757,602</u>	<u>655,341</u>
OTHER FINANCING SOURCES			
Transfer to General Fund	<u>(102,261)</u>	<u>(102,261)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	655,341	<u>\$ 655,341</u>
Fund balance, beginning (July 1)		<u>1,586,869</u>	
Fund balance, end of year (June 30)		<u>\$ 2,242,210</u>	

NON-MAJOR GOVERNMENTAL FUNDS

Non-Major Governmental Funds are Special Revenue Funds and Capital Projects Funds.

Anson County, North Carolina
Combining Balance Sheet
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2016

	Special Revenue Funds	Capital Project Funds	Total
Assets:			
Cash and cash equivalents	\$ 496,387	\$ 301,409	\$ 797,796
Taxes receivable, net	153,837	-	153,837
Accounts receivable, net	20,107	-	20,107
Total assets	<u>\$ 670,331</u>	<u>\$ 301,409</u>	<u>\$ 971,740</u>
Liabilities and Fund Balances:			
Liabilities:			
Due to other funds	\$ -	\$ 86,214	\$ 86,214
Accounts payable and accrued liabilities	119,196	-	119,196
Total liabilities	<u>119,196</u>	<u>86,214</u>	<u>205,410</u>
Deferred Inflows of Resources			
Property Taxes Receivable	153,837	-	153,837
Prepaid Taxes	551	-	551
Total Deferred Inflows of Resources	<u>154,388</u>	<u>-</u>	<u>154,388</u>
Fund Balances:			
Restricted:			
Public safety	372,660	-	372,660
Economic and physical development	24,087	-	24,087
Capital projects	-	215,195	215,195
Total fund balances	<u>396,747</u>	<u>215,195</u>	<u>611,942</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 670,331</u>	<u>\$ 301,409</u>	<u>\$ 971,740</u>

Anson County, North Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2016

	Special Revenue Funds	Capital Project Funds	Total
Revenues:			
Ad valorem taxes	\$ 1,009,125	\$ -	\$ 1,009,125
Other Taxes & Licenses	241,285	-	241,285
Restricted intergovernmental	161,861	38,984	200,845
Investment earnings	6,237	-	6,237
Total revenues	<u>1,418,508</u>	<u>38,984</u>	<u>1,457,492</u>
Expenditures:			
Current:			
Public safety	1,182,115	-	1,182,115
Transportation	-	18,594	18,594
Environmental Protection	72,400	-	72,400
Economic and physical development	92,511	-	92,511
Total expenditures	<u>1,347,026</u>	<u>18,594</u>	<u>1,365,620</u>
Excess (deficiency) of revenues over expenditures	<u>71,482</u>	<u>20,390</u>	<u>91,872</u>
Other financing sources (uses):			
Transfers from other funds	-	26,467	26,467
Total other financing sources (uses)	<u>-</u>	<u>26,467</u>	<u>26,467</u>
Net change in fund balances	71,482	46,857	118,339
Fund balances, beginning	<u>325,265</u>	<u>168,338</u>	<u>493,603</u>
Fund balances, beginning as restated	<u>325,265</u>	<u>168,338</u>	<u>493,603</u>
Fund balances, ending	<u>\$ 396,747</u>	<u>\$ 215,195</u>	<u>\$ 611,942</u>

Anson County, North Carolina
Combining Balance Sheet - Non-Major Governmental Funds
Non-Major Special Revenue Funds
June 30, 2016

	Special Revenue Funds						Total Non-Major Special Revenue Funds
	Fire Districts Fund	Emergency Telephone System - 911 Fund	EPA Brownfields Grant Fund	NC Catalyst Grant Project Fund	CDBG Scattered Housing	Total Non-Major Special Revenue Funds	
Assets:							
Cash and cash equivalents	20,599	451,701	\$ -	22,374	1,713	\$ 496,387	
Taxes receivable, net	153,837	-	-	-	-	153,837	
Accounts receivable, net	-	20,107	-	-	-	20,107	
Total assets	<u>\$ 174,436</u>	<u>\$ 471,808</u>	<u>\$ -</u>	<u>\$ 22,374</u>	<u>\$ 1,713</u>	<u>\$ 670,331</u>	
Liabilities and Fund Balances:							
Liabilities:							
Accounts payable and accrued liabilities	20,042	99,154	-	-	-	119,196	
Total liabilities	<u>20,042</u>	<u>99,154</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>119,196</u>	
Deferred Inflows of Resources							
Property Taxes Receivable	153,837	-	-	-	-	153,837	
Prepaid Taxes	551	-	-	-	-	551	
Total Deferred Inflows of Resources	<u>154,388</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>154,388</u>	
Fund Balances:							
Restricted:							
Public safety	6	372,654	-	-	-	372,660	
Economic and physical development	-	-	-	22,374	1,713	24,087	
Total fund balances	<u>6</u>	<u>372,654</u>	<u>-</u>	<u>22,374</u>	<u>1,713</u>	<u>396,747</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 174,436</u>	<u>\$ 471,808</u>	<u>\$ -</u>	<u>\$ 22,374</u>	<u>\$ 1,713</u>	<u>\$ 670,331</u>	

Anson County, North Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2016

	Special Revenue Funds						Total Non-Major Special Revenue Funds
	Fire Districts Fund	Emergency Telephone System - 911 Fund	EPA Brownfields Grant Fund	NC Catalyst Grant Project Fund	CDBG Scattered Housing		
Revenues:							
Ad valorem taxes	\$ 1,009,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,009,125
Other taxes and licenses	-	241,285	-	-	-	-	241,285
Restricted intergovernmental revenues	-	-	72,400	79,471	9,990	-	161,861
Investment Earnings	5,554	678	-	5	-	-	6,237
Total revenues	1,014,679	241,963	72,400	79,476	9,990	-	1,418,508
Expenditures:							
Current:							
Public safety	1,014,679	167,436	-	-	-	-	1,182,115
Environmental Protections	-	-	72,400	-	-	-	72,400
Economic and physical development	-	-	-	82,161	10,350	-	92,511
Community development	-	-	-	-	-	-	-
Total expenditures	1,014,679	167,436	72,400	82,161	10,350	-	1,347,026
Excess (deficiency) of revenues over expenditures	-	74,527	-	(2,685)	(360)	-	71,482
Other financing sources (uses):							
Debt issuance	-	-	-	-	-	-	-
Reserve for Economic Development	-	-	-	-	-	-	-
Transfer (to) from General Fund	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-
Net change in fund balances	-	74,527	-	(2,685)	(360)	-	71,482
Fund balances, beginning	6	298,127	-	25,059	2,073	-	325,265
Prior period adjustment	-	-	-	-	-	-	-
Fund balances, beginning as restated	6	298,127	-	25,059	2,073	-	325,265
Fund balances, ending	6	372,654	-	22,374	1,713	-	396,747

Anson County, North Carolina
Fire Districts Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues:			
Ad valorem taxes:			
Current Year Taxes	\$ 1,063,860	\$ 1,009,125	\$ (54,735)
Prior Year Taxes	-	-	-
Refunds	-	-	-
Total	<u>1,063,860</u>	<u>1,009,125</u>	<u>(54,735)</u>
Unrestricted intergovernmental revenues:			
Payments in lieu of taxes	-	-	-
Investment Earnings	490	5,554	5,064
TOTAL REVENUES	<u>1,064,350</u>	<u>1,014,679</u>	<u>(49,671)</u>
Expenditures			
Public Safety:			
Ansonville Fire District	118,500	115,131	3,369
Burnsville Fire District	117,750	111,387	6,363
Gulledge Fire District	95,500	90,438	5,062
Lanesboro Fire District	162,250	156,189	6,061
Lilesville Fire District	254,500	245,386	9,114
Morven Fire District	117,000	110,642	6,358
Wadesboro Fire District	196,310	182,580	13,730
Discovery Commission	-	40	(40)
NCVTS Fees/Costs	2,540	2,886	(346)
TOTAL EXPENDITURES	<u>1,064,350</u>	<u>1,014,679</u>	<u>49,671</u>
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ (99,342)</u>
Fund balance, beginning of year (July 1)		<u>6</u>	
Fund balance, end of year (June 30)		<u>\$ 6</u>	

Anson County, North Carolina
Emergency Telephone System - 911 Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Other Taxes and Licenses:			
Access Facility Fees	\$ 241,285	\$ 241,285	\$ -
Restricted intergovernmental revenues:			
911 Grant Funds	151,566	-	(151,566)
Investment Earnings	100	678	578
TOTAL REVENUES	<u>392,951</u>	<u>241,963</u>	<u>(150,988)</u>
Expenditures			
Public Safety:			
Training	600	465	-
System Trunk Lines	14,500	11,047	-
AT&T Language Line	200	86	-
Service Contracts	215,000	154,068	-
Computers and Equipment	65,100	1,770	-
Equipment Maintenance	3,000	-	-
911 Grant Funds (ES Center)	151,566	-	-
TOTAL EXPENDITURES	<u>449,966</u>	<u>167,436</u>	<u>282,530</u>
REVENUES UNDER EXPENDITURES	(57,015)	74,527	131,542
Other Financing Sources			
Transfer from General Fund	-	-	-
Appropriated Fund Balance	<u>57,015</u>	<u>-</u>	<u>(57,015)</u>
Net change in fund balance	<u>\$ -</u>	<u>74,527</u>	<u>\$ 74,527</u>
Fund balance, beginning of year (July 1)		<u>298,127</u>	
Fund balance, end of year (June 30)		<u>\$ 372,654</u>	

Anson County, North Carolina
EPA Brownfields Grant Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental Revenues:					
EPA Brownfields Hazardous	\$ 200,000	\$ 90,388	\$ 36,200	\$ 126,588	\$ (73,412)
EPA Brownfields Petroleum	200,000	90,388	36,200	126,588	(73,412)
TOTAL REVENUES	400,000	180,776	72,400	253,176	(146,824)
Expenditures					
Environmental Protection:					
EPA Brownfields Hazardous					
Contractual	195,000	86,270	36,200	122,470	72,530
Supplies	5,000	4,118	-	4,118	882
EPA Brownfields Petroleum:					
Contractual	195,000	86,270	36,200	122,470	72,530
Supplies	5,000	4,118	-	4,118	882
TOTAL EXPENDITURES	400,000	180,776	72,400	253,176	146,824
Net change in fund balance	\$ -	\$ -	\$ -	-	\$ -
Fund balance, beginning of year (July 1)				-	
Fund balance, end of year (June 30)				\$ -	

Anson County, North Carolina
NC Catalyst Grant Project Fund - #11-C-2365, #09-D-2365
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental Revenues:					
Community Development Block Grant #09-D-2365	\$ 172,500	\$ 64,284	\$ 79,471	\$ 143,755	(28,745)
Community Development Block Grant #11-C-2365	285,500	-	-	-	(285,500)
Local Commitment - Wadesboro	30,000	30,000	-	30,000	-
Local Commitment - Council on Aging	6,500	6,500	-	6,500	-
Local Commitment - Crisis Ministry	5,122	5,122	-	5,122	-
Local Commitment - Habitat for Humanity	90,000	-	-	-	(90,000)
Local Commitment - Morven	5,000	5,000	-	5,000	-
Investment Earnings	-	31	5	36	36
TOTAL REVENUES	<u>594,622</u>	<u>110,937</u>	<u>79,476</u>	<u>190,413</u>	<u>(404,209)</u>
Expenditures					
Economic and Physical Development:					
Administration	27,500	3,500	11,712	15,212	12,288
Clearance	135,000	75,480	23,968	99,448	35,552
Public Facilities	100,622	300	39,200	39,500	61,122
Emergency Repairs	55,000	14,098	7,281	21,379	33,621
Relocation	140,000	-	-	-	140,000
Relocation - Habitat for Humanity	144,000	-	-	-	144,000
TOTAL EXPENDITURES	<u>602,122</u>	<u>93,378</u>	<u>82,161</u>	<u>175,539</u>	<u>426,583</u>
REVENUES OVER (UNDER) EXPENDITURE:	(7,500)	17,559	(2,685)	14,874	22,374
Other Financing Costs					
Transfer from General Fund	7,500	7,500	-	7,500	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 25,059</u>	<u>(2,685)</u>	<u>\$ 22,374</u>	<u>\$ 22,374</u>
Fund balance, beginning of year (July 1)			<u>25,059</u>		
Fund balance, end of year (June 30)			<u>\$ 22,374</u>		

Anson County, North Carolina
CDBG Scattered Housing GT Project
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental Revenues:					
CDBG Grant	\$ 225,000	\$ 7,047	\$ 9,990	\$ 17,037	\$ (207,963)
Investment Earnings	-	-	-	-	-
TOTAL REVENUES	<u>225,000</u>	<u>7,047</u>	<u>9,990</u>	<u>17,037</u>	<u>(207,963)</u>
Expenditures					
Economic and Physical Development:					
Rehabilitation	180,000	606	-	606	179,394
Administration	22,500	2,500	-	2,500	20,000
Local Option Emergency	25,180	4,547	10,350	14,897	10,283
TOTAL EXPENDITURES	<u>227,680</u>	<u>7,653</u>	<u>10,350</u>	<u>18,003</u>	<u>209,677</u>
REVENUES OVER (UNDER) EXPENDITURES	(2,680)	(606)	(360)	(966)	1,714
Other Financing Costs					
Transfer from General Fund	2,680	2,679	-	2,679	(1)
	<u>2,680</u>	<u>2,679</u>	<u>-</u>	<u>2,679</u>	<u>(1)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 2,073</u>	(360)	<u>\$ 1,713</u>	<u>\$ 1,713</u>
Fund balance, beginning of year (July 1)			<u>2,073</u>		
Fund balance, end of year (June 30)			<u>\$ 1,713</u>		

CAPITAL PROJECT FUNDS

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Anson County, North Carolina
Combining Balance Sheet - Non-Major Capital Project Funds
June 30, 2016

	Capital Project Funds		
	Airport Construction Project Fund	Capital Projects Fund	Total Non-Major Capital Project Funds
Assets:			
Cash and cash equivalents	301,409	\$ -	\$ 301,409
Total assets	<u>\$ 301,409</u>	<u>\$ -</u>	<u>\$ 301,409</u>
Liabilities and Fund Balances:			
Liabilities:			
Due to General Fund	\$ 86,214	\$ -	\$ 86,214
Total liabilities	<u>86,214</u>	<u>-</u>	<u>86,214</u>
Deferred Inflows of Resources			
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Restricted:			
Transportation	215,195	-	215,195
Total fund balances	<u>215,195</u>	<u>-</u>	<u>215,195</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 301,409</u>	<u>\$ -</u>	<u>\$ 301,409</u>

Anson County, North Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Non-Major Capital Project Funds
For the Fiscal Year Ended June 30, 2016

	Capital Project Funds		
	Airport Construction Project Fund	Capital Projects Fund	Total Non- Major Capital Project Funds
Revenues:			
Restricted intergovernmental revenues	38,984	-	38,984
Total revenues	38,984	-	38,984
Expenditures:			
Current:			
Transportation	18,594	-	18,594
Total expenditures	18,594	-	18,594
Excess (deficiency) of revenues over expenditures	20,390	-	20,390
Other financing sources (uses):			
Transfer (to) from General Fund	26,467	-	26,467
Total other financing sources (uses)	26,467	-	26,467
Net change in fund balances	46,857	-	46,857
Fund balances, beginning	168,338	-	168,338
Fund balances, ending	\$ 215,195	\$ -	215,195

Anson County, North Carolina
Airport Construction Project Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental Revenues:					
Division of Aviation Grants	\$ 11,624,336	\$ 11,655,030	\$ 38,984	\$ 11,694,014	\$ 69,678
Division of Highway Grants	766,305	766,305	-	766,305	-
Timber Sales	94,677	94,677	-	94,677	-
TOTAL REVENUES	<u>12,485,318</u>	<u>12,516,012</u>	<u>38,984</u>	<u>12,554,996</u>	<u>69,678</u>
Expenditures					
Transportation:					
Engineering	2,281,830	2,215,734	-	2,215,734	66,096
Miscellaneous	37,996	5,370	-	5,370	32,626
Site Preparation	2,501,247	2,501,246	-	2,501,246	1
Road Relocation	978,604	978,603	-	978,603	1
Land Acquisition	277,424	268,821	-	268,821	8,603
Construction	7,818,146	7,721,016	18,595	7,739,611	78,535
Fuel Tanks	55,551	55,550	-	55,550	1
TOTAL EXPENDITURES	<u>13,950,798</u>	<u>13,746,340</u>	<u>18,595</u>	<u>13,764,935</u>	<u>185,863</u>
REVENUES OVER (UNDER) EXPENDITURE	(1,465,480)	(1,230,328)	20,389	(1,209,939)	255,541
Other Financing Costs					
Transfer from General Fund	1,465,480	1,398,666	26,467	1,425,133	40,347
Net change in fund balance	<u>\$ -</u>	<u>\$ 168,338</u>	46,856	<u>\$ 215,194</u>	<u>\$ 215,194</u>
Fund balance, beginning of year (July 1)			<u>168,338</u>		
Fund balance, end of year (June 30)			<u>\$ 215,194</u>		

Anson County, North Carolina
Capital Projects Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2016

	Project Authorization (As Amended)	Actual			Completed Project	Variance Positive (Negative)
		Prior Years	Current Year	Total to Date		
Revenues:						
Restricted Intergovernmental Revenues:						
NC 911 grant funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings	30,473	30,360	-	30,360	(30,360)	-
TOTAL REVENUES	<u>30,473</u>	<u>30,360</u>	<u>-</u>	<u>30,360</u>	<u>(30,360)</u>	<u>-</u>
Expenditures						
Capital Outlay:						
<i>Administration Building:</i>						
Administration/Engineering	68,662	68,661	-	68,661	(68,661)	-
Land/Building	400,850	400,849	-	400,849	(400,849)	-
Legal/Closing Costs	8,427	8,427	-	8,427	(8,427)	-
Construction	1,560,356	1,560,245	-	1,560,245	(1,560,245)	-
Non-construction costs	16	16	-	16	(16)	-
<i>Emergency Services Center:</i>						
Engineering	170,978	170,978	-	170,978	(170,978)	-
Site Development/Testing	249,812	249,813	-	249,813	(249,813)	-
Legal/Closing Costs	64,194	64,193	-	64,193	(64,193)	-
Construction	3,526,886	3,464,863	-	3,464,863	(3,464,863)	-
Furniture, Fixtures, Equipment	72,064	72,063	-	72,063	(72,063)	-
TOTAL EXPENDITURES	<u>6,122,245</u>	<u>6,060,108</u>	<u>-</u>	<u>6,060,108</u>	<u>(6,060,108)</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURE	<u>(6,091,772)</u>	<u>(6,029,748)</u>	<u>-</u>	<u>(6,029,748)</u>	<u>6,029,748</u>	<u>-</u>
Other Financing Costs						
Loan Proceeds	5,598,375	5,598,375	-	5,598,375	(5,598,375)	-
Transfers:						
From General Fund	506,197	506,195	-	506,195	(506,195)	-
To General Fund	(12,800)	(12,800)	-	(12,800)	74,822	62,022
	<u>6,091,772</u>	<u>6,091,770</u>	<u>-</u>	<u>6,091,770</u>	<u>(6,029,748)</u>	<u>62,022</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 62,022</u>	<u>-</u>	<u>\$ 62,022</u>	<u>\$ -</u>	<u>\$ 62,022</u>
Fund balance, beginning of year (July 1)			<u>-</u>			
Fund balance, end of year (June 30)			<u>\$ -</u>			

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination of net income is appropriate for accountability purposes.

Anson County, North Carolina
Enterprise Funds
Combining Statement of Net Position
June 30, 2016

	Water Fund	Waste Water Fund	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 1,459,339	\$ 2,539,354	\$ 3,998,693
Accounts receivable, net	434,687	41,098	475,785
Inventories	297,583	31,268	328,851
Total current assets	2,191,609	2,611,720	4,803,329
Restricted Cash and Cash Equivalents	1,421,699	1,391,144	2,812,843
Capital assets, net of depreciation	18,558,613	12,478,598	31,037,211
Total assets	<u>\$ 22,171,921</u>	<u>\$ 16,481,462</u>	<u>\$ 38,653,383</u>
Deferred Outflows of Resources	<u>\$ 35,446</u>	<u>\$ 23,271</u>	<u>\$ 58,717</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 161,159	\$ 93,142	\$ 254,301
Customer deposits	98,807	-	98,807
Net pension liability	32,387	21,262	53,649
Bond and notes payable	143,239	-	143,239
Total current liabilities	<u>435,592</u>	<u>114,404</u>	<u>549,996</u>
Noncurrent liabilities:			
Compensated absences	68,306	39,235	107,541
OPEB payable	213,410	94,850	308,260
Bond and notes payable	1,539,469	-	1,539,469
Total noncurrent liabilities	<u>1,821,185</u>	<u>134,085</u>	<u>1,955,270</u>
Total liabilities	<u>\$ 2,256,777</u>	<u>\$ 248,489</u>	<u>\$ 2,505,266</u>
Deferred Inflows of Resources	<u>\$ 16,833</u>	<u>\$ 11,051</u>	<u>\$ 27,884</u>
Net Position:			
Net investment in capital assets	\$ 16,875,905	\$ 12,478,598	\$ 29,354,503
Unrestricted	3,057,852	3,766,595	6,824,447
Total net position	<u>\$ 19,933,757</u>	<u>\$ 16,245,193</u>	<u>\$ 36,178,950</u>

Anson County, North Carolina
Enterprise Funds
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2016

	Water Fund	Wastewater Fund	Total
Operating revenues:			
Charges for services	\$ 4,895,219	\$ 2,130,728	\$ 7,025,947
Other operating revenues	121,717	-	121,717
Total operating revenues	<u>5,016,936</u>	<u>2,130,728</u>	<u>7,147,664</u>
Operating expenses:			
Administration	253,216	76,496	329,712
Water distribution	1,408,727	-	1,408,727
Water filtration	1,998,149	-	1,998,149
Wastewater treatment	-	1,472,756	1,472,756
Depreciation and amortization	897,381	813,226	1,710,607
Total operating expenses	<u>4,557,473</u>	<u>2,362,478</u>	<u>6,919,951</u>
Operating income (loss)	<u>459,463</u>	<u>(231,750)</u>	<u>227,713</u>
Nonoperating revenues (expenses):			
Investment earnings	3,502	6,422	9,924
Interest and fees	-	(1,338)	(1,338)
Disposal of assets	26,372	-	26,372
Other revenues (expenses)	1,160	16,153	17,313
Total nonoperating revenues (expenses)	<u>31,034</u>	<u>21,237</u>	<u>52,271</u>
Income (loss) before contributions and transfers	490,497	(210,513)	279,984
Transfers			
Total transfers and capital contributions	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	490,497	(210,513)	279,984
Net position, beginning	19,443,260	16,455,706	35,898,966
Restatement	-	-	-
Net position, beginning (restated)	<u>19,443,260</u>	<u>16,455,706</u>	<u>35,898,966</u>
Net position, ending	<u>\$ 19,933,757</u>	<u>\$ 16,245,193</u>	<u>\$ 36,178,950</u>

Anson County, North Carolina
Water Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues:			
Water Sales	\$ 4,852,000	\$ 4,830,329	\$ (21,671)
Tap Fees	35,000	64,890	29,890
Total charges for Services	<u>4,887,000</u>	<u>4,895,219</u>	8,219
Other operating revenues:	1,005,574	121,717	(883,857)
Total operating revenues	<u>5,892,574</u>	<u>5,016,936</u>	<u>(875,638)</u>
Nonoperating revenues:			
Investment earnings	300	2,773	2,473
Disposal of Assets	1,000	26,372	25,372
Other Revenues	1,500	1,160	(340)
Total nonoperating revenues	<u>2,800</u>	<u>30,305</u>	<u>27,505</u>
Total revenues	<u>\$ 5,895,374</u>	<u>\$ 5,047,241</u>	<u>\$ (848,133)</u>
Expenditures:			
Administration:			
Operating Expenditures	<u>\$ 170,726</u>	<u>\$ 253,216</u>	<u>\$ (82,490)</u>
Distribution:			
Salaries and Employee Benefits	1,072,694	991,665	81,029
Repairs and Maintenance	288,988	117,894	171,094
Operating Expenditures	708,594	397,354	311,240
Total Distribution	<u>2,070,276</u>	<u>1,506,913</u>	<u>563,363</u>
Filtration:			
Salaries and employee benefits	477,091	452,878	24,213
Chemicals and Supplies	495,000	374,074	120,926
Electricity	820,000	769,506	50,494
Repairs and Maintenance	181,683	127,641	54,042
Operating Expenditures	445,528	280,052	165,476
Total Filtration	<u>2,419,302</u>	<u>2,004,151</u>	<u>415,151</u>

Anson County, North Carolina
Water Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Debt service:			
Interest and fees	-	-	-
Principal Retirement	105,070	157,183	(52,113)
Total debt service	<u>105,070</u>	<u>157,183</u>	<u>(52,113)</u>
Capital outlay			
Vehicles	-	78,763	(78,763)
Water System		914,285	
Total Capital Outlay	<u>1,130,000</u>	<u>993,048</u>	<u>136,952</u>
Total Expenditures	<u>5,895,374</u>	<u>4,914,511</u>	<u>980,863</u>
Revenues over (under) expenditures	<u>-</u>	<u>132,730</u>	<u>132,730</u>
Appropriated Fund Balance	<u>-</u>	<u>-</u>	<u>(381,479)</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>132,730</u>	<u>\$ (248,749)</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Net Change in Fund Balance		<u>\$ 132,730</u>	
Reconciling items:			
Payment of debt principal		\$ 157,183	
Decrease in Interest Expense Accrual		135	
Capital Outlay - Vehicles		78,763	
Capital Outlay - Water System		914,285	
Change in inventory		84,046	
Increase in accrued vacation pay		788	
Increase in net OPEB Obligation		(11,944)	
Contributions to the pension plan in the current fiscal year		49,768	
Pension expense		(18,605)	
Depreciation		(897,381)	
Transactions from Water Main to Union County Project Fund (Exhibit E-4)		729	
Total reconciling items		<u>357,767</u>	
Change in net position		<u>\$ 490,497</u>	

Anson County, North Carolina
Water Main to Union County Project Fund
Statement of Revenues and Expenditures-Budget and Actual (NON-GAAP)
From Inception and for the Year Ended June 30, 2016

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Investment earnings	\$ 25,000	\$ 193,211	\$ 729	\$ 193,940	\$ 168,940
Sales tax refunds	100,000	42,759	-	42,759	(57,241)
TOTAL REVENUES	<u>125,000</u>	<u>235,970</u>	<u>729</u>	<u>236,699</u>	<u>111,699</u>
Expenditures					
Waterline Construction	3,325,000	3,037,553	-	3,037,553	287,447
TOTAL EXPENDITURES	<u>3,325,000</u>	<u>3,037,553</u>	<u>-</u>	<u>3,037,553</u>	<u>287,447</u>
REVENUES OVER (UNDER) EXPENDITURE	(3,200,000)	(2,801,583)	729	(2,800,854)	399,146
Other Financing Sources					
Proceeds from long-term debt	3,200,000	3,200,000	-	3,200,000	-
Net change in fund balance	<u>\$ -</u>	<u>\$ 398,417</u>	<u>\$ 729</u>	<u>\$ 399,146</u>	<u>\$ 399,146</u>

Anson County, North Carolina
CDBG Raw Water Intake Project Fund - #06-E-1586
Statement of Revenues and Expenditures-Budget and Actual (NON-GAAP)
From Inception and for the Year Ended June 30, 2016

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Community Development Block Grant	\$ 1,000,000	\$ 1,000,000	\$ -	\$ 1,000,000	\$ -
TOTAL REVENUES	1,000,000	1,000,000	-	1,000,000	-
Expenditures					
CDBG ED application/administration	35,000	35,000	-	35,000	-
Engineering/design/surveying	143,820	7,191	-	7,191	136,629
Construction	1,104,154	968,938	-	968,938	135,216
Administration	60,000	46,082	-	46,082	13,918
Construction mgt. & inspection	197,000	193,440	-	193,440	3,560
Engineering design/reservoir project	25,000	22,500	-	22,500	2,500
Surveying/plats	121,540	80,738	-	80,738	40,802
Land acquisition/legal	40,000	-	-	-	40,000
SRF closing costs (2%)	59,764	59,764	-	59,764	-
Construction	3,588,111	3,248,352	-	3,248,352	339,759
TOTAL EXPENDITURES	5,374,389	4,662,005	-	4,662,005	712,384
REVENUES OVER (UNDER) EXPENDITURE	(4,374,389)	(3,662,005)	-	(3,662,005)	712,384
Other Financing Sources					
Proceeds from long-term debt	3,943,790	3,874,108	-	3,874,108	(69,682)
Transfer from Water Fund	430,599	430,599	-	430,599	-
TOTAL OTHER FINANCING SOURCES	4,374,389	4,304,707	-	4,304,707	(69,682)
NET CHANGE IN FUND BALANCE	\$ -	\$ 642,702	\$ -	\$ 642,702	\$ 642,702

Anson County, North Carolina
24" Water Line - SRF Loan Project Fund
Statement of Revenues and Expenditures-Budget and Actual (NON-GAAP)
From Inception and for the Year Ended June 30, 2015
For the Fiscal Year Ended June 30, 2016

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Expenditures					
Administration	\$ 60,000	\$ 1,100	\$ -	\$ 1,100	\$ 58,900
Environmental Assessment	40,000	35,998	-	35,998	4,002
Inspections	250,000	-	-	-	250,000
Engineering/design	180,000	173,410	-	173,410	6,590
Site, legal, and appraisals	20,000	-	-	-	20,000
Permits	20,000	-	-	-	20,000
Easement acquisition	20,000	-	-	-	20,000
Surveying	40,000	36,000	-	36,000	4,000
Construction	5,665,000	3,641	-	3,641	5,661,359
Non-construction costs	125,900	-	-	-	125,900
Total Expenditures	6,420,900	250,149	-	250,149	6,170,751
REVENUES OVER (UNDER) EXPENDITURE	(6,420,900)	(250,149)	-	(250,149)	6,170,751
Other Financing Sources					
Loan Proceeds	5,790,900	-	-	-	(5,790,900)
Transfer from Water Fund	630,000	630,000	-	630,000	-
Total Other Financing Sources	6,420,900	630,000	-	630,000	(5,790,900)
Net change in fund balance	\$ -	\$ 379,851	\$ -	\$ 379,851	\$ 379,851

Anson County, North Carolina
Wastewater Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues:			
Wastewater Treatment Charges	\$ 1,886,850	\$ 2,130,118	\$ 243,268
Tap Fees	800	-	(800)
Industrial Surcharges	200	610	410
Total charges for Services	<u>1,887,850</u>	<u>2,130,728</u>	<u>242,878</u>
Other operating revenues:		-	-
Total operating revenues	<u>1,887,850</u>	<u>2,130,728</u>	<u>242,878</u>
Nonoperating revenues:			
Investment earnings	1,000	6,422	5,422
Other Revenues	100	14,815	14,715
Total nonoperating revenues	<u>1,100</u>	<u>21,237</u>	<u>20,137</u>
Total revenues	<u>\$ 1,888,950</u>	<u>\$ 2,151,965</u>	<u>\$ 263,015</u>
Expenditures:			
Administration:			
Operating Expenditures	\$ 63,728	\$ 76,496	\$ (12,768)
Distribution:			
Salaries and Employee Benefits	717,264	679,639	37,625
Electricity and Fuel	384,370	347,218	37,152
Repairs and Maintenance	249,305	228,699	20,606
Operating Expenditures	468,121	249,497	218,624
Total Distribution	<u>1,819,060</u>	<u>1,505,053</u>	<u>314,007</u>
Debt service:			
Interest and fees		1,355	-
Principal Retirement	8,592	7,254	-
Total debt service	<u>8,592</u>	<u>8,609</u>	<u>(17)</u>
Capital outlay			
Vehicles	-	56,149	-
Wastewater Collection System	-	-	-
Total Capital Outlay	<u>-</u>	<u>56,149</u>	<u>(56,149)</u>
Total Expenditures	<u>\$ 1,891,380</u>	<u>\$ 1,646,307</u>	<u>\$ 245,073</u>
Revenues over (under) expenditures	<u>(2,430)</u>	<u>505,658</u>	<u>508,088</u>

Anson County, North Carolina
Wastewater Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2016

	Budget	Actual	Variance Positive (Negative)
Other financing sources			
Appropriated Fund Balance	78,431	-	(78,431)
Capital Contribution - Town of Wadesboro	-	-	-
Total Other Financing Source (Uses)	<u>78,431</u>	<u>-</u>	<u>(78,431)</u>
Revenues and other financing sources over expenditures	<u>\$ 76,001</u>	505,658	<u>\$ 429,657</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Expenditures over (under) revenues and other financing sources		<u>\$ 505,658</u>	
Reconciling items:			
Payment of debt principal		\$ 8,592	
Capital Outlay		56,149	
Change in inventory		12,884	
Increase in accrued vacation pay		4,262	
Contributions to the pension plan in the current fiscal year		32,674	
Pension expense		(12,214)	
Decrease in Interest Expense Accrual		17	
Increase in net OPEB Obligation		(5,309)	
Depreciation		(813,226)	
Capital Contributions (from Ex E-8)		-	
Total reconciling items		<u>(716,171)</u>	
Change in net position		<u>\$ (210,513)</u>	

Anson County, North Carolina
Richmond Street Sewer Project Fund
Statement of Revenues and Expenditures-Budget and Actual (NON-GAAP)
From Inception and for the Year Ended June 30, 2016

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
NC Rural Center grant #2009-152-40101-112	\$ 500,000	\$ 212,145	\$ -	\$ 212,145	\$ (287,855)
Golden Leaf Foundation	80,000	64,000	-	64,000	(16,000)
Town of Wadesboro Committee	85,000	85,000	-	85,000	-
CDBG #08-C-1859	750,000	750,000	-	750,000	-
TOTAL REVENUES	<u>1,415,000</u>	<u>1,111,145</u>	<u>-</u>	<u>1,111,145</u>	<u>(303,855)</u>
Expenditures					
Administration	100,000	100,000	-	100,000	-
Inspections	73,500	73,500	-	73,500	-
Engineering/Design	100,500	100,500	-	100,500	-
Land acquisition/Appraisals/Legal	15,000	-	-	-	15,000
Surveying and survey plats	10,000	10,000	-	10,000	-
Legal fees	3,000	-	-	-	3,000
Construction	1,319,000	893,564	-	893,564	425,436
TOTAL EXPENDITURES	<u>1,621,000</u>	<u>1,177,564</u>	<u>-</u>	<u>1,177,564</u>	<u>443,436</u>
REVENUES OVER (UNDER) EXPENDITURES	(206,000)	(66,419)	-	(66,419)	139,581
Other Financing Sources					
Proceeds from long-term debt	-	-	-	-	-
Transfer from Wastewater Fund	206,000	206,000	-	206,000	-
TOTAL OTHER FINANCING SOURCES	<u>206,000</u>	<u>206,000</u>	<u>-</u>	<u>206,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ 139,581</u>	<u>\$ -</u>	<u>\$ 139,581</u>	<u>\$ 139,581</u>

AGENCY FUNDS

Agency funds are used to account for assets held by the county as an agent for individuals, private organizations, other governments, and/or other funds.

**Anson County, North Carolina
Agency Funds
Combining Balance Sheet
June 30, 2016**

(With Comparative Totals as of June 30, 2015)

	Agency				Totals		
	Social Services Fund	Sheriffs Judgment Fund	Finds and Forfeitures Fund	Municipal Tax Collection Fund	Deed of Trust Fee Fund	June 30, 2016	June 30, 2015
Assets							
Cash and cash equivalents	\$ 25,383	\$ 1,233	\$ -	\$ 65,092	\$ -	\$ 91,708	\$ 82,854
Liabilities							
Miscellaneous liabilities	\$ 25,383	\$ -	\$ -	\$ -	\$ -	\$ 25,383	\$ 36,203
Intergovernmental payable	-	1,233	-	65,092	-	66,325	46,651
Total liabilities	\$ 25,383	\$ 1,233	\$ -	\$ 65,092	\$ -	\$ 91,708	\$ 82,854

Anson County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2016

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016
Social Services				
Assets:				
Cash and cash equivalents	\$ 34,970	\$ -	\$ 9,587	\$ 25,383
Liabilities:				
Miscellaneous liabilities	\$ 34,970	\$ -	\$ 9,587	\$ 25,383
Sheriff's Judgment Fund				
Assets:				
Cash and cash equivalents	\$ 1,233	\$ -	\$ -	\$ 1,233
Liabilities:				
Miscellaneous liabilities	\$ 1,233	\$ -	\$ -	\$ 1,233
Fines and Forfeitures Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Liabilities:				
Intergovernmental payables	\$ -	\$ -	\$ -	\$ -
Municipal Tax Collection Fund				
Assets:				
Cash and cash equivalents	\$ 46,651	\$ 2,182,624	\$ 2,164,183	\$ 65,092
Liabilities:				
Intergovernmental payables	\$ 46,651	\$ 2,182,624	\$ 2,164,183	\$ 65,092
Deed of Trust Fee Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Liabilities:				
Intergovernmental payables	\$ -	\$ -	\$ -	\$ -
Totals - All Agency Funds				
Assets:				
Cash and cash equivalents	\$ 82,854	\$ 2,182,624	\$ 2,173,770	\$ 91,708
Liabilities:				
Miscellaneous liabilities	\$ 36,203	\$ -	\$ 9,587	\$ 26,616
Intergovernmental payable	46,651	2,182,624	2,164,183	65,092
Total liabilities	\$ 82,854	\$ 2,182,624	\$ 2,173,770	\$ 91,708

OTHER SCHEDULES

This section includes additional information on property taxes.

**Anson County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2016**

Fiscal Year	Uncollected Balance June 30, 2015	Additions	Collections And Credits	Uncollected Balance June 30, 2016
2015-2016	\$ -	\$ 14,452,347	\$ 13,675,675	\$ 776,672
2014-2015	758,899	-	253,966	504,933
2013-2014	630,135	-	260,056	370,079
2012-2013	435,506	-	171,353	264,153
2011-2012	259,367	-	59,174	200,193
2010-2011	172,422	-	24,959	147,463
2009-2010	149,461	-	17,989	131,472
2008-2009	94,862	-	8,350	86,512
2007-2008	73,335	-	5,755	67,580
2006-2007	55,696	-	5,811	49,885
Prior Years	43,092	-	43,092	-
	-	-	-	-
	<u>\$ 2,672,775</u>	<u>\$ 14,452,347</u>	<u>\$ 14,526,180</u>	<u>2,598,942</u>
Less: allowance for uncollectible accounts:				
General Fund				<u>670,898</u>
Ad valorem taxes receivable - net:				
General Fund				<u>\$ 1,928,044</u>
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				<u>\$ 14,247,547</u>
Reconciling items:				
Interest and Penalty collected				229,317
Releases and adjustments				<u>49,316</u>
Total reconciling items				<u>278,633</u>
Total collections and credits				<u>\$ 14,526,180</u>

Anson County, North Carolina
Analysis of Current Tax Levy
County - wide Levy
For the Fiscal Year Ended June 30, 2016

	County - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
	Original levy:				
Property taxes at current year's rate	\$ 1,795,751,685	0.801	\$ 14,383,971	\$ 13,087,718	\$ 1,296,253
Motor Vehicles taxed at prior year's rate	-	0.801	-	-	-
Deferred taxes at current year's rate	1,863,046	0.801	14,923	14,923	-
Deferred taxes at prior year's rate	2,346,023	0.767	17,994	17,994	-
Penalties	-		19,160	19,160	-
Total	<u>1,799,960,755</u>		<u>14,436,048</u>	<u>13,139,795</u>	<u>1,296,253</u>
Discoveries:					
Current Year Taxes	2,918,227	0.801	23,375	23,375	-
Penalties	-	-	1,610	1,610	-
Total	<u>2,918,227</u>		<u>24,985</u>	<u>24,985</u>	<u>-</u>
Abatements:	-		(8,686)	(8,686)	-
Total property valuation	<u>\$ 1,802,878,982</u>				
Net levy			14,452,347	13,156,094	1,296,253
Uncollected taxes at June 30, 2016			<u>776,672</u>	<u>776,672</u>	<u>-</u>
Current year's taxes collected			<u>\$ 13,675,675</u>	<u>\$ 12,379,422</u>	<u>\$ 1,296,253</u>
Current levy collection percentage			<u>94.63%</u>	<u>94.10%</u>	<u>100.00%</u>

Anson County, North Carolina
Ten Largest Taxpayers
For the Fiscal Year Ended June 30, 2016

Taxpayer	Type of Business	2015 Assessed Valuation	Percentage of Total Assessed Valuation
NC Electric Membership Corp.	Utility	\$ 112,344,352	6.23%
Duke Energy Progress	Utility	50,165,985	2.78%
Piedmont Natural Gas Co. Inc.	Utility	43,171,717	2.39%
Triangle Brick	Masonry Materials	26,694,551	1.48%
Pee Dee Electric Membership Corp.	Utility	26,079,311	1.45%
SD Fibers Corporation	Textiles	25,405,433	1.41%
CSX Transportation	Utility	19,899,885	1.10%
Hornwood, Inc.	Textiles	14,087,513	0.78%
Wal-Mart Stores East LP	Commercial Sales	13,377,156	0.74%
Edwards Wood / Timber Products	Forest Products	13,203,340	0.73%
Total		\$ 344,429,243	19.10%

COMPONENT UNIT FINANCIAL DATA

Anson Tourism Development Authority, a component unit of Anson County, is a legally separate entity for which the County is financially accountable. The Authority does not issue separate financial statements.

**Anson County, North Carolina
Tourism Development Authority
Balance Sheet-Discretely presented Component Unit
June 30, 2016**

	Balance as of June 30, 2016
Assets:	
Cash and cash equivalents	\$ 85,091
Restricted cash and cash equivalents	-
Due from other governments	2,688
Prepaid expenses	325
Total assets	\$ 88,104
 Liabilities and Fund Balances:	
Liabilities:	
Accounts Payable and Accrued Liabilities	\$ 4,130
 Fund Balances:	
Nonspendable:	
Prepaid Items	325
Restricted:	
Stabilization by State Statute	2,688
Committed:	
Economic and Physical Development	80,961
Assigned:	
Subsequent Year's Expenditures	
Unassigned:	
Total Fund Balances	83,974
Total Liabilities and Fund Balances	\$ 88,104

Anson County, North Carolina
Tourism Development Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Discretely Presented Component Unit
June 30, 2016

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Other taxes and licenses:			
6% occupancy tax	\$ 27,000	\$ 33,224	\$ 6,224
Investment Earnings	35	153	118
TOTAL REVENUES	<u>27,035</u>	<u>33,377</u>	<u>6,342</u>
EXPENDITURES			
Economic and physical development:			
Contracted Services	8,500	7,751	749
Office Expense	2,400	174	
Office Rent	1,800	150	1,650
Marketing	26,500	28,804	(2,304)
TOTAL EXPENDITURES	<u>39,200</u>	<u>36,879</u>	<u>95</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(12,165)</u>	<u>(3,502)</u>	<u>6,247</u>
APPROPRIATED FUND BALANCE	<u>12,165</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>(3,502)</u>	<u>\$ 6,247</u>
FUND BALANCE			
Beginning of year, July 1		<u>87,476</u>	
End of year, June 30		<u>\$ 83,974</u>	

COMPLIANCE SECTION



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

Independent Auditors' Report

To the Board of County Commissioners
County of Anson
Wadesboro, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Anson County, North Carolina, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Anson County basic financial statements, and have issued our report thereon dated June 19, 2017. The financial statements of Anson Tourism Development Authority were not audited in accordance with Government Auditing Standards.

Internal Control Over Financial Reporting

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

Our consideration of the internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses, 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 consider the deficiencies described in the accompanying schedule of findings and responses to be a material weakness [16-01].

A significant deficiency is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies that we considered to be significant deficiencies.

Compliance and Other Matters

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

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The County'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.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
June 19, 2017



Thompson, Price, Scott, Adams & Co, P.A.

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**Alan W. Thompson, CPA
R. Bryon Scott, CPA
Gregory S. Adams, CPA**

Report On Compliance With Requirements Applicable To Each Major Federal
Program And Internal Control Over Compliance In Accordance With OMB
Uniform Guidance and the State Single Audit Implementation Act

Independent Auditors' Report

To the Board of County Commissioners
Anson County
Wadesboro, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Anson County, North Carolina's, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Anson County's major federal programs for the year ended June 30, 2016. Anson County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Anson County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the State Single Audit Implementation Act. Those standards, OMB Uniform Guidance, and the State Single Audit Implementation Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Anson County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Anson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items (16-01 and 16-02). Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs and Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Anson County 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 Anson County's internal control over compliance with the types of requirements that could have and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance, that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of finding and questioned costs as items (16-01) to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items (16-02) to be significant deficiencies.

Anson County's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
June 19, 2017



Report On Compliance With Requirements Applicable To Each Major State
Program And Internal Control Over Compliance In Accordance With OMB Uniform Guidance
and the State Single Audit Implementation Act

Independent Auditors' Report

To the Board of County Commissioners
Anson County
Wadesboro, North Carolina

Report on Compliance for Each Major State Program

We have audited Anson County, North Carolina's, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Anson County's major state programs for the year ended June 30, 2016. Anson County's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Anson County's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and applicable sections of Title 2 *US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as described in the *Audit Manual for Governmental Auditors in North Carolina*, and the State Single Audit Implementation Act. Those standards, Uniform Guidance, and the State Single Audit Implementation Act 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 each of its major state programs for the year ended June 30, 2016. An audit includes examining, on a test basis, evidence about Anson County's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

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

Opinion on Each Major State Program

In our opinion, Anson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2016.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item (16-01). Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying Schedule or Findings and Questioned Costs and Corrective Action Plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Anson County 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 Anson County's internal control over compliance with the types of requirements that could have and material effect on a major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance, that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of finding and questioned costs as items (16-01) to be a material weakness.

A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We did not identify any deficiencies in internal control over compliance that we considered to be a significant deficiency.

Anson County's response to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Thompson, Price, Scott, Adams & Co., P.A.

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
June 19, 2017

ANSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2016

Section I - Summary of Auditors' Results (continued)

State Awards

Internal control over major State programs:

- Material weakness(es) identified? X yes no
- Significant deficiency(ies) identified yes X none reported
- Noncompliance material to State awards yes X no

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

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act yes X no

Identification of major State programs:

Program Name

Medicaid

ANSON COUNTY, NORTH CAROLINA
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2016

Section II - Financial Statement Findings

	MATERIAL WEAKNESS
Finding 16-01	Reconciliation of Records
Criteria:	The finance office should prepare timely reconciliations of records.
Condition:	In reviewing bank reconciliations and other subsidiary ledger reconciliations, it was noted that reconciliations were not prepared timely by the finance office.
Effect:	This indicates that management may not have had accurate information to base decisions on in conducting business for the County.
Cause:	There was significant turnover in the finance staff, to include the finance officer position.
Recommendation:	The finance officer should make sure that timely reconciliations are being prepared and that accurate information is provided to the Board. The Board should be requesting periodic information to ensure that these procedures are being done.
Views of responsible officials:	The County agrees with this finding.
Corrective action:	Efforts will be made to properly train and cross-train employees to make sure that qualified staff is in position to ensure that accurate financial information is presented.

Section III - Federal Award Findings and Questioned Costs

Finding: 16-01	See description under Financial Statement Findings above.
Finding: 16-02	Form DSS-1571 Filings (Repeat Finding)
Criteria:	Local DSS offices report costs for reimbursement from the State on the DSS-1571 form. This form is to be signed by the County Finance Officer, and co-signed by the Director of the Department of Social Services.
Condition:	The DSS-1571 form was being signed by the Director of the Department of Social Services (not the County Finance Officer), and co-signed by the Assistant Director.
Questioned Costs:	\$0; This is a reporting issue that will be corrected.
Effect:	The County has not followed reporting guidelines.
Cause:	The County was not aware of this requirement until we notified them of it while performing testing for the 2015 audit. The finance officer started approving and signing the form during the 2016 year, but several months were not approved by the finance officer.
Recommendation:	The County Finance Officer and the Director of the Department of Social Services should now sign the DSS-1571 forms.
Views of responsible officials:	The County agrees with this finding.
Corrective action:	The recommendation has already been implemented. The finance officer now reviews and approves the 1571.

Section IV - State Award Findings and Questioned Costs

Finding: 16-01	See description under Financial Statement Findings above.
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ANSON COUNTY, NORTH CAROLINA
Corrective Action Plan
For the Year Ended June 30, 2016

Section II - Financial Statement Findings

Finding: 16-01

Name of Contact Person: Megan Garner, County Manager

Corrective Action: The County agrees with this finding. Proper training will be obtained for the finance staff to ensure that they have the resources needed to properly reconcile and maintain the County's financial records.

Proposed Completion Date: The County will implement this procedure immediately.

Section III - Federal Award Findings and Questioned Costs

Finding: 16-02

Name of Contact Person: Megan Garner, County Manager

Corrective Action: The County agrees with this finding and the DSS-1571 form will be signed by the proper officials.

Proposed Completion Date: The County has already implement this procedure.

Section IV- State Award Findings and Questioned Costs

None reported.

ANSON COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2016

Finding: 15-01 Form DSS 1571 Filings

Status: During the year, the finding was corrected. However, the finding still existed for part of the year, so it was listed as a repeat finding at 16-02.