

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CASWELL COUNTY, NORTH CAROLINA

FOR THE FISCAL YEAR ENDED
JUNE 30, 2019



*Prepared by the
Caswell County Finance Department*

Gwendolyn Vaughn, Finance Director

*County of Caswell County
144 Court Square Post Office Box 98 Yanceyville, North Carolina 27379
336/694-4193*

CASWELL COUNTY
TABLE OF CONTENTS
JUNE 30, 2019

<u>INTRODUCTORY SECTION</u>		
	<u>Exhibit</u>	<u>Page</u>
Letter of Transmittal		1-3
Caswell County Government		4
List of Principal Officials		5
Certificate of Achievement for Excellence in Financial Reporting		6
 <u>FINANCIAL SECTION</u>		
Independent Auditors' Report		7-9
Management's Discussion and Analysis		10-18
 <u>BASIC FINANCIAL STATEMENTS</u>		
GOVERNMENT-WIDE FINANCIAL STATEMENTS:		
Statement of Net Position	1	19
Statement of Activities	2	20
FUND FINANCIAL STATEMENTS:		
Balance Sheet – Governmental Funds	3	21
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	3a	22
Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances- Governmental Funds	4	23
Reconciliation Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund	4a	24
Statement of Revenues, Expenses, and Changes in Fund Balance- Budget and Actual - General Fund and Special Fire District Fund	5	25
Statement of Fund Net Position –Proprietary Funds	6	26
Statement of Revenues, Expenditures, and Changes in Fund Net Position-	7	27
Statement of Cash Flows – Proprietary Funds	8	28-29
Statement of Fiduciary Net Position – Fiduciary Funds	9	30
NOTES TO THE FINANCIAL STATEMENTS		31-66

CASWELL COUNTY
TABLE OF CONTENTS
JUNE 30, 2019

REQUIRED SUPPLEMENTAL FINANCIAL DATA

Schedule of County's Proportionate Share of Net Pension Asset (LGERS)	A-1	67
Schedule of County Contributions (LGERS)	A-2	68
Schedule of County's Proportionate Share of Net Pension Asset (LGERS)	A-3	69
Schedule of County Contributions (ROD)	A-4	70
Schedule of Changes in Total Pension Liability (LEO)	A-5	71
Schedule of Total Pension Liability as a Percentage of Covered-Employee Payroll (LEO)	A-6	72
Schedule of Changes in the Total OPEB Liability and Related Ratios	A-7	73

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Major Governmental Funds

General Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	B-1	74-81
Revaluation Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	B-2	82
Capital Reserve Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	B-3	83
Library Development Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	B-4	84

Nonmajor Governmental Funds:

Combining Balance Sheet – Non-Major Governmental Funds	C-1	85
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-Major Governmental Funds	C-2	86
Special Fire District Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	C-3	87
Emergency Telephone System Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	C-4	88-89
Revolving Loan Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	C-5	90
Equipment and Automation Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	C-6	91

CASWELL COUNTY
TABLE OF CONTENTS
JUNE 30, 2019

Nonmajor Governmental Funds (continued):

Special Grants Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	C-7	92
Scattered Site Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	C-8	93
School Capital Projects Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	C-9	94
Courthouse HVAC Project Fund - Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	C-10	95

Enterprise Funds

Solid Waste Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	D-1	96
Caswell Department of Transportation Fund - Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP)	D-2	97

Agency Funds

Combining Statement of Changes in Fiduciary Net Position - Agency Funds	E-1	98
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OTHER SCHEDULES

Schedule of Ad Valorem Taxes Receivable	F-1	99
Analysis of Current Tax Levy-County-wide Levy	F-2	100

STATISTICAL SECTION

	<u>Table</u>	
Net Position by Components	1	101
Changes in Net Position	2	102-103
Governmental Activities Tax Revenues by Sources	3	104
Fund Balances of Governmental Funds	4	105
Changes in Fund Balances of Governmental Funds	5	106
Assessed Value of Taxable Property	6	107

CASWELL COUNTY
TABLE OF CONTENTS
JUNE 30, 2019

STATISTICAL SECTION (continued)

Direct and Overlapping Governments	7	108
Principal Property Taxpayers	8	109
Property Tax Levies and Collections	9	110
Ratios of Outstanding Debt by Type	10	111
Ratios of General Bonded Debt Outstanding	11	112
Legal Debt Margin Information	12	113
Demographic and Economic Statistics	13	114
Principal Employers	14	115
Full-Time Equivalent County Employees by Function	15	116
Operating Indicators by Function	16	117
Capital Assets Statistics by Function	17	118

COMPLIANCE SECTION

Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	119-120
Reporting 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	121-122
Reporting 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	123-124
Schedule of Findings and Questioned Costs	125-128
Corrective Action Plan	129
Summary Schedule of Prior Year Audit Findings	130
Schedule of Expenditures of Federal and State Awards	131-134

INTRODUCTORY SECTION



CASWELL COUNTY

144 Court Square, Yanceyville, NC 27379

www.caswellcountync.gov

336/694-4193

November 20, 2019

To the Board of County Commissioners and
The Citizens of Caswell County, North Carolina

It is my pleasure to submit the Comprehensive Annual Financial Report for Caswell County, North Carolina for the fiscal year ended June 30, 2019. North Carolina State law requires all general-purpose local governments to publish each fiscal year a complete set of financial statements. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. This report complies with the requirements of GASB Statement No. 34.

The Comprehensive Annual Financial Report consists of management's representations concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the County has established a comprehensive internal control framework that is designed to protect County assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of the internal controls should not outweigh their benefits, the County's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The County's financial statements have been audited by Thompson, Price, Scott, Adams and Co. P.A., a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2019, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the County was part of a broader, federal and state mandated Single Audit designed to meet the special needs of grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. These auditor reports are available in the Single Audit section of this report.

GAAP requirements specify that management provide a narrative, introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Some information traditionally reported in the letter of transmittal is now included in the MD&A as required. The County's MD&A can be found immediately following the report of the independent auditors.

The County

Caswell County, founded in 1777, is located in the north central Piedmont region of North Carolina, along the Virginia border. Approximately 22,698 people live in the small towns and communities of Caswell. The Town of Yanceyville, incorporated in 1986, is the County seat and largest municipality, with a population of approximately 1,944. The Town of Milton, which celebrated its bicentennial in 1996 as one of the oldest incorporated towns in the nation, has a current population of approximately 148. The balance of the County residents resides in unincorporated communities.

Caswell County takes great pride in its agricultural heritage and rich historical traditions. The County is renowned as the birthplace of “Bright Leaf” tobacco and has one of the finest antebellum courthouses in the southeast. The Thomas Day House, home of the renowned 19th century cabinet and furniture maker is located in Milton.

Governmental Structure

Caswell County has a Commissioner/Manager form of government. The seven members of the Board of Commissioners are elected to staggered four-year terms. Five of the seven are elected by district, and the remaining two are elected by the population at large. The Board of Commissioners holds policy-making and legislative authority.

The County provides a full range of services including public safety, social services, health services, emergency medical services, cultural and recreational activities, general administration, and others. In addition to these general government functions, the County also provides solid waste management services and transportation support. The Board of Commissioners also extends financial support to certain agencies and groups who are involved in serving our citizens. Among them are the Caswell County Board of Education, Piedmont Community College, volunteer fire departments, the Piedmont Triad Partnership (a regional economic development organization), the Piedmont Triad Council of Governments, and Caswell Parish.

Economic Conditions and Outlook

During the past year Caswell County has realized no major economic change. Statistical data from the North Carolina Rural Economic Development Center supports a slight reduction in overall population.

The most recent data indicated median household income at \$40,570 compared to the state at \$53,369 according to US Census Bureau and FRED Economic Data statistics.

Employment categories include government, education, health care and social assistance, private industry, construction and retail trade. State and local government has the largest number of employees collectively, totaling over 800 workers. Other major employers employ about 630 workers. A variety of food service chains, local restaurants and private employers generally employ between 75-100 workers. The most significant impact of the lack of industry in the County is that a large percentage of the County’s workforce is forced to commute outside of the County to work.

The County’s unemployment rate for June 2019 was 5.2%, while reported at 4.2% for June 2018 according to FRED Economic Data reports

The County’s tax base is the primary source of local revenue along with the state sales and use tax distributions.

Management Policies

The County continues to monitor resources and target program efficiency and cost control efforts, allowing the County to maintain a strong financial position and make progress toward improvements. It is believed that changes in the economic environment in the area and the diligent management of the County costs and services will provide ongoing financial stability and fiscal capacity. Management continues working with departments to maximize cost to continue services to citizens of Caswell. Maintaining a stable fund balance continues to be a top priority; to ensure adequate reserves to fund projects, capital needs and keep the tax rate at a necessary funding level.

Major initiatives

Economic development continues to be a key focus for Caswell County. The County has hired a full time Economic Developer/Small Business Center Director and a part time office assistant on staff. This is a direct initiative to further develop the County’s economic development goals and focus on the Industrial Park along the US Highway 29 corridor and

developing the existing acreage in the Caswell Industrial Park with agriculturally focused education and business new construction. Concurrent with that; our focus is on the development of small commercial businesses within the County. This is occurring though the renovation of two separate building which will be connected into a 9,000 sq. ft. co-working space designed to help entrepreneurs with internet access/speed and office space in a collaborative environment.

With the approval of a bond referendum, Caswell County will begin the construction/renovation process of a new high school this fiscal year. Funding is made possible by a 15 million dollar grant through the Department of Public Instruction to the Caswell County Board of Education, 3 million dollars from the Board of Education, and the issuance of 18.5 million dollars of General Obligation Bonds, totaling 36.5 million dollars.

As the Caswell County Board of Commissioners continues to implement the Comprehensive Plan, opportunity for community development, growth strategies, goals and policies are expected to help stimulate the economy of the County. Like many North Carolina counties, Caswell continues to be faced with budgetary restraints. Property tax collections remain a high priority with a stable collection rate above 98%. Sales & Use tax revenues show a minor increase while sales & services and permits and fees remain moderate.

Short and Long Term Financial Planning

The County's Comprehensive Plan is used as a guide for making strategic decisions for orderly growth and economic development.

The fiscal year 2019-2020 budget was adopted with an ad valorem tax rate of \$0.7350. Some major features of the 2019-2020 budget include:

- An ad valorem tax rate of \$0.7350 per \$100 valuation. The Fire Service District maintained the tax rate of \$0.0369 per \$100 valuation; the same as Casville Special Fire District.
- The Solid Waste Management fee increased to \$59 per household.
- The budget includes salary adjustments/COLA of 2.25% for full time and permanent part-time positions.
- The County implemented a Self-Insured Health Insurance plan for qualifying County employees.

Awards and Accomplishments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Caswell County for its comprehensive annual financial report for the fiscal year ended June 30, 2018. The County also received this award for the fiscal years ended June 30, 1997 through 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In summary, this Comprehensive Annual Financial Report provides a source of information to citizens, the Board of Commissioners, other governmental agencies, investors and creditors, all of who rely upon it for decision making and the opportunity to learn more about Caswell County's financial condition.

Sincere appreciation is expressed to the Finance Department staff and Thompson, Price, Scott, Adams and Co. P.A., in the preparation of this report. We also express our gratitude to the Board of Commissioners for their continued support and guidance throughout the past fiscal year.

Respectfully submitted,

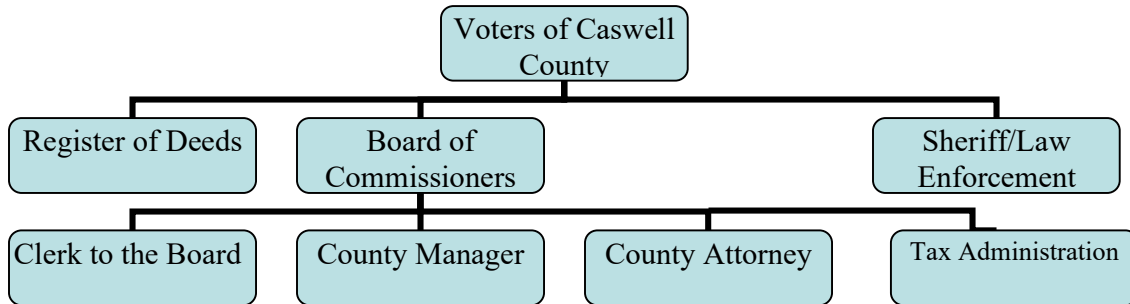
Bryan S. Miller

Bryan S. Miller, County Manager

Gwendolyn Y. Vaughn

Gwendolyn Y. Vaughn, Finance Director

CASWELL COUNTY ORGANIZATION CHART FY 2018-2019



ADMINISTRATON

- Human Resources
- Finance
- Economic Development
- Information Technology
- **Board of Elections**

HUMAN SERVICES

- **Public Health**
- **Department of Social Services**
- Senior Services
- Family Services/Crisis Intervention
- County Maintenance
- Section 8 Housing Authority

PUBLIC SAFETY

- Emergency Management
- Emergency Medical Services
- Emergency Communications
- Planning
- Building Inspections
- Animal Control
- **Soil & Water Conservation**

CULTURAL & RECREATIONAL

- Parks & Recreation
- Farmer Lake

ENTERPRISE

- Solid Waste Management
- Caswell Area Transportation

**CASWELL COUNTY, NORTH CAROLINA
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**List of Principal Officers
June 30, 2019**

County Commissioners

Rick McVey, Chairman
Jeremiah Jefferies, Vice Chairman
Sterling Carter
William E. Carter
Nathaniel Hall
Steve Oestreicher
David Owen

County Officials

Bryan S. MillerCounty Manager
Dr. Sandra CarterSuperintendent of Schools
John I. Satterfield Clerk of Court
Gwendolyn Y. Vaughn Finance Director
Ginny S. Mitchell Register of Deeds
Thomas C. Bernard Tax Director
Tony Durden Jr. Sheriff
Brian M. Ferrell County Attorney



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Caswell County
North Carolina**

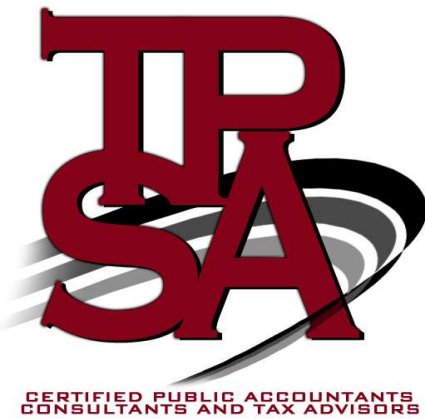
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrell

Executive Director/CEO

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Caswell County
Yanceyville, North Carolina

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Caswell County, North Carolina, as of and for the year ended June 30, 2019, and the related notes to the financial statements which collectively comprise Caswell County 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 did not audit the financial statements of Caswell County ABC Board, which represents 100 percent of the assets, net position, and revenues of the aggregate discretely presented component unit. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Caswell County ABC Board, is based solely on the report of the other auditors. 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. The financial statements of Caswell County ABC Board were not audited in accordance with *Governmental Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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.

Members

American Institute of CPAs - N.C. Association of CPAs - AICPA Division of Firms

Opinions

In our opinion, based upon our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, the aggregate discretely presents component units, each major fund, and the aggregate remaining fund information Caswell County, North Carolina as of June 30, 2019, 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, the Local Government Employees' Retirement Schedules of the County's Proportionate Share of Net Pension Asset and County Contributions, the Register of Deeds' Supplemental Pension Fund Schedule of the County's Proportionate Share of the Net Pension Asset and Schedule of County Contributions, the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, and the Changes in the Total OPEB Liability and Related Ratios on pages 10 through 18 and 67 through 73, 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 basic financial statements of Caswell County, North Carolina. 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 related 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 and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, 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 November 20, 2019 on our consideration of Caswell 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 Caswell 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
November 20, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Caswell County, we offer readers of Caswell County's financial statements this narrative overview and analysis of the financial activities of Caswell County for the fiscal year ended June 30, 2019. 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

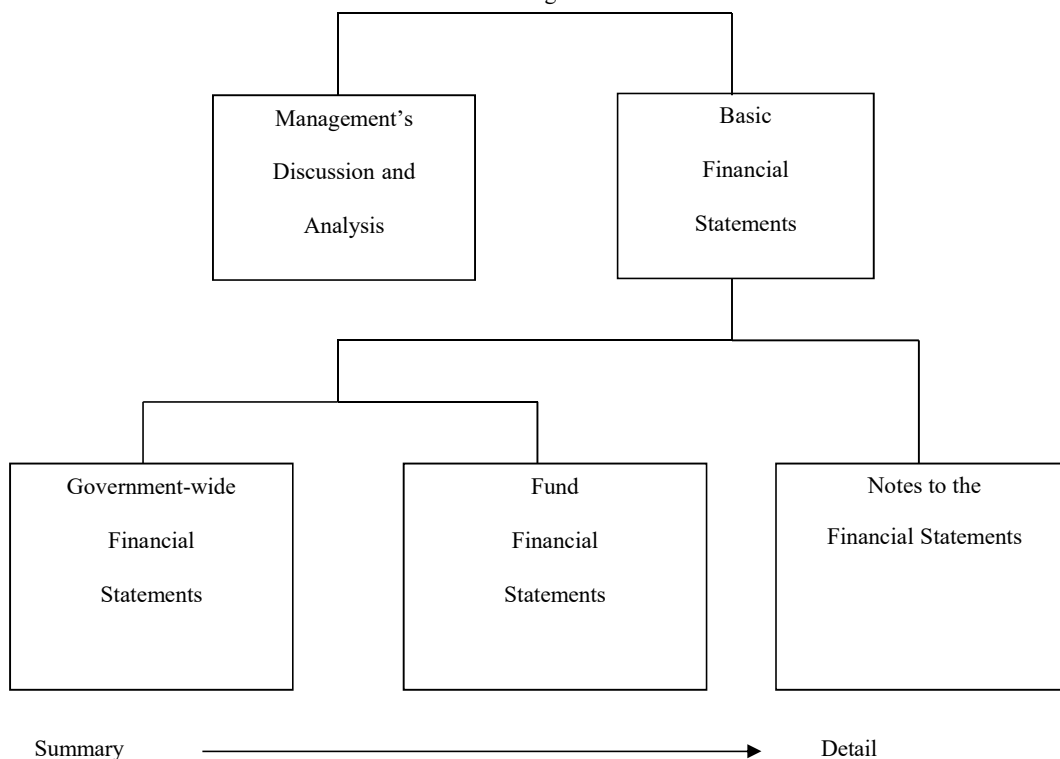
- The assets and deferred outflows of resources of Caswell County primary governmental activities exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$20,469,420 (net position).
- The total assets and deferred outflows of resources of Caswell County's governmental activities exceed its liabilities and deferred inflows of resources at the close of the fiscal year by \$19,520,256 (net position).
- The total assets and deferred outflows of resources of Caswell County's business-type activities exceed its liabilities and deferred inflows of resources at the close of the fiscal year by \$949,164 (net position).
- The government's current net position increased by \$2,107,485. This increase was a result of an increase of \$2,506,499 in governmental activities and a decrease of \$399,014 in business-type activities.
- As of the close of the current fiscal year, Caswell County's governmental funds reported combined ending fund balances of \$8,452,211; an increase of \$1,304,551 in comparison to the prior year. Approximately 27.08 percent of this total amount or, \$2,288,758 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$2,690,834 or 10.10 percent of total general fund expenditures for the fiscal year.
- Caswell County's total debt decreased by \$613,638 or 8.01 percent during the current fiscal year.
- The County's overall tax rate for the current fiscal year is 0.709 cents per \$100 valuation. Tax collection percentage for the current fiscal year was 98.73% as compared to 98.56% in the prior year.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Caswell 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 Caswell 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 statements.

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, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes can also be found in this part of the statements.

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 three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, human services, parks and recreation, education, and general administration. Property taxes, sales taxes, and state and federal grant funds finance the majority of these activities. The business-type activities are those that the County charges customers to provide. This includes the solid waste services and transportation offered by Caswell County. The final category is the component units. The Caswell County ABC Board is a discretely presented component unit. The members of the governing body are appointed by the County. The ABC Board is required to distribute its profits to the 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. Caswell County, like 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 Caswell 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, which provides a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps 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.

Caswell 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 fund 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 – Caswell County has one kind of proprietary funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Caswell County uses enterprise funds to account for its solid waste management and transportation 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. Caswell County has four fiduciary funds, all classified as agency funds.

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 on page 31 of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning Caswell County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 67 - 73 of this report.

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 \$20,469,420 as of June 30, 2019. The County's net position increased by \$2,107,485 for the fiscal year ended June 30, 2019. One of the largest portions, \$17,269,763 (84.37%) reflects the County's net investment in capital assets. Caswell County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Caswell 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 Caswell County's net position \$3,745,307 (18.30%) represents resources that are subject to external restrictions on how they may be used. The remaining deficit balance of \$545,650 (-2.67%) is unrestricted.

Caswell County's Net Position
Figure 2

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 9,504,805	\$ 8,834,392	\$ 508,293	\$ 1,010,356	\$ 10,013,098	\$ 9,844,748
Capital assets	23,115,411	22,147,749	804,090	683,755	23,919,501	22,831,504
Total assets	32,620,216	30,982,141	1,312,383	1,694,111	33,932,599	32,676,252
Total deferred outflows of resources	3,048,475	2,031,429	73,900	55,358	3,122,375	2,086,787
Long-term liabilities outstanding	13,641,670	12,980,586	342,999	321,805	13,984,668	13,302,391
Other liabilities	2,167,008	2,742,677	80,442	68,955	2,247,450	2,811,632
Total liabilities	15,808,677	15,723,263	423,441	390,760	16,232,118	16,114,023
Total deferred inflows of resources	339,758	276,550	13,678	10,531	353,436	287,081
Net position:						
Net investment in capital assets	16,465,673	15,101,143	804,090	683,755	17,269,763	15,784,898
Restricted	3,745,307	3,016,482	-	-	3,745,307	3,016,482
Unrestricted	(690,724)	(1,103,868)	145,074	664,423	(545,650)	(439,445)
Total net position	\$ 19,520,256	\$ 17,013,757	\$ 949,164	\$ 1,348,178	\$ 20,469,420	\$ 18,361,935

Caswell County, along with many other counties in North Carolina, funds school facilities that become assets of the school district and community college facilities that become assets of the school district and community college facilities that become property of the community college, through the issuance of debt. General Obligation Bonds have been issued by the County to fund the majority of the costs of these assets. The County's liabilities at June 30, 2019 include outstanding general obligation debt of \$413,539 related to funding these non-county assets. This represents 100% of the County's outstanding General obligation debt. Because the County does not retain the related assets, this debt liability (less any unspent proceeds) reduces the County's net position and presents a less favorable picture as compared to governments that do not extensively fund the capital of other government entities.

Several particular aspects of the County's financial operations contributed to the increase in the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes by maintaining a collection percentage of above 98%
- Continued use of Debt Setoff Clearinghouse for certain debt collections
- Improved collections of emergency medical services debt using an outside billing agency
- Continued use of revenue from inmate housing
- Continued improvements to the County's Industrial Park and Small Business prospects

Caswell County's Changes in Net Position
Figure 3

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 4,124,927	\$ 3,273,417	\$ 1,110,958	\$ 1,009,215	\$ 5,235,885	\$ 4,282,632
Operating grants and contributions	5,641,680	6,032,515	-	-	5,641,680	6,032,515
Capital grants and contributions	808,381	530,000	-	-	808,381	530,000
General revenues:						
Property taxes	13,000,897	12,833,668	-	-	13,000,897	12,833,668
Sales taxes	4,749,935	4,503,682	-	-	4,749,935	4,503,682
Other taxes	-	-	56,856	51,581	56,856	51,581
Other	190,146	120,356	5,452	2,186	195,598	122,542
Total revenues	28,515,966	27,293,638	1,173,266	1,062,982	29,689,232	28,356,620
Expenses:						
General government	3,309,482	3,158,690	-	-	3,309,482	3,158,690
Public safety	8,630,706	8,671,161	-	-	8,630,706	8,671,161
Environmental protection	107,276	110,309	-	-	107,276	110,309
Economic and physical development	850,594	777,188	-	-	850,594	777,188
Human services	8,454,483	8,820,823	-	-	8,454,483	8,820,823
Cultural and recreation	902,390	825,686	-	-	902,390	825,686
Education	3,545,488	3,791,195	-	-	3,545,488	3,791,195
Interest on long-term debt	209,048	241,311	-	-	209,048	241,311
Solid waste	-	-	1,080,134	963,997	1,080,134	963,997
Transportation	-	-	492,146	449,064	492,146	449,064
Total expenses	26,009,467	26,396,363	1,572,280	1,413,061	27,581,747	27,809,424
Increase in net position before transfers and special items	2,506,499	897,275	(399,014)	(350,079)	2,107,485	547,196
Transfers and special items	-	-	-	-	-	-
Increase in net position after transfers and special items	2,506,499	897,275	(399,014)	(350,079)	2,107,485	547,196
Net position, beginning	17,013,757	17,508,490	1,348,178	1,786,117	18,361,935	19,294,607
Net position, beginning, restated	17,013,757	16,116,482	1,348,178	1,698,257	18,361,935	17,814,739
Net position, ending	\$ 19,520,256	\$ 17,013,757	\$ 949,164	\$ 1,348,178	\$ 20,469,420	\$ 18,361,935

Governmental activities. Governmental activities increased the County's net position by \$2,506,499. Key elements of this increase are:

- Increase in property tax collections.
- Overall decrease in expenditures.

Business-type activities. Business-type activities decreased Caswell County's net position by \$399,014. Key elements of this decrease is primarily due to an increase in expenditures for both the Solid Waste and Transportation funds.

Financial Analysis of the County's Funds

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

Governmental Funds. The focus of Caswell County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Caswell 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 Caswell County. At the end of the current fiscal year, Caswell County's fund balance available in the General Fund was \$6,292,030, while total fund balance reached \$8,494,685. The Governing Body of Caswell County has determined that the county should maintain an available fund balance of 8% of general fund expenditures in case of unforeseen needs or opportunities, in addition to meeting the cash flow needs of the county. The county currently has an available fund balance of 23.62%, while total fund balance represents 31.88% of that same amount. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 10.10% of total General Fund expenditures, while total fund balance represents 31.88% of the same amount of expenditures. Fund balance for the General Fund increased \$1,476,614 over the prior year. Expenditures (including transfers) decreased from the previous year by \$955,230. Several factors contributing to the decrease includes a decrease in capital spending.

Revenues increased \$2,197,940 primarily due to an increase in ad valorem taxes, local option sales tax, and capital grants and contributions.

At June 30, 2019, the governmental funds of Caswell County reported a combined fund balance of \$8,452,211, a 18.25% percent increase over the previous year. The primary reasons for this increase were a result of the County decreasing expenditures in the General Fund, and an increase in revenues from ad valorem taxes and local option sales taxes.

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 increased the total budget by 12.50% or \$3,291,646. The largest changes involved human services and public safety.

Proprietary Funds. Caswell 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 Solid Waste Management and Transportation Funds at the end of the fiscal year totaled \$145,074. The total net position for the funds decreased \$399,014. Other factors concerning the finances of these two funds have already been addressed in the discussion of Caswell County's Business-Type activities.

Capital Asset and Debt Administration

Capital Assets. Caswell County's capital assets for its governmental and business-type activities as of June 30, 2019, totals \$23,919,501 (net of accumulated depreciation). These assets include buildings, roads and bridges, land, machinery and equipment, park facilities, and vehicles.

Major capital asset transactions during the year include purchases of a vehicle for the Sheriff department, EMS equipment upgrades, and a library construction project.

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

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 915,870	\$ 915,870	\$ 37,500	\$ 37,500	\$ 953,370	\$ 953,370
Construction in Progress	2,991,121	1,457,511	-	-	2,991,121	1,457,511
Buildings	13,839,383	14,566,314	9,269	9,923	13,848,652	14,576,237
Improvements	924,963	874,339	197,329	204,807	1,122,292	1,079,146
Equipment	554,417	609,687	85,698	70,843	640,115	680,530
Vehicles	838,174	1,014,715	474,294	360,682	1,312,468	1,375,397
Audiovisuals	11,786	5,565	-	-	11,786	5,565
Other Assets	3,030,661	2,694,401	-	-	3,030,661	2,694,401
Infrastructure	9,036	9,347	-	-	9,036	9,347
Total	<u>\$ 23,115,411</u>	<u>\$ 22,147,749</u>	<u>\$ 804,090</u>	<u>\$ 683,755</u>	<u>\$ 23,919,501</u>	<u>\$ 22,831,504</u>

Additional information on the County's capital assets can be found in notes to the Financial Statements starting on page 42..

Long-term Debt. As of June 30, 2019, Caswell County had total bonded debt outstanding of \$5,331,000, the majority of which is backed by the full faith and credit of the County.

**Caswell County's Outstanding Debt
Figure 5**

	Governmental Activities	
	2019	2018
Bonds	\$ 5,331,000	\$ 6,202,000
Plus: Premiums on Issuance	3,539	5,309
Total Bonds	<u>5,334,539</u>	<u>6,207,309</u>
Installment Purchases	1,714,771	1,455,639
Capital Leases	-	-
Total	<u>\$ 7,049,310</u>	<u>\$ 7,662,948</u>

Caswell County's total debt decreased by \$613,638 (8.01 percent) during the past fiscal year, primarily due to the issuance of an additional installment purchase agreement, offset by the repayment of debt obligations.

Caswell County's bond ratings remain stable with North Carolina Municipal Council at '79', Standard and Poor's Rating Services at 'A+' and Moody's Investors' Service at 'A1'.

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 Caswell County is \$126,824,665. The County's current general obligation debt represents approximately 0.32% of total assessed value of taxable property.

Additional information regarding Caswell County's long-term debt can be found in the notes to the financial statements starting on page 60.

Economic Factors and Next Year's Budgets and Rates

The following key economic indicators reflect the economic situation for Caswell County.

- The County's Ad Valorem tax rate was adopted at \$0.7350 per \$100 valuation. A Fire Service District has been established with a tax rate of \$0.0369 per \$100 valuation, the same as Casville Special Fire District.
- The Solid Waste Management fee increased by \$15 to \$59 per household.
- The Public Library Expansion Project celebrated the Grand Opening in May 2019. The construction project increased the size of the library by 7,500 ft, doubling the size of the library. The facility will provide programs to serve the public such as Book a Librarian which is a program that allows patrons to schedule an hour of a librarian's time to assist them with resume building, interview skills, and career/job search. Also, basic computer classes, and job fairs/workshops are offered. Other programs the library offers include, adult book club, adult sewing club, monthly robotics club, virtual reality and 3D printing workshops, weekly teen programs, programs for Bartlett Yancey and Dillard exceptional children, Storytime, and afterschool youth programs. In addition, the library also provides multiple meeting rooms including a business center for public use.
- Funds from the County's Occupancy Tax levy will be used to promote travel and tourism.
- The school bond referendum was approved by local voting to ---- the County will begin a Capital Project/High School Construction. The project is projected at \$36.5 million dollars using multiple funding sources including DPI grant funding, school funding and general obligation bonds.
- The County continues to focus on the development of small commercial businesses. The purchase of two county buildings is planned for renovation into a co-working space designed to help entrepreneurship. The project is expected to be completed in January 2020.
- The budget included salary adjustments including a 2.25% COLA for full and permanent part time positions. Effective 07/0/2019 the minimum annual salary for full time non-probationary positions will be no less than \$25,000.
- The County implemented a self-insurance health insurance plan for qualifying county employees.

Budget Highlights for Fiscal Year Ending June 30, 2020

Government Activities

Property taxes and sales and use taxes distributions continue to be the primary sources of increase in revenues. The increase in the property tax rate for the County will help raise revenue for the General Fund. Furthermore, the County will use the increases in revenues to finance programs currently in place, including additional funding for education and economic development. The statewide sales and use tax expansion will provide additional revenue to the County for additional allocations for education and economic development. The County Law Enforcement Center is expected to continue to generate revenue and employment in the upcoming fiscal year due to the ability to house state and federal inmates. In addition to these projects, additional revenue is expected with new small business operations contributing to new growth in the County. The County is continuing to make infrastructure improvements to the Pelham Industrial Park.

Business Type Activities

Solid Waste Management fund increased the annual rate from \$44 dollars to \$59 per household. The Solid Waste Fund will be used for upgrades/improvements to Convenience Centers. Transportation rates and services are expected to remain the same. Revenues are projected to continue to grow at a slow pace for the business-type activities.

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:

Gwendolyn Y. Vaughn

Finance Director
Caswell County
144 Court Square
Yanceyville, NC 27373
(336) 694-4193
gvaughn@caswellcountync.gov

Bryan S. Miller

County Manager
Caswell County
144 Court Square
Yanceyville, NC 27373
(336) 694-4193
bmiller@caswellcountync.gov

BASIC FINANCIAL STATEMENTS

**GOVERNMENT-WIDE
FINANCIAL STATEMENTS**

Caswell County, North Carolina
Statement of Net Position
June 30, 2019

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Caswell County ABC Board
ASSETS				
Cash and cash investments	\$ 6,222,321	\$ 442,916	\$ 6,665,237	\$ 363,473
Restricted cash and cash equivalents	1,131,940	-	1,131,940	-
Taxes receivable (net)	265,116	44,184	309,300	-
Accrued interest receivable on taxes	21,724	-	21,724	-
Accounts receivables (net)	1,775,835	21,193	1,797,028	-
Internal Balances	-	-	-	-
Prepaid items	67,924	-	67,924	14,588
Inventories	-	-	-	95,963
Net Pension Asset	19,945	-	19,945	-
Capital assets:				
Land, improvements, and construction in progress	3,906,991	37,500	3,944,491	6,000
Other capital assets, net of depreciation	19,208,420	766,590	19,975,010	127,082
Total capital assets	23,115,411	804,090	23,919,501	133,082
Total assets	\$ 32,620,216	\$ 1,312,383	\$ 33,932,599	\$ 607,106
DEFERRED OUTFLOWS OF RESOURCES	\$ 3,048,475	\$ 73,900	\$ 3,122,375	\$ 33,331
LIABILITIES				
Accounts payable and accrued expenses	\$ 704,827	\$ 74,492	\$ 779,319	\$ 76,687
Accrued interest payable	79,885	-	79,885	-
Long-term liabilities:				
Due within one year				
Bonds	867,770	-	867,770	-
Installment obligations	328,586	-	328,586	-
Compensated absences	185,940	5,950	191,890	-
Due in more than one year				
Bonds	4,466,769	-	4,466,769	-
Capital leases	-	-	-	-
Installment obligations	1,386,185	-	1,386,185	-
Compensated absences	557,819	17,851	575,669	-
Accrued postclosure liability	-	57,903	57,903	-
Net Pension Liability (LGRS)	3,364,120	90,723	3,454,843	41,041
Total Pension Liability (LEOSSA)	916,873	-	916,873	-
Net OPEB Liability	2,949,904	176,522	3,126,426	-
Total long-term liabilities	15,023,965	348,949	15,372,914	41,041
Total liabilities	\$ 15,808,677	\$ 423,441	\$ 16,232,118	\$ 117,728
DEFERRED INFLOWS OF RESOURCES	\$ 339,758	\$ 13,678	\$ 353,436	\$ 212
NET POSITION				
Net investment in capital assets	\$ 16,465,673	\$ 804,090	\$ 17,269,763	\$ 133,082
Restricted for:				
Register of deeds	55,689	-	55,689	-
Stabilization by state statute	2,172,271	-	2,172,271	-
General Government	160,568	-	160,568	-
Public Safety	105,375	-	105,375	-
Economic Development	56,119	-	56,119	-
Education	1,195,285	-	1,195,285	-
Working Capital	-	-	-	66,894
Unrestricted (deficit)	(690,724)	145,074	(545,650)	322,521
Total net position	\$ 19,520,256	\$ 949,164	\$ 20,469,420	\$ 522,497

Caswell County, North Carolina
Statement of Activities
For the Year Ended June 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Caswell County ABC Board	
					Governmental Activities	Business-type Activities		
Primary government:								
Governmental Activities:								
General government	\$ 3,309,482	\$ 346,487	\$ -	\$ -	\$ (2,962,995)	\$ -	\$ (2,962,995)	
Public safety	8,630,706	1,968,850	931,542	-	(5,730,314)	-	(5,730,314)	
Transportation	-	-	122,906	-	122,906	-	122,906	
Environmental protection	107,276	-	24,748	-	(82,528)	-	(82,528)	
Economic and physical development	850,594	24,759	276,348	-	(549,487)	-	(549,487)	
Human services	8,454,483	1,724,268	4,128,082	-	(2,602,133)	-	(2,602,133)	
Cultural and recreation	902,390	60,563	158,054	808,381	124,608	-	124,608	
Education	3,545,488	-	-	-	(3,545,488)	-	(3,545,488)	
Interest on long-term debt	209,048	-	-	-	(209,048)	-	(209,048)	
Total governmental activities	26,009,467	4,124,927	5,641,680	808,381	(15,434,479)	-	(15,434,479)	
Business-type activities:								
Solid Waste	1,080,134	557,296	-	-	-	(522,838)	(522,838)	
Caswell division of transportation	492,146	553,662	-	-	-	61,516	61,516	
Total business-type activities	1,572,280	1,110,958	-	-	-	(461,322)	(461,322)	
Total primary government	\$ 27,581,747	\$ 5,235,885	\$ 5,641,680	\$ 808,381	(15,434,479)	(461,322)	(15,895,801)	
Component Units:								
Caswell County ABC Board	\$ 2,257,022	\$ 2,248,744	\$ -	\$ -				\$ (8,278)
Total component units	\$ 2,257,022	\$ 2,248,744	\$ -	\$ -				(8,278)
General revenues:								
Taxes:								
Property taxes, levied for general purpose					13,000,897	-	13,000,897	-
Local option sales tax					4,310,183	-	4,310,183	-
Other taxes and licenses					439,752	56,856	496,608	-
Investment earnings, unrestricted					142,665	4,235	146,900	232
Miscellaneous, unrestricted					47,481	1,217	48,698	-
Transfers					-	-	-	-
Total general revenues, special items, and transfers					17,940,978	62,308	18,003,286	232
Change in net position					2,506,499	(399,014)	2,107,485	(8,046)
Net position-beginning					17,013,757	1,348,178	18,361,935	530,543
Net position-ending					\$ 19,520,256	\$ 949,164	\$ 20,469,420	\$ 522,497

FUND

FINANCIAL STATEMENTS

Caswell County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2019

	Major Governmental		Non-Major	
	Library		Governmental Funds	
	Development		Other	
	Fund		Governmental	Total
	General Fund	Fund	Funds	Governmental
				Funds
ASSETS				
Cash and cash equivalents	\$ 5,910,868	\$ -	\$ 311,453	\$ 6,222,321
Cash and cash equivalents-Restricted	1,117,973	-	13,967	1,131,940
Taxes Receivable	189,826	-	75,290	265,116
Accounts Receivable	1,737,895	-	37,940	1,775,835
Due from other funds	389,943	-	-	389,943
Prepaid Items	67,924	-	-	67,924
Total assets	<u>\$ 9,414,429</u>	<u>\$ -</u>	<u>\$ 438,650</u>	<u>\$ 9,853,079</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND				
Liabilities:				
Accounts payable and accrued liabilities	\$ 688,936	\$ -	\$ 15,891	\$ 704,827
Due to other funds	-	325,635	64,308	389,943
Total liabilities	<u>688,936</u>	<u>325,635</u>	<u>80,199</u>	<u>1,094,770</u>
Deferred inflows of resources				
Prepaid taxes	40,982	-	-	40,982
Reserve for taxes receivable	189,826	-	75,290	265,116
Total deferred inflows of resources	<u>230,808</u>	<u>-</u>	<u>75,290</u>	<u>306,098</u>
Fund balances:				
Nonspendable:				
Prepaid items	67,924	-	-	67,924
Restricted:				
Stabilization by State statute	2,134,731	-	37,540	2,172,271
Register of Deeds	55,689	-	-	55,689
Education	1,195,285	-	-	1,195,285
General Government	-	-	160,568	160,568
Public Safety	-	-	105,375	105,375
Economic Development	-	-	56,119	56,119
Committed:				
Tax Revaluation	159,724	-	-	159,724
LEO Separation	33,835	-	-	33,835
Assigned:				
Subsequent year's expenditures	2,156,663	-	-	2,156,663
Unassigned:	2,690,834	(325,635)	(76,441)	2,288,758
Total fund balances	<u>8,494,685</u>	<u>(325,635)</u>	<u>283,161</u>	<u>8,452,211</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 9,414,429</u>	<u>\$ -</u>	<u>\$ 438,650</u>	<u>\$ 9,853,079</u>

Caswell County, North Carolina
Reconciliation of the Governmental Funds Balance Sheet To
The Statement of Net Position
Governmental Fund
June 30, 2019

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

Total Fund Balance - Governmental Funds	\$ 8,452,211
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds (total capital assets on government-wide	41,135,213
Less accumulated depreciation	<u>(18,019,802)</u>
Net capital assets	23,115,411
Net Pension Asset (Register of Deeds)	19,945
Deferred outflows of resources:	
Pension related deferrals	
LGERS	1,977,967
Register of Deeds	11,511
LEOSSA	139,928
OPEB related deferrals	25,181
Contributions to the pension plan in the current fiscal year (LGERS & ROD)	710,260
Benefit payments and pension administration costs for LEOSSA	36,658
Contributions to OPEB plan in the current fiscal year	138,932
Accrued interest receivable less the amount claimed as unearned revenue in the government-wide statements as these funds are unavailable in the fund statements	21,724
Deferred charges related to advance refunding bond issued - included on government-wide statements of net position but are not current financial resources	8,038
Deferred inflows of resources reported in the government-wide statements but not the fund statements	
Deferred inflows of resources for taxes receivable	265,116
Pension related deferrals	
LGERS	(57,378)
Register of Deeds	(1,035)
LEOSSA	(37,660)
OPEB related deferrals	(202,703)
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	(7,049,310)
Compensated absences	(743,758)
Net OPEB liability	(2,949,904)
Net pension liability - LGERS	(3,364,120)
Total Pension Liability (LEOSSA)	(916,873)
Accrued interest payable	<u>(79,885)</u>
Total adjustment	<u>11,068,045</u>
Net position of governmental activities	<u><u>\$ 19,520,256</u></u>

Caswell County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2019

	Major Governmental		Non-Major	
	Library		Governmental Funds	
	General Fund	Development Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Ad valorem taxes	\$ 12,225,306	\$ -	\$ 880,496	\$ 13,105,802
Other taxes and licenses	3,790,072	-	5,555	3,795,627
Restricted intergovernmental	6,649,151	700,200	379,547	7,728,898
Unrestricted intergovernmental	191,536	-	-	191,536
Permits and fees	839,626	-	-	839,626
Sales and services	2,622,749	-	-	2,622,749
Investment earnings	139,922	230	2,513	142,665
Contributions	-	108,181	37,953	146,134
Miscellaneous	47,834	-	-	47,834
Total revenues	<u>26,506,196</u>	<u>808,611</u>	<u>1,306,064</u>	<u>28,620,871</u>
EXPENDITURES				
Current:				
General government	3,198,714	-	-	3,198,714
Public safety	6,809,574	-	986,029	7,795,603
Cultural and recreational	736,062	1,631,763	-	2,367,825
Environmental protection	104,969	-	-	104,969
Economic and physical development	499,647	-	581,384	1,081,031
Human Services	8,390,952	-	-	8,390,952
Intergovernmental:				
Education	3,491,195	-	54,293	3,545,488
Debt service:				
Principal	1,247,099	-	-	1,247,099
Interest	219,870	-	-	219,870
Total expenditures	<u>24,698,082</u>	<u>1,631,763</u>	<u>1,621,706</u>	<u>27,951,551</u>
Revenues over expenditures	<u>1,808,114</u>	<u>(823,152)</u>	<u>(315,642)</u>	<u>669,320</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,612,684	-	331,500	1,944,184
Transfers (out)	(1,944,184)	-	-	(1,944,184)
Issuance of Debt	-	635,231	-	635,231
Total other financing sources and uses	<u>(331,500)</u>	<u>635,231</u>	<u>331,500</u>	<u>635,231</u>
Net change in fund balance	1,476,614	(187,921)	15,858	1,304,551
Fund balances-beginning	<u>7,018,071</u>	<u>(137,714)</u>	<u>267,303</u>	<u>7,147,660</u>
Fund balances-ending	<u>\$ 8,494,685</u>	<u>\$ (325,635)</u>	<u>\$ 283,161</u>	<u>\$ 8,452,211</u>

Caswell County, North Carolina
Reconciliation of the Statement of Revenues, Expenditures,
And Changes In Fund Balance of Governmental Funds
To The Statement of Activities
For the Year Ended June 30, 2019

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

Net changes in fund balances - total governmental funds	\$ 1,304,551
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	2,183,588
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	(1,215,926)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the statement of activities - it affects only the government-wide statement of net position	(635,231)
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net position in the government-wide statements	1,247,099
Amortization on deferred premium payments on debt that is recorded in the statement of activities but not in the fund statements.	1,770
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	710,260
Benefit payments and administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	36,658
Contributions to the OPEB plan are deferred outflows of resources on the Statement of Net Position	138,932
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)	13,070
Compensated absences	(19,236)
OPEB plan expense	(170,259)
Amortization on deferred charges - refunding costs that is recorded in the statement of activities but not in the fund statements	(4,020)
Pension expense	(979,852)
Revenues in the statement of activities that do not provide current resources are not reported as revenues in the fund statements.	
Increase in deferred inflows of resources - taxes receivable - at end of year	(85,394)
Increase in accrued interest receivable at end of year	(19,511)
Total changes in net position of governmental activities	<u>\$ 2,506,499</u>

Caswell County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2019

	General Fund			Variance With Final Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Ad valorem taxes	\$ 12,093,562	\$ 12,158,562	\$ 12,225,306	\$ 66,744
Other taxes and licenses	21,100	3,696,984	3,790,072	93,088
Restricted intergovernmental	8,189,688	8,890,288	6,649,151	(2,241,137)
Unrestricted intergovernmental	1,579,872	186,798	191,536	4,738
Permits and fees	730,411	735,135	839,626	104,491
Sales and services	2,571,804	2,197,671	2,622,749	425,078
Investment earnings	150	70,952	125,412	54,460
Miscellaneous	37,400	30,462	47,834	17,372
Total revenues	<u>25,223,987</u>	<u>27,966,852</u>	<u>26,491,686</u>	<u>(1,475,166)</u>
Expenditures				
Current:				
General government	3,389,434	3,657,992	3,198,714	459,278
Public safety	6,765,810	7,983,213	6,809,574	1,173,639
Environmental Protection	113,822	113,822	104,969	8,853
Economic and physical development	455,093	707,017	499,647	207,370
Human services	8,734,343	10,026,150	8,390,952	1,635,198
Cultural and recreational	960,524	942,891	736,062	206,829
Intergovernmental:				
Education	3,491,195	3,491,195	3,491,195	-
Debt service	1,466,940	1,466,940	1,466,969	(29)
Total expenditures	<u>25,377,161</u>	<u>28,389,220</u>	<u>24,698,082</u>	<u>3,691,138</u>
Revenues over (under) expenditures	<u>(153,174)</u>	<u>(422,368)</u>	<u>1,793,604</u>	<u>2,215,972</u>
Other financing sources (uses):				
Appropriated fund balance	407,174	955,955	-	(955,955)
Transfers from other funds	699,250	699,250	699,250	-
Transfers to other funds	(953,250)	(1,232,837)	(1,244,935)	(12,098)
Total other financing sources (uses)	<u>153,174</u>	<u>422,368</u>	<u>(545,685)</u>	<u>(968,053)</u>
Revenues and Other Financing Sources over expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>1,247,919</u>	<u>\$ 1,247,919</u>
Fund balances:				
Beginning of year, July 1			<u>5,891,758</u>	
End of year, June 30			<u>\$ 7,139,677</u>	
A legally budgeted Tax Revaluation Fund is consolidated into the General Fund for reporting purposes:				
Investment Earnings			1,433	
Revaluation Expense			-	
Transfer from General Fund			30,000	
Fund balance, beginning of year			<u>128,290</u>	
School Capital Reserve Fund				
Investment Earnings			13,077	
Transfers-in from General Fund			883,434	
Transfers-out to General Fund			(699,249)	
Fund Balance, Beginning			<u>998,023</u>	
Fund balance, ending (Exhibit 4)			<u>\$ 8,494,685</u>	

Caswell County, North Carolina
Statement of Net Position
Proprietary Funds
June 30, 2019

	MAJOR		
	Solid Waste Management	Caswell Department of Transportation	Total Enterprise Funds
ASSETS			
Current assets:			
Cash and investments	\$ 83,505	\$ 359,411	\$ 442,916
Taxes receivable (net)	44,184	-	44,184
Accounts receivable (net)	14,830	6,363	21,193
Total current assets	142,519	365,774	508,293
Noncurrent assets:			
Capital assets:			
Land, improvements and construction in progress	37,500	-	37,500
Other capital assets, net of depreciation	319,986	446,604	766,590
Total capital assets	357,486	446,604	804,090
Total noncurrent assets	357,486	446,604	804,090
Total assets	500,005	812,378	1,312,383
DEFERRED OUTFLOWS OF RESOURCES	27,169	46,731	73,900
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
Current liabilities:			
Accounts Payable	66,942	7,550	74,492
Compensated absences payable	2,551	3,399	5,950
Total current liabilities	69,493	10,949	80,442
Noncurrent liabilities:			
Compensated absences	7,653	10,198	17,851
Other postemployment benefits	98,357	78,165	176,522
Net pension liability	32,996	57,727	90,723
Accrued postclosure liability	57,903	-	57,903
Total noncurrent liabilities	196,909	146,090	342,999
Total liabilities	266,402	157,039	423,441
DEFERRED INFLOWS OF RESOURCES	7,322	6,356	13,678
NET POSITION			
Net investment in capital assets	357,486	446,604	804,090
Unrestricted	(104,036)	249,110	145,074
Total net position	\$ 253,450	\$ 695,714	\$ 949,164

Caswell County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For The Fiscal Year Ended June 30, 2019

	MAJOR		Totals
	Solid Waste	Caswell Department of Transportation	
Operating Revenues:			
Charges for Services	\$ 557,296	\$ 553,662	\$ 1,110,958
Total Operating Revenues	<u>557,296</u>	<u>553,662</u>	<u>1,110,958</u>
Operating Expenses:			
Administration			
Salaries	-	89,928	89,928
Other expenses	-	76,538	76,538
Operations:			
Salaries	140,169	179,450	319,619
Other Expenses	900,907	84,037	984,944
Depreciation	39,058	62,193	101,251
Total Expenditures	<u>1,080,134</u>	<u>492,146</u>	<u>1,572,280</u>
Operating income (loss)	<u>(522,838)</u>	<u>61,516</u>	<u>(461,322)</u>
Nonoperating Revenues (Expenses)			
Interest Earned on Investments	2,529	1,706	4,235
Interest Earned on interfund loan	-	-	-
Miscellaneous Revenue	1,217	-	1,217
Total Nonoperating Revenues	<u>60,602</u>	<u>1,706</u>	<u>62,308</u>
CHANGE IN NET POSITION	(462,236)	63,222	(399,014)
TOTAL NET POSITION BEGINNING	<u>715,686</u>	<u>632,492</u>	<u>1,348,178</u>
TOTAL NET POSITION- ENDING	<u>\$ 253,450</u>	<u>\$ 695,714</u>	<u>\$ 949,164</u>

Caswell County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2019

	MAJOR		
	Solid Waste	Caswell Department of Transportation	Totals June 30, 2019
Cash flows from operating activities:			
Cash received from customers	\$ 567,510	\$ 570,021	\$ 1,137,531
Cash paid for goods and services	(898,488)	(161,265)	(1,059,753)
Cash paid to employees for services	(134,140)	(259,850)	(393,990)
Miscellaneous Revenue	1,217	-	1,217
Net cash provided (used) by operating activities	(463,901)	148,906	(314,995)
Cash flows from noncapital financing activities			
Disposal tax	56,856	-	56,856
Net cash provided (used) by noncapital financial activities	56,856	-	56,856
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(29,117)	(192,470)	(221,587)
Net cash provided (used) by capital and related financing activities	(29,117)	(192,470)	(221,587)
Cash flows from investing activities:			
Interest on investments	2,529	1,706	4,235
Net cash flows from investing activities	2,529	1,706	4,235
Net increase (decrease) in cash and cash equivalents	(433,633)	(41,858)	(475,491)
Cash and cash equivalents, July 1	517,138	401,269	918,407
Cash and cash equivalents, June 30	\$ 83,505	\$ 359,411	\$ 442,916

(continued)

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

Caswell County, North Carolina
Proprietary Funds
Combining Statement of Cash Flows
For The Fiscal Year Ended June 30, 2019

**Reconciliation of operating income to net cash
provided by operating activities:**

Operating income (loss)	\$ (522,838)	\$ 61,516	\$ (461,322)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	39,058	62,193	101,251
Miscellaneous Revenue	1,217	-	1,217
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	10,214	16,359	26,573
(Increase) decrease in deferred outflows of resources for pensions	(4,703)	(15,748)	(20,451)
(Increase) decrease in deferred outflows of resources for OPEB	(840)	2,749	1,909
Increase (decrease) in accounts payable and accrued liabilities	12,265	(690)	11,575
Increase (decrease) in deferred inflows of resources for pensions	(4,900)	(4,083)	(8,983)
Increase (decrease) in deferred inflows of resources for OPEB	6,759	5,371	12,130
Increase (decrease) in net pension liability	11,276	19,728	31,004
Increase (decrease) in accrued postclosure liability	(9,846)	-	(9,846)
Increase (decrease) in compensated absences	(1,729)	1,379	(350)
Increase (decrease) in net OPEB liability	166	132	298
Total adjustments	<u>58,937</u>	<u>87,390</u>	<u>146,327</u>
Net cash provided (used) by operating activities	\$ <u>(463,901)</u>	\$ <u>148,906</u>	\$ <u>(314,995)</u>

Caswell County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2019

	Agency Funds
ASSETS	
Cash and investments	\$ 22,729
Accounts Receivable	5,417
Total Assets	<u>\$ 28,146</u>
LIABILITIES AND NET POSITION	
Liabilities:	
Miscellaneous Liabilities	\$ 28,146
Total liabilities	<u>28,146</u>
Net position:	
Held in trust (Fiduciary net assets)	-
Total Liabilities and Net Position	<u>\$ 28,146</u>

NOTES TO THE FINANCIAL STATEMENTS

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE I: Summary of Significant Accounting Policies

The accounting policies of Caswell County and its discretely presented component unit 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. As required by generally accepted accounting principles, these financial statements present the County and its component units, legally-separate entities for which the County is financially accountable. The discretely presented component unit is reported in a separate column in the basic financial statements in order to emphasize that it is legally separate from the County.

Discretely Presented Component Unit

Caswell County ABC Board

The members of the ABC Board's governing board are appointed by the County. The ABC Board is required by State statute to distribute its surpluses to the General Fund of the County. The ABC Board, which has a June 30 year-end, is presented as if it were a proprietary fund.

Complete financial statements for the ABC Board may be obtained at the administrative office of that entity.

Caswell County ABC Board
P.O. Box 338
Yanceyville, North Carolina 27379

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) and its component unit. 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. Interfund services provided and used are not eliminated in the process of consolidation. 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. 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.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds. 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 displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor 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. Nonoperating revenues, such as subsidies and investment earnings, 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 School Capital Reserve Fund are legally budgeted funds under North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54, it is consolidated in the General Fund.

Library Development Fund. This capital project fund is used to account for funds set aside for equipment and capital improvements at the library.

The County reports the following major enterprise funds:

Solid Waste Management Fund. This fund accounts for the collection and disposal of the County's solid waste.

Caswell Division of Transportation Fund. This fund provides transportation for external clients of County departments and agencies and derives its revenue from user fees.

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 Drug Fund, which accounts for receipts and disbursements involving sheriff drug funds; the Fines and Forfeitures and Floodplain Mapping Fund, which accounts for various legal fines and forfeitures that the County is required to remit to Caswell County Board of Education and the fees collected for floodplain mapping that the County is required to remit to the North Carolina State Treasurer; and the Motor Vehicle Tax Fund, which accounts for registered motor vehicle property taxes that are billed and collected by the County for various municipalities and special districts within the County.

Non-major Funds. The County maintains eight legally budgeted nonmajor funds. The Special Fire District, Emergency Telephone System, Revolving Loan Funds and Equipment and Automation are reported as non-major special revenue funds. The Special Grant Fund, Scattered Site, School Capital Projects, and Courthouse HVAC Fund are reported as nonmajor capital project funds.

CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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 non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. 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. Since September 1, 2013, the State of North Carolina has been 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.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Sales taxes and certain intergovernmental revenues, such as the beer and wine 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. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. 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 is 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.

C 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 (which includes the Revaluation Fund and School Capital Reserve Fund), the Special Revenue Funds (the Special Fire Districts Fund, the Emergency Telephone System Fund, the School Capital Reserve Fund, the Revolving Loan Fund, the Special Grant Fund, and the Equipment and Automation Fund), and the two Enterprise Funds (the Solid Waste Fund and the Caswell Division of Transportation Fund). All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the Capital Projects Funds (Scattered Site Fund, School Capital Projects Fund, the Courthouse HVAC Project Fund, and the Library Development Fund).

All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for the General Fund, at the departmental level for the Special Revenue and the Enterprise Funds, and at the object level for the Capital Project Funds. The County Manager is authorized by the budget ordinance to transfer appropriations between functional areas within a fund up to \$5,000; however, any revisions that alter total expenditures of any fund or that change functional appropriations by more than \$5,000 must be approved by the governing board. During the year, several immaterial 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.

D Assets, Liabilities, Deferred Inflows and Outflows, and Fund Equity

1. Deposits and Investments

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

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Deposits and Investments (Continued)

State Law [G.S. 159-30(c)] authorizes the County and the ABC Board 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's and the ABC Board's investments are carried at fair value. The North Carolina Capital Management Trust (NCCMT) is a SEC registered money market mutual fund allowable by G.S. 159-30(c)(8). The NCCMT Government Portfolio is a 2a-7 fund maintaining an AAAM rating from S&P. The NCCMT Government Portfolios are reported at fair value.

2. Cash and Cash Equivalents

The County pools money from several funds 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. The ABC Board considers demand deposits and investments purchased with a maturity date of 90 days or less at time of purchase, to be cash and cash equivalents.

3. Restricted Assets

The unexpended bond proceeds of the Detention Center Project Fund are classified as restricted assets because their use is completely restricted to the purpose for which the bonds were originally issued. Money in the Tax Revaluation Fund is also classified as restricted assets because its use is restricted per North Carolina General Statute 153A-150. Money in the School Capital Projects Fund is classified as restricted assets because its use is restricted per North Carolina General Statute 159-18 through 22. The following table illustrates the breakdown of Caswell County's restricted cash:

Caswell County Restricted Cash			
<u>Governmental Activities</u>			
General Fund	Tax Revaluation	\$	159,724
General Fund	Register of Deeds		55,689
General Fund	Unexpended School Restricted Capital		902,560
Courthouse HVAC Fund	Unexpended Project Funds		13,967
Total Restricted Cash		\$	<u>1,131,940</u>

4. 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 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, 2018.

5. 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.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

6. Inventory

The inventories of the ABC Board are valued at cost (first in, first out), which approximates market. The inventory of the ABC Board consists of goods held for sale. The cost of the inventory carried at the ABC Board is recorded as an expense as it is sold.

7. 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. All other purchase or constructed capital assets are reported at cost or estimated historical cost. Minimum capitalization costs are: \$5,000 for buildings, building improvements, equipment vehicles and furniture. 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 Caswell 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 Caswell 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>
Land Improvements	15
Building, improvements and other plant	15
Infrastructure	50
General Equipment	5-10
Vehicles	5-10

Property, plant and equipment of the ABC Board are depreciated over their useful lives on a straight-line basis as follows:

	<u>Useful Life</u>
Buildings	20-40
Equipment (warehouse, store, and	4-10
Vehicles	5
Leasehold Improvements	8

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

8. 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 several 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 OPEB or pension plans 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 three items that meet the criterion for this category - prepaid taxes and other OPEB or pension related deferrals.

9. 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 sources.

10. Compensated Absences

The vacation policies of the County and the ABC Board provide for the accumulation of up to thirty days earned vacation leave with such leave being fully vested when earned. An expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned in the County's government-wide and proprietary fund and the ABC Board. The County's liability for accumulated earned vacation and the salary-related payments as of June 30, 2019 is recorded in the government-wide and proprietary fund financial statements on a LIFO basis. Employees typically take leave as it is earned and there is no current portion. A current portion has been estimated.

The sick leave policies of the County and the ABC Board provide 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 neither the County nor the ABC Board has any obligation for accumulated sick leave until it is actually taken, no accruals for sick leave have been made.

11. Net Position/Fund Balances

Net Position

Net position in government-wide and proprietary fund financial statements is classified as net investment in capital assets; restricted, and unrestricted. Restricted net position represents 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.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Fund Balances

In the governmental fund financial statements, fund balance is composed of four 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 - portion of fund balance that is not an available resource because it represents prepaid expenditures, 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 - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute." *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids, as they are classified as nonspendable. Outstanding encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

Restricted for Register of Deeds - portion of fund balance that is restricted by revenue source to pay for the computer equipment and imaging technology for the Register of Deeds office.

Restricted for Education - portion of fund balance that can only be used for the School Capital Fund per G.S. 159-18-22.

Restricted for General Government - portion of fund balance that is restricted by revenue source for general government.

Restricted for Public Safety - portion of fund balance that is restricted by revenue source for fire safety and

Restricted for Economic Development - portion of fund balance that is restricted by revenue source for economic development.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Fund Balances (Continued)

Committed Fund Balance - Portion of fund balance that can only be used for specific purpose imposed by resolution of the County's Board of Commissioners (highest level of decision making authority). Any changes or removal of specific purposes requires majority action by the Board of Commissioners.

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 Board of Commissioners has assigned.

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.

The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Caswell County has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city funds, and county 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 Finance Officer has the authority to deviate from this policy if it's in the best interest of the County.

12 Defined Benefit Pension and OPEB 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), the Registers of Deeds' Supplemental Pension Fund (RODSPF), and the Law Enforcement Officers' Special Separation Allowance (LEOSSA) (collectively, the "state-administered defined benefit pension plans"), and one other postemployment benefit plan (OPEB), the Healthcare Benefits Plan (HCB). For purposes of measuring the net pension asset or liability, 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 employee 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. For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expense, the HCB recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

NOTE II: Stewardship, Compliance and Accountability

Deficit Fund Balance or Net Position of Individual Funds

The following funds had a deficit fund balance as follows:

	<u>Amount</u>
Scattered Grants Fund	\$ 1,367
Library Development Fund	325,635
Emergency Telephone System Fund	12,139
School Capital Project Fund	54,293

The deficit fund balances resulted from the requirement to incur expenses prior to requesting reimbursement for lack of funding received from the General Fund to supplement the accounts.

Excess of Expenditures over Appropriation

For the fiscal year ended June 30, 2019, the total expenditures in the Library Development Fund exceeded the appropriations by \$373,403, as the renovation expenses were greater than anticipated. The County recorded an amendment in the 2020 budget to transfer the additional funds to cover these expenditures. Additionally, the County did not have a budget resolution adopted as of the end of the fiscal year for the School Capital Projects Fund. Initial administrative costs were paid out of the project fund, but a budget was not adopted until the subsequent year to create the budget for this project. The General Fund covered these expenditures.

NOTE III: Detail Notes on All Funds

A Assets

1. Deposits

All of the County's and the ABC Board's deposits 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 and the Board's agent, and the Company's 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 ABC Board, 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 or the ABC Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the County or the ABC Board under the Pooling Method, the potential exists for the 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.

The State Treasurer enforces standards of minimum capitalization for all pooling method financial institutions. The County relies on the State Treasurer to monitor those financial institutions. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The County and the ABC Board do not have formal policies regarding custodial credit risk for deposits.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Deposits (continued)

At June 30, 2019 the County's deposits had a carrying amount of \$1,153,911 and a bank balance of \$1,403,663. Of the bank balance, \$250,000 was covered by federal depository insurance; and \$1,153,663 in interest bearing deposits was covered by collateral held under the Pooling Method.

At June 30, 2019, the carrying amount of deposits for the ABC Board's deposits was \$358,198 and a bank balance of \$367,135. Of the bank balance, \$250,000 was covered by federal depository insurance. At June 30, 2019, the ABC Board had \$ 5,275 in petty cash and change funds.

2 . Investments

At June 30, 2019, the County had the following investments and maturities.

Investment Type	Valuation Measurement	Fair Value	Less Than 6	6 - 12	1 - 3 Years
	Method		Months	Months	
NC Capital Management Trust - Government Portfolio	Fair Value - Level 1	\$ 6,665,995	\$ 6,665,995	\$ -	\$ -

** Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, they are presented as an investment with a maturity of less than 6 months.

All investments are measured using the market approach: using prices and other relevant information generate by market transactions involving identifiical or comparable assets or a group of assets.

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable quoted prices (unadjusted) in active markets for identifiical assets.

The County does not have a formal investment policy.

3 . Property Tax - Use-Value Assessment on Certain Lands

In accordance with the general statutes, agriculture, horticulture, and forest land 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.

Year Levied	Tax	Interest	Total
2016	\$ 1,214,440	\$ 322,825	\$ 1,537,265
2017	145,588	38,701	184,289
2018	1,629,997	433,290	2,063,287
2019	1,575,342	-	1,575,342
Total	\$ 4,565,367	\$ 794,816	\$ 5,360,183

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

4. Receivables

Receivables at the government-wide level at June 30, 2019, were as follows:

	Accounts	Taxes and Related Accrued Interest	Special Assessments	Due From Other Governments	Total
Governmental Activities:					
General	\$ 1,926,834	\$ 617,550	\$ -	\$ 1,015,561	\$ 3,559,945
Other Governmental	9,042	75,290	-	28,898	113,230
Total Receivables	1,935,876	692,840	-	1,044,459	3,673,175
Allowance for Doubtful Accts.	(1,204,500)	(406,000)	-	-	(1,610,500)
Total Gov't Activities	\$ 731,376	\$ 1,098,840	\$ -	\$ 1,044,459	\$ 2,062,675
Business-type Activities:					
Solid Waste	\$ 14,830	\$ 62,284	\$ -	\$ -	\$ 77,114
CDOT	6,363	-	-	-	6,363
Total Receivables	21,193	62,284	-	-	83,477
Allowance for Doubtful Accts.	-	(18,100)	-	-	(18,100)
Total Business-type	\$ 21,193	\$ 44,184	\$ -	\$ -	\$ 65,377

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

Governmental Activities:	
Sales and Use Tax	\$ 163,929
Local Option Sales Tax	744,246
NCVTS - Motor Vehicle Tax	136,285
Total	\$ 1,044,459

CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

5. Capital Assets

Primary Government

Capital asset activity for the year ended June 30, 2019, was as follows:

<u>Governmental Activities:</u>	Beginning				Ending
	Balances	Increases	Decreases	Transfers	Balances
Capital assets not being depreciated:					
Land	\$ 915,870	\$ -	\$ -	\$ -	\$ 915,870
Construction in Progress	1,457,511	1,940,250	(406,640)	-	2,991,121
Total capital assets not being depreciated	2,373,381	1,940,250	(406,640)	-	3,906,991
Capital assets being depreciated:					
Building	21,969,268	-	-	-	21,969,268
Improvements	2,524,120	120,972	-	-	2,645,092
Equipment	3,959,075	46,157	-	-	4,005,232
Vehicles	2,725,717	-	-	-	2,725,717
Audio Visual	55,644	7,258	-	-	62,902
Other Assets	5,327,143	475,591	-	-	5,802,734
Infrastructure	17,277	-	-	-	17,277
Total capital assets being depreciated:	36,578,244	649,978	-	-	37,228,222
Less accumulated depreciation for:					
Building	7,402,954	726,931	-	-	8,129,885
Improvements	1,649,781	70,348	-	-	1,720,129
Equipment	3,349,388	101,427	-	-	3,450,815
Vehicles	1,711,002	176,541	-	-	1,887,543
Audio Visual	50,079	1,037	-	-	51,116
Other Assets	2,632,742	139,331	-	-	2,772,073
Infrastructure	7,930	311	-	-	8,241
Total accumulated depreciation:	16,803,876	\$ 1,215,926	\$ -	\$ -	18,019,802
Total capital assets being depreciated, net	19,774,368				19,208,420
Governmental activity capital assets, net	\$ 22,147,749				\$ 23,115,411

Depreciation expenses are charged to functions/ program of the governmental activity capital assets as follows:

General Government	\$ 216,914
Public Safety	706,077
Economic and Physical Development	66,771
Human Services	44,823
Cultural and Recreational	181,341
Total Depreciation Expense	<u>\$ 1,215,926</u>

CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Capital Assets (Continued)

Business-type activities:

Solid Waste	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Capital assets not being depreciated:					
Land	\$ 37,500	\$ -	\$ -	\$ -	\$ 37,500
Total capital assets not being depreciated:	37,500	-	-	-	37,500
Capital assets being depreciated:					
Buildings	27,102	-	-	-	27,102
Land Improvements	120,417	-	-	-	120,417
General Equipment	365,864	29,117	-	-	394,981
Vehicles	298,235	-	-	-	298,235
Other Assets	403,675	-	-	-	403,675
Total capital assets being depreciated :	1,215,293	29,117	-	-	1,244,410
Less accumulated depreciation for:					
Buildings	17,179	654	-	-	17,833
Land Improvements	120,417	-	-	-	120,417
General Equipment	295,021	14,262	-	-	309,283
Vehicles	49,074	24,142	-	-	73,216
Other Assets	403,675	-	-	-	403,675
Total accumulated depreciation:	885,366	\$ 39,058	\$ -	\$ -	924,424
Total capital assets being depreciated, net	329,927				319,986
Solid Waste capital assets, net	<u>\$ 367,427</u>				<u>\$ 357,486</u>

Caswell Department of Transportation	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Capital assets being depreciated:					
Building Improvements	\$ 231,507	\$ -	\$ -	\$ -	\$ 231,507
Land improvements	16,900	-	-	-	16,900
Computer Equipment	10,190	-	-	-	10,190
Vehicles	430,367	192,470	-	-	622,837
Total capital assets not being depreciated:	688,964	192,470	-	-	881,434
Less accumulated depreciation for:					
Building Improvements	34,727	5,788	-	-	40,515
Land Improvements	8,873	1,690	-	-	10,563
Computer Equipment	10,190	-	-	-	10,190
Vehicles	318,846	54,716	-	-	373,562
Total accumulated depreciation	372,636	62,194	-	-	434,830
Total capital assets being depreciated :	316,328	\$ 130,276	\$ -	\$ -	446,604
Caswell Dept. of Transportation capital assets, net	316,328				446,604
Business-type activities capital assets, net	<u>\$ 683,755</u>				<u>\$ 804,090</u>

CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Capital Assets (Continued)

Caswell County ABC Board	Beginning Balances	Increases	Decreases	Transfers	Ending Balances
Capital assets not being depreciated :					
Land	\$ 6,000	\$ -	\$ -	\$ -	\$ 6,000
Total capital assets not being depreciated	6,000	-	-	-	6,000
Capital assets being depreciated					
Buildings	199,684	-	-	-	199,684
Warehouse equipment	2,326	-	-	-	2,326
Vehicles	39,519	-	-	-	39,519
Office furniture and equipment	31,236	-	-	-	31,236
Store Fixtures and equipment	128,006	-	-	-	128,006
Leasehold improvements	32,952	-	-	-	32,952
Total capital assets being depreciated	433,723	-	-	-	433,723
Less accumulated depreciation for:					
Assets being depreciated	280,934	25,707	-	-	306,641
Total accumulated depreciation	280,934	\$ 25,707	\$ -	\$ -	306,641
Total capital assets being depreciated ,net	152,789				127,082
ABC Board capital assets-net	\$ 158,789				\$ 133,082

B. Liabilities

1. Payables

Payables at the government-wide level at June 30, 2019, were as follows :

	Vendors
Governmental Activities:	
General	\$ 688,936
Library Development Fund	-
Other Governmental	15,891
Total Governmental Activities	\$ 704,827
Business-type Activities:	
Solid Waste	\$ 66,942
CDOT	7,550
Total Business-type Activities	\$ 74,492

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

2. Pension Plan Obligations

a. 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, 2019, was 8.50% of compensation for law enforcement officers, 7.83% for general employees and firefighters, and 7.84% for DSS employees, 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 \$725,507 for the year ended June 30, 2019.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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, 2019, the County reported a liability of \$3,454,842 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018 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, 2018, the County's proportion was 0.1456%, which was a decrease of 0.0032% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the County recognized pension expense of \$943,076. At June 30, 2019, 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	\$ 533,000	\$ 17,885
Changes of assumptions	916,781	-
Net difference between projected and actual earnings on pension plan investments	474,247	-
Changes in proportion and differences between County Contributions and proportionate share of contributions	107,281	41,041
County contributions subsequent to the measurement date	725,507	-
Total	<u>\$ 2,756,816</u>	<u>\$ 58,926</u>

\$725,507 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, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June	
2020	\$ 945,558
2021	623,901
2022	129,790
2023	273,134
2024	-
Thereafter	-
	<u>\$ 1,972,383</u>

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Actuarial Assumptions . The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary Increases	3.50 percent
Investment Rate of Return	7.00 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, 2017 valuation were based on the results of an actuarial experience study as of December 31, 2014.

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, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29.00%	1.4%
Global Equity	42.00%	5.3%
Real Estate	8.00%	4.3%
Alternatives	8.00%	8.9%
Credit	7.00%	6.0%
Inflation	6.00%	4.0%
Total	<u>100.00%</u>	

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 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 3.05%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. 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 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
County's proportionate share of the net pension liability (asset)	\$ 8,298,829	\$ 3,454,842	\$ (592,870)

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.

b. Law Enforcement Officers' Special Separation Allowance

1 Plan Description

Caswell 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 under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. 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 are covered by the Separation Allowance. At December 31, 2017, the Separation Allowance's membership consisted of:

Retirees receiving benefits	2
Terminated plan members entitled to but not yet receiving benefits.	0
Active plan members	36
Total	38

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

2 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. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the following criteria which are outlined in GASB Statement 73.

3 Actuarial Assumptions

The entry age actuarial costs method was used in the December 31, 2017 valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increase	3.50 to 7.35 percent, including inflation and productivity factor
Discount Rate	3.64 percent

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of December 31, 2017.

Mortality rates are based on the RP-2000 Mortality tables with adjustments for mortality improvements based on Scale AA.

4 Contributions

The County is required by article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the benefit payments on a pay as you go basis through appropriations made in the General Fund operating budget. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. There were no contributions by employees. The County paid \$69,332 as benefits came due for the reporting period.

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

At June 30, 2019, the County reported total pension liability of \$916873. The total pension liability was measured as of December 31, 2018 based on a December 31, 2017 actuarial valuation. The total pension liability was rolled forward to December 31, 2018 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2019, the County recognized pension expense of \$51,617.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 108,394	\$ -
Changes of assumption	31,534	37,660
Benefit payments and administrative expenses subsequent to the measurement date	36,658	-
Total	<u>\$ 176,586</u>	<u>\$ 37,660</u>

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

\$36,658 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total pension liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2020	\$ 27,671
2021	27,671
2022	27,859
2023	15,681
2024	3,386
Thereafter	-

\$73,120 paid as benefits came due and \$0 of administrative expenses subsequent to the measurement date are reported as deferred outflows of resources.

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.64 percent) or 1-percentage point higher (4.64 percent) than the current rate:

	1% Decrease (2.64%)	Discount Rate (3.64%)	1% Increase (4.64%)
Total pension liability	\$ 994,856	\$ 916,873	\$ 845,603

**Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance**

	2019
Beginning balance	\$ 863,655
Service Cost	48,421
Interest on the total pension liability	26,136
Change in benefit terms	-
Difference between expected and actuarial experience	88,345
Changes of assumptions or other inputs	(36,564)
Benefit payments	(73,120)
Other changes	-
Ending balance of the total pension liability	<u>\$ 916,873</u>

Changes of assumptions. Changes of assumptions and other inputs reflected a change in the discount rate from 3.16 percent at December 31, 2017 to 3.64 percent at December 31, 2018.

Changes in Benefit Terms. Reported compensation adjusted to reflect the assumed rate of pay as of the valuation date.

The plan currently uses mortality tables that vary by age, 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, 2017 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through December 31, 2014.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

c. 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, 2019 were \$92,703, which consisted of \$77,035 from the County and \$15,668 from the law enforcement officers.

d. Registers of Deeds' Supplemental Pension Fund

Plan Description. also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, cost-sharing multiple-employer 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 161 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 Register of Deeds' Supplemental Pension Fund 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 RODSPF. 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 \$3,804 for the year ended June 30, 2019.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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

At June 30, 2019, the County reported an asset of \$19,945 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017. The total pension liability was then rolled forward to the measurement date of June 30, 2018 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, 2018, the County's proportion was 0.1204%, which was a decrease of 0.0464% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the County recognized pension expense of \$9,924. At June 30, 2019, 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	\$ 176	\$ 910
Changes of assumptions	938	-
Net difference between projected and actual earnings on pension plan investments	3,179	-
Changes in proportion and differences between County Contributions and proportionate share of contributions	7,218	125
County contributions subsequent to the measurement date	3,804	-
Total	<u>\$ 15,315</u>	<u>\$ 1,035</u>

\$3,804 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, 2020. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June

2020	\$ 5,458
2021	3,586
2022	937
2023	495
Thereafter	-
	<u>\$ 10,476</u>

Actuarial Assumptions. The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 Percent
Salary Increases	3.5 to 7.75 percent, including inflation and productivity factor
Investment Rate of Return	3.75 percent, net of pension plan investment expense, including inflation

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

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, 2017 valuation were based on the results of an actuarial experience study as of December 31, 2014.

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, 2019 is 1.4%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2019 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 3.75%. 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 3.75 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 (2.75 percent) or 1-percentage-point higher (4.75 percent) than the current rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
County's proportionate share of the net pension liability (asset)	\$ 15,726	\$ 19,945	\$ 23,504

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.

CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

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

The net pension liability for LGERS and ROD was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability for LEOSSA was measured as of June 30, 2018, with an actuarial valuation date of December 31, 2017. The County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
Proportionate Share of Net Pension Liability (Asset)	\$ 3,454,842	\$ (19,945)	\$ -	\$ 3,434,897
Proportion of the Net Pension Liability (Asset)	0.1456%	0.1204%	n/a	
Total Pension Liability	\$ -	\$ -	\$ 916,873	\$ 916,873
Pension Expense	\$ 943,076	\$ 9,924	\$ 51,617	\$ 1,004,617

At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>LGERS</u>	<u>ROD</u>	<u>LEOSSA</u>	<u>Total</u>
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 533,000	\$ 176	\$ 108,394	\$ 641,570
Changes of assumptions	916,781	938	31,534	949,253
Net difference between projected and actual earnings on pension plan investments	474,247	3,179	-	477,426
Change in proportion and differences between County contributions and proportionate share of contributions	107,281	7,218	-	114,499
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	725,507	3,804	36,658	765,969
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	\$ 17,885	\$ 910	\$ -	\$ 18,795
Changes of assumptions	-	-	37,660	37,660
Changes in proportion and differences between County contributions and proportionate share of contributions	41,041	125	-	41,166

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

e. Other Postemployment Benefits

Plan Description. According to a County resolution, the County provides healthcare benefits through the Healthcare Benefits Plan (HCB Plan), a single-employer defined benefit plan that is used to provide postemployment benefits other than pensions (OPEB) for all retirees who meet the following requirements. The Board of Commissioners may amend the benefit provisions. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided. This plan provides postemployment healthcare benefits to retirees of the County who participate in the North Carolina Local Governmental Employees' Retirement System (System) and have at least twenty consecutive years of service or who through disability retirement has five years of creditable service with the County. The County pays the full cost of coverage for these benefits until age 65, at which time the County offers a Medicare Supplement. Also, retirees can purchase coverage for their dependents at the County's group rates. A separate report was not issued for the plan.

Membership of the HCB Plan consisted of the following at June 30, 2018, the date of the latest actuarial valuation:

	2018
Retirees and dependents receiving benefits	19
Active plan members	232
Total	<u>251</u>

Total OPEB Liability

The County's total OPEB liability of \$3,126,426 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	2.50 percent
Real wage growth	1.00 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	
General Employees	3.50 to 7.75 percent
Law Enforcement Officers	3.50 to 7.35 percent
Municipal Bond Index Rate	
Prior Measurement Date	3.56 percent
Measurement Date	3.89 percent
Healthcare cost trend rates	
Pre-Medicare	7.50% for 2017 decreasing to an ultimate rate of 5.00% by 2023

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Changes in the Total OPEB Liability

Total OPEB Liability as of June 30, 2017	\$ 3,121,234
Changes for the year:	
Service Cost at the end of the year*	144,159
Interest on TOL and Cash Flows	107,970
Change in benefit terms	-
Difference between expected and actual experience	30,511
Changes of assumptions or other inputs	(99,171)
Benefit payments	(178,277)
Other	-
Net Changes	<u>\$ 5,192</u>
Total OPEB Liability as of June 30, 2018	<u>\$ 3,126,426</u>

*The service cost includes interest for the year.

The discount rate used to measure the TOL was based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by The Bond Buyer.

Mortality rates were based on the RP-2014 mortality tables, with adjustments for LGERS experience and generational mortality improvements using Scale MP-2015.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 - December 31, 2014, adopted by the LGERS.

The remaining actuarial assumptions (e.g. initial per capita costs, health care cost trends, rate of plan participation, rates of plan election, etc.) used in the June 30, 2018 valuation were based on a review of recent plan experience done concurrently with the June 30, 2018 valuation.

Sensitivity of the net OPEB liability to changes in the discount rate.

The following presents the net OPEB liability of the County as of June 30, 2018 as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.89 percent) and 1-percentage-point higher (4.89 percent) than the current discount rate:

	1% Decrease (2.89%)	Discount Rate (3.89%)	1% Increase (4.89%)
Net OPEB liability (asset)	\$ 3,439,858	\$ 3,126,426	\$ 2,849,549

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

The following presents the net OPEB liability of the County at June 30, 2019, as well as what the County's net OPEB liability would be if it were to calculate healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB liability (asset)	\$ 2,771,393	\$ 3,126,426	\$ 3,548,958

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. At June 30, 2019, the County recognized OPEB expense of \$180,447. At June 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

At June 30, 2019, the components of the net OPEB liability of the County, measured as of June 30, 2018, were as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual	\$ 26,688	\$ 1,895
Changes of assumptions	-	212,938
Benefit payments and administrative costs	138,932	-
Total	<u>\$ 165,620</u>	<u>\$ 214,833</u>

\$138,932 reported as deferred outflows of resources related to OPEB resulting from County contributions subsequent to the measurement date will be recognized as a decrease in the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30

2020	\$ (30,024)
2021	(30,024)
2022	(30,024)
2023	(30,024)
2024	(30,024)
Thereafter	(38,025)

f. 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 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 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 established for employees not engaged in laws enforcement and for law enforcement officers. The County considers these contributions to be immaterial.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

3 Deferred Outflows and Inflows of Resources

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Charge on refunding of debt	\$ 8,038	\$ -
(Pensions, OPEB) - difference between expected and actual experience	668,258	20,690
(Pensions, OPEB) Changes of assumptions	949,253	250,598
(Pensions, OPEB) - difference between projected and actual investment	477,426	-
(Pensions, OPEB) - change in proportion and difference between employer contributions and proportionate share of contributions	114,499	41,166
Contributions to pension plan subsequent to the measurement date (LGERS, ROD)	729,311	-
Benefit payments for the OPEB plan paid subsequent to the measurement date	138,932	-
Benefit payments/administration costs paid subsequent to the measurement date (LEOSSA)	36,658	-
Prepaid taxes not yet earned (General Fund)	-	40,982
Taxes receivable, net (General)	-	189,826
Taxes receivable, net (Special Revenue)	-	75,290
Total	<u>\$ 3,122,375</u>	<u>\$ 618,552</u>

4 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 three 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 total insured values, with sub-limits on coverage for special perils; general, auto, professional, employment practices, 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.

All property coverage and some liability coverage are subject to per occurrence deductibles, as selected by the County. The pools are audited annually by certified public accountants, and the audited financial statements are available to the County upon request.

Both of the pools are reinsured through a multi-state public entity captive for single occurrence losses in excess of \$500,000, up to \$2 million limit for liability coverage, and single occurrence losses in excess of \$750,000 for workers' compensation.

Through the captive, the Liability and Property Pool is reinsured for \$2 million of annual aggregate losses in excess of \$250,000 per occurrence for property, auto physical damage and crime coverage, with additional limits of \$498 million purchased through a group of commercial carriers through the multi-state entity captive.

In accordance with G.S. 159-29, the County's employees that access to \$100 or more at any given time of the County's funds at any given time are performance bonded through a commercial crime coverage with a \$250,000 occurrence limit. The Director of Finance and tax collector are each bonded for \$100,000 and \$75,000 respectively. The Register of Deeds is bonded for \$25,000.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

The County carries commercial coverage for 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.

Caswell County ABC Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions and natural disasters. The ABC Board has property, general liability, auto liability, workers' compensation, and employee health coverage. The ABC Board also has legal liquor legal liability coverage. 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.

5 Summary of Disclosure of Significant Commitments

a. Contingent Liabilities

At June 30, 2019, the County was a defendant to various lawsuits. In the opinion of the County's management and the County attorney, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position.

b. Long-Term Obligations

a. Installment Purchases

Paid or serviced by the General Fund:

The County entered into a direct borrowing agreement with Piedmont Electric in April 2015. The total amount of the loan was \$360,000, and was for the purchase of an ambulance. Principal payments of \$36,000 with no interest for ten years due annually in July. The ambulance is pledged as collateral for the loan. In the event of default, the remaining balance shall become due immediately. \$ 72,000

The County entered into a direct borrowing agreement with Piedmont Electric in February 2018. The total amount of the loan was \$995,231, and was to finance the Library Improvement project. Principal payments of \$99,523 are due annually starting February 20, 2019. The failure to make an annual payment when due or comply with any of the terms of the Construction and Permanent Loan Agreement or of the Future Advances Deed of Trust securing this Note will constitute a default of this Note. Any unpaid principal of this Note shall bear interest at the rate of 10% per annum after default until paid. In the event of default, the entire balance of the principal remaining shall be automatically due and payable. 895,708

The County entered into a direct placement loan agreement with Pinnacle Public Finance in May 2016, to finance the Courthouse HVAC replacement project. The total amount of the loan was \$985,000. Principal payments of \$98,000, plus accrued interest at 2.15% are due annually starting August 1, 2016. In the event of default the lender may, without any further demand or notice a) declare the unpaid principal immediately due and payable, b) proceed by appropriate court to enforce the County performance of applicable covenants, and c) avail itself of all available remedies under the agreement. The HVAC equipment is pledged as collateral for the loan. 689,000

The County entered into a direct placement loan agreement with American National Bank and Trust Company in March 2016 for the purchase of 12 Fleet Vehicles. Principal payments of \$54,399, plus accrued interest at 2.10% are due annually starting May 1, 2016. The vehicles stand as collateral for the loan. In the event of default, the lender may declare the entire unpaid balance under this note and all accrued unpaid interest and fees immediately due and payable. 58,063

Total

\$ 1,714,771

CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Caswell County, the future minimum payments as of June 30, 2019, including \$60,345 of interest are:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2020	\$ 328,586	\$ 16,033
2021	198,523	12,685
2022	198,523	10,557
2023	197,523	8,428
2024	197,523	6,321
2025-2029	594,093	6,321
Total	<u>\$ 1,714,771</u>	<u>\$ 60,345</u>

b. General Obligation Indebtedness

All general obligation bonds serviced by the County's General Fund are collateralized by the full faith, credit, and taxing power of the County. The County's Water Districts issue general obligation bonds to provide funds for the acquisition and construction of major water system capital improvements. These bonds, which are recorded in the Water Districts' funds, are collateralized by the full faith, credit, and taxing power of the District. Principal and interest payments are appropriated when due. In the event of a default, the County agrees to pay to the Purchaser, on demand, interest on any and all amounts due and owing by the County under this Agreement.

The County's general obligation bonds payable at June 30, 2019 are comprised of the following individual issues:

Serviced by the County's General Fund:

General Obligation Bonds:

\$2,560,000 2010 General Obligation Refunding Bonds. Due to February 1 in installments of \$203,250 to \$307,350 through February 1, 2021; interest ranging from 2% to 3.25%

\$ 410,000

The annual requirements to amortize debt and related interest on the general obligation bonds and notes payable for future years ended June 30, 2019 were as follows:

Year Ending June 30	Governmental Activities	
	General Obligation Bonds	
	Principal	Interest
2020	\$ 210,000	\$ 12,800
2021	200,000	6,500
2022	-	-
Total	<u>\$ 410,000</u>	<u>\$ 19,300</u>

CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019

c. Private Placement Bonds

The County records long-term debt of the government funds at face value in the government-wide financial statements. The County issued private placement bonds to provide funds for the construction of the new detention center. Principal and interest payments are appropriated when due.

The County's private placement bonds payable at June 30, 2019 are comprised of the following individual issues:

Serviced by the County's General Fund:

\$8,567,000 2011 Bonds Due February 1 and August 1 in installments of \$142,426 to \$447,983 through August 1, 2016; interest 3.325%. The deed on the property is collateral for the loan. In the event of default, the Bank may (a) declare the unpaid principal components of the Installment Payments immediately due and payable; (b) proceed by appropriate court action to enforce the County's performance of the covenants of the agreement or to recover for the breach; (c) pay over any balance remaining in the Project Account to be applied against outstanding required payments in any manner the Bank may reasonably deem appropriate; and/or (d) avail itself of all available remedies under the Agreement and the Deed of Trust. \$ 4,921,000

Year Ending June 30	Governmental Activities	
	Revolving Loans	
	Principal	Interest
2020	\$ 656,000	\$ 158,170
2021	656,000	136,358
2022	656,000	114,546
2023	656,000	92,734
2024	656,000	70,922
2025-2028	1,641,000	81,878
Total	<u>\$ 4,921,000</u>	<u>\$ 654,608</u>

d. Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the fiscal year ended June 30, 2019:

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019	Current Portion
Governmental Activities:					
General Obligation Bonds	\$ 625,000	\$ -	\$ 215,000	\$ 410,000	\$ 210,000
Plus premiums on issuance	5,309	-	1,770	3,539	1,770
Total General obligation bonds	630,309	-	216,770	413,539	211,770
Private placement bonds	5,577,000	-	656,000	4,921,000	656,000
Direct Placement and Direct Borrowing Installment purchases	1,455,639	635,231	376,099	1,714,771	328,586
Compensated Absences	724,522	19,236	-	743,758	185,940
Net pension liability (LERS)	2,214,450	1,149,670	-	3,364,120	-
Total pension liability (LEOSSA)	863,655	53,218	-	916,873	-
Net OPEB liability	2,945,010	4,894	-	2,949,904	-
Total governmental activities	<u>\$ 14,410,585</u>	<u>\$ 1,862,249</u>	<u>\$ 1,248,869</u>	<u>\$ 15,023,965</u>	<u>\$ 1,382,296</u>

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Long-Term Obligation Activity (Continued):

	Balance July 1, 2018	Increases	Decreases	Balance June 30, 2019	Current Portion
Business-type Activities:					
Net OPEB liability					
Solid Waste	\$ 98,191	\$ 166	\$ -	\$ 98,357	\$ -
Caswell Div. Transport	78,033	132	-	78,165	-
Total	176,224	298	-	176,522	-
Net Pension Liability (LGERS)					
Solid Waste	21,720	11,276	-	32,996	-
Caswell Div. Transportation	37,999	19,728	-	57,727	-
Total	59,719	31,004	-	90,723	-
Compensated Absence					
Solid Waste	11,933	-	1,729	10,204	2,551
Caswell Div. Transpiration	12,219	1,378	-	13,597	3,399
Total	24,152	1,378	1,729	23,801	5,950
Accrued post closure liability	67,749	-	9,846	57,903	-
Total Business-type activities	\$ 327,844	\$ 32,680	\$ 11,575	\$ 348,949	\$ 5,950

Compensated absences, post employment benefits and the net pension obligation for governmental activities are generally liquidated by the General Fund. Compensated absences and postemployment benefits for business-type activities are generally liquidated by the Solid Waste Management Fund and the Caswell Division Transportation Fund.

On June 30, 2019, Caswell County had a legal debt margin of \$126,824,665.

g. Closure and Post closure Care Costs- Solid Waste Landfill Facility

State and federal laws and regulations require the County to place a final cover on its Solid Waste Landfill Facility when it stops accepting waste and perform certain maintenance and monitoring functions at the site for thirty years after closure. The Caswell County landfill closed in 1994. The \$57,903 reported as accrued landfill closure liability at June 30, 2019 represents the latest estimate for costs remaining.

The County has met the requirements of a local government financial tests that helps determine if a unit is financially able to meet closure and postclosure care requirements. The County budgets annually for postclosure care. In the event a natural occurrence, inflation or any other unforeseen event occurs, the County would appropriate funds from the Solid Waste fund balance and/or increase charges to future solid waste customers.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

C. Interfund Balances and Activity

Transfers from /to other funds

From the School Capital Reverse Fund to the General Fund for school bond payments	\$ 699,250
From the General Fund to the School Capital Reverse Fund for restricted sales tax	883,435
From the General Fund to the Special Fire Department for volunteer fire departments rescue operations	31,500
From the General Fund to the Special Grant Fund to provide resources for the purchase of property.	300,000
From the General Fund to the Revaluation Fund for revaluation reserve and expense paid.	30,000
Total	<u>\$ 1,944,185</u>

Due from/to other funds

From the Scattered Site Fund to General Fund for central depository overdraft	\$ 1,367
From the Emergency Telephone Fund to General Fund for central depository overdraft	8,648
From the School Capital Project Fund to General Fund for central depository overdraft	54,293
From the Library Development Fund to General Fund for central depository overdraft	325,635
Total	<u>\$ 389,943</u>

D. Net Investment in Capital Assets

	<u>Governmental</u>	<u>Business-type</u>
Net Capital assets	\$ 23,115,411	\$ 804,090
Capital debt calculation:		
Total debt, gross	7,045,771	-
Less:		
School debt for assets to which the county does not hold title	(410,000)	-
Add back:		
Unspent Loan Proceeds	<u>13,967</u>	<u>-</u>
Adjusted Debt	<u>6,649,738</u>	<u>-</u>
Net Investment in capital assets	<u>\$ 16,465,673</u>	<u>\$ 804,090</u>

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

E. Fund Balance

The following schedule provides management and citizens with information on the portion of General Fund balance that is available for appropriations:

Total Fund Balance - General Fund	\$ 8,494,685
Less:	
Nonspendable - prepaids	\$ 67,924
Stabilization by State Statute	2,134,731
Appropriated fund balance in 2020 budget	2,156,663
Register of Deeds	55,689
Tax Revaluation	159,724
Education	1,195,285
LEO Separation	33,835
Remaining Fund Balance	2,690,834

The County outstanding encumbrances of \$6,893 at June 30, 2019.

NOTE IV: Joint Ventures

Caswell County participates with Alamance, Cabarrus, Chatham, Davidson, Franklin, Granville, Halifax, Orange, Person, Rowan, Stanly, Union, Vance, and Warren counties in an Area Authority and Managed Care Organization operated by Cardinal Innovations. The Area Board is comprised of a single governing board and community oversight boards; one for each community operations center. The appointment of members to the governing board and the community oversight boards is in accordance with bylaws set forth in the Joint Resolution. The County does not retain an equity interest in the program. Complete financial statements for Cardinal Innovations Health Care Solutions may be obtained from their administrative officers located at Community Operations, 201 Sage Road Suite 300, Chapel Hill, NC 27214.

NOTE V: Joint Governed Organization

Piedmont Triad Council of Governments

The Council is a voluntary association of the country governments, established as a jointly governed organization of the participating counties to coordinate funding from federal and State agencies. Each county appoints one member of the Council's governing board, whose responsibilities include approving the budget and designating the management of the Council. The participating counties do not retain an ongoing financial interest in or responsibility for the Council.

Person- Caswell Lake

The Authority is a jointly governed organization formed by Person and Caswell Counties to regulate the use of Hyco Lake. Each county appoints three members to the Authority, but neither county provides funding, nor do they retain an ongoing financial interest there in or for the Authority.

**CASWELL COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2019**

Joint Governed Organization (continued)

Piedmont Community

The County provides a small percentage of the College's annual operating budget, but the College is not fiscally dependent upon this annual allocation. The County does not retain an ongoing interest in or responsibility for the College.

Piedmont Triad Partnership

The partnership is an economic development marketing arm of North Carolina's Piedmont Triad Region. The region is marketed domestically and internationally to attract new business investments and new job creation. The Partnership teams with the local economic development offices in the region and with the North Carolina Department of Commerce to provide economic ,demographic, site, building, and labor information to companies and consultants around the globe. The participating counties do not retain ongoing financial interest in or responsibility for the Partnership. The Caswell County Board of Commissioners appoints one member to the Partnership Board.

NOTE VI: Related Party Transactions

Caswell County had contractual agreements with a board members during the fiscal year. The County had a contract operator agreement with William Carter as a contract distribution operator. The annual cost is \$9,600, paid in monthly installments of \$800. At fiscal year-end, the agreement was binding and there were no outstanding payments due.

NOTE VII: 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 the 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 VIII: Significant Effects of Subsequent Events

The County has evaluated events and transactions that occurred between June 30, 2019 and November 20, 2019, which is the date that that financial statements were available to be issued, for possible recognition or disclosure in the financial statements. A School Board Referendum passed for additional bond funding not to exceed \$36.5 million. The Board anticipated issuing GO Bonds or receiving a USDA loan for \$18.5 million to fund this project, but this has not been finalized as of the report date.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

- **Schedule of County's Proportionate Share of the Net Pension Liability (Asset) for the Local Governmental Employees' Retirement System**
- **Schedule of County Contributions for the Local Governmental Employees' Retirement System**
- **Schedule of County's Proportionate Share of the Net Pension Liability (Asset) for the Register of Deeds' Supplemental Pension Fund**
- **Schedule of County Contributions for the Register of Deeds' Supplemental Pension Fund**
- **Schedule of Changes in Total Pension Liability (LEO)**
- **Schedule of Total Pension Liability as a Percentage of Covered Payroll (LEO)**
- **Schedule of Changes in the Total OPEB Liability and Related Ratios**

Caswell County, North Carolina
Schedule of Proportionate Share of Net Pension Liability (Asset)
Local Government Employees' Retirement System
Last Six Fiscal Years*

Local Government Employees' Retirement System						
	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.146%	0.149%	0.133%	0.131%	0.133%	0.140%
County's proportion of the net pension liability (asset) (\$)	\$ 3,454,842	\$2,274,169	\$2,828,011	\$ 589,761	\$ (784,126)	\$ 1,685,126
County's covered payroll	\$ 9,118,194	\$9,011,653	\$8,200,875	\$7,859,926	\$7,663,282	\$ 7,805,541
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	37.89%	25.24%	34.48%	7.50%	-10.23%	21.59%
Plan fiduciary net position as a percentage of the total pension liability**	92.00%	94.18%	91.47%	98.09%	102.64%	102.64%

* 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.

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Caswell County, North Carolina
Schedule of County Contributions
Local Government Employees' Retirement System
Last Six Fiscal Years

Local Government Employees' Retirement System						
	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 725,507	\$ 701,348	\$ 672,660	\$ 560,597	\$ 556,303	\$ 544,352
Contributions in relation to the contractually required contribution	725,507	701,348	672,660	560,597	556,303	544,352
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 9,128,918	\$ 9,118,194	\$ 9,011,653	\$ 8,200,875	\$ 7,859,926	\$ 7,663,282
Contributions as a percentage of covered payroll	7.95%	7.69%	7.46%	6.84%	7.08%	7.10%

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Caswell County, North Carolina
Schedule of the County's Proportionate Share of the Net Pension Liability (Asset)
Register of Deeds' Supplemental Pension Fund
Last Six Fiscal Years*

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's proportionate share of the net pension liability (%)	0.120%	0.167%	0.174%	0.169%	0.170%	0.150%
County's proportionate share of the net pension liability (\$)	\$ (19,945)	\$ (28,476)	\$ (32,441)	\$ (39,108)	\$ (38,487)	\$ (32,021)
County's covered payroll	\$ 48,153	\$ 43,826	\$ 42,129	\$ 38,950	\$ 41,282	\$ 41,282
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-41.42%	-64.98%	-77.00%	-100.41%	-93.23%	-77.57%
Plan fiduciary net position as a percentage of the total pension liability	153.31%	153.77%	160.17%	197.29%	193.88%	190.50%

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

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Caswell County, North Carolina
Schedule of County Contributions
Register of Deeds' Supplemental Pension Fund
Last Six Fiscal Years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's required contribution	\$ 3,804	\$ 3,650	\$ 3,225	\$ 2,856	\$ 2,753	\$ 1,386
Contributions in relation to contractually required contribution	<u>3,804</u>	<u>3,650</u>	<u>3,225</u>	<u>2,856</u>	<u>2,753</u>	<u>1,386</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's covered payroll	\$ 48,585	\$ 48,153	\$ 43,826	\$ 42,129	\$ 38,950	\$ 41,282
Contributions as a percentage of covered payroll	7.83%	7.58%	7.36%	6.78%	7.07%	3.36%

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Caswell County, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
For the Year Ended June 30, 2019*

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Beginning balance	\$ 863,655	\$ 707,495	\$ 683,438
Service Cost	48,421	39,068	35,387
Interest on the total pension liability	26,136	26,936	24,054
Changes of benefit terms	-	-	-
Differences between expected and actual experience in measurement of the total pension liability	88,345	58,788	-
Changes of assumptions or other inputs	(36,564)	50,704	(16,048)
Benefit payments	(73,120)	(19,336)	(19,336)
Other changes	-	-	-
Ending balance of the total pension liability	<u>\$ 916,873</u>	<u>\$ 863,655</u>	<u>\$ 707,495</u>

*The amounts presented for each fiscal year were determined as of the prior December 31.

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Caswell County, North Carolina
Schedule of Total Pension Liability as a Percentage of Covered Payroll
Law Enforcement Officers' Special Separation Allowance
For the Year Ended June 30, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total pension liability	\$ 916,873	\$ 863,655	\$ 707,495
Covered payroll	<u>1,705,482</u>	<u>1,576,149</u>	<u>1,388,436</u>
Total pension liability as a percentage of covered payroll	53.76%	54.80%	50.96%

Notes to the schedules:

Caswell County has no assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 73 to pay related benefits

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

Caswell County, North Carolina
Schedule of Changes in the Total OPEB Liability and Related Ratios
June 30, 2019

Exhibit A-7

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service cost	\$ 144,159	\$ 156,545
Interest	107,970	93,618
Changes of benefit terms	-	-
Differences between expected and actual experience	30,511	(2,529)
Changes of assumptions	(99,171)	(168,400)
Benefit payments	<u>(178,277)</u>	<u>(135,462)</u>
Net change in total OPEB liability	5,192	(56,228)
Total OPEB liability - beginning	<u>3,121,234</u>	<u>3,177,462</u>
Total OPEB liability - ending	<u><u>\$ 3,126,426</u></u>	<u><u>\$ 3,121,234</u></u>
 Covered payroll	 8,360,051	 8,360,051
 Total OPEB liability as a percentage of covered payroll	 37.40%	 37.34%

Notes to Schedule

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

<u>Fiscal Year</u>	<u>Rate</u>
2018	3.56%
2019	3.89%

Note: This schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

**COMBINING AND
INDIVIDUAL FUND
STATEMENTS AND
SCHEDULES**

MAJOR GOVERNMENTAL FUNDS

- **General Fund:** This fund is used to account for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.
- **Library Development Fund:** This fund is used to account for funds set aside for equipment and capital improvements at the library.

Caswell County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2018

	2019		Variance Positive (Negative)	2018
	Budget	Actual		Actual
Revenues				
Ad valorem Taxes				
Current year		\$ 11,713,389		\$ 12,092,735
Prior Year		370,584		280,160
Penalties and interest		141,333		153,587
Total	<u>\$ 12,158,562</u>	<u>12,225,306</u>	<u>\$ 66,744</u>	<u>12,526,482</u>
Other Taxes and Licenses				
Sales Tax	3,455,634	3,462,011	6,377	3,337,941
Medicaid hold harmless	220,250	294,665	74,415	230,021
Privilege License	600	380	(220)	515
Cable television	14,500	12,549	(1,951)	15,446
Occupancy tax	6,000	20,467	14,467	1,117
Total	<u>3,696,984</u>	<u>3,790,072</u>	<u>93,088</u>	<u>3,585,040</u>
Unrestricted Intergovernmental Revenues				
Beer and wine	94,225	90,988	(3,237)	92,971
Gasoline tax refund	-	1,653	1,653	-
Indirect costs	78,073	78,073	-	72,430
ABC Distribution	12,000	19,051	7,051	14,522
DWI State/Civil license revocation	2,500	1,771	(729)	1,485
Total	<u>186,798</u>	<u>191,536</u>	<u>4,738</u>	<u>181,408</u>
Restricted Intergovernmental Revenues				
Federal and state grants	6,377,234	4,206,408	(2,170,826)	4,661,106
School share of sales tax	871,337	842,617	(28,720)	805,097
Court facilities fees	48,000	56,835	8,835	47,834
ABC Board bottle tax	7,500	7,874	374	8,396
Sheriff-DEA Funds	46,477	2,485	(43,992)	999
EMS Medicaid Cost Settlement	370,418	370,418	-	72,812
School resource officer	131,432	131,432	-	82,432
Section 8	1,037,890	1,031,082	(6,808)	1,026,057
Total	<u>8,890,288</u>	<u>6,649,151</u>	<u>(2,241,137)</u>	<u>6,704,733</u>
Permits and Fees				
Subdivision fees	2,500	2,360	(140)	1,665
Building permits and inspection fees	140,000	159,532	19,532	111,170
Outdoor storage ordinance	550	650	100	650
Tax collections fees	10,700	10,548	(152)	10,668
Election fees	-	2,346	2,346	7,998
Register of Deeds	170,188	178,234	8,046	177,328
Concealed weapon permit	32,500	36,685	4,185	37,031
Impound fee	2,500	5,345	2,845	1,380
Civil case processing	23,500	21,076	(2,424)	24,464
Jail telephone fees	18,000	23,367	5,367	16,391
Animal control fees	150	700	550	525
Parks & Recreation fees	51,300	39,540	(11,760)	47,017
Farmer lake fees	13,300	9,070	(4,230)	7,103
Tax and map cards/GIS	2,200	1,357	(843)	1,714
4-H Activities	3,710	14,134	10,424	14,877
Cooperative Extension	17,046	10,626	(6,420)	9,845
Other	246,991	324,056	77,065	224,043
Total	<u>735,135</u>	<u>839,626</u>	<u>104,491</u>	<u>693,869</u>

Caswell County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2018

Exhibit B-1
(continued)

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Sales and Services				
Rents, concessions and fees	46,426	48,205	1,779	46,816
Jail fees	7,300	10,017	2,717	12,641
Ambulance fees	-	17,006	17,006	35,222
EMS source collections	760,502	808,893	48,391	626,192
Health department fees	1,067,206	1,454,497	387,291	896,687
Senior fees	169,513	101,609	(67,904)	215,280
Library fees	10,000	8,313	(1,687)	8,261
Detention center fees	103,220	150,961	47,741	130,774
Guilford Mills reimbursement	15,000	14,784	(216)	14,142
Other	18,504	8,464	(10,040)	15,293
Total	2,197,671	2,622,749	425,078	2,001,308
 Interest on investments	 70,952	 125,412	 54,460	 65,745
 Miscellaneous				
Other	30,462	47,834	(78,296)	9,695
Total	30,462	47,834	(78,296)	9,695
 Total Revenues	 27,966,852	 26,491,686	 (1,570,834)	 25,768,280
 Expenditures				
General Government:				
Governing Body				
Salaries and employee benefits	57,502	57,391	111	57,378
Other operating expenditures	12,680	7,796	4,884	9,090
Total	70,182	65,187	4,995	66,468
Administration				
Salaries and employee benefits	283,867	283,174	693	277,159
Other operating expenditures	71,990	73,404	(1,414)	69,867
Total	355,857	356,578	(721)	347,026
Board of Elections				
Salaries and employee benefits	99,507	99,242	265	81,678
Other operating expenditures	93,734	54,411	39,323	43,162
Capital Outlay	165,000	-	165,000	-
Total	358,241	153,653	204,588	124,840
Finance				
Salaries and employee benefits	260,325	228,444	31,881	225,448
Other operating expenditures	15,465	4,847	10,618	13,728
Capital Outlay	-	-	-	-
Total	275,790	233,291	42,499	239,176
Tax Office				
Salaries and employee benefits	304,305	246,325	57,980	243,119
Other operating expenditures	282,300	276,896	5,404	296,597
Capital Outlay	12,500	5,160	7,340	-
Total	599,105	528,381	70,724	539,716

Caswell County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Register of Deeds				
Salaries	138,235	137,612	623	134,102
Other operating expenditures	67,761	68,722	(961)	72,775
Capital Outlay	9,705	9,667	38	160
Total	215,701	216,001	(300)	207,037
Court Facilities				
Other operating expenditures	56,480	48,765	7,715	53,276
Total	56,480	48,765	7,715	53,276
Public Facilities				
Salaries and employee benefits	246,237	242,697	3,540	233,340
Other operating expenditures	365,690	376,052	(10,362)	316,296
Capital Outlay	219,495	195,057	24,438	83,349
Total	831,422	813,806	17,616	632,985
Information Technology				
Salaries and employee benefits	63,166	53,419	9,747	62,662
Other operating expenditures	42,305	23,685	18,620	18,590
Capital Outlay	10,000	8,835	1,165	428
Total	115,471	85,939	29,532	81,680
Nondepartmental				
Health insurance-retirees	136,736	126,100	10,636	131,212
Unemployment insurance	15,000	-	15,000	14,319
Professional Services	212,597	213,447	(850)	188,679
Supplies	3,500	2,428	1,072	5,470
Maintenance and repairs	18,280	15,176	3,104	8,425
Advertising	1,500	207	1,293	1,617
Dues and subscription	26,047	28,559	(2,512)	16,154
Insurance bond	335,150	287,616	47,534	312,978
Customer Service Agreement	-	-	-	-
Wellness benefits/ activities	11,500	3,794	7,706	5,498
County Facility	1,000	587	413	559
Copier Rental Fee	11,433	12,199	(766)	7,370
Capital Outlay	7,000	7,000	-	-
Total	779,743	697,113	82,630	692,281
Total General Government	3,657,992	3,198,714	459,278	2,984,485
Public safety:				
Sheriff				
Salaries	2,137,860	2,038,477	99,383	2,002,557
Other operating expenditures	692,378	392,960	299,418	289,959
Capital Outlay	140,613	7,263	133,350	52,158
Total	2,970,851	2,438,700	532,151	2,344,674
Jail				
Salaries and employee benefits	1,003,560	948,952	54,608	955,944
Other operating expenditures	650,733	526,361	124,372	645,508
Total	1,654,293	1,475,313	178,980	1,601,452

Caswell County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2018

Exhibit B-1
(continued)

	2019		Variance Positive (Negative)	2018
	Budget	Actual		Actual
Emergency Management				
Salaries and employee benefits	53,518	10,231	43,287	28
Other operating expenditures	198,472	40,091	158,381	24,014
Capital Outlay	-	-	-	-
Total	<u>251,990</u>	<u>50,322</u>	<u>201,668</u>	<u>24,042</u>
911 communications				
Salaries and employee benefit	709,746	579,272	130,474	468,557
Other operating expenditures	148,012	72,881	75,131	55,674
Capital Outlay	-	-	-	-
Total	<u>857,758</u>	<u>652,153</u>	<u>205,605</u>	<u>524,231</u>
School resource officer				
Salaries and employee benefits	155,705	149,297	6,408	97,584
Other operating expenditures	6,425	3,884	2,541	4,659
Total	<u>162,130</u>	<u>153,181</u>	<u>8,949</u>	<u>102,243</u>
Inspections				
Salaries and employee benefit	115,946	116,890	(944)	123,313
Other operating expenditures	19,812	25,343	(5,531)	11,680
Total	<u>135,758</u>	<u>142,233</u>	<u>(6,475)</u>	<u>134,993</u>
Emergency medical services				
Salaries and employee benefits	1,582,757	1,587,336	(4,579)	1,525,037
Other operating expenditures	346,176	298,336	47,840	262,042
Capital outlay	-	-	-	6,000
Total	<u>1,928,933</u>	<u>1,885,672</u>	<u>43,261</u>	<u>1,793,079</u>
Coroner				
Professional services	9,500	5,000	4,500	6,800
Autopsy	12,000	7,000	5,000	21,000
Total	<u>21,500</u>	<u>12,000</u>	<u>9,500</u>	<u>27,800</u>
Total Public Safety	<u>7,983,213</u>	<u>6,809,574</u>	<u>1,173,639</u>	<u>6,552,514</u>
Environmental Protection				
Soil and water conservation service				
Salaries and employee benefits	99,760	99,504	256	98,388
Other operating expenditures	14,062	5,465	8,597	9,031
Total	<u>113,822</u>	<u>104,969</u>	<u>8,853</u>	<u>107,419</u>
Total Environmental Protection	<u>113,822</u>	<u>104,969</u>	<u>8,853</u>	<u>107,419</u>

Caswell County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Economic and Physical Development:				
Economic Development				
Other operating expenditures	297,869	143,083	154,786	151,100
Total	297,869	143,083	154,786	151,100
Extension Service				
Salaries and employee benefits	278,098	250,558	27,540	248,432
Other operating expenditures	53,820	40,756	13,064	43,020
Total	331,918	291,314	40,604	291,452
Planning Board				
Salaries and employee benefits	60,555	56,601	3,954	59,932
Other operating expenditures	16,675	8,649	8,026	8,667
Total	77,230	65,250	11,980	68,599
Total Economic and Physical Develop	707,017	499,647	207,370	511,151
Human services:				
Health				
Salaries and employee benefits	2,172,772	1,953,096	219,676	1,946,749
Other operating expenditures	842,170	522,051	320,119	550,101
Capital outlay	191,354	114,650	76,704	200
Total	3,206,296	2,589,797	616,499	2,497,050
Mental Health				
Alcohol rehabilitation	5,000	5,691	(691)	7,034
Alamance - Caswell Area Mental Health	92,197	69,148	23,049	71,606
Total	97,197	74,839	22,358	78,640
Animal control				
Salaries and employee benefits	84,217	84,404	(187)	83,293
Other operating expenditures	142,250	142,275	(25)	140,561
Total	226,467	226,679	(212)	223,854
Social Services Administration				
Salaries	2,443,615	2,408,038	35,577	2,360,308
Other operating expenditures	420,624	335,834	84,790	261,062
Capital outlay	-	-	-	78,192
Total	2,864,239	2,743,872	120,367	2,699,562
Purchased Services				
Day care services	70,000	-	70,000	28,590
Smart start-child daycare	-	-	-	7,931
State boarding home programs	32,468	27,268	5,200	46,840
E-funds	5,357	6,857	(1,500)	7,416
Total	107,825	34,125	73,700	90,777

Caswell County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2018

	2019		Variance Positive (Negative)	2018
	Budget	Actual		Actual
JOBS				
Supportive Services	27,000	1,620	25,380	6,493
Total	27,000	1,620	25,380	6,493
 Aid to families with dependent children				
Program payments	444,321	151,142	293,179	147,916
 General Aid				
Program Payments	254,879	222,667	32,212	243,405
 Medical assistance				
Program payments	26,475	-	26,475	-
 Other count assistance				
Fuel emergencies	323,042	297,089	25,953	217,298
Total	323,042	297,089	25,953	217,298
 Section 8 Housing Authority				
Salaries and employee benefits	139,158	139,320	(162)	137,652
Other operating expenditures	28,991	19,026	9,965	16,494
Housing assistance payments	893,000	866,353	26,647	888,632
Total	1,061,149	1,024,699	36,450	1,042,778
 Nutrition program				
Salaries and employee benefits	328,642	225,385	103,257	223,058
Other operating expenditures	295,579	206,332	89,247	217,262
Capital Outlay	-	-	-	-
Total	624,221	431,717	192,504	440,320
 Senior Center				
Other operating expenditures	366,505	237,970	128,535	276,576
Total	366,505	237,970	128,535	276,576
 SHIP Grant				
Other operating expenditures	2,201	354	1,847	356
 DJJDP				
Salaries and employee benefit	76,391	74,240	2,151	94,711
Other operating expenditures	31,772	29,774	1,998	16,798
Capital Outlay	-	-	-	-
Total	108,163	104,014	4,149	111,509
 Family Services				
Salaries and employee benefits	139,177	129,925	9,252	138,652
Other operating expenditures	57,809	41,741	16,068	43,911
Total	196,986	171,666	25,320	182,563

Caswell County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2018

	2019		Variance Positive (Negative)	2018
	Budget	Actual		Actual
Special appropriations				
Aging Program	-	-	-	287,428
Caswell Parish, INC	10,000	10,000	-	10,000
Cooperative Forestry	72,684	61,938	10,746	70,410
CCR&R partnership	3,000	3,000	-	3,000
Caswell Historical Society	2,500	2,500	-	2,500
Administration	1,000	1,264	(264)	1,000
Total	89,184	78,702	10,482	374,338
 Total Human Services	10,026,150	8,390,952	1,635,198	8,633,435
 Cultural and Recreational:				
Library				
Salaries and employee benefits	279,296	248,499	30,797	231,902
Other operating expenditures	137,708	65,098	72,610	58,924
Mini-Grants	54,992	48,811	6,181	-
Capital Outlay	6,300	-	6,300	-
Total	478,296	362,408	115,888	290,826
 Recreation				
Salaries and employee benefits	178,811	173,758	5,053	173,071
Other operating expenditures	165,435	83,115	82,320	106,667
Mini-Grants	25,500	26,262	(762)	-
Capital Outlay	-	-	-	-
Total	369,746	283,135	86,611	279,738
 Farmer Lake				
Salaries and employee benefits	49,242	49,586	(344)	49,197
Other operating expenditures	18,707	14,433	4,274	15,269
Capital Outlay	24,400	24,000	400	10,276
Total	92,349	88,019	4,330	74,742
 Other				
Art Council	2,500	2,500	-	2,500
 Total Cultural and Recreational	942,891	736,062	206,829	647,806
 Education:				
Public School				
Current Expense	2,600,000	2,600,000	-	2,600,000
Capital Outlay	465,000	465,000	-	465,000
Teacher Supplement	-	-	-	300,000
Piedmont Community College				
Current Expense	306,195	306,195	-	306,195
Capital Outlay	65,000	65,000	-	65,000
 Total Education	3,491,195	3,491,195	-	3,791,195

Caswell County, North Carolina
General Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Fiscal Year Ended June 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Debt service:				
Principal	1,247,068	1,247,099	(31)	1,273,996
Interest payments	219,872	219,870	2	254,048
Debt issuance cost	-	-	-	-
Total debt service	<u>1,466,940</u>	<u>1,466,969</u>	<u>(29)</u>	<u>1,528,044</u>
Total expenditures	<u>28,389,220</u>	<u>24,698,082</u>	<u>3,691,138</u>	<u>24,756,049</u>
Revenue over (under) expenditures	<u>(422,368)</u>	<u>1,793,604</u>	<u>2,215,972</u>	<u>1,012,231</u>
Other financing sources (uses):				
Sale of Equipment	-	-	-	50,000
Transfers from other funds				
School Capital reserve fund	699,250	699,250	-	710,850
Emergency telephone system fund	-	-	-	55,565
Total	<u>699,250</u>	<u>699,250</u>	<u>-</u>	<u>766,415</u>
Transfers to other funds				
School capital reserve fund	(871,337)	(883,435)	(12,098)	(978,690)
Special fire districts fund	(31,500)	(31,500)	-	(573,819)
Special Grant Fund	(300,000)	(300,000)	-	-
Revaluation fund	(30,000)	(30,000)	-	(30,000)
Total	<u>(1,232,837)</u>	<u>(1,244,935)</u>	<u>(12,098)</u>	<u>(1,582,509)</u>
Appropriated fund balance	<u>955,955</u>	<u>-</u>	<u>(955,955)</u>	<u>-</u>
Total other financing sources (uses)	<u>422,368</u>	<u>(545,685)</u>	<u>(968,053)</u>	<u>(766,094)</u>
Excess of revenues and other sources over (under expenditures and other uses)	<u>\$ -</u>	<u>1,247,919</u>	<u>\$ 1,247,919</u>	<u>246,137</u>
Fund balance- July 1		<u>5,891,758</u>		<u>5,645,621</u>
Fund balance- June 30		<u>\$ 7,139,677</u>		<u>\$ 5,891,758</u>

Caswell County, North Carolina
Revaluation Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
Revenues:				
Investment earnings	\$ 300	\$ 1,433	\$ 1,133	\$ 576
Total revenues	300	1,433	1,133	576
Expenditures:				
General government				
Revaluation of tax base	30,300	-	30,300	-
Revenues over (under) expenditures	(30,000)	1,433	31,433	576
<u>Other financing sources</u>				
Appropriated Fund Balance	-	-	-	-
Transfers from other funds				
General Fund	30,000	30,000	-	30,000
Emergency Telephone Fund	-	-	-	-
Total	30,000	30,000	-	30,000
Excess of Revenues and Other Sources Over (Under) Expenditures	\$ -	31,433	\$ 31,433	30,576
Fund balance, beginning		128,290		97,714
Fund balance, ending		\$ 159,723		\$ 128,290

Caswell County, North Carolina
Capital Reserve Fund- School Capital Outlay
Schedule of Revenues, Expenditures
And Changes in Fund Balance- Budget and Actual
For the Year Ended June 30, 2019
With Comparative Actual Amounts For The Year Ended June 30, 2018

	2019			2018
	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)	<u>Actual</u>
<u>REVENUES</u>				
Interest on Investments	\$ 2,000	\$ 13,077	\$ 11,077	\$ 5,533
<u>EXPENDITURES</u>				
Reserve	174,087	-	174,087	-
Education	-	-	-	-
Total Expenditures	174,087	-	174,087	-
Revenues Over (Under) Expenditures	(172,087)	13,077	185,164	5,533
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfer from other funds				
General Fund	871,337	883,434	(12,097)	978,690
Transfers to other funds				
General Fund	(699,250)	(699,249)	(1)	(710,850)
Appropriated fund balance	-	-	-	-
Total other financing sources (uses)	172,087	184,185	(12,098)	267,840
Revenues and other sources over (under) expenditures and other uses	\$ -	197,262	\$ 173,066	273,373
<u>FUND BALANCE</u>				
Beginning of year- July 1		998,023		724,650
End of year- June 30		\$ 1,195,285		\$ 998,023

Caswell County, North Carolina
Library Development Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2019

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
Revenues:					
Golden Leaf Foundation	\$ 700,200	\$ -	\$ 700,200	\$ 700,200	\$ -
Danville Regional Foundation	455,000	455,000	-	455,000	-
Cannon Grant	50,000	75,000	-	75,000	25,000
Other Contributions	109,031	-	108,181	108,181	(850)
Investment earnings	-	148	230	378	378
Total Revenue	<u>1,314,231</u>	<u>530,148</u>	<u>808,611</u>	<u>1,338,759</u>	<u>24,528</u>
Expenditures:					
Cultural and Recreational					
Admin and Engineering	140,457	160,385	27,943	188,328	(47,871)
Building Renovation	496,020	-	47,272	47,272	448,748
New Construction	1,243,324	886,081	1,392,154	2,278,235	(1,034,911)
Fixtures and Equipment	210,096	4,405	164,394	168,799	41,297
Parking Lot	144,000	-	-	-	144,000
Contingency	75,334	-	-	-	75,334
Total	<u>2,309,231</u>	<u>1,050,871</u>	<u>1,631,763</u>	<u>2,682,634</u>	<u>(373,403)</u>
Revenues over (under) expenditures	<u>(995,000)</u>	<u>(520,723)</u>	<u>(823,152)</u>	<u>(1,343,875)</u>	<u>(348,875)</u>
Other Financing Sources (Uses)					
Loan proceeds	<u>995,000</u>	<u>360,000</u>	<u>635,231</u>	<u>995,231</u>	<u>231</u>
Total other financing sources	<u>995,000</u>	<u>360,000</u>	<u>635,231</u>	<u>995,231</u>	<u>231</u>
Revenues over (under) expenditures and other financing sources (uses)	<u>\$ -</u>	<u>\$ (160,723)</u>	<u>(187,921)</u>	<u>\$ (348,644)</u>	<u>\$ (348,644)</u>
Fund balance, beginning			<u>(137,714)</u>		
Fund balance, ending			<u>\$ (325,635)</u>		

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for specific purposes.

- **Special Fire District Fund:** This special revenue fund is used to account for taxes collected for fire districts.
- **Emergency Telephone System Fund:** This fund is used to set aside money for 911.
- **Revolving Loan Fund:** This fund is used to account for an economic incentive grant that is loaned out.
- **Equipment and Automation Fund:** This fund is used to account for funds set aside for equipment.

Capital Projects Funds

Capital Projects Funds are used to account for the acquisition and construction of major capital facilities and equipment.

- **Special Grants Fund:** This fund is used to account for the receipts and disbursement made for various special projects.
- **Scattered Site Fund:** This fund is used to account for revenues and expenditures to rehabilitate substandard rural housing.
- **School Capital Projects Fund:** This fund is used to account for funds set aside for capital projects for Caswell County Schools.
- **Courthouse HVAC Project Fund:** This fund is used to account for the HVAC replacement project at the Courthouse.

Caswell County, North Carolina
Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2019

	Special Revenue Funds				Capital Project Funds				
	Special Fire District Fund	Emergency Telephone System Fund	Revolving Loan Fund	Equipment and Automation Fund	Special Grant Fund	Scattered Site Fund	School Capital Projects Fund	Courthouse HVAC Project Fund	Total
ASSETS									
Current Assets:									
Cash and cash equivalents	\$ 106,633	\$ -	\$ 12,286	\$ 37,343	\$ 155,191	\$ -	\$ -	\$ -	\$311,453
Cash and cash equivalents - restricted		-	-	-	-	-	-	13,967	13,967
Taxes receivable	75,290	-	-	-	-	-	-	-	75,290
Accounts receivable	28,898	8,642	400	-	-	-	-	-	37,940
Total assets	<u>\$ 210,821</u>	<u>\$ 8,642</u>	<u>\$ 12,686</u>	<u>\$ 37,343</u>	<u>\$ 155,191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,967</u>	<u>\$ 438,650</u>
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	\$ 1,258	\$ 12,133	\$ -	\$ -	\$ 2,500	\$ -	\$ -	\$ -	\$ 15,891
Due to other funds	-	8,648	-	-	-	1,367	54,293	-	64,308
Total liabilities	<u>1,258</u>	<u>20,781</u>	<u>-</u>	<u>-</u>	<u>2,500</u>	<u>1,367</u>	<u>54,293</u>	<u>-</u>	<u>80,199</u>
DEFERRED INFLOWS OF RESOURCES	<u>75,290</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,290</u>
Fund balances:									
Restricted:									
Stabilization by State Statute	28,898	8,642	-	-	-	-	-	-	37,540
Public Safety	105,375	-	-	-	-	-	-	-	105,375
Economic Development	-	-	12,686	-	29,466	-	-	13,967	56,119
General Government	-	-	-	37,343	123,225	-	-	-	160,568
Unassigned	-	(20,781)	-	-	-	(1,367)	(54,293)	-	(76,441)
Total fund balances	<u>134,273</u>	<u>(12,139)</u>	<u>12,686</u>	<u>37,343</u>	<u>152,691</u>	<u>(1,367)</u>	<u>(54,293)</u>	<u>13,967</u>	<u>283,161</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 210,821</u>	<u>\$ 8,642</u>	<u>\$ 12,686</u>	<u>\$ 37,343</u>	<u>\$ 155,191</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,967</u>	<u>\$ 438,650</u>

Caswell County, North Carolina
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2019

	Special Revenue Funds				Capital Project Funds				
	Special Fire Tax District	Emergency Telephone System Fund	Revolving Loan Fund	Equipment and Automation Fund	Special Grant Fund	Scattered Site Fund	School Capital Projects Fund	Courthouse HVAC Project Fund	Total
REVENUES									
Ad Valorem Taxes	\$ 880,496	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 880,496
Other Taxes and License	5,555	-	-	-	-	-	-	-	5,555
Restricted intergovernmental	-	103,699	2,951	-	-	272,897	-	-	379,547
Investment earnings	-	2,238	-	275	-	-	-	-	2,513
Contributions	-	-	-	-	37,953	-	-	-	37,953
Total revenues	<u>886,051</u>	<u>105,937</u>	<u>2,951</u>	<u>275</u>	<u>37,953</u>	<u>272,897</u>	<u>-</u>	<u>-</u>	<u>1,306,064</u>
EXPENDITURES									
Public Safety	852,215	133,814	-	-	-	-	-	-	986,029
Economic Development	-	-	-	-	308,487	272,897	-	-	581,384
Education	-	-	-	-	-	-	54,293	-	54,293
Cultural and Recreational	-	-	-	-	-	-	-	-	-
Total expenditures	<u>852,215</u>	<u>133,814</u>	<u>-</u>	<u>-</u>	<u>308,487</u>	<u>272,897</u>	<u>54,293</u>	<u>-</u>	<u>1,621,706</u>
Revenues over (under) Expenditures	<u>33,836</u>	<u>(27,877)</u>	<u>2,951</u>	<u>275</u>	<u>(270,534)</u>	<u>-</u>	<u>(54,293)</u>	<u>-</u>	<u>(315,642)</u>
OTHER FINANCING SOURCES (USES)									
Transfers- in General Fund	<u>31,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>331,500</u>
Total other financing sources (uses)	<u>31,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>331,500</u>
Change in Fund Balances	65,336	(27,877)	2,951	275	29,466	-	(54,293)	-	15,858
Fund Balance- July 1	<u>68,937</u>	<u>15,738</u>	<u>9,735</u>	<u>37,068</u>	<u>123,225</u>	<u>(1,367)</u>	<u>-</u>	<u>13,967</u>	<u>267,303</u>
Fund Balance- June 30	<u>\$ 134,273</u>	<u>\$ (12,139)</u>	<u>\$ 12,686</u>	<u>\$ 37,343</u>	<u>\$ 152,691</u>	<u>\$ (1,367)</u>	<u>\$ (54,293)</u>	<u>\$ 13,967</u>	<u>\$ 283,161</u>

Caswell County, North Carolina
Special Fire District Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance- Budget and Actual
For the Year Ended June 30, 2019
With Comparative Actual Amounts For The Year Ended June 30, 2018

	2019			2018
	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)	<u>Actual</u>
<u>REVENUES</u>				
Ad valorem taxes	\$ 912,552	\$ 880,496	\$ (32,056)	\$ 372,258
Other taxes				
Sales taxes	4,500	5,555	1,055	6,054
Total	<u>917,052</u>	<u>886,051</u>	<u>(31,001)</u>	<u>378,312</u>
<u>EXPENDITURES</u>				
Public Safety				
Sales tax distribution	4,500	5,554	(1,054)	6,053
Caswell Fire District	43,147	35,555	7,592	42,826
Travel	1,500	1,500	-	1,500
Aid to volunteer fire departments	757,405	702,532	54,873	792,319
Rescue operations	30,000	30,000	-	30,000
Fire tax balance	112,000	77,074	34,926	6,685
Total Expenditures	<u>948,552</u>	<u>852,215</u>	<u>96,337</u>	<u>879,383</u>
Revenues Over (Under) Expenditures	(31,500)	33,836	65,336	(501,071)
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfer from other funds				
General Fund	31,500	31,500	-	573,819
Appropriated fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>31,500</u>	<u>31,500</u>	<u>-</u>	<u>573,819</u>
Excess of revenues and other sources over (under) expenditures and other uses	<u>\$ -</u>	65,336	<u>\$ 65,336</u>	72,748
Fund Balance, Beginning		<u>68,937</u>		<u>(3,811)</u>
Fund Balance, Ending		<u>\$ 134,273</u>		<u>\$ 68,937</u>

Caswell County, North Carolina
Emergency Telephone System Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts for the Year ended June 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
<u>REVENUES</u>				
Restricted Intergovernmental revenues:				
PSAP Funds	\$ 130,790	\$ 103,699	\$ (27,091)	\$ 449,667
Investment earnings	510	2,238	1,728	1,008
Total Revenues	<u>131,300</u>	<u>105,937</u>	<u>(25,363)</u>	<u>450,675</u>
<u>EXPENDITURES</u>				
Public Safety:				
Salaries	109,804	-	109,804	97,290
Telephone	21,175	22,501	(1,326)	21,657
Maintenance and repairs	37,525	19,257	18,268	35,369
Small tools/ equipment	48,160	48,217	(57)	42,836
Other expenses	44,795	34,839	9,956	28,764
Capital Outlay	<u>6,049</u>	<u>9,000</u>	<u>(2,951)</u>	<u>220,553</u>
Total	<u>267,508</u>	<u>133,814</u>	<u>133,694</u>	<u>446,469</u>
Total Expenditures	<u>267,508</u>	<u>133,814</u>	<u>133,694</u>	<u>446,469</u>
Revenues over (under) expenditures	<u>(136,208)</u>	<u>(27,877)</u>	<u>108,331</u>	<u>4,206</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Fund balance appropriated	136,208	-	(136,208)	-
Transfers from other funds				
General Fund	-	-	-	-
Transfers to other funds				
General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>(55,565)</u>
Total Other Financing Sources (uses)	<u>136,208</u>	<u>-</u>	<u>(136,208)</u>	<u>(55,565)</u>
Excess of Revenues and Other Sources				
Over (Under) Expenditures	<u>\$ -</u>	<u>(27,877)</u>	<u>\$ (27,877)</u>	<u>(51,359)</u>
Fund balance, beginning		<u>15,738</u>		<u>67,097</u>
Fund balance, ending		<u>\$ (12,139)</u>		<u>\$ 15,738</u>

Caswell County, North Carolina
Emergency Telephone System Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts for the Year Ended June 30, 2018

	2019		Variance Positive (Negative)	2018
	Budget	Actual		Actual
Explanation for transfers				
Transfers to adjust beginning balance to actual		\$ -		\$ -
Transfer to repay General Fund for expense paid		\$ -		\$ (55,565)
<u>Emergency Telephone System Unspent Balance</u>				
Amount reported above are different from PSAP Revenue-Expenditure Report because:				
Net Change in Fund Balance, reported on Budget to Actual		\$ (27,877)		
Plus: Transfers from General Fund to adjust fund balance to the proper beginning balance				
Less: Accrual Differences		(5,316)		
Plus: Grant Expenditure - Capital Outlay		-		
Net Change per PSAP Revenue- Expenditure Report		(33,193)		
Beginning Balance, PSAP Revenue- Expenditure Report		421,778		
Ending Balance, PSAP Revenue- Expenditure Report		\$ 388,585		

Caswell County, North Carolina
Revolving Loan Fund
Schedule of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Year Ended June 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
<u>REVENUES</u>				
Restricted Intergovernmental revenues:				
USDA Rural Development Business Grant	\$ 150,000	\$ -	\$ (150,000)	\$ -
Loan Repayment	-	2,951	2,951	4,200
Miscellaneous income	5,760	-	(5,760)	-
Total Revenues	155,760	2,951	(152,809)	4,200
<u>EXPENDITURES</u>				
Economic Development	155,760	-	155,760	20,000
Revenues over (under) expenditures	-	2,951	2,951	(15,800)
<u>OTHER FINANCING SOURCES (USES)</u>				
Appropriated fund balance	-	-	-	-
Total Other Financing Sources (uses)	-	-	-	-
Revenues and Other Sources over (under)				
Expenditures and other financing sources (uses)	\$ -	2,951	\$ 2,951	(15,800)
Fund balance, beginning		9,735		25,535
Fund balance, ending		\$ 12,686		\$ 9,735

Caswell County, North Carolina
Equipment and Automation Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Year Ended June 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
<u>REVENUES</u>				
Interest on investments	\$ -	\$ 275	\$ 275	\$ 128
<u>EXPENDITURES</u>				
General government				
Equipment	-	-	-	-
Revenues over (under) expenditures	-	275	275	128
<u>OTHER FINANCING SOURCES (USES)</u>				
Appropriated Fund Balance	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Excess of Revenues and Other Sources over (under) Expenditures and other uses	<u>\$ -</u>	275	<u>\$ -</u>	\$ 128
Fund balance, beginning		37,068		36,940
Fund balance, ending		<u>\$ 37,343</u>		<u>\$ 37,068</u>

Caswell County, North Carolina
Special Grant Fund
Schedule of Revenues, Expenditures
and Changes In Fund Balance- Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Year Ended June 30, 2018

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<u>REVENUES</u>					
Contributions					
Business Incubator Project	\$ -	\$ -	\$ 2,953	\$ 2,953	\$ 2,953
Danville Regional Foundation	-	-	25,000	25,000	25,000
Piedmont Electric Helping Hands	-	-	10,000	10,000	10,000
Total Revenues	-	-	37,953	37,953	37,953
<u>EXPENDITURES</u>					
Economic Development					
Professional Services	-		8,500	8,500	(8,500)
Electricity	-		1,269	1,269	(1,269)
Advertising	-		265	265	(265)
Acquisition of Property	300,000		295,953	295,953	4,047
Environmental and Other Fees	-		2,500	2,500	(2,500)
Total expenditures	300,000	-	308,487	308,487	(8,487)
Revenues over (under) expenditures	(300,000)	-	(270,534)	(270,534)	29,466
<u>OTHER FINANCING SOURCES (USES)</u>					
Total Other Financing Sources (uses)					
General Fund	300,000	-	300,000	300,000	-
Total other financing sources	300,000	-	300,000	300,000	-
Excess of Revenues and Other Sources over (under) Expenditures and other uses	\$ -	\$ -	29,466	\$ 29,466	\$ 29,466
Fund balance, beginning			123,225		
Fund balance, ending			\$ 152,691		

Caswell County, North Carolina
Scattered Site Fund
Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2019
With Comparative Actual Amounts For the Year Ended June 30, 2018

	Project Authorization	Prior Years	Actual Current Year	Total to Date	Variance Positive (Negative)
<u>REVENUES</u>					
Restricted intergovernmental					
Community Development Block Grant					
2011 Scattered Site	\$ 400,000	\$ 292,078	\$ -	\$ 292,078	\$ (107,922)
2010 Single Family Rehab	200,000	244,187	-	244,187	44,187
2013 Single Family Rehab	170,000	99,620	-	99,620	(70,380)
2016 Single Family Rehab	175,000	170,851	272,897	443,748	268,748
Investment earnings	-	102	-	102	102
Total Revenue	<u>945,000</u>	<u>806,838</u>	<u>272,897</u>	<u>1,079,735</u>	<u>134,735</u>
<u>EXPENDITURES</u>					
Economic and physical development					
Community development block grant					
2011 Scattered site					
Administration		19,854	-	19,854	
Rehabilitation		272,500	-	272,500	
Total	<u>400,000</u>	<u>292,354</u>	<u>-</u>	<u>292,354</u>	<u>107,646</u>
2010 Single Family Rehab					
Administration		38,357	-	38,357	
Rehabilitation		207,503	-	207,503	
Total	<u>200,000</u>	<u>245,860</u>	<u>-</u>	<u>245,860</u>	<u>(45,860)</u>
2013 Single Family Rehab					
Administration		1,700	-	1,700	
Rehabilitation		97,922	-	97,922	
Total	<u>170,000</u>	<u>99,622</u>	<u>-</u>	<u>99,622</u>	<u>70,378</u>
2016 Single Family Rehab					
Administration		46,475	98,180	144,655	
Rehabilitation		124,376	174,717	299,093	
Total	<u>175,000</u>	<u>170,851</u>	<u>272,897</u>	<u>443,748</u>	<u>(268,748)</u>
Total Expenditures	<u>945,000</u>	<u>808,687</u>	<u>272,897</u>	<u>1,081,584</u>	<u>(136,584)</u>
Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (1,849)</u>	<u>-</u>	<u>\$ (1,849)</u>	<u>\$ (1,849)</u>
Fund balance, beginning			(1,367)		
Fund balance, ending			<u>\$ (1,367)</u>		

Caswell County, North Carolina
School Capital Projects Fund
Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2019

	Project Authorization	Actual			Total to Date	Variance Positive (Negative)
		Prior Years	Current Year	Closed Out Project		
Revenues:						
Investment earnings	\$ -	\$ -	-	\$ -	\$ -	\$ -
Lottery funding	-	-	-	-	-	-
NC Public School Building Funds	-	-	-	-	-	-
Total Revenue	-	-	-	-	-	-
Expenditures:						
Education						
Furniture / Equipment	-	-	-	-	-	-
Administrative Cost	-	-	54,293	-	54,293	(54,293)
Land	-	-	-	-	-	-
Construction	-	-	-	-	-	-
Bond Sale Expense	-	-	-	-	-	-
Contingency	-	-	-	-	-	-
Total Expenditures	-	-	54,293	-	54,293	(54,293)
Revenues over (under) expenditures	-	-	(54,293)	-	(54,293)	54,293
Other Financing Sources (Uses)						
Loan Proceeds	-	-	-	-	-	-
Transfer to General Fund	-	-	-	-	-	-
Total other financing sources	-	-	-	-	-	-
Revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ -	(54,293)	\$ -	\$ (54,293)	\$ 54,293
Fund balance, beginning			-			
Fund balance, ending			\$ (54,293)			

Caswell County, North Carolina
Courthouse HVAC Project
Schedule of Revenue, Expenditures and
Changes in Fund Balance - Budget and Actual
From Inception and for the Fiscal Year Ended June 30, 2019

		Actual				
	Project Authorization	Prior Years	Current Year	Closed Out Project	Total to Date	Variance Positive (Negative)
Revenues:						
Investment earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue	-	-	-	-	-	-
Expenditures:						
Economic and physical development						
Courthouse HVAC						
Administration	74,000	67,748	-	-	67,748	6,252
Other Legal and Fiscal Cost	27,965	26,264	-	-	26,264	1,701
Other Tools and Equipment	-	2,647	-	-	2,647	(2,647)
Construction Phase	883,035	874,374	-	-	874,374	8,661
Total	985,000	971,033	-	-	971,033	13,967
Revenues over (under) expenditures	(985,000)	(971,033)	-	-	(971,033)	13,967
Other Financing Sources (Uses)						
Loan Proceeds	985,000	985,000	-	-	985,000	-
Total other financing sources	985,000	985,000	-	-	985,000	-
Revenues over (under) expenditures and other financing sources (uses)	\$ -	\$ 13,967	-	\$ -	\$ 13,967	\$ 13,967
Fund balance, beginning			13,967			
Fund balance, ending			\$ 13,967			

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 government's council is that the cost of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, where the government's council has decided that the periodic determination of net income is appropriate for the accountability purposes.

- **Solid Waste Fund:** This fund is used to account for the operations of the County's solid waste disposal operations.
- **Caswell Department of Transportation Fund:** This fund is used in account for the revenues and expenses for transportation services.

Caswell County, North Carolina
Solid Waste Management Fund
Schedule of Revenues and Expenditures- Budget and Actual (Non-GAAP)
For Year Ended June 30, 2019
With Comparative Amounts For The Year Ended June 30, 2018

	2019			2018
	Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
Tire disposal tax		\$ 32,354		\$ 31,640
White goods disposal		4,944		2,159
Solid waste disposal tax		19,558		17,782
Charges for service - user fees		408,798		406,908
Tipping fees		135,763		118,535
Recycling		12,735		16,815
Interest on investments		2,529		1,139
Miscellaneous Revenue		1,217		278
Total Revenues	<u>\$ 797,896</u>	<u>617,898</u>	<u>\$ (179,998)</u>	<u>595,256</u>
EXPENDITURES				
Operations				
Salaries		146,198		142,603
Other expenses		827,153		771,837
FEMA expenses		25,463		-
Capital Outlay		77,408		161,424
Total expenditures	<u>1,186,261</u>	<u>1,076,222</u>	<u>110,039</u>	<u>1,075,864</u>
Revenues over (under) expenditures	<u>(388,365)</u>	<u>(458,324)</u>	<u>(69,959)</u>	<u>(480,608)</u>
OTHER FINANCING SOURCES (USES)				
Appropriated fund balance	<u>388,365</u>	<u>-</u>	<u>(388,365)</u>	<u>-</u>
Total other financing sources (uses)	<u>388,365</u>	<u>-</u>	<u>(388,365)</u>	<u>-</u>
Revenues over (under) other financing sources (uses)	<u>\$ -</u>	<u>(458,324)</u>	<u>\$ (458,324)</u>	<u>(480,608)</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Reconciling Items:				
Depreciation		(39,058)		(51,119)
Capital Outlay		29,117		157,805
Change in deferred outflows of resources - pensions		(9,001)		6,588
Change in deferred outflows of resources - OPEB		3,458		(4,298)
Change in net pension liability		11,276		(5,291)
Change in net OPEB liability		166		2,492
Change in deferred inflows of resources - pensions		(197)		(462)
Change in deferred inflows of resources - OPEB		2,056		4,703
Change in accrued vacation payable		(1,729)		1,449
Total reconciling items		<u>(3,912)</u>		<u>111,867</u>
Change in net position		<u>\$ (462,236)</u>		<u>\$ (368,741)</u>

Caswell County, North Carolina
Caswell Department of Transportation Fund
Schedule of Revenues and Expenditures- Budget and Actual (Non-GAAP)
For Year Ended June 30, 2019
With Comparative Amounts For The Year Ended June 30, 2018

	2019		Variance	2018
	Budget	Actual	Positive (Negative)	Actual
REVENUES				
Changes for service- user fees	\$ 622,892	\$ 553,662	\$ (69,230)	\$ 458,609
Interest on investment	200	1,706	1,506	769
Total Revenues	<u>623,092</u>	<u>555,368</u>	<u>(67,724)</u>	<u>459,378</u>
EXPENDITURES				
Administration				
Salaries	81,325	89,928	(8,603)	82,103
Other expenses	82,983	76,538	6,445	76,770
Total	<u>164,308</u>	<u>166,466</u>	<u>(2,158)</u>	<u>158,873</u>
Operations				
Salaries	202,375	188,978	13,397	167,883
Other expenses	114,827	83,820	31,007	77,860
Capital outlay	205,000	192,687	12,313	-
Total	<u>522,202</u>	<u>465,485</u>	<u>56,717</u>	<u>245,743</u>
Total Expenditures	<u>686,510</u>	<u>631,951</u>	<u>54,559</u>	<u>404,616</u>
Revenues over (under) expenditures	<u>(63,418)</u>	<u>(76,583)</u>	<u>(13,165)</u>	<u>54,762</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Appropriated fund balance	39,418	-	(39,418)	-
Sale of capital assets	24,000	-	(24,000)	8,348
Total other financing sources (uses)	<u>63,418</u>	<u>-</u>	<u>(63,418)</u>	<u>8,348</u>
Revenues over (under) other financing sources (uses)	<u>\$ -</u>	<u>(76,583)</u>	<u>\$ (76,583)</u>	<u>63,110</u>
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Reconciling Items:				
Capital Outlay		192,470		-
Depreciation		(62,193)		(47,549)
Change in deferred outflows of resources - pensions		(15,748)		11,521
Change in deferred outflows of resources - OPEB		2,749		(3,416)
Change in net pension liability		19,728		(9,252)
Change in net OPEB liability		132		1,981
Change in deferred inflows of resources - pensions		(345)		(807)
Change in deferred inflows of resources - OPEB		1,633		3,738
Change in accrued vacation payable		1,379		(664)
Total reconciling items		<u>139,805</u>		<u>(44,448)</u>
Change in net position		<u>\$ 63,222</u>		<u>\$ 18,662</u>

AGENCY FUNDS

Agency Funds are used to account for assets held by the County as an agent for individuals and local governments.

- **Special Services Fund:** This agency fund is used to account for the funds held by the County Department of Social Services for the benefit of certain individuals in the County.
- **Drug Fund:** This agency fund is used in account for receipts and disbursements of certain sheriff department funds.
- **Fines and Forfeitures and Floodplain Mapping Fund:** This agency fund is used to account for fines and forfeitures collected by the County that are required to be turned over to the Caswell County Board of Education and the NC State Treasurer.
- **Property Tax Fund:** This agency fund is used to account for the proceeds of the Ad Valorem taxes that are collected by the County on behalf of municipalities within the County.

Caswell County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For Year Ended June 30, 2019

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Social Service Agency Fund</u>				
Assets				
Cash and cash equivalents	\$ 30,185	\$ 193,858	\$ 200,349	\$ 23,694
Liabilities				
Accounts Payable	\$ 30,185	\$ 193,858	\$ 200,349	\$ 23,694
<u>Drug Fund</u>				
Assets				
Cash and cash equivalents	\$ 10,040	\$ 5,001	\$ 9,000	\$ 6,041
Liabilities				
Miscellaneous Liabilities	\$ 10,040	\$ 5,001	\$ 9,000	\$ 6,041
<u>Fines and Forfeitures and Floodplain Mapping Fund</u>				
Assets				
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -
Accounts Receivable	2,596	68,681	65,860	5,417
Total	\$ 2,596	\$ 68,681	\$ 65,860	\$ 5,417
Liabilities				
Fines for Forfeitures due to others	\$ 2,595	\$ 55,506	\$ 53,652	\$ 4,449
Floodplain mapping fees due to others	170	7,246	6,714	702
ROD deed of trust fees due to others	(169)	2,635	2,442	24
Archives/Cultural fees due to others	-	3,294	3,052	242
Total	\$ 2,596	\$ 68,681	\$ 65,860	\$ 5,417
<u>Property Tax Agency Fund</u>				
Assets				
Cash and cash equivalents	\$ (9,831)	\$ 418,750	\$ 415,925	\$ (7,006)
Liabilities				
Intergovernmental payable	\$ (9,831)	\$ 418,750	\$ 415,925	\$ (7,006)
<u>Total- All Agency Funds</u>				
Assets				
Cash and cash equivalents	\$ 30,394	\$ 617,609	\$ 625,274	\$ 22,729
Accounts Receivable	2,596	68,681	65,860	5,417
Total Assets	\$ 32,990	\$ 686,290	\$ 691,134	\$ 28,146
Liabilities				
Accounts payable	\$ 40,225	\$ 198,859	\$ 209,349	\$ 29,735
Intergovernmental Payable	(7,235)	487,431	481,785	(1,589)
Total Liabilities	\$ 32,990	\$ 686,290	\$ 691,134	\$ 28,146

OTHER SCHEDULES

This schedule contains additional information required on property taxes.

- **Schedule of Ad Valorem Tax Receivable**
- **Analysis of Current Tax Levy – County-Wide Levy**

Caswell County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2019

Exhibit F-1

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2018</u>	<u>Additions</u>	<u>Collections And Credits</u>	<u>Uncollected Balance June 30, 2019</u>
2019	\$ -	\$ 11,864,581	\$ 11,713,389	\$ 151,192
2018	176,738	8,467	100,931	84,274
2017	89,551	7,717	40,004	57,264
2016	60,808	3,845	21,863	42,790
2015	59,113	-	16,955	42,158
2014	67,202	-	11,630	55,572
2013	61,766	-	9,595	52,171
2012	47,486	-	7,110	40,376
2011	46,360	-	6,853	39,507
2010	35,434	-	4,910	30,524
2009	35,715	-	35,715	-
Totals	\$ <u>680,173</u>	\$ <u>11,884,610</u>	\$ <u>11,968,955</u>	<u>595,828</u>
Less Allowance for Doubtful Accounts				<u>(406,000)</u>
Taxes Receivable (Net)				\$ <u>189,828</u>
<u>Reconcilement with revenues:</u>				
Ad valorem taxes - General Fund			\$ 12,225,306	
Interest /penalties/adjustments			<u>(224,046)</u>	
				\$ 12,001,260
Amounts written off for tax year 2008-2009 per statute of limitations				<u>(32,305)</u>
Total Collections and Credits				\$ <u>11,968,955</u>

Caswell County
Analysis of Current Tax Levy
County-Wide Levy
June 30, 2019

	County Wide			Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
	Property Valuation	Rate	Total Levy		
Original Levy County- Wide	<u>\$ 1,673,405,783</u>	0.709	<u>\$ 11,864,447</u>	<u>\$ 10,588,939</u>	<u>\$ 1,275,508</u>
Discoveries and Abatements	<u>18,900</u>	0.709	<u>134</u>	<u>134</u>	<u>-</u>
Total Property Valuation	<u><u>\$ 1,673,424,683</u></u>				
Net Levy			11,864,581	10,589,073	1,275,508
Uncollected taxes June 30, 2019			<u>151,192</u>	<u>151,192</u>	<u>-</u>
Current years taxes collected			<u><u>\$ 11,713,389</u></u>	<u><u>\$ 10,437,881</u></u>	<u><u>\$ 1,275,508</u></u>
Current levy collection percentage			<u><u>98.73%</u></u>	<u><u>98.57%</u></u>	<u><u>100.00%</u></u>

STATISTICAL SECTION

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue sources, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

TABLE 1

CASWELL COUNTY, NORTH CAROLINA
NET POSITION BY COMPONENTS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment of capital assets	\$ 12,739,104	\$ 13,347,778	\$ 10,089,638	\$ 14,660,932	\$ 15,272,072	\$ 14,934,637	\$ 13,399,966	\$ 14,471,590	\$ 15,101,143	\$ 16,465,673
Restricted	27,081	2,752,022	6,703,496	3,379,060	2,801,298	3,116,026	3,619,907	2,633,767	3,016,482	3,745,307
Unrestricted	5,143,018	3,132,651	4,134,622	2,737,716	2,594,371	2,003,197	2,444,131	403,133	(1,103,868)	(690,724)
Total governmental activities net position	<u>\$ 17,909,203</u>	<u>\$ 19,232,451</u>	<u>\$ 20,927,756</u>	<u>\$ 20,777,708</u>	<u>\$ 20,667,741</u>	<u>\$ 20,053,860</u>	<u>\$ 19,464,004</u>	<u>\$ 17,508,490</u>	<u>\$ 17,013,757</u>	<u>\$ 19,520,256</u>
Business-type activities										
Net investment in capital assets	\$ 289,050	\$ 363,093	\$ 497,458	\$ 549,559	\$ 618,427	\$ 790,029	\$ 699,530	\$ 624,618	\$ 683,755	\$ 804,090
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	1,448,996	1,409,580	1,235,478	1,261,232	1,140,117	945,764	1,164,160	1,161,499	664,423	145,074
Total business-type activities net position	<u>\$ 1,738,046</u>	<u>\$ 1,772,673</u>	<u>\$ 1,732,936</u>	<u>\$ 1,810,791</u>	<u>\$ 1,758,544</u>	<u>\$ 1,735,793</u>	<u>\$ 1,863,690</u>	<u>\$ 1,786,117</u>	<u>\$ 1,348,178</u>	<u>\$ 949,164</u>
Primary government										
Net investment in capital assets	\$ 13,028,154	\$ 13,710,871	\$ 10,587,096	\$ 15,210,491	\$ 15,890,499	\$ 15,724,666	\$ 14,099,496	\$ 15,096,208	\$ 15,784,898	\$ 17,269,763
Restricted	27,081	2,752,022	6,703,496	3,379,060	2,801,298	3,116,026	3,619,907	2,633,767	3,016,482	3,745,307
Unrestricted	6,592,014	4,542,231	5,370,100	3,998,948	3,734,488	2,948,961	3,608,291	1,564,632	(439,445)	(545,650)
Total primary government net position	<u>\$ 19,647,249</u>	<u>\$ 21,005,124</u>	<u>\$ 22,660,692</u>	<u>\$ 22,588,499</u>	<u>\$ 22,426,285</u>	<u>\$ 21,789,653</u>	<u>\$ 21,327,694</u>	<u>\$ 19,294,607</u>	<u>\$ 18,361,935</u>	<u>\$ 20,469,420</u>

CASWELL COUNTY, NORTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS*
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Expenses	Fiscal Years									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities:										
General government	\$ 2,605,238	\$ 2,558,821	\$ 2,776,985	\$ 2,898,539	\$ 2,813,150	\$ 3,062,487	\$ 2,910,099	\$ 3,158,690	\$ 3,158,690	\$ 3,309,482
Public safety	5,226,796	5,421,247	5,895,526	6,364,755	7,244,842	7,153,742	8,598,810	8,671,161	8,671,161	8,630,706
Economic development	444,511	473,281	551,766	831,474	420,330	489,906	560,353	777,188	777,188	850,594
Environmental Protection	92,111	83,539	85,682	85,876	83,689	92,390	106,459	110,309	110,309	107,276
Transportation	-	-	-	-	-	-	-	-	-	-
Human Services	8,989,125	9,327,818	9,031,116	9,236,361	8,832,869	8,552,167	9,395,883	8,820,823	8,820,823	8,454,483
Cultural and recreation	689,813	577,194	677,478	789,275	727,816	695,974	795,874	825,686	825,686	902,390
Education	3,169,626	3,018,673	3,048,723	3,056,549	3,277,785	3,368,855	4,174,503	3,791,195	3,791,195	3,545,488
Interest on long-term debt	110,621	314,061	531,384	148,815	308,194	314,513	293,437	241,311	241,311	209,048
Total governmental activities expenses	<u>21,327,841</u>	<u>21,774,634</u>	<u>22,598,660</u>	<u>23,411,644</u>	<u>23,708,675</u>	<u>23,730,034</u>	<u>26,835,418</u>	<u>26,396,363</u>	<u>26,396,363</u>	<u>26,009,467</u>
Business-type activities										
Solid Waste	826,414	834,262	817,753	881,886	844,273	851,066	887,158	963,997	963,997	1,080,134
Transportation	430,931	403,303	459,391	459,614	473,197	455,083	475,587	449,064	449,064	492,146
Total business-type activities	<u>1,257,345</u>	<u>1,237,565</u>	<u>1,277,144</u>	<u>1,341,500</u>	<u>1,317,470</u>	<u>1,306,149</u>	<u>1,362,745</u>	<u>1,413,061</u>	<u>1,413,061</u>	<u>1,572,280</u>
Total primary government expenses	<u>\$ 22,585,186</u>	<u>\$ 23,012,199</u>	<u>\$ 23,875,804</u>	<u>\$ 24,753,144</u>	<u>\$ 25,026,145</u>	<u>\$ 25,036,183</u>	<u>\$ 28,198,163</u>	<u>\$ 27,809,424</u>	<u>\$ 27,809,424</u>	<u>\$ 27,581,747</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 197,907	\$ 277,159	\$ 225,038	\$ 242,258	\$ 231,546	\$ 505,440	\$ 331,023	\$ 341,523	\$ 341,523	\$ 346,487
Public Safety	1,272,583	924,296	1,183,729	985,080	1,598,840	1,181,754	1,149,681	1,222,157	1,222,157	1,968,850
Transportation	-	-	-	-	22,553	-	-	-	-	-
Economic and Physical Development	10,066	20,721	25,086	16,409	16,094	31,980	26,000	28,922	28,922	24,759
Environmental Protection	-	-	-	-	69,117	-	-	-	-	-
Human Services	1,372,572	1,319,114	1,165,352	1,301,949	1,074,538	882,500	1,333,946	1,615,059	1,615,059	1,724,268
Cultural and recreation	70,393	75,779	68,864	69,643	78,807	71,747	74,368	65,756	65,756	60,563
Education	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions										
General government	8,721	4,789	3,750	1,250	7,794	-	-	-	-	-
Public Safety	500,924	444,248	339,088	470,173	689,838	1,021,213	868,985	1,027,920	1,027,920	931,542
Environmental Protection	-	-	-	-	-	24,557	24,658	24,478	24,478	24,748
Economic and Physical Development	19,918	25,109	22,058	92,927	20,959	148,852	61,815	318,554	318,554	276,348
Human Services	5,876,146	6,037,956	5,777,624	5,309,671	5,399,652	5,099,853	4,798,082	4,450,708	4,450,708	4,128,082
Transportation	-	-	-	-	-	122,916	123,592	123,503	123,503	122,906
Cultural and recreation	150,545	135,628	132,199	116,508	142,574	158,459	116,458	87,352	87,352	158,054
Education	164,864	82,432	82,432	82,432	-	-	-	-	-	-
Capital grants and contributions										
General government	-	-	-	-	-	-	-	-	-	-
Public Safety	-	-	-	-	82,611	-	-	-	-	-
Transportation	-	-	-	-	-	-	-	-	-	-
Economic and Physical Development	153,822	773,919	253,429	529,754	483,591	-	-	-	-	-
Human Services	-	-	-	-	-	-	-	-	-	-
Cultural and recreation	-	-	-	-	-	-	-	530,000	530,000	808,381
Education	-	-	-	-	-	103,662	382,263	-	-	-
Total governmental activities program revenues	<u>9,798,461</u>	<u>10,121,150</u>	<u>9,278,649</u>	<u>9,218,054</u>	<u>9,918,514</u>	<u>9,352,933</u>	<u>9,290,871</u>	<u>9,835,932</u>	<u>9,835,932</u>	<u>10,574,988</u>

(continued)

CASWELL COUNTY, NORTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	Fiscal Years									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Business-type activities										
Charges for services:										
Solid Waste	835,368	846,978	845,324	837,362	830,230	852,312	872,816	692,570	542,258	557,296
CDOT	340,729	382,325	393,643	449,817	414,671	532,253	507,638	532,285	466,957	553,662
Operating grants and contributions										
Solid Waste	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	1,176,097	1,229,303	1,238,967	1,287,179	1,244,901	1,384,565	1,380,454	1,224,855	1,009,215	1,110,958
Total primary government program revenues	<u>\$ 10,974,558</u>	<u>\$ 11,350,453</u>	<u>\$ 10,517,616</u>	<u>\$ 10,505,233</u>	<u>\$ 11,163,415</u>	<u>\$ 10,737,498</u>	<u>\$ 10,671,325</u>	<u>\$ 11,060,787</u>	<u>\$ 10,845,147</u>	<u>\$ 11,685,946</u>
Net (expenses)/revenue										
Governmental activities	\$ (11,529,380)	\$ (11,653,484)	\$ (13,320,011)	\$ (14,193,590)	\$ (13,790,161)	\$ (14,377,101)	\$ (17,544,547)	\$ (16,560,431)	\$ (16,560,431)	\$ (15,434,479)
Business-type activities	(81,248)	(8,262)	(38,177)	(54,321)	(72,569)	78,416	17,709	(188,206)	(403,846)	(461,322)
Total primary government net (expenses)/ revenues	<u>\$ (11,610,628)</u>	<u>\$ (11,661,746)</u>	<u>\$ (13,358,188)</u>	<u>\$ (14,247,911)</u>	<u>\$ (13,862,730)</u>	<u>\$ (14,298,685)</u>	<u>\$ (17,526,838)</u>	<u>\$ (16,748,637)</u>	<u>\$ (16,964,277)</u>	<u>\$ (15,895,801)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 9,533,263	\$ 9,944,802	\$ 10,008,923	\$ 9,848,060	\$ 10,753,510	\$ 11,081,330	\$ 10,827,712	\$ 11,535,534	\$ 12,833,668	\$ 13,000,897
Local option sales taxes	2,299,932	2,150,040	2,314,067	2,654,274	2,387,229	2,942,423	2,586,659	3,824,493	4,143,038	4,310,183
Other taxes and licenses	362,558	480,200	591,422	357,492	554,097	116,643	444,948	433,926	360,644	439,752
Grants & Contributions, unrestricted	185,470	256,218	200,362	192,202	211,981	-	-	-	-	-
Investment earnings, unrestricted	31,767	18,458	21,351	12,328	3,512	2,859	18,445	30,141	73,145	142,665
Miscellaneous, unrestricted	(11,725)	2,910	112,664	226,520	173,294	102,290	(98,091)	72,055	47,211	47,481
Transfers	(12,500)	-	100,000	-	-	-	-	-	-	-
Total governmental activities	<u>12,388,765</u>	<u>12,852,628</u>	<u>13,348,789</u>	<u>13,290,876</u>	<u>14,083,623</u>	<u>14,245,545</u>	<u>13,779,673</u>	<u>15,896,149</u>	<u>17,457,706</u>	<u>17,940,978</u>
Business-type activities:										
Other taxes and licenses	-	-	-	-	-	-	55,359	57,785	51,581	56,856
Investment earnings, unrestricted	10,715	10,144	4,753	2,144	4,203	3,222	1,494	649	1,908	4,235
Miscellaneous, unrestricted	14,520	-	33	14,864	(11,324)	-	(3,261)	1,883	278	1,217
Transfers	-	-	(100,000)	-	-	-	-	-	-	-
Total business-type activities	<u>25,235</u>	<u>10,144</u>	<u>(95,214)</u>	<u>17,008</u>	<u>(7,121)</u>	<u>3,222</u>	<u>53,592</u>	<u>60,317</u>	<u>53,767</u>	<u>62,308</u>
Total primary government	<u>\$ 12,414,000</u>	<u>\$ 12,862,772</u>	<u>\$ 13,253,575</u>	<u>\$ 13,307,884</u>	<u>\$ 14,076,502</u>	<u>\$ 14,248,767</u>	<u>\$ 13,833,265</u>	<u>\$ 15,956,466</u>	<u>\$ 17,511,473</u>	<u>\$ 18,003,286</u>
Changes in Net Position										
Governmental activities	\$ 1,249,492	\$ 1,323,248	\$ 1,695,305	\$ (29,135)	\$ (109,967)	\$ 455,384	\$ (3,764,874)	\$ (664,282)	\$ 897,275	\$ 2,506,499
Business-type activities	68,467	34,627	(39,737)	77,856	(52,246)	125,185	71,301	(127,889)	(350,079)	(399,014)
Total primary government	<u>\$ 1,317,959</u>	<u>\$ 1,357,875</u>	<u>\$ 1,655,568</u>	<u>\$ 48,721</u>	<u>\$ (162,213)</u>	<u>\$ 580,569</u>	<u>\$ (3,693,573)</u>	<u>\$ (792,171)</u>	<u>\$ 547,196</u>	<u>\$ 2,107,485</u>

TABLE 3

CASWELL COUNTY, NORTH CAROLINA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

Fiscal Year	Property Tax	Local Sales Tax	Other Tax	Motor Fuel Tax	Alcoholic Beverage Tax	Total
2010	9,533,263	2,299,932	354,639	315	7,604	12,195,753
2011	9,944,802	2,150,040	480,200	408	7,337	12,582,787
2012	10,008,923	2,314,067	591,422	138	7,511	12,922,061
2013	9,848,060	2,654,274	357,492	8,543	8,016	12,876,385
2014	10,753,510	2,387,229	554,097	9,645	7,614	13,712,095
2015	11,081,330	2,942,423	116,643	9,475	7,877	14,157,748
2016	11,106,149	2,586,659	343,631	618	94,226	14,131,283
2017	11,669,063	3,819,180	325,369	-	96,734	15,910,346
2018	12,526,482	4,143,038	246,584	-	92,971	17,009,075
2019	12,225,306	4,304,628	327,681	1,653	90,988	16,950,256

Source:

(1)	(2)	(3)	(4)	(5)
1 Caswell County Tax Department				
2 NC State Treasurer				
3 NC State Treasurer				
4 Local tax office				
5 Alcoholic Beverage Control				

TABLE 4

CASWELL COUNTY, NORTH CAROLINA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General fund										
Reserved by state statute	\$ 1,651,554	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved For										
Inventory	-	-	-	-	-	-	-	-	-	-
Encumbrances	62,274	-	-	-	-	-	-	-	-	-
Register of Deeds	27,081	-	-	-	-	-	-	-	-	-
Unreserved										
Undesignated	4,115,211	-	-	-	-	-	-	-	-	-
Designated for subsequent years' expenditures	308,289	-	-	-	-	-	-	-	-	-
Nonspendable										
Prepaid	-	-	-	12,475	-	-	-	-	67,924	67,924
Restricted										
Stabilization by State Statue	-	1,269,072	1,469,856	1,595,257	1,712,451	1,867,664	1,581,662	1,547,643	1,686,275	2,134,731
Register of Deeds	-	35,577	30,377	30,474	29,772	32,464	41,509	49,102	57,002	55,689
Education	-	19,259	149,264	201,502	276,567	440,090	637,089	724,650	998,023	1,195,285
Committed										
Tax Revaluation	-	160,852	196,012	226,509	256,836	137,316	67,541	97,715	128,291	159,724
LEO Separation	-	-	-	-	-	-	24,991	33,785	33,816	33,835
Assigned										
Subsequent year's expenditure	-	621,682	414,756	370,928	665,051	1,075,599	1,455,860	430,340	395,328	2,156,663
Unassigned	-	4,512,319	5,532,909	5,409,506	4,228,094	4,175,020	4,155,155	3,584,750	3,651,412	2,690,834
Total general fund	<u>\$ 6,164,409</u>	<u>\$ 6,618,761</u>	<u>\$ 7,793,174</u>	<u>\$ 7,846,651</u>	<u>\$ 7,168,771</u>	<u>\$ 7,728,153</u>	<u>\$ 7,963,807</u>	<u>\$ 6,467,985</u>	<u>\$ 7,018,071</u>	<u>\$ 8,494,685</u>
All other governmental funds										
Reserved by state statute	\$ 91,879	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Reserved For										
Inventory	-	-	-	-	-	-	-	-	-	-
Encumbrances	-	-	-	-	-	-	-	-	-	-
Unreserved, reported in nonmajor:										
Designated for subsequent year's expenditures	423,354	-	-	-	-	-	-	-	-	-
Undesignated										
Special revenue funds	724,071	-	-	-	-	-	-	-	-	-
Capital projects funds	446,287	-	-	-	-	-	-	-	-	-
Restricted										
Stabilization by State Statue		22,861	18,290	128,073	68,312	341,556	21,521	52,990	54,733	37,540
General Government		203,731	632,216	377,450	207,713	161,957	162,026	160,118	160,293	160,568
Public Safety		841,699	4,185,359	918,343	400,421	211,495	207,879	45,881	36,454	105,375
Economic Development		238,387	150,843	26,219	38,415	20,860	928,239	39,502	23,702	56,119
Human Services		75,215	16,945	16,968	16,973	16,973	16,973	-	-	-
Cultural and Recreational		46,221	50,346	50,430	50,674	22,967	23,009	13,881	-	-
Unassigned		(5,794)	(426)	(51,600)	(128,923)	(353,278)	(41,963)	(36,952)	(145,593)	(402,076)
Total all other governmental funds	<u>\$ 1,685,591</u>	<u>\$ 1,422,320</u>	<u>\$ 5,053,573</u>	<u>\$ 1,465,883</u>	<u>\$ 653,585</u>	<u>\$ 422,530</u>	<u>\$ 1,317,684</u>	<u>\$ 275,420</u>	<u>\$ 129,589</u>	<u>\$ (42,474)</u>

Note: Beginning in Fiscal Year 2011, the classifications for fund balance were due to GASB 54.

As of fiscal year 2010, fund balance classifications were nonspendable, restricted, committed, assigned, and unassigned.

CASWELL COUNTY, NORTH CAROLINA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS*
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Ad Valorem taxes	\$ 9,497,206	\$ 9,921,103	\$ 10,048,226	\$ 10,049,512	\$ 10,870,478	\$ 11,222,217	\$ 11,242,002	\$ 11,669,063	\$ 12,898,740	\$ 12,225,306
Other taxes and licenses	1,945,673	2,045,832	2,278,282	2,377,261	2,292,509	2,403,524	2,158,840	3,341,993	3,591,094	3,790,072
Unrestricted Intergovernmental	185,470	256,218	200,362	192,202	211,981	208,313	187,397	182,601	181,408	191,536
Restricted Intergovernmental	8,620,865	7,662,996	8,234,402	7,259,181	7,201,567	7,125,955	7,496,631	7,323,276	7,859,451	6,649,151
Permits and fees	457,005	372,551	454,451	461,549	505,090	813,963	715,428	639,299	693,869	839,626
Sales and services	2,412,776	2,211,776	1,994,210	2,103,642	2,093,186	2,399,907	1,826,244	2,062,120	2,001,308	2,622,749
Investment earnings	31,767	18,458	21,351	12,328	3,512	2,859	18,445	30,141	73,145	139,922
Miscellaneous	80,603	153,182	177,958	315,302	242,391	128,208	98,320	72,056	9,695	47,834
Total Revenues	23,231,365	22,642,116	23,409,242	22,770,977	23,420,714	24,304,946	23,743,307	25,320,549	27,308,710	26,506,196
Expenditures										
Current:										
General government	2,416,327	2,468,431	2,420,079	2,538,192	2,741,452	2,736,201	3,137,715	2,901,878	2,984,485	3,198,714
Public safety	5,093,273	5,243,023	5,538,007	5,788,594	6,663,462	6,882,294	6,352,822	7,991,115	7,878,366	6,809,574
Environmental protection	77,957	91,359	82,372	84,601	84,767	85,775	95,703	101,882	107,419	104,969
Economic and physical development	646,353	433,037	445,626	526,691	484,949	368,686	425,376	489,956	702,002	499,647
Human Services	8,879,535	8,882,518	9,251,869	9,169,801	8,950,156	8,879,368	8,625,655	9,215,018	8,633,435	8,390,952
Culture and recreation	541,811	550,408	534,461	529,239	785,085	552,474	579,458	663,615	1,689,509	736,062
Intergovernmental:										
Education	3,544,272	3,169,266	3,018,865	3,048,865	2,998,193	3,280,031	3,368,855	4,174,503	3,791,195	3,491,195
Capital outlay	419,269	518,744	5,208,454	2,787,180	1,292,156	457,208	79,898	892,630	-	-
Debt service:										
Principal	962,163	970,480	465,194	628,848	916,535	778,310	1,049,095	1,268,545	1,273,996	1,247,099
Interest and other charges	264,141	98,749	305,469	349,579	336,617	316,272	301,711	319,698	254,048	219,870
Total expenditures	22,845,101	22,426,015	27,270,396	25,451,590	25,253,372	24,336,619	24,016,288	28,018,840	27,314,455	24,698,082
Excess of revenues over (under) expenditures	386,264	216,101	(3,861,154)	(2,680,613)	(1,832,658)	(31,673)	(272,981)	(2,698,291)	(5,745)	1,808,114
Other financing sources (uses)										
Transfers in from other funds	1,814,362	498,669	1,700,303	85,137	430,629	173,917	430,629	1,661,855	1,775,105	1,612,684
Transfers out to other funds	(1,826,862)	(523,669)	(1,600,303)	(85,137)	(430,629)	(173,917)	(430,629)	(1,661,855)	(1,775,105)	(1,944,184)
Sale of equipment	-	-	-	-	-	-	-	-	50,000	-
Proceeds from the issuance of debt	2,560,000	-	8,567,000	146,400	342,480	360,000	342,480	160,205	360,000	-
Premium on debt	19,468	-	-	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	(2,519,208)	-	-	-	-	-	-	-	-	-
Total other financing sources (uses)	47,760	(25,000)	8,667,000	146,400	342,480	360,000	342,480	160,205	410,000	(331,500)
Net change in fund balances	\$ 434,024	\$ 191,101	\$ 4,805,846	\$ (2,534,213)	\$ (1,490,178)	\$ 328,327	\$ 69,499	\$ (2,538,086)	\$ 404,255	\$ 1,476,614
Debt service as a percentage of noncapital expenditures	5.52%	4.98%	3.60%	4.44%	5.33%	4.69%	5.79%	6.02%	5.59%	6.29%

TABLE 6

**CASWELL COUNTY, NORTH CAROLINA
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended June 30	Property Excluding Registered Motor Vehicles	Motor Vehicles	Plus Discoveries	Less Abatements	Total Taxable Assessed Value	Total Direct Tax Rate
2010	\$ 1,427,782,014	\$ 56,869,634	\$ -	\$ (14,220,984)	\$ 1,470,430,664	0.6290
2011	1,356,449,165	52,254,518	62,225,646	-	1,470,929,329	0.6590
2012*	1,363,246,889	119,266,464	747,800	-	1,483,261,153	0.6590
2013	1,370,285,585	125,098,179	9,294,082	-	1,504,677,846	0.6590
2014	1,376,118,058	195,846,889	-	(3,413,657)	1,568,551,290	0.6590
2015	1,399,082,769	205,601,473	-	(540,795)	1,604,143,447	0.6790
2016*	1,412,749,779	162,236,672	-	(600,008)	1,574,386,443	0.6790
2017	1,455,493,520	169,258,468	-	(10,162)	1,624,741,826	0.6790
2018	1,553,120,028	176,912,271	499,859	-	1,730,532,158	0.7090
2019	1,493,503,385	179,902,398	18,900	-	1,673,424,683	0.7090

*Caswell County typically reassessed property every four years.
Per \$100 of value.

Source: Caswell County Tax Department

TABLE 7

**PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**

Tax Year	Caswell County	Town of Yanceyville
2010	0.629	0.330
2011	0.659	0.330
2012	0.659	0.330
2013	0.659	0.330
2014	0.659	0.330
2015	0.679	0.330
2016	0.679	0.330
2017	0.679	0.330
2018	0.709	0.330
2019	0.709	0.330

Source: Caswell County Tax Department and the Town of Yanceyville

TABLE 8

CASWELL COUNTY, NORTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
JUNE 30, 2019 AND TEN YEARS AGO
(UNAUDITED)

<u>Taxpayer</u>	2019			2009		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Duke Energy Progress, Inc	\$ 21,122,227	1	1.22%	\$ 16,782,612	1	1.27%
Duke Energy Carolinas, Inc	20,606,755	2	1.19%	15,460,890	2	1.17%
Thompson Trucking Inc	18,998,181	3	1.10%			
EMC Piedmont	12,852,575	4	0.74%	10,079,881	3	0.76%
NC4 Caswell LLC	6,994,008	5	0.40%			
Norfolk Southern	6,116,704	6	0.35%	4,658,358	7	0.35%
Southside Materials LLC	4,563,020	7	0.26%			0.00%
Southside Realty Investments	3,713,394	8	0.21%			0.00%
SMV Yanceyville LLC	2,994,750	9	0.17%			
Public Service Co of NC Inc	2,832,148	10	0.16%	3,240,256	10	0.25%
Vulcan Land, Inc	-	-	0.00%	8,490,213	4	0.64%
WC Caswell, LLC	-	-	0.00%	7,002,022	5	0.53%
Central Telephone Co	-	-	0.00%	4,952,975	6	0.37%
Mebtel Communications Inc	-	-	0.00%	4,042,320	8	0.31%
Carpediem West LLC	-	-	0.00%			
Direct Leanding Groups, Inc.				3,528,019	9	0.27%
Totals	<u>\$ 100,793,762</u>			<u>\$ 78,237,546</u>		

TABLE 9

**CASWELL COUNTY, NORTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 9,249,009	\$ 8,855,999	95.75%	\$ 362,486	\$ 9,218,485	99.67%
2011	9,298,541	8,893,686	95.65%	365,348	9,259,034	99.58%
2012	9,774,691	9,421,720	96.39%	312,595	9,734,315	99.59%
2013	9,915,827	9,557,555	96.39%	306,101	9,863,656	99.47%
2014	10,359,249	10,076,281	97.27%	227,396	10,303,677	99.46%
2015	10,892,134	10,673,421	97.99%	166,542	10,839,963	99.52%
2016	10,688,558	10,495,318	98.19%	152,864	10,648,182	99.62%
2017	11,031,997	10,870,790	98.54%	121,700	10,992,490	99.64%
2018	12,269,473	12,092,735	98.56%	92,464	12,185,199	99.31%
2019	11,864,581	11,713,389	98.73%	-	11,713,389	98.73%

Source: Caswell County Tax Department

TABLE 10

CASWELL COUNTY, NORTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Governmental Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Private Placement Bonds	Installment Obligations	Capital Leases			
2010	\$ 2,990,000	\$ -	\$ 722,340	\$ -	\$ 3,712,340	19.50%	\$ 157.39
2011	2,285,000	-	456,860	-	2,741,860	27.25%	\$ 115.60
2012	2,045,928	8,567,000	246,666	-	10,859,594	6.03%	\$ 456.92
2013	1,794,159	8,342,000	239,218	-	10,375,377	6.33%	\$ 435.23
2014	1,547,389	7,892,000	87,814	272,349	9,799,552	7.14%	\$ 414.99
2015	1,310,619	7,442,000	419,152	207,701	9,379,472	7.69%	\$ 395.44
2016	1,078,849	6,889,000	1,616,163	140,812	9,724,824	7.54%	\$ 424.48
2017	852,079	6,233,000	1,458,030	71,605	8,614,714	9.12%	\$ 380.41
2018	630,309	5,577,000	1,455,639	-	7,662,948	N/A	\$ 323.07
2019	413,539	4,921,000	1,714,771	-	7,049,310	N/A	\$ 310.57

Note: Population figures are as of July 1 of the fiscal year.

FRED - Economic Research

N/A Information not available for this period.

TABLE 11

CASWELL COUNTY, NORTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Personal Income	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2010	\$ 2,990,000	\$ -	\$ 2,990,000	413.08%	0.20%	126.76
2011	2,285,000	-	2,285,000	305.84%	0.16%	96.34
2012	2,045,928	-	2,045,928	312.33%	0.14%	86.08
2013	1,794,159	-	1,794,159	273.11%	0.12%	75.26
2014	1,547,389	-	1,547,389	221.04%	0.10%	65.53
2015	1,310,619	-	1,310,619	181.67%	0.08%	55.26
2016	1,078,849	-	1,078,849	147.05%	0.07%	47.09
2017	852,079	-	852,079	108.42%	0.05%	37.63
2018	630,309	-	630,309	N/A	0.04%	26.57
2019	413,539	-	413,539	N/A	0.02%	18.22

Note: Population figures are as of July 1 of the fiscal year.

N/A Information not available for this period.

TABLE 12

CASWELL COUNTY, NORTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assessed value	\$ 1,470,430,664	\$ 1,470,929,329	\$ 1,483,261,154	\$ 1,504,677,846	\$ 1,571,964,947	\$ 1,604,143,446	\$ 1,574,386,443	\$ 1,624,741,826	\$ 1,730,532,158	\$ 1,673,424,683
Debt limit (8% of total assessed value)	117,634,453	117,674,346	118,660,892	120,374,228	125,757,196	128,331,476	125,950,915	129,979,346	138,442,573	133,873,975
Debt applicable to limit:										
Total general obligation bonds	2,990,000	2,285,000	10,612,928	10,136,159	9,439,389	8,752,619	7,967,849	7,085,079	6,207,309	5,334,539
Total installment payments	722,340	456,860	246,666	239,218	87,814	419,152	1,616,163	1,458,030	1,455,639	1,714,771
Total capital leases					272,349	207,701	140,812	71,605	-	-
Total debt applicable to limitations	3,712,340	2,741,860	10,859,594	10,375,377	9,799,552	9,379,472	9,724,824	8,614,714	7,662,948	7,049,310
Legal debt margin	\$ 113,922,113	\$ 114,932,486	\$ 107,801,298	\$ 109,998,851	\$ 115,957,644	\$ 118,952,004	\$ 116,226,091	\$ 121,364,632	\$ 130,779,625	\$ 126,824,665
Total net debt applicable to the limit as a percentage of debt limit	3.16%	2.33%	9.15%	8.62%	7.79%	7.31%	7.72%	6.63%	5.54%	5.27%

TABLE 13

**CASWELL COUNTY, NORTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (2)	Median Age (3)	Public School Enrollment (4)	Unemployment Rate (5)	Number of Building Permits (6)
2010	23,587	723,831	29,690	41	3,030	11.9%	944
2011	23,719	747,132	31,326	43.6	2,880	10.9%	875
2012	23,767	655,058	28,256	44	2,880	9.6%	943
2013	23,839	656,946	28,258	44	2,777	9.3%	867
2014	23,614	700,060	29,443	44.5	2,735	7.6%	865
2015	23,719	721,430	31,184	43	2,716	6.9%	761
2016	22,910	733,666	38,318	43	2,689	5.70%	858
2017	22,646	785,909	38,310	45	2,744	4.50%	876
2018	23,719	N/A	34,707	45.3	2,547	4.80%	932
2019	22,698	N/A	N/A	45.4	2,425	4.20%	1161

Notes:

- (1) FRED - Economic Research
 - (2) FRED - Economic Research
 - (3) NC Rural Economic Development Center
 - (4) State Board of Education
 - (5) NC Employment Security Commission
 - (6) Total number of building permits issued by Caswell County Inspections Department. (including electrical, plumbing, mechanical)
- N/A Not Available.

TABLE 14

**CASWELL COUNTY, NORTH CAROLINA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND ONE YEAR AGO
(UNAUDITED)**

2019				2018			
Employer	Employees	Rank	Percentage of Total County	Employer	Employees	Rank	Percentage of Total County
Caswell County Schools	582	1	6.36%	Caswell County Schools	582	1	6.36%
Caswell County Local Gov	235	2	2.57%	Caswell County Local Gov	237	2	2.59%
Department of Public Safety	188	3	2.05%	Department of Public Safety	188	3	2.05%
Dan River Work Farm	166	4	1.81%	Dan River Work Farm	166	4	1.81%
Ssc Yanveyville Operating	85	5	0.93%	Ssc Yanveyville Operating	85	5	0.93%
Certainteed Gypsum NC Inc.	49	6	0.54%	Certainteed Gypsum NC Inc.	49	6	0.54%
Caswell House	39	7	0.43%	Caswell House	39	7	0.43%
Food Lion	38	8	0.42%	Food Lion	38	8	0.42%
McDonalds	35	9	0.38%	McDonalds	35	9	0.38%
Piedmont Community College	30	10	0.33%	Piedmont Community College	30	10	0.33%
Total	1447		15.81%	Total	1449		15.83%

Source: NC Employment Security Commission, Data USA, Employers

Percentage of Total County is calculated using the County's estimated employment totals (Source: NC Rural Economic Development Center)

TABLE 15

CASWELL COUNTY, NORTH CAROLINA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governing and Management	24	23	25	26	24	26	26	23	31	24
Community and Environment	2	5	5	5	6	5	6	7	4	7
Human Services	107	98	96	89	93	94	92	92	98	100
Public Safety	75	73	76	86	87	80	88	88	96	96
Cultural and Recreation	7	13	14	13	14	15	13	13	8	8
Total	215	212	216	219	224	220	225	223	237	235

Source: County Finance Department

Note: This schedule represents the number of persons employed as of June 30 of each year.

TABLE 16

**CASWELL COUNTY, NORTH CAROLINA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety/Sheriff										
Court Papers	7,350	6,514	6,586	5,618	5,832	4,798	5,117	4,799	4,755	4,112
Investigation Reports Filed	1,095	1,203	1,185	1,255	1,343	1,255	1,539	1,663	1,678	1,486
Calls Answered	38,945	34,287	31,362	13006*	33,291	28,630	32,044	42,753	44,607	40,137
Public Safety/Emerg Mgmt/Fire										
Number of calls dispatched (includes fire & medical first response calls)	15,704	15,431	16,590	15,060	14,880	14,697	15,465	12,211	12,613	12,909
Solid Waste										
Tonnage Disposed	7,531	7,159	7,155	7,504	7,362	7,278	7,278	7,895	8,455	9,360
Number of Households Served	8,200	7,873	8,622	8,729	8,727	8,685	8,685	9,032	9,190	10,568
Community Services/Library										
Circulation	67,962	73,883	69,054	62,471	74,443	73,135	66,633	59,271	23,782	18,439
Computer Use	7,796	8,823	10,808	12,486	12,718	13,909	12,774	10,444	4,394	3,946
Program Attendance	69,648	74,899	79,491	86,214	75,181	73,533	76,884	78,611	15,886	21,712
Community Services/Building Inspections										
Number of Building Permits Issued	205	206	175	178	183	163	206	197	191	248
Number of Other Permits Issued (Includes Electrical, Plumbing & Mechanical)	739	669	768	689	682	598	858	679	741	913
Human Services/Social Services										
Average # Medicaid Eligible Cases	4,777	4,847	5,124	4,768	4,889	5,408	5,484	5,532	5,613	5,610
Average # Food Stamp Households per month	2,106	2,574	2,607	2,674	2,639	2,854	2,536	2,244	2,146	2,062
Average \$ Fraud Collections per month	5,084	4,134	5,180	2,299	2,025	2,034	2,968	1,591	2,746	4,597
Aging & Nutrition Services/ Meals Served	9,718	8,734	8,885	10,085	7,853	9,375	8,735	7,424	7,989	7,206
Aging & Nutrition Services/Clients Served	1,224	1,131	1,158	1,132	940	942	956	883	901	818
Meals on Wheels/Meals Served	31,234	32,517	33,388	32,106	33,771	32,319	31,066	31,312	32,212	29,610
Meals on Wheels/Clients Served	1,559	1,647	1,701	1,671	1,664	1,726	1,531	1,628	1,687	1,564
Register of Deeds										
Documents Recorded	3,090	2,925	3,085	3,150	2,832	2,688	2,749	2,885	2,832	2,849
Marriage Licenses	91	99	114	88	100	99	116	93	92	88
Births & Deaths	658	812	768	806	790	736	823	797	789	948
Education										
School enrollment	3,030	2,880	2,824	2,777	2,735	2,716	2,689	2,744	2,547	2,425

Sources: Various county government departments.

Solid Waste- Total tonnage disposed for County

Solid Waste- Households served based on calculation using tax collection rate

County administered Meals On Wheels services implemented FY 2006-2007

School enrollment (average daily membership) - State Board of Education/NC DPI

*Sheriff Report/Calls Answered - FYE 2013 Reporting format changed - does not reflect security checks on churches and businesses.

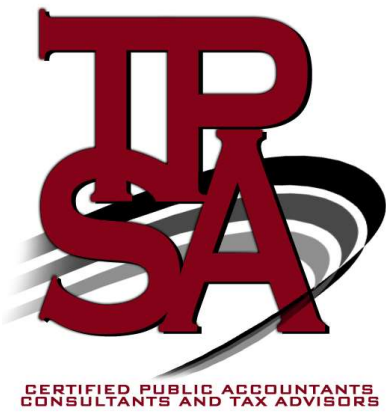
*Community Services/Library - FYE 2018 & 2019 indicators are low due to building renovation and new construction.

CASWELL COUNTY, NORTH CAROLINA
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS
 (UNAUDITED)

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Administration	1	1	2	2	1	1	3	1	1	1
Building Inspections	1	1	1	1	1	1	1	2	2	2
Maintenance	3	3	3	6	10	6	10	11	5	5
Section 8	2	2	2	2	2	2	2	2	2	2
Animal Control	2	2	2	2	2	2	2	2	2	2
Public Safety										
Sheriff's patrol & other vehicles	56	56	62	53	56	61	55	70	63	60
Emergency management	3	3	2	1	5	1	6	8	8	3
Ambulances	4	4	7	5	5	5	7	6	6	6
E911	2	2	2	1	2	2	2	2	2	2
Environmental Protection										
Soil & Water Conservation	0	0	1	1	1	1	1	1	1	1
Economic & Physical Development										
Economic Development/Planning	0	0	0	0	0	0	0	0	0	0
Planning	1	1	0	0	0	0	0	0	0	0
Human Services										
Transportation	11	11	11	13	11	13	21	25	25	16
Culture and Recreation										
Parks & Recreation	2	2	3	2	3	2	3	5	5	3
Farmer Lake	0	0	1	1	1	1	3	1	2	1
Library	1	1	1	1	1	2	2	2	2	1
Water & Sewer										
Landfill	2	2	2	2	2	3	3	3	3	3
Pump Stations	1	1	1	1	1	1	1	1	1	1
Elevated tanks	1	1	1	1	1	1	1	1	1	1
Elevated water pump station	1	1	1	1	1	1	1	1	1	1

Source: County Finance Department

COMPLIANCE SECTION



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

P.O Box 398

1626 S. Madison Street

Whiteville, NC 28472

Telephone (910) 642-2109

Fax (910) 642-5958

Alan W. Thompson, CPA

R. Bryon Scott, CPA

Gregory S. Adams, CPA

**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
Caswell County
Yanceyville, 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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Caswell County, North Carolina, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprises Caswell County's basic financial statements, and have issued our report thereon dated November 20 2019. Our report includes a reference to other auditors who audited the financial statements of Caswell County ABC Board, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of Caswell County ABC Board 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 Caswell County's internal control over financial reporting (internal control) to determine the audit procedure 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 Caswell 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 weaknesses 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 a material weakness.

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 deficiency described in the accompanying schedule of findings and responses to be a material weakness. [2019-01, 2019-02].

Members

American Institute of CPAs - N.C. Association of CPAs - AICPA Division of Firms

A significant deficiency is a deficiency or a combination of deficiencies, in internal control 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 items that we considered significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Caswell County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those 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*.

Caswell County's Response to Findings

Caswell County's response 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
November 20, 2019



**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
Caswell County
Yanceyville, North Carolina

Report on Compliance for Each Major Federal Program

We have audited Caswell 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 Caswell County's major federal programs for the year ended June 30, 2019. Caswell 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 Federal and State statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of Caswell 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 Caswell 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 Caswell County's compliance.

Opinion on Each Major Federal Program

In our opinion, Caswell 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, 2019.

Report on Internal Control Over Compliance

Management of Caswell 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 Caswell County's internal control over compliance with the types of requirements that could have direct and material effect on major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on compliance for each major federal 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.

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. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with 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.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the 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.
Yanceyville, North Carolina
November 20, 2019

**CERTIFIED PUBLIC ACCOUNTANTS
CONSULTANTS AND TAX ADVISORS**

**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
Caswell County
Yanceyville, North Carolina

Report on Compliance for Each Major State Program

We have audited Caswell 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 Caswell County's major state programs for the year ended June 30, 2019. Caswell 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 state statutes, regulations, and the terms and conditions of its state awards applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Caswell 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 a major state program occurred. An audit includes examining, on a test basis, evidence about Caswell 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 Caswell County's compliance.

Opinion on Each Major State Program

In our opinion, Caswell 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, 2019.

Report on Internal Control Over Compliance

Management of Caswell 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 Caswell County's internal control over compliance with the types of requirements that could have a direct 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.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of 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

November 20, 2019

Section I. Summary of Auditors' Results

CASWELL COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

State Awards

Internal control over major State programs:

- Material Weakness(es) identified? ___yes Xno
- Significant Deficiency(s) identified ___yes Xnone reported

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

Identification of major State programs:

Program Name

Medical Assistance
School Nurse Funding Initiative
IV-E Foster Care and Adoption Assistance Cluster
ROAP Cluster
Juvenile Crime Prevention Council Programs

CASWELL COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Section II. Financial Statement Findings

Finding 2019-01 Reconciliation of Records

MATERIAL WEAKNESS

Criteria: AU-C 260 requires communication of certain matters related to internal control over financial reporting.

Condition: In reviewing records and testing, we noted that several balance sheet accounts were not adequately reconciled. Adjustments were proposed to correct those balances in preparing the financial statements.

Effect: Management may not receive accurate information to base decisions appropriately for planning and budgeting purposes.

Cause: The finance office has experienced staff turnover and adequate time and training has not been available to train staff on required procedures that should be followed as part of year-end closing.

Recommendation: The finance office should ensure adequate staff training is available to teach staff the required balances that should be reconciled as part of year-end closing procedures. Year end entries should be made by the finance staff prior to the beginning of audit work.

Views of responsible officials: The County agrees with this finding.

Finding 2019-02 Pre-Audit and Budget Requirements

MATERIAL WEAKNESS

Criteria: In accordance with NC General Statute 159.28, if an obligation of the County is evidenced by a contract or agreement requiring the payment of money or by a purchase order for supplies and materials, the contract or purchase order shall be preaudited. The finance officer is responsible for verifying that funds are available to cover the expenditures.

Condition: For the fiscal year ended June 30, 2019, the total expenditures in the Library Development Fund exceeded appropriation as presented. Funds were appropriated by the Board for additional construction cost during the construction period and prior to year-end. The project was not amended until the subsequent fiscal year.

Additionally, the County did not have a budget resolution adopted as of year-end for the School Capital Projects Fund. Initial administrative costs were paid out of the project fund and a budget was not adopted until subsequent fiscal year to create the budget for this project.

Effect: Management may not receive accurate information to base decisions appropriately for planning and budgeting purposes. Additionally, the expenditures are approved without proper preaudit procedures being performed.

Cause: Budget amendments were not approved prior to year-end for expenditures paid in the project funds. The expenditures were incurred close to year-end, and funds were not transferred to cover these expenditures.

CASWELL COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2019

Section II. Financial Statement Findings (continued)

Finding 2019-02 Pre-Audit and Budget Requirements (continued)

Recommendation: The Board should closely monitor expenditures for project funds to ensure that adequate amendments are approved to cover expenditures prior to the funds being spent.

Views of responsible officials: The County agrees with this finding. Budget amendments were adopted in the subsequent year to cover these shortfalls by transferring funds from the General Fund to cover the expenditures.

Section III. Federal Award Findings and Questioned Costs

None Reported.

Section IV. State Award Findings and Questioned Costs

None Reported.



CASWELL COUNTY

144 Court Square, Yanceyville, NC 27379

www.caswellcountync.gov

336/694-4193

Corrective Action Plan For the Year Ended June 30, 2019

Section II - Financial Statement Findings

Finding: 2019-01 Reconciliation of Records**

Name of contact person: Gwen Vaughn, Finance Officer

Corrective Action: The County recognizes the importance of timely account reviews (reconciliations) and balancing prior to year-end closing. Management will also stress the importance of completion of the accounting processes. Training will be ongoing for staff.

Proposed Completion Date: June 30, 2020

**This was a repeat finding.

Finding: 2019-02 Pre-Audit and Budget Requirements

Name of contact person: Gwen Vaughn, Finance Officer

Corrective Action: The Finance Officer will review the budget more closely to ensure that funds are available for anticipated expenditures. If expenditures are going to exceed the budget, amendments will be made to ensure budget is available to cover the expenditures.

Proposed Completion Date: June 30, 2020

Section III - Federal Award Findings and Question Costs

None Reported.

Section IV - State Award Findings and Question Costs

None Reported.

CASWELL COUNTY, NORTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2019

Finding: 2018-01

Repeated as 2019-01.

Caswell County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Fiscal Year Ended June 30, 2019

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number 1(a)(b)	State/ Pass-through Grantor's Number 1(c)	Fed (Direct & Pass-through Expenditures 1(c),2	State Expenditures 1(d)	Pass-through to Subrecipients 1(e)	Local Expenditures 1(d)
Federal Awards:						
<u>U.S. Dept. of Agriculture</u>						
Passed-through N.C. Dept. of Health and Human Services: Division of Social Services: Administration:						
State Administrative Matching Grants for the Supplemental Nutrition Asst. Prg.	10.561		\$ 199,729	\$ -	\$ -	\$ 199,728
Passed-through N.C. Dept. of Health and Human Services: Division of Public Health Special Supplemental Nutrition Program for Women, Infants and Children	10.557		100,421	-	-	-
Total U.S. Dept. of Agriculture			300,150	-	-	199,728
<u>US Department of Justice</u>						
Victims of Crime Act	16.575		12,612	-	-	-
Total of US Department of Justice			12,612	-	-	-
<u>Institute of Museum & Library Services</u>						
Passed through Department of Natural and Cultural Resources State Library of North Carolina LSTA Grants	45.310		48,822	-	-	-
Total of Institute of Museum & Library Services			48,822	-	-	-
<u>US Dept. of Health and Human Services</u>						
Passed-through Piedmont Triad Regional Council of Governments Division of Aging and Adult Services <u>Aging Cluster:</u>						
Special Programs for the Aging Title IIIB	93.044		23,326	1,370	-	-
Grants for Supportive Services and Senior Centers						
Special Programs for the Aging Title IIIC	93.045		137,907	62,494	-	-
Nutrition Services						
Nutrition Services Incentive Program	93.053		27,874	-	-	-
Total Aging Cluster			189,107	63,864	-	-
Family Caregiver Giver IIIE	93.052		9,263	617	-	-
Temporary Assistance Needy Family Cluster						
Division of Social Services: TANF - Work First	93.558		294,974	-	-	168,464
Division of Public Health TANF - Work First	93.558		3,035	-	-	-
Total TANF Cluster			298,009	-	-	168,464
Foster Care and Adoption Cluster:						
Foster Care - Title IV-E	93.658		185,447	26,544	-	138,541
Adoption Assistance	93.659		702	-	-	702
Foster Care	N/A		17,476	(1,002)	-	-
Total Foster Care and Adoption Cluster			203,625	25,542	-	139,243
Child Support Enforcement	93.563		315,308			162,431
Low-Income Home Energy Assistance						
Administration	93.568		21,016	-	-	-
Energy Assistance	93.568		158,500	-	-	-
Crisis Intervention Program	93.568		128,400	-	-	-
Total Low-Income Energy Assistance			307,916	-	-	-
Permanency Planning - Families for Kids	93.645		5,222	-	-	1,741
Chafee Foster Care Independence Program	93.674		4,159	1,040	-	-
SSBG - Other Service and Training	93.667		112,031	-	-	37,343
Division of Aging and Adult Service:						
Division of Social Services						
SSBG - State In Home Service Fund	93.667		32,544	-	-	4,649
CPS TANF TO SSBG	93.667		35,666	-	-	-
Total Social Service Block Grant			180,241	-	-	41,992

Caswell County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Fiscal Year Ended June 30, 2019

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number 1(a)(b)	State/ Pass-through Grantor's Number 1(c)	Fed (Direct & Pass-through Expenditures 1(c),2	State Expenditures 1(d)	Pass-through to Subrecipients 1(e)	Local Expenditures 1(d)
Passed-through the N.C. Dept. of Health and Human Services						
Division of Social Services:						
Subsidized Child Care Cluster						
Child Care Development Fund - Administration	93.596		80,520	-	-	-
Total Subsidized Child Care Cluster			80,520	-	-	-
Passed-through the N.C. Department of Health and Human Services						
Division of Social Services						
Administration						
Medical Assistance Program	93.778		561,739	11,571	-	240,280
Total Medical Assistance Program			561,739	11,571	-	240,280
Division of Social Services						
Administration						
State Children's Insurance Program NC Health Choice	93.767		5,069	-	-	-
Total State Children's Insurance Program NC Health Choice			5,069	-	-	-
Passed-through the N.C. Department of Health and Human Services						
Division of Public Health						
Hospital Preparedness Program (HPP) and Public Emerg Preparedness (PHEP) Aligned Cooperative Agreements	93.074		24,654	-	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs	93.116		21	-	-	-
Family Planning Services	93.217		14,634	-	-	-
Immunization Grants	93.268		8,598	-	-	-
Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF)	93.758		39,264	-	-	-
Preventive Health Services - Sexually Transmitted Diseases Control Grants	93.977		42	-	-	-
Maternal and Child Health Services Block Grant	93.994		38,523	2,485	-	-
Total U. S. Department of Health and Human Services			2,285,914	105,119	-	754,151
<u>U.S. Dept. of Homeland Security</u>						
Passed through the NC Dept. of Public Safety						
Emergency Management Performance Grant	97.042		38,524	-	-	-
Total U.S. Dept. of Homeland Security			38,524	-	-	-
<u>U.S. Department of Housing & Urban Development</u>						
North Carolina Housing Finance Agency						
2016 Single Family Rehab Program	14.239	SFRLP1601	272,897	-	-	-
Office of Public and Indian Housing						
Lower Income Housing Assistance Program						
Section 8 Housing Voucher Program	14.871		866,353	-	-	-
Total U.S. Dept. of Housing & Urban Development			1,139,250	-	-	-
<u>U.S. Department of Transportation</u>						
Passed through the N.C. Department of Transportation						
Nonurbanized Area Formula Program	20.509	36233.19.16.1	5,701	356	-	-
Nonurbanized Area Formula Program	20.509	36233.19.17.1	78,354	4,897	-	-
Total Nonurbanized Area Formula Program			84,055	5,253	-	-
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	51001.57.5.3	327	41	-	-
Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	51001.57.6.3	11,999	1,500	-	-
Total Enhanced Mobility of Seniors and Individuals with Disabilities			12,326	1,541	-	-
Caswell County Capital Project	20.526	44637.36.1.3	153,489	19,186	-	-
Total U. S. Department of Transportation			249,870	25,980	-	-
Total Federal Awards			\$ 4,075,142	\$ 131,099	\$ -	\$ 953,879

Caswell County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Fiscal Year Ended June 30, 2019

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number 1(a)(b)	State/ Pass-through Grantor's Number 1(c)	Fed (Direct & Pass-through Expenditures 1(c),2	State Expenditures 1(d)	Pass-through to Subrecipients 1(e)	Local Expenditures 1(d)
State Awards:						
<u>N.C. Dept. of Health and Human Services</u>						
Division of Public Health:						
Food and Lodging Fees			\$ -	\$ 4,490	\$ -	\$ -
CHA/CHIP Peer Review			-	80,107	-	-
General Communicable Disease Control			-	10,434	-	-
Child Health			-	9,480	-	-
HIV/STD State			-	500	-	-
STD Drugs			-	214	-	-
School Nurse Funding Initiative			-	200,000	-	-
Family Planning - State			-	24,818	-	-
Maternal Health			-	14,498	-	-
Women's Health Service Fund			-	3,493	-	-
TB Control			-	2,049	-	-
Total for Division of Public Health			-	350,083	-	-
Division of Social Services:						
SFHF Maximization			-	6,174	-	6,174
State Foster Home			-	6,631	-	6,631
State Child Welfare/CPS/CS LD			-	17,155	-	-
County Funded Programs			-	-	-	449,125
Non-Allocating County Costs			-	-	-	245
Energy Assist Private			-	4,604	-	-
Work First Non Reimbursable			-	-	-	570
Total for Division of Social Services			-	34,564	-	462,745
Division of Aging and Adult Services:						
State Funds In Home Services			-	45,352	-	-
Caregiver Match			-	593	-	-
Senior Center Purpose			-	1,165	-	-
Total for Division of Aging and Adult Services			-	47,110	-	-
Total N.C. Dept. Health and Human Services			-	431,757	-	462,745
<u>N. C. Dept. of Environmental Quality</u>						
Division of Soil and Water Conservation						
Soil Technician Grant			-	24,748	-	-
Total N.C. Dept. of Environmental Quality			-	24,748	-	-
<u>N.C. Dept. of Transportation</u>						
Rural Operating Assistance Program (ROAP)						
- ROAP Elderly and Disabled Transportation Assistance Program		36220.10.8.1	-	56,904	-	-
- ROAP Rural General Public Program		36228.22.8.1	-	58,527	-	-
- ROAP Work First Transitional - Employment		36236.11.7.1	-	7,475	-	-
Total N.C. Dept. of Transportation			-	122,906	-	-
<u>N.C. Dept. of Public Safety</u>						
JCPC Programs		N/A	-	98,107	-	-
Total N.C Dept. of Public Safety			-	98,107	-	-
<u>N. C. Council for Women/Domestic Violence Commission</u>						
Domestic Violence			-	39,373	-	-
Marriage License			-	23,455	-	-
Family Violence			-	13,106	-	-
Total N.C. Council for Women/Domestic Violence Commission			-	75,934	-	-
<u>N. C. Department of Cultural and Natural Resources</u>						
Division of State Library						
State Aid to Public Libraries			-	84,232	-	-
Total N.C. Department of Cultural and Natural Resources			-	84,232	-	-
<u>N.C. Department of Insurance</u>						
SHIIP Grant			-	1,506	-	-
Total N.C Department of Insurance			-	1,506	-	-
Total State Awards			-	839,190	-	462,745
Total Federal and State Awards			\$ 4,075,142	\$ 970,289	\$ -	\$ 1,416,624

Caswell County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Fiscal Year Ended June 30, 2019

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number 1(a)(b)	State/ Pass-through Grantor's Number 1(c)	Fed (Direct & Pass-through Expenditures 1(c),2	State Expenditures 1(d)	Pass-through to Subrecipients 1(e)	Local Expenditures 1(d)
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Notes to the Schedule of Expenditures of Federal and State Awards

Note 1: Basis of Presentation

The accompanying schedule of expenditures of Federal and State awards (SEFSA) includes the Federal and State grant activity of Caswell County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2019. The information in this SEFSA is presented in accordance with the requirements of Title 2 US Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of Caswell County, it is not intended to and does not present the financial position, changes in net assets or cash flows of Caswell County.

Note 2: Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3: Indirect Cost Rate

Caswell County has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 4: Cluster of Programs

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Subsidized Child Care and Foster Care and Adoption.

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 moneys. 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 that do not appear in the basic financial statements because they are not revenues and expenditures of the County.

Program Title	CFDA No.	Federal	State
Medical Assistance Program	93.778	\$ 23,632,315	\$ 12,645,349
Children's Health Insurance Program	93.767	434,692	-
Special Supplemental Nutrition Program for Women Infant and Children	10.557	268,884	-
Food and Nutrition Services	10.561	5,578,308	-
Family Preservation	93.556	6,442	-
IV-E Adopt & Vendor	93.659	90,003	22,256
Special Children Adoption	93.558	13,760	-
TANF Payments & Penalties	93.558	91,533	-
CWS Adopt, Vendor, Guard	N/A	-	26,353
SAA/SAD HB 1030	N/A	-	28,244
SC/SA Domiciliary Care	N/A	-	202,519