

COUNTY OF ANSON, NORTH CAROLINA
FINANCIAL STATEMENTS
Year Ended June 30, 2020

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

June 30, 2020

BOARD OF COUNTY COMMISSIONERS

Ross Streater - Chairman

Jarvis T. Woodburn- Vice Chair	Bobby Sikes
Vancine Sturdivant	Dr. Jim Sims
Lawrence Gatewood	Harold C. Smith

COUNTY OFFICIALS

Barron S. Monroe II	County Manager
Cary Garner	Finance Officer
Larry Newton	Tax Assessor
Joe Dutton	Tax Collector
Greg Eudy	Register of Deeds

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FINANCIAL SECTION



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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Anson County, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements which collectively comprise Anson County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information Anson County, North Carolina as of June 30, 2020, 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 on pages 4 through 11, the Local Government Employees' Retirement System Schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, pages 56 and 57, and the Register of Deeds' Supplemental Pension Fund schedules of the County's Proportionate Share of the Net Pension Asset and County Contributions on pages 58 through 59, the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Payroll, pages 60 and 61, the Other Postemployment Benefits Schedule of Changes in the Total OPEB Liability and Related Ratios on page 62, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2021 on our consideration of Anson County internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Anson County's internal control over financial reporting and compliance.

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

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

Whiteville, NC

June 29, 2021

Management's Discussion and Analysis

As management of Anson County, we offer readers of Anson County's financial statements this narrative overview and analysis of the financial activities of Anson County for the fiscal year ended June 30, 2020. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

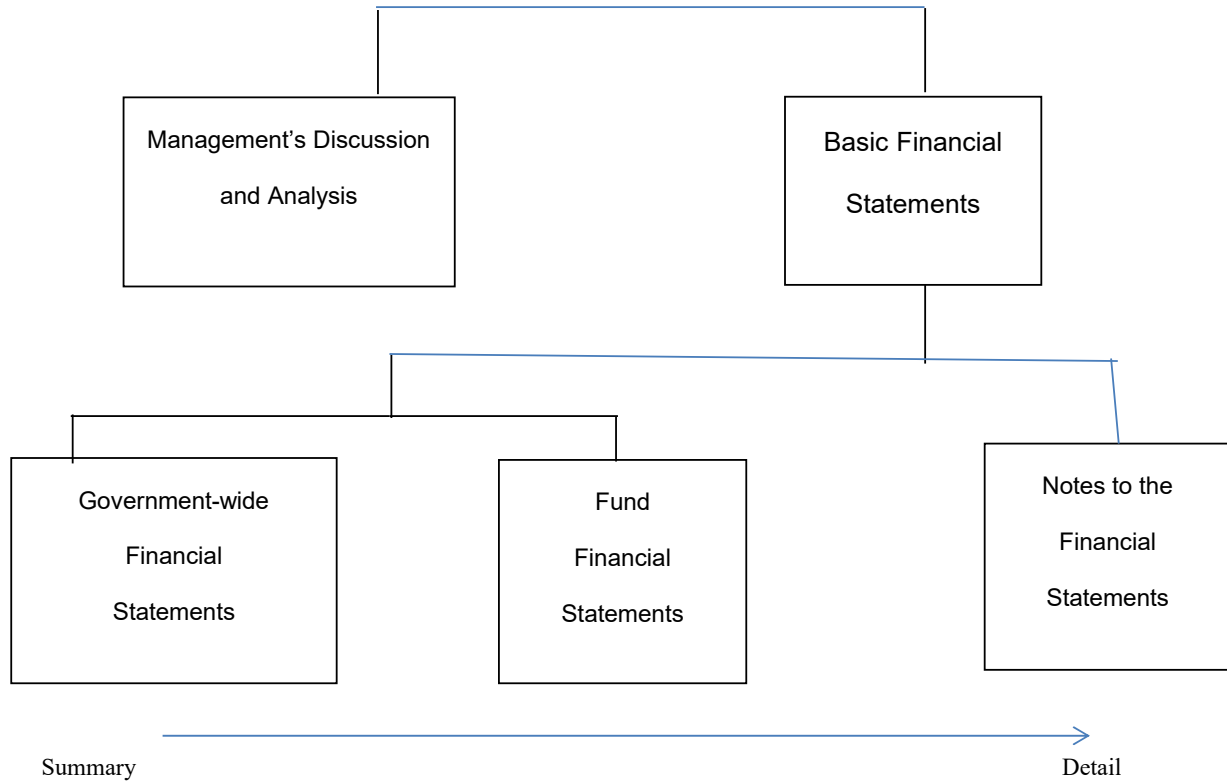
Financial Highlights

- The assets and deferred outflows of resources of Anson County exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$68,598,256 (net position).
- The government's total net position increased by \$2,984,133, primarily due to increased net position in the governmental and business-type activities.
- As of the close of the current fiscal year, Anson County's governmental funds reported combined ending fund balances of \$23,884,851, an increase of \$2,647,895 in comparison with the prior year. Approximately 19.54 percent of this total amount, or \$4,666,145, is restricted.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$15,276,450, or 53.13 percent of total general fund expenditures for the fiscal year.
- Anson County's total debt decreased \$470,117 (9.37%) during the current fiscal year. The key factors in this decrease were the scheduled principal repayments on existing installment purchases of \$691,445 and \$274,143, in the governmental activities and business-type activities, respectively. These repayments were counteracted by an increase of debt of \$495,471 in governmental activities.

Overview of the Financial Statements

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

Required Components of Annual Financial Report
Figure 1



Basic Financial Statements

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

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

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

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

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Anson County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the General Statutes or the County's budget ordinance. All of the funds of Anson County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

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

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

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start after Exhibit 9.

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The County’s assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$68,598,256 as of June 30, 2020. The County’s net position increased by \$2,984,133 for the fiscal year ended June 30, 2020. One of the largest portions, 61.57%, reflects the County’s net investment in capital assets (e.g. land, buildings, machinery, and equipment). Anson County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Anson County’s investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of Anson County’s net position, \$4,666,145, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$21,697,737 is unrestricted; this balance may be used to meet the government’s ongoing obligations to citizens and creditors.

**Anson County’s Net Position
Figure 2**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 29,234,623	\$ 24,828,994	\$ 12,260,499	\$ 10,831,724	\$ 41,495,122	\$ 35,660,718
Capital assets	22,180,720	21,982,470	24,601,687	25,895,132	46,782,407	47,877,602
Total assets	51,415,343	46,811,464	36,862,186	36,726,856	88,277,529	83,538,320
Total deferred outflows of resources	2,834,269	2,634,315	318,990	265,592	3,153,259	2,899,907
Long-term liabilities outstanding	3,574,755	3,770,729	973,278	1,304,983	4,548,033	5,075,712
Other liabilities	13,878,643	12,388,859	2,347,242	2,407,450	16,225,885	14,796,309
Total liabilities	17,453,398	16,159,588	3,320,520	3,712,433	20,773,918	19,872,021
Total deferred inflows of resources	1,720,535	854,262	338,079	155,383	2,058,614	1,009,645
Net position:						
Net investment in capital assets	18,605,965	18,211,741	23,628,409	24,590,149	42,234,374	42,801,890
Restricted	4,666,145	4,664,244	-	-	4,666,145	4,664,244
Unrestricted	11,803,569	9,555,944	9,894,168	8,534,483	21,697,737	18,090,427
Total net position	\$ 35,075,679	\$ 32,431,929	\$ 33,522,577	\$ 33,124,632	\$ 68,598,256	\$ 65,556,561

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

- The property tax collection percentage decreased from 94.78% to 94.14%.
- Continued low cost of debt due to the County’s high bond rating.

Anson County Changes in Net Position

Figure 3

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	\$ 4,968,114	\$ 4,799,561	\$ 7,422,327	\$ 7,957,832	\$ 12,390,441	\$ 12,757,393
Operating grants and contributions	5,467,049	5,413,869	-	-	5,467,049	5,413,869
Capital grants and contributions	697,733	-	-	-	697,733	-
General revenues:						
Property taxes	17,339,814	16,983,223	-	-	17,339,814	16,983,223
Other taxes	4,399,030	4,080,559	-	-	4,399,030	4,080,559
Grants and contributions not restricted to specific programs						
Other	142,914	156,339	-	-	142,914	156,339
Other	693,787	443,597	122,243	175,649	816,030	619,246
Total revenues	<u>33,708,441</u>	<u>31,877,148</u>	<u>7,544,570</u>	<u>8,133,481</u>	<u>41,253,011</u>	<u>40,010,629</u>
Expenses:						
General government	3,951,233	3,603,286	-	-	3,951,233	3,603,286
Public safety	9,557,675	9,007,852	-	-	9,557,675	9,007,852
Transportation	1,589,438	1,777,876	-	-	1,589,438	1,777,876
Environmental protection	154,847	180,106	-	-	-	180,106
Economic and physical development	1,041,422	733,327	-	-	1,041,422	733,327
Human services	7,280,556	7,204,511	-	-	7,280,556	7,204,511
Cultural and recreation	774,098	842,078	-	-	774,098	842,078
Education	6,617,511	6,885,171	-	-	6,617,511	6,885,171
Interest on long-term debt	97,911	85,212	-	-	97,911	85,212
Water	-	-	4,735,781	4,952,519	4,735,781	4,952,519
Wastewater	-	-	2,468,406	3,032,736	2,468,406	3,032,736
Total expenses	<u>31,064,691</u>	<u>30,319,419</u>	<u>7,204,187</u>	<u>7,985,255</u>	<u>38,114,031</u>	<u>38,304,674</u>
Increase (decrease) in net position before transfers	2,643,750	1,557,729	340,383	148,226	2,984,133	1,705,955
Transfers	-	-	-	-	-	-
Increase (decrease) in net position	2,643,750	1,557,729	340,383	148,226	2,984,133	1,705,955
Net position, beginning	32,431,929	30,874,200	33,124,632	32,976,406	65,556,561	63,850,606
Prior period adjustment	-	-	57,562	-	57,562	-
Net position, beginning, restated	32,431,929	30,874,200	33,182,194	32,976,406	65,614,123	63,850,606
Net position, ending	<u>\$ 35,075,679</u>	<u>\$ 32,431,929</u>	<u>\$ 33,522,577</u>	<u>\$ 33,124,632</u>	<u>\$ 68,598,256</u>	<u>\$ 65,556,561</u>

Governmental activities. Governmental activities increased the County's net position by \$2,643,750. Key elements of this increase are as follows:

- Increase in property tax revenues and charges for services
- Increase in capital grants

Business-type activities. Business-type activities increased the County’s net position by \$340,383. Key elements of this increase are as follows:

- Significant decrease in expenditures (sludge removal cost decreased from prior year)

Financial Analysis of the County’s Funds

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

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

The General Fund is the chief operating fund of Anson County. At the end of the current fiscal year, Anson County's fund balance available in the General Fund was \$19,393,029 while total fund balance reached \$23,373,595. As a measure of the general fund’s liquidity, it may be useful to compare both available fund balance and total fund balance to total fund expenditures. Available fund balance represents 67.44 percent of total General Fund expenditures, while total fund balance represents 81.28 percent of that same amount.

At June 30, 2020, the governmental funds of Anson County reported a combined fund balance of \$23,884,851, a 12.47 percent increase over last year. The primary reason for this increase was an increase in operating revenues.

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 revenues by \$2,223,312.

Proprietary Funds. Anson County’s proprietary funds provide the same type of information found in the government-wide statements but in more detail. Unrestricted net position of the Water Fund at the end of the fiscal year amounted to \$6,290,501, and those for the Wastewater Fund equaled \$3,603,667. The total change in net position for both funds was \$326,958 and \$13,425, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of Anson County’s business-type activities.

Capital Asset and Debt Administration

Capital assets. Anson County’s capital assets for its governmental and business – type activities as of June 30, 2019, totals \$47,877,602 (net of accumulated depreciation). These assets include buildings, land, machinery and equipment, facilities, distribution and collection systems, and vehicles.

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

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 1,558,422	\$ 1,558,422	\$ 145,590	\$ 145,590	\$ 1,704,012	\$ 1,704,012
Construction in process	2,700,453	1,645,616	250,149	250,149	2,950,602	1,895,765
Water distribution system	-	-	12,033,471	12,328,454	12,033,471	12,328,454
Wastewater collection system	-	-	9,262,374	9,967,640	9,262,374	9,967,640
Buildings and sites	15,849,529	16,486,983	2,323,189	2,482,883	18,172,718	18,969,866
Furniture, fixtures, and equipment	857,206	895,383	411,444	498,017	1,268,650	1,393,400
Vehicles	1,215,110	1,396,066	175,470	222,399	1,390,580	1,618,465
Total	\$ 22,180,720	\$ 21,982,470	\$ 24,601,687	\$ 25,895,132	\$ 46,782,407	\$ 47,877,602

Major capital asset transactions during the year include:

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

Long-term Debt. As of June 30, 2020, Anson County had no bonded debt outstanding. Installment purchases totaled \$4,548,033.

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

Figure 5

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds Direct Purchase / Borrowing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Installment purchases	3,574,755	3,770,729	973,278	1,247,421	4,548,033	5,018,150
Compensated absences	736,449	601,589	133,315	114,713	869,764	716,302
Net pension liability (LGERS)	3,207,030	2,722,540	309,305	262,578	3,516,335	2,985,118
Net pension liability (LEOSSA)	663,460	568,555	-	-	663,460	568,555
Total OPEB liability	6,642,116	7,379,401	1,358,505	1,509,302	8,000,621	8,888,703
	\$ 14,823,810	\$ 15,042,814	\$ 2,774,403	\$ 3,134,014	\$ 17,598,213	\$ 18,176,828

Anson County's total liabilities decreased by \$578,615 (3.18%) during the past fiscal year, primarily due to a decrease in the Installment Purchase debt and Total OPEB Liability.

Anson County's total debt decreased by \$470,117 (10.34 percent) during the past fiscal year, primarily due to the scheduled principal repayments on existing installment purchase agreements being offset by the new installment purchase agreements issued during the year.

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

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to 8 percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Anson County is \$157,427,963.

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

Economic Factors and Next Year's Budgets and Rates

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

Relative to the local economy, this has been another difficult year for citizens, businesses and local governments. Although the great recession which began in December 2007 officially ended in the summer of 2009, we are still dealing with a stagnant economy. While the County's unemployment rate has dropped to 4.3%, it is still above the state average of 4.2%. As a Tier-1 designated county by the North Carolina Department of Commerce, Anson County is among the state's most economically distressed counties. We anticipate little change in the local economy during FY 2020-2021.

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

Budget Highlights for the Fiscal Year Ending June 30, 2021

Governmental Activities: The County property tax rate will remain at 77.7 cents per hundred dollars (\$100) valuation of property listed for taxes.

Budgeted expenditures in the General Fund are expected to decrease to \$29,470,127 which represents a 1.64% decrease from the original 19-20 budget.

Business-type Activities: In the Water Fund, water sales are expected to remain the same as the 19-20 budget.

Due to the COVID-19 impact, there is no budgeted growth for the Wastewater fund either.

Requests for Information

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

BASIC
FINANCIAL STATEMENTS

Anson County, North Carolina
Statement of Net Position
June 30, 2020

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Tourism Development Authority
ASSETS				
Cash and cash equivalents	\$ 21,876,588	\$ 8,021,823	\$ 29,898,411	\$ 92,856
Receivables, net	3,848,874	753,017	4,601,891	-
Due from other governments	1,280,783	827	1,281,610	32,766
Internal balances	-	-	-	-
Inventories	-	224,811	224,811	-
Prepaid items	38,466	2,573	41,039	-
Restricted cash and cash equivalents	2,159,969	3,257,448	5,417,417	-
Net pension asset	29,943	-	29,943	-
Capital assets:				
Land, improvements, and construction in progress	4,258,875	395,739	4,654,614	-
Other capital assets, net of depreciation	17,921,845	24,205,948	42,127,793	-
Total capital assets	<u>22,180,720</u>	<u>24,601,687</u>	<u>46,782,407</u>	<u>-</u>
Total assets	<u>51,415,343</u>	<u>36,862,186</u>	<u>88,277,529</u>	<u>125,622</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related deferrals	2,205,522	199,488	2,405,010	-
OPEB related deferrals	628,747	119,502	748,249	-
Total deferred outflows of resources	<u>2,834,269</u>	<u>318,990</u>	<u>3,153,259</u>	<u>-</u>
LIABILITIES				
Accounts payable and accrued expenses	1,948,981	421,689	2,370,670	30
Unspent CARES Act Funding	647,744	-	647,744	-
Customer deposits	-	124,428	124,428	-
Accrued interest payable	32,863	-	32,863	-
Long-term liabilities:				
Compensated absences	736,449	133,315	869,764	-
Net pension liability	3,207,030	309,305	3,516,335	-
Net pension liability - LEOSSA	663,460	-	663,460	-
Total OPEB liability	6,642,116	1,358,505	8,000,621	-
Due within one year	930,113	89,411	1,019,524	-
Due in more than one year	2,644,642	883,867	3,528,509	-
Total long-term liabilities	<u>14,823,810</u>	<u>2,774,403</u>	<u>17,598,213</u>	<u>-</u>
Total liabilities	<u>17,453,398</u>	<u>3,320,520</u>	<u>20,773,918</u>	<u>30</u>
DEFERRED INFLOWS OF RESOURCES				
Pension related deferrals	65,203	1,135	66,338	-
OPEB related deferrals	1,647,417	336,944	1,984,361	-
Deferred tax revenue	7,915	-	7,915	-
Total deferred outflows of resources	<u>1,720,535</u>	<u>338,079</u>	<u>2,058,614</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	18,605,965	23,628,409	42,234,374	-
Restricted for:				
Stabilization by State Statute	2,500,682	-	2,500,682	-
Economic and physical development	1,713	-	1,713	-
School capital outlay	1,932,059	-	1,932,059	-
Public safety	231,691	-	231,691	-
Capital projects	-	-	-	-
Unrestricted (deficit)	11,803,569	9,894,168	21,697,737	125,592
Total net position	<u>\$ 35,075,679</u>	<u>\$ 33,522,577</u>	<u>\$ 68,598,256</u>	<u>\$ 125,592</u>

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

**Anson County, North Carolina
Statement of Activities
For the Year Ended June 30, 2020**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Tourism Development Authority
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental Activities:								
General government	\$ 3,951,233	\$ 508,453	\$ 38,025	\$ -	\$ (3,404,755)	\$ -	\$ (3,404,755)	
Public safety	9,557,675	1,097,555	369,443	-	(8,090,677)	-	(8,090,677)	
Transportation	1,589,438	395,831	1,536,070	-	342,463	-	342,463	
Environmental Protection	154,847	2,158,343	14,280	-	2,017,776	-	2,017,776	
Economic and physical development	1,041,422	23,776	67,339	-	(950,307)	-	(950,307)	
Human services	7,280,556	770,942	3,441,892	-	(3,067,722)	-	(3,067,722)	
Cultural and recreation	774,098	13,214	-	-	(760,884)	-	(760,884)	
Education	6,617,511	-	-	697,733	(5,919,778)	-	(5,919,778)	
Interest/Fees on long-term debt	97,911	-	-	-	(97,911)	-	(97,911)	
Total governmental activities	31,064,691	4,968,114	5,467,049	697,733	(19,931,795)	-	(19,931,795)	
Business-type activities:								
Water Fund	4,735,781	5,001,616	-	-	-	265,835	265,835	
Waste Water Fund	2,468,406	2,420,711	-	-	-	(47,695)	(47,695)	
Total business-type activities	7,204,187	7,422,327	-	-	-	218,140	218,140	
	\$ 38,268,878	\$ 12,390,441	\$ 5,467,049	\$ 697,733	\$ (19,931,795)	\$ 218,140	\$ (19,713,655)	
Component Unit:								
Tourism Development Authority	\$ 39,143	\$ -	\$ -	\$ -				\$ (39,143)
General revenues:								
Taxes:								
Property taxes, levied for general purpose					17,339,814	-	17,339,814	-
Local option sales tax					4,060,745	-	4,060,745	-
Other taxes and licenses					338,285	-	338,285	70,466
Grants and contributions not restricted to specific programs					142,914	-	142,914	-
Investment earnings, unrestricted					233,696	122,764	356,460	954
Miscellaneous, unrestricted					460,091	(521)	459,570	-
Transfers					-	-	-	-
Total general revenues					22,575,545	122,243	22,697,788	71,420
Change in net position					2,643,750	340,383	2,984,133	32,277
Net position, beginning, previously reported					32,431,929	33,124,632	65,556,561	93,315
Prior Period Adjustment					-	57,562	57,562	-
Net position, beginning, restated					32,431,929	33,182,194	65,614,123	93,315
Net position, ending					\$ 35,075,679	\$ 33,522,577	\$ 68,598,256	\$ 125,592

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

Anson County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2020

	<u>Major</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Airport Construction Project</u>	<u>Other Governmental Funds</u>	
ASSETS				
Cash and cash equivalents	\$ 21,232,093	\$ 367,776	\$ 276,719	\$ 21,876,588
Restricted cash and cash equivalents	2,159,969	-	-	2,159,969
Taxes receivable, net	1,990,849	-	203,440	2,194,289
Accounts receivable, net	840,933	490,641	-	1,331,574
Prepaid expenses	38,466	-	-	38,466
Due from other governments	1,280,783	-	-	1,280,783
Due from other funds	86,214	-	-	86,214
Total assets	<u>\$ 27,629,307</u>	<u>\$ 858,417</u>	<u>\$ 480,159</u>	<u>\$ 28,967,883</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Due to other funds	\$ -	\$ 86,214	\$ -	\$ 86,214
Accounts payable and accrued liabilities	1,411,856	494,351	42,774	1,948,981
Unspent CARES Act Funds	647,744	-	-	647,744
Total liabilities	<u>2,059,600</u>	<u>580,565</u>	<u>42,774</u>	<u>2,682,939</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes Receivable	1,990,849	-	203,440	2,194,289
Other Receivables	197,889	-	-	197,889
Prepaid Taxes	7,374	-	541	7,915
Total Deferred Inflows of Resources	<u>2,196,112</u>	<u>-</u>	<u>203,981</u>	<u>2,400,093</u>
Fund balances:				
Nonspendable:				
Prepaid items	38,466	-	-	38,466
Restricted:				
Stabilization by State Statute	2,010,041	490,641	-	2,500,682
Economic and Physical Development	-	-	1,713	1,713
School debt service	1,932,059	-	-	1,932,059
Public safety	-	-	231,691	231,691
Committed:				
Other purposes (see footnote)	1,880,152	-	-	1,880,152
Tax revaluation	334,572	-	-	334,572
Assigned:				
Subsequent year's expenditures	1,901,855	-	-	1,901,855
Unassigned	15,276,450	(212,789)	-	15,063,661
Total fund balances	<u>23,373,595</u>	<u>277,852</u>	<u>233,404</u>	<u>23,884,851</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 27,629,307</u>	<u>\$ 858,417</u>	<u>\$ 480,159</u>	<u>\$ 28,967,883</u>

Anson County, North Carolina
Balance Sheet
Governmental Funds
June 30, 2020

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:	
Total Fund Balance - Governmental Funds	\$ 23,884,851
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	37,204,547
Less accumulated depreciation	<u>(15,023,827)</u>
Net capital assets	22,180,720
Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds.	323,011
Net pension asset/(liability)	
LGERS	(3,207,030)
ROD	29,943
LEOSSA	(663,460)
Total OPEB liability	(6,642,116)
Contributions to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position	
LGERS	845,753
ROD	1,517
Contributions to OPEB plan in the current fiscal year	252,193
Benefit payments and pension administration costs from LEOSSA are deferred outflows of resources on the Statement of Net Position	5,620
Deferred outflow of Resources - Pension	
LGERS	1,222,629
ROD	3,415
LEOSSA	126,588
Deferred outflow of Resources - OPEB	376,554
Deferred inflows of resources for taxes and special assessments receivable	2,194,289
Deferred inflows of resources for EMS receivable	197,889
Deferred Inflows of Resources - Pension	
LGERS	(11,768)
ROD	(1,803)
LEOSSA	(51,632)
Deferred Inflows of Resources - OPEB	(1,647,417)
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not reported in the fund statements:	
Bonds, leases, and installment financing payable	(3,574,755)
Compensated absences	(736,449)
Accrued interest payable	<u>(32,863)</u>
Net position of governmental activities	<u>\$ 35,075,679</u>

Anson County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2020

	Major		Nonmajor	Total
	General	Airport Construction Project	Governmental Funds	
REVENUES				
Ad valorem taxes	\$ 15,588,350	\$ -	\$ 1,450,594	\$ 17,038,944
Local option sales taxes	4,060,745	-	-	4,060,745
Other taxes and licenses	138,003	-	200,282	338,285
Unrestricted intergovernmental	142,914	-	-	142,914
Restricted intergovernmental	5,094,081	1,070,702	-	6,164,783
Permits and fees	210,593	-	-	210,593
Sales and services	4,802,410	-	-	4,802,410
Investment earnings	223,467	-	10,229	233,696
Miscellaneous	461,253	-	-	461,253
Total revenues	<u>30,721,816</u>	<u>1,070,702</u>	<u>1,661,105</u>	<u>33,453,623</u>
EXPENDITURES				
Current:				
General government	3,814,223	-	-	3,814,223
Public safety	7,193,079	-	1,582,651	8,775,730
Transportation	1,278,584	1,054,837	-	2,333,421
Economic and physical development	1,038,072	-	-	1,038,072
Environmental protection	154,847	-	-	154,847
Human services	7,072,056	-	-	7,072,056
Cultural and recreational	717,895	-	-	717,895
Education	6,617,510	-	-	6,617,510
Debt service:				
Principal	691,446	-	-	691,446
Interest and other charges	85,999	-	-	85,999
Total expenditures	<u>28,663,711</u>	<u>1,054,837</u>	<u>1,582,651</u>	<u>31,301,199</u>
Excess (deficiency) of revenues over expenditures	<u>2,058,105</u>	<u>15,865</u>	<u>78,454</u>	<u>2,152,424</u>
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	75,000	16,667	-	91,667
Transfers to other funds	(91,667)	-	-	(91,667)
Loan proceeds	495,471	-	-	495,471
Total other financing sources (uses)	<u>478,804</u>	<u>16,667</u>	<u>-</u>	<u>495,471</u>
Net change in fund balance	<u>2,536,909</u>	<u>32,532</u>	<u>78,454</u>	<u>2,647,895</u>
Fund balances, beginning	<u>20,836,686</u>	<u>245,320</u>	<u>154,950</u>	<u>21,236,956</u>
Prior period adjustment	-	-	-	-
Fund balances, beginning as restated	<u>20,836,686</u>	<u>245,320</u>	<u>154,950</u>	<u>21,236,956</u>
Fund balances, ending	<u>\$ 23,373,595</u>	<u>\$ 277,852</u>	<u>\$ 233,404</u>	<u>\$ 23,884,851</u>

Anson County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2020

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

Net change in fund balances - total governmental funds	\$ 2,647,895
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the statement of activities	1,511,566
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.	(1,312,155)
Gain (loss) on disposal of assets	(1,161)
Contributions to the pension plan in the current fiscal year are not included on the Statement of Activities	847,270
Benefit payments and pension administration costs for LEOSSA are deferred outflows of resources on the Statement of Net Position	5,620
Contributions and pension administration costs for OPEB are deferred outflows of resources on the Statement of Net Position	252,193
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.	(495,471)
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.	691,446
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)	(11,912)
Compensated absences	(134,860)
OPEB Expense	(79,641)
County's portion of collection pension expense	(1,533,019)
Revenues reported in the statement of activities that do not provide current financial resources are not recorded as revenues in the fund statements.	
Increase (decrease) in deferred inflows of resources - taxes receivable	257,433
Increase (decrease) in deferred inflows of resources - EMS receivable	(44,888)
Increase (decrease) in accrued taxes receivable	43,434
	<hr/>
Total changes in net position of governmental activities	<u><u>\$ 2,643,750</u></u>

Anson County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Ad valorem taxes	\$ 15,493,411	\$ 15,406,031	\$ 15,588,350	\$ 182,319
Local option sales tax	2,720,000	2,720,000	3,186,798	466,798
Other taxes and licenses	24,000	100,300	138,003	37,703
Unrestricted intergovernmental	93,850	124,850	142,914	18,064
Restricted intergovernmental	5,396,529	6,243,837	5,094,081	(1,149,756)
Permits and fees	188,050	171,450	210,593	39,143
Sales and services	4,604,796	4,253,033	4,802,410	549,377
Investment earnings	30,000	78,500	207,387	128,887
Miscellaneous	138,669	205,879	461,253	255,374
Total revenues	<u>28,689,305</u>	<u>29,303,880</u>	<u>29,831,789</u>	<u>527,909</u>
Expenditures:				
Current:				
General government	4,864,058	4,382,145	3,814,223	567,922
Public safety	7,300,550	7,918,729	7,193,079	725,650
Transportation	1,421,376	1,635,065	1,278,584	356,481
Economic and physical development	1,038,534	1,343,534	1,038,072	305,462
Environmental protection	238,624	238,624	154,847	83,777
Human services	7,746,949	7,928,867	7,072,056	856,811
Cultural and recreational	738,165	747,065	717,895	29,170
Intergovernmental:				
Education	5,593,395	6,944,033	6,617,510	326,523
Debt service:				
Principal retirement	948,793	810,793	691,446	119,347
Interest and other charges	-	138,000	85,999	52,001
Contingency	70,000	2,233	-	2,233
Total expenditures	<u>29,960,444</u>	<u>32,089,088</u>	<u>28,663,711</u>	<u>3,425,377</u>
Revenues over (under) expenditures	<u>(1,271,139)</u>	<u>(2,785,208)</u>	<u>1,168,078</u>	<u>3,953,286</u>
Other financing sources (uses):				
Transfers from other funds	-	452,939	102,301	(350,638)
Transfers to other funds	-	(94,668)	(91,667)	3,001
Loan proceeds	-	495,471	495,471	-
Appropriated fund balance	1,271,139	1,931,466	-	(1,931,466)
Total other financing sources (uses)	<u>1,271,139</u>	<u>2,785,208</u>	<u>506,105</u>	<u>(2,279,103)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,674,183	<u>\$ 1,674,183</u>
Fund balance, beginning of year			<u>19,432,781</u>	
Fund balance, end of year			<u>\$ 21,106,964</u>	

Anson County, North Carolina
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Budget and Actual - General Fund
For the Fiscal Year Ended June 30, 2020

General Fund - fund balance, end of year	\$ 21,106,964
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Legally budgeted funds are consolidated into the General Fund for reporting purposes:

Tax Revaluation Fund:

Investment earnings	2,946
Transfer from (to) General Fund	75,000
Expenditures	-
Fund balance, beginning of year	256,626

Public School Capital Outlay Reserve Fund:

Local option sales tax	873,947
Investment earnings	13,134
Transfers from (to) General Fund	(102,301)
Fund Balance, beginning of year	<u>1,147,279</u>

Fund balance, ending (Exhibit 4)	<u><u>\$ 23,373,595</u></u>
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Anson County, North Carolina
Statement of Net Position
Proprietary Funds
June 30, 2020

	Major		Total
	Water Fund	Waste Water Fund	
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 5,836,853	\$ 2,184,970	\$ 8,021,823
Accounts receivable, net	512,688	240,329	753,017
Due from other governments	-	827	827
Inventories	215,527	9,284	224,811
Prepaid items	1,904	669	2,573
Total current assets	<u>6,566,972</u>	<u>2,436,079</u>	<u>9,003,051</u>
Noncurrent assets:			
Restricted Cash and cash equivalents	1,562,304	1,695,144	3,257,448
Capital assets:			
Land and construction in progress	295,739	100,000	395,739
Other capital assets, net of depreciation	14,856,412	9,349,536	24,205,948
Total capital assets	<u>15,152,151</u>	<u>9,449,536</u>	<u>24,601,687</u>
Total assets	<u>23,281,427</u>	<u>13,580,759</u>	<u>36,862,186</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferrals	135,632	63,856	199,488
OPEB related deferrals	90,905	28,597	119,502
Total deferred outflows of resources	<u>226,537</u>	<u>92,453</u>	<u>318,990</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	324,468	97,221	421,689
Customer deposits	124,428	-	124,428
Accrued interest payable	-	-	-
Bonds and notes payable	89,411	-	89,411
Total current liabilities	<u>538,307</u>	<u>97,221</u>	<u>635,528</u>
Noncurrent liabilities:			
Compensated absences	95,318	37,997	133,315
Net pension liability	210,297	99,008	309,305
Total OPEB Liability	1,049,681	308,824	1,358,505
Bonds and notes payable	883,867	-	883,867
Total noncurrent liabilities	<u>2,239,163</u>	<u>445,829</u>	<u>2,684,992</u>
Total liabilities	<u>2,777,470</u>	<u>543,050</u>	<u>3,320,520</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related deferrals	772	363	1,135
OPEB related deferrals	260,348	76,596	336,944
Total deferred inflows of resources	<u>261,120</u>	<u>76,959</u>	<u>338,079</u>
NET POSITION			
Net investment in capital assets	14,178,873	9,449,536	23,628,409
Restricted	-	-	-
Unrestricted	6,290,501	3,603,667	9,894,168
Total net position	<u>\$ 20,469,374</u>	<u>\$ 13,053,203</u>	<u>\$ 33,522,577</u>

Anson County, North Carolina
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2020

	Major		Total
	Water Fund	Waste Water Fund	
OPERATING REVENUES			
Charges for services	\$ 4,904,728	\$ 2,420,711	\$ 7,325,439
Other operating revenues	96,888	-	96,888
Total operating revenues	<u>5,001,616</u>	<u>2,420,711</u>	<u>7,422,327</u>
OPERATING EXPENSES			
Administration	218,801	72,382	291,183
Water distribution	1,558,672	-	1,558,672
Water filtration	1,994,828	-	1,994,828
Wastewater treatment	-	1,604,461	1,604,461
Capital Outlay	63,512	29,479	92,991
Depreciation and amortization	900,494	762,084	1,662,578
Total operating expenses	<u>4,736,307</u>	<u>2,468,406</u>	<u>7,204,713</u>
Operating income (loss)	<u>265,309</u>	<u>(47,695)</u>	<u>217,614</u>
NONOPERATING REVENUES (EXPENSES)			
Interest and investment revenue	61,661	61,103	122,764
Sale of Assets	(1,958)	-	(1,958)
Interest on long-term debt	526	-	526
Other Revenues	1,420	17	1,437
Total nonoperating revenues (expenses)	<u>61,649</u>	<u>61,120</u>	<u>122,769</u>
Income (loss) before contributions and transfers	<u>326,958</u>	<u>13,425</u>	<u>340,383</u>
Change in net position	<u>326,958</u>	<u>13,425</u>	<u>340,383</u>
Total net position, beginning	20,084,854	13,039,778	33,124,632
Prior Period Adjustment (see Note 8)	57,562	-	57,562
Total net position, beginning, restated	<u>20,142,416</u>	<u>13,039,778</u>	<u>33,182,194</u>
Total net position, ending	<u>\$ 20,469,374</u>	<u>\$ 13,053,203</u>	<u>\$ 33,522,577</u>

Anson County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2020

	<u>Major</u>		<u>Total</u>
	<u>Water Fund</u>	<u>Waste Water Fund</u>	
Cash flows from operating activities:			
Cash received from customers	\$ 5,148,442	\$ 2,334,533	\$ 7,482,975
Cash paid for goods and services	(2,214,474)	(940,819)	(3,155,293)
Cash paid to employees for services	(1,529,392)	(722,899)	(2,252,291)
Net cash provided by operating activities	<u>1,404,576</u>	<u>670,815</u>	<u>2,075,391</u>
Cash flows from noncapital financing activities:			
Other nonoperating revenues	1,420	17	1,437
Net cash provided (used) by noncapital financing activities	<u>1,420</u>	<u>17</u>	<u>1,437</u>
Cash flows from capital and related financing activities:			
Acquisition and construction of capital assets	(359,001)	(41,700)	(400,701)
Disposal of capital assets	29,611	-	29,611
Principal paid on debt	(274,143)	-	(274,143)
Interest paid on debt	(7,048)	-	(7,048)
Net cash used by capital and related financing activities	<u>(610,581)</u>	<u>(41,700)</u>	<u>(652,281)</u>
Cash flows from investing activities:			
Interest on investments	61,661	61,103	122,764
Net increase (decrease) in cash and cash equivalents	857,076	690,235	1,547,311
Cash and cash equivalents, beginning	6,542,081	3,189,879	9,731,960
Cash and cash equivalents, ending	<u>\$ 7,399,157</u>	<u>\$ 3,880,114</u>	<u>\$ 11,279,271</u>

Anson County, North Carolina
Statement of Cash Flows
Proprietary Funds
For The Fiscal Year Ended June 30, 2020

	Major		Total
	Water Fund	Waste Water Fund	
Reconciliation of operating income to net cash provided by operating activities:			
Operating income (loss)	\$ 265,309	\$ (47,695)	\$ 217,614
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation and amortization	900,494	762,084	1,662,578
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	129,667	(86,178)	43,489
Due from other governments	-	(827)	(827)
Inventories	72,325	3,738	76,063
Prepaid items	(1,904)	1,714	(190)
Deferred outflows of resources for pensions	10,093	4,752	14,845
Deferred outflows of resources for OPEB	(53,859)	(14,384)	(68,243)
Increase (decrease) in:			
Accounts payable and accrued liabilities	(4,906)	20,581	15,675
Customer deposits	17,159	-	17,159
Compensated absences	13,611	4,991	18,602
Net pension liability	31,770	14,957	46,727
Total OPEB liability	(116,517)	(34,280)	(150,797)
Deferred inflows of resources for pensions	(1,237)	(583)	(1,820)
Deferred inflows of resources for OPEB	142,571	41,945	184,516
Total adjustments	<u>1,139,267</u>	<u>718,510</u>	<u>1,857,777</u>
Net cash provided by (used in) operating activities	<u>\$ 1,404,576</u>	<u>\$ 670,815</u>	<u>\$ 2,075,391</u>

Anson County, North Carolina
Statement of Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2020

	Agency Funds
Assets	
Cash and cash equivalents	\$ 98,931
Total assets	98,931
Liabilities and Net Position	
Liabilities:	
Miscellaneous liabilities	84,609
Intergovernmental payable	14,322
Total liabilities	98,931
Net position:	
Assets held in trust	\$ -

ANSON COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended June 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

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

Anson County Industrial Facilities and Pollution Control Financing Authority

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

Anson Tourism Development Authority

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

CAH Properties, Inc.

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

B. Basis of Presentation, Basis of Accounting

Basis of Presentation, Measurement Focus – Basis of Accounting

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

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

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

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

The County reports the following major governmental funds:

General Fund. This is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Revaluation Fund and the Public School Capital Outlay Reserve Fund are legally budgeted funds under the North Carolina General Statutes; however, for statement presentation in accordance with GASB Statement No. 54, they are consolidated into the General Fund.

Airport Construction Fund. This fund accounts for resources used for capital projects at the Airport.

The County reports the following major enterprise funds:

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

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

The County reports the following fund types:

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

Non-major Funds. The County maintains two annually budgeted non-major funds and one non-major project funds. The Fire Districts Fund and the Emergency Telephone System - 911 Fund are reported as non-major special revenue funds. Also reported as a non-major special revenue fund is the CDBG Scattered Housing Fund .

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

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

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

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

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

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

Sales taxes and certain intergovernmental revenues, such as the utilities franchise tax, collected and held by the State at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. 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 are both restricted and unrestricted net position available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the ED Incentives Fund, the Revaluation Fund, the Fire Districts Fund, the Emergency Telephone System - 911 Fund, and the Enterprise Funds. All annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the CDBG Scattered Sites Fund, the Airport Construction Project Fund, and the Enterprise Capital Project Funds, which are consolidated with the enterprise operating funds for reporting purposes.

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

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

DEPOSITS AND INVESTMENTS

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

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

The County and the Authority's investments are carried at fair value. The NC Capital Management Trust Government Portfolio, a SEC-registered 2a-7 mutual fund, is measured at amortized cost, which is the MCCMT's share price.

CASH AND CASH EQUIVALENTS

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

RESTRICTED ASSETS

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

Governmental Activities

School Capital Reserve	\$ 1,785,478
Tax Revaluation	334,572
ED Incentives Reserve	39,919
Total Governmental Activities	<u>\$ 2,159,969</u>

Business-Type Activities

Water Fund - unexpended proceeds	\$ 1,437,876
Water Fund - customer deposits	124,428
Wastewater Fund - unexpended proceeds	139,581
Wastewater Fund - Reserve	1,555,563
Total Business-Type Activities	<u>\$ 3,257,448</u>

Total Restricted Cash	<u><u>\$ 5,417,417</u></u>
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AD VALOREM TAXES RECEIVABLE

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

ALLOWANCE FOR DOUBTFUL ACCOUNTS

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

INVENTORIES AND PREPAID ITEMS

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

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

CAPITAL ASSETS

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

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

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

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

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has two items that meets this criterion - pension related deferrals and OPEB related deferrals. In addition to liabilities, the statement of financial position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The County has four items that meet the criterion for this category - prepaid taxes, property taxes receivable, pension related deferrals, and OPEB related deferrals.

LONG TERM OBLIGATIONS

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

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

COMPENSATED ABSENCES

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

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

NET POSITION/FUND BALANCES

Net Position

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

Fund Balances

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

The governmental fund types classify fund balances as follows:

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

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

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

Restricted for Stabilization by State Statute - 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, encumbrance, 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 Economic and Physical Development - portion of fund balance that is restricted by revenue source for grant projects.

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

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

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

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

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

Committed for Other Purposes - portion of fund balance that can only be used for the following purposes:

Economic Development (Grants)	\$	78,813
Court Facilities Fees		20,844
Automation / Preserving ROD		23,962
Controlled Substances		16,027
Local DARE Funds		1,081
Civil Processing Fees		31,526
New K-9 Program		250
Sheriff Calendars		750
Sheriff Special Olympics		12,441
EMPG Grant		22,817
Animal Shelter Donations		1,502
Gasoline Operations		51,172
Scrap Tire Disposal		173,769
White Goods Disposal		2,247
Electronics Management Program		7,160
4H Clubs		846
Anson Ag Council		21,787
Agri-Civic Ctr Donations		256,375
Soil & Water		17,250
March of Dimes		765
Safety / Chair		1,483
Diabetes Donations		8,293
General Health		675
Diabetes Donations YOST		10,366
Tuberculosis		14,659
Adult Health		171,043
Prenatal Health		177,426
Family Planning		511,178
Epidemiology		7,099
IAP Injections		42,744
Donations for Distribution		3,514
DSS Child Support Incentives		157,978
Foster Care Donations		5,042
YOST Donations		25
Youth Prom Clover Craw		16,330

Committed for Other Purposes (continued)	
Library Walmart	2
Parks & Recreation	9,661
Parks & Rec YOST Donation	<u>1,250</u>
Total - Committed (Other)	<u>\$ 1,880,152</u>

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

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

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

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

Defined Benefit Pension Plans

The County participates in three cost-sharing, multiple-employer, defined benefit pension plans that are administered by the State; the Local Governmental Employees' retirement System (LGERS), 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." 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 employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans.

NOTE 2: STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

DEFICIT FUND BALANCE OR NET POSITION OF INDIVIDUAL FUNDS

None noted.

UNBALANCED BUDGET

The budget for the Airport Capital Project fund has not been appropriately modified, so the budget presented is not in balance. Finance will review the projects to clean up the fund and make appropriate amendments to balance the budget. This is a repeat finding.

TIMELINESS OF AUDIT

The audit report was issued 5 months after the required due date of January 31, 2021.

NOTE 3: DETAIL NOTES ON ALL FUNDS

A. ASSETS

DEPOSITS

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

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

At June 30, 2019, the County's deposits had a carrying amount of \$8,708,035 and a bank balance of \$8,595,189. The carrying value includes Anson Tourism Development Authority's carrying amount of \$92,856, which is included in the County's pooled cash. Of the bank balance, \$750,000 was covered by federal depository insurance and the remainder was covered by collateral held under the Pooling Method. At June 30, 2020, the County's bank balances exceeded federally insurance limits by \$7,845,189. All deposits of the County are insured or collateralized under the Pooling Method. At June 30, 2020, the County had \$9,344 cash on hand.

INVESTMENTS

At June 30, 2020 the County's investment balances were as follows:

Investment Type	Valuation Measurement Method	Fair Value	Less Than 6 Months	6-12 Months
NC Capital Management Trust Government Portfolio	Amortized Cost	\$ 23,586,353	\$ 23,586,353	\$ -
NC Capital Management Trust Term Portfolio*	Fair Value - Level 1	\$ 3,213,227	\$ 3,213,227	\$ -
Total		\$ 26,799,580	\$ 26,799,580	\$ -

* Because the NC Capital Management Trust Term Portfolio has a weighted average maturity of less than 90 days, it was 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 generated by market transactions involving identical 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 identical assets. Level Two debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The County limits investments to the provisions of G.S. 159-30. The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAA by Standard and Poor's as of June 30, 2019. The County's investment in the NC Capital Management Trust Term Portfolio is unrated. The Term Portfolio is authorized to invest in obligations of the U.S. government and agencies and also in high grade money market instruments as permitted under North Carolina G.S. 159-30, as amended. The County has no formal policy on custodial credit risk.

PROPERTY TAX USE-VALUE ASSESSMENT ON CERTAIN LANDS

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

Year Levied	Tax	Interest	Total
2016	3,291,036	\$ 1,077,814	\$ 4,368,850
2017	2,774,799	659,015	3,433,814
2018	2,662,220	392,677	3,054,898
2019	2,677,461	153,954	2,831,415
	<u>\$ 11,405,516</u>	<u>\$ 2,283,461</u>	<u>\$ 13,688,977</u>

RECEIVABLES

Receivables at the government-wide level at June 30, 2020, were as follows:

	Accounts	Taxes and Related Accrued Interest	Due From Other Governments	Other	Total
Governmental activities:					
General	\$ 1,093,255	\$ 3,555,987	\$ 1,280,783	\$ -	\$ 5,930,025
Other Governmental	-	264,379	-	-	264,379
Total receivables	1,093,255	3,820,366	1,280,783	-	6,194,404
Allow. for doubtful accounts	(252,322)	(1,303,066)	-	-	(1,555,388)
Total governmental activities	<u>\$ 840,933</u>	<u>\$ 2,517,300</u>	<u>\$ 1,280,783</u>	<u>\$ -</u>	<u>\$ 4,639,016</u>
Business-type activities:					
Water Fund	\$ 512,688	\$ -	\$ -	\$ -	\$ 512,688
Wastewater Fund	240,329	-	827	-	241,156
Total receivables	753,017	-	827	-	753,844
Allow. for doubtful accounts	-	-	-	-	-
Total business-type activities	<u>\$ 753,017</u>	<u>\$ -</u>	<u>\$ 827</u>	<u>\$ -</u>	<u>\$ 753,844</u>

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

Sales Tax Receivable	\$ 579,503
Local Option Sales Tax	702,107
Total	<u>\$ 1,281,610</u>

Receivables for the Tourism Development Authority at June 30, 2020 totaled \$32,766.

CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 1,558,422	\$ -	\$ -	\$ 1,558,422
Construction in Progress and land options	1,645,616	1,054,837	-	2,700,453
Total capital assets not depreciated	<u>3,204,038</u>	<u>1,054,837</u>	<u>-</u>	<u>4,258,875</u>
Capital assets being depreciated:				
Buildings	13,899,157	19,000	-	13,918,157
Improvements	11,860,633	-	-	11,860,633
Equipment	1,943,019	79,794	19,102	2,003,711
Computer Equipment & Software	1,453,221	51,850	-	1,505,071
Furniture	26,483	-	-	26,483
Vehicles	3,383,292	306,085	57,760	3,631,617
Total capital assets being depreciated	<u>32,565,805</u>	<u>456,729</u>	<u>76,862</u>	<u>32,945,672</u>
Less accumulated depreciation for:				
Buildings	5,041,370	353,735	-	5,395,105
Improvements	4,231,437	302,719	-	4,534,156
Equipment	1,133,165	128,163	17,941	1,243,387
Computer Equipment & Software	1,378,673	37,752	-	1,416,425
Furniture	15,502	2,745	-	18,247
Vehicles	1,987,226	487,041	57,760	2,416,507
Total accumulated depreciation	<u>13,787,373</u>	<u>\$ 1,312,155</u>	<u>\$ 75,701</u>	<u>15,023,827</u>
Total capital assets being depreciated, net	<u>18,778,432</u>			<u>17,921,845</u>
Governmental activities capital assets, net	<u>\$ 21,982,470</u>			<u>\$ 22,180,720</u>

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

Governmental Activities:	
General government	\$ 164,502
Public safety	743,897
Transportation	333,204
Economic and Physical Development	5,146
Human Services	39,369
Cultural and Recreational	26,037
Total depreciation expense	<u>\$ 1,312,155</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Water Fund:				
Capital assets not being depreciated:				
Land	\$ 45,590	\$ -	\$ -	\$ 45,590
Construction in Progress	250,149	-	-	250,149
Total capital assets not depreciated	<u>295,739</u>	-	-	<u>295,739</u>
Capital assets being depreciated:				
Water Distribution System	24,321,999	257,213	-	24,579,212
Buildings and Building Improvements	6,381,215	-	-	6,381,215
Equipment	897,458	6,216	-	903,674
Computers & Software	238,293	19,600	-	257,893
Vehicles	524,398	75,972	37,883	562,487
Total capital assets being depreciated	<u>32,363,363</u>	<u>359,001</u>	<u>37,883</u>	<u>32,684,481</u>
Less accumulated depreciation for:				
Water Distribution System	11,993,545	552,196	-	12,545,741
Buildings and Building Improvements	3,898,332	159,694	-	4,058,026
Equipment	615,526	73,163	-	688,689
Computers & Software	106,143	35,338	-	141,481
Vehicles	320,344	80,102	6,314	394,132
Total accumulated depreciation	<u>16,933,890</u>	<u>900,493</u>	<u>6,314</u>	<u>17,828,069</u>
Total capital assets being depreciated, net	<u>15,429,473</u>			<u>14,856,412</u>
Water Capital Assets, net	<u>\$ 15,725,212</u>			<u>\$ 15,152,151</u>
Wastewater Fund:				
Capital assets not being depreciated:				
Land	\$ 100,000	\$ -	\$ -	\$ 100,000
Construction in Progress	-	-	-	-
Total capital assets not depreciated	<u>100,000</u>	-	-	<u>100,000</u>
Capital assets being depreciated:				
Wastewater Collection System	30,008,159	21,700	-	30,029,859
Equipment	244,076	20,000	-	264,076
Computers & Software	103,791	-	-	103,791
Vehicles	90,387	-	-	90,387
Total capital assets being depreciated	<u>30,446,413</u>	<u>41,700</u>	-	<u>30,488,113</u>
Less accumulated depreciation for:				
Wastewater Collection System	20,040,519	726,966	-	20,767,485
Equipment	219,451	9,061	-	228,512
Computers & Software	44,481	14,827	-	59,308
Vehicles	72,042	11,230	-	83,272
Total accumulated depreciation	<u>20,376,493</u>	<u>\$ 762,084</u>	<u>\$ -</u>	<u>21,138,577</u>
Total capital assets being depreciation, net	<u>10,069,920</u>			<u>9,349,536</u>
Water and Sewer Fund capital assets, net	<u>\$ 10,169,920</u>			<u>\$ 9,449,536</u>
Business-type activities capital assets, net	<u>\$ 25,895,132</u>			<u>\$ 24,601,687</u>

Depreciation expense for the year ended June 30, 2020 for the Water and Wastewater Funds was \$901,755 and \$762,084, respectively.

Construction and Purchase Commitments

The County has no active construction projects at June 30, 2020.

B. LIABILITIES

PAYABLES

Payables at the government-wide level at June 30, 2020, were as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Due to Other Governments	Total
Governmental activities:					
General	\$ 1,585,893	\$ 473,707	\$ 32,863	\$ -	\$ 2,092,463
Other Governmental	42,774	-	-	-	42,774
Total governmental activities	<u>\$ 1,628,667</u>	<u>\$ 473,707</u>	<u>\$ 32,863</u>	<u>\$ -</u>	<u>\$ 2,135,237</u>
Business-type activities:					
Water	\$ 276,735	47,733	\$ -	\$ -	\$ 324,468
Wastewater	75,042	22,179	-	-	97,221
Total business-type activities	<u>\$ 351,777</u>	<u>\$ 69,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 421,689</u>

PENSION PLAN AND OTHER POSTEMPLOYMENT OBLIGATIONS

1 Local Governmental Employees' Retirement System

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

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

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

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The County's contractually required contribution rate for the year ended June 30, 2020, was 9.70% of compensation for law enforcement officers and 9.05% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the County were \$937,322 for the year ended June 30, 2020.

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, 2020, the County reported a liability of \$23,516,335, for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 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, 2020, the County's proportion was 0.12876%, (measured as of June 30, 2019), which was a decrease of 0.00293% from its proportion as of June 30, 2019 (measured as of June 30, 2018).

For the year ended June 30, 2020, the County recognized pension expense of \$1,606,615. At June 30, 2020, 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	\$ 602,086	\$ -
Changes of assumptions	573,104	-
Net difference between projected and actual earnings on pension plan investments	85,768	-
Changes in proportion and differences between County Contributions	79,589	12,903
County contributions subsequent to the measurement date	927,322	-
Total	<u>\$ 2,267,869</u>	<u>\$ 12,903</u>

\$927,322 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, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

2021	\$	644,596
2022		208,414
2023		357,837
2024		116,797
2025		-
Thereafter		-

Actuarial Assumptions . The total pension liability in the December 31, 2018 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 actuary currently uses mortality rates based on the *RP-2014 Total Data Set for Healthy Annuitants Mortality Table* 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, 2018 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, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real</u>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation	6.0%	4.0%
	<u>100.0%</u>	

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	\$ 8,042,502	\$ 3,516,335	\$ (245,826)

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

2 Law Enforcement Officers' Special Separation Allowance

Plan Description. Anson County administers a public employee retirement system (the Separation Allowance), a single-employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers 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 0.85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers with five years of service are covered by the Separation Allowance. At December 31, 2018 the Separation Allowance membership consisted of:

Retirees receiving benefits	2
Terminated plan members entitled to but not yet receiving benefits	0
Active plan members	31
Total	<u>33</u>

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 criteria which are outlined in GASB Statement 73.

Actuarial Assumptions:

The entry age actuarial cost method was used in the December 31, 2018 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 increases	3.50 to 7.35 percent, including inflation and productivity factor
Discount rate	3.26 percent

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

The actuarial assumptions used in the December 31, 2018 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five year period ending December 31, 2014.

Mortality Rate

Deaths After Retirement (Healthy): RP-2014 Healthy Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 104% for males and 100% for females.

Deaths Before Retirement: RP-2014 Employee base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015.

Deaths After Retirement (Beneficiary): RP-2014 Healthy Annuitant base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 123% for males and females.

Deaths After Retirement (Disabled): RP-2014 Disabled Retiree base rates projected to 2015 using MP-2015, projected forward generationally from 2015 using MP-2015. Rates are adjusted by 103% for males and 99% for females.

Contributions:

The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$15,978 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, 2020, the County reported a total pension liability of \$663,460. The total pension liability was measured as of June 30, 2019 based on a December 31, 2018 actuarial valuation. The total pension liability was rolled forward to June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2020 the County recognized pension expense of \$64,653.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 86,732	\$ 29,429
Changes of assumptions	39,856	22,203
County benefit payments and admin expenditures paid subsequent to the measurement date	5,620	-
	<u>\$ 132,208</u>	<u>\$ 51,632</u>

The County paid \$5,620 in benefit payments and \$0 in admin expenditures subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a decrease of the total pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2021	\$	16,793
2022		16,793
2023		18,824
2024		17,542
2025		5,004
Thereafter		-

Sensitivity of the County's total pension liability to changes in the discount rate. The following presents the County's total pension liability calculated using the discount rate of 3.26 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26 percent) or 1-percentage-point higher (4.26 percent) than the current rate:

	1% Decrease (2.26%)	Discount Rate (3.26%)	1% Increase (4.26%)
Total pension liability	\$ 728,482	\$ 663,460	\$ 604,288

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

	<u>2020</u>
Beginning balance	\$ 568,555
Service Cost	35,444
Interest on the total pension liability	20,405
Changes of benefit terms	-
Difference between expected and actual experience in the measurement of the total pension liability	31,884
Changes of assumptions or other inputs	23,150
Benefit payments	(15,978)
Other charges	-
Ending balance of the total pension liability	<u>\$ 663,460</u>

Changes of Assumptions. Changes of assumptions and other inputs reflect a changes in the discount rate from 3.64 percent at June 30, 2018 (measurement date) to 3.26 percent at June 30, 2019 (measurement date).

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, 2018 valuation were based on the results of an actuarial experience study as of December 31, 2014.

3 Supplemental Retirement Income Plan for Law Enforcement Officers

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

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan.

Contributions for the year ended June 30, 2020 were \$87,894, which consisted of \$76,274 from the County and \$11,620 from the employees.

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

All employees of the County, other than law enforcement officers, are eligible to participate in the Supplemental Retirement Income Plan for Employees Not Engaged in Law Enforcement, a defined contribution pension plan. Participation may begin six months after the date of employment. The County contributes three percent of each general participant's salary, and the employees may make voluntary contributions. Total contributions for the year ended June 30, 2020, were \$419,652, of which \$255,354 was from the County and \$164,298 from the employees.

5 Deferred Compensation Plan

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

6 Register of Deeds' Supplemental Pension Fund

Plan Description. Carolina County 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 Registers 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 the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

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

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of the North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Registers of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$1,517 for the year ended June 30, 2020.

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

At June 30, 2020, the County reported an asset of \$29,943 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2019. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 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, 2019, the County's proportion was 0.1517%, which was a decrease of 0.0214% from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the County recognized pension expense of \$3,073. At June 30, 2020, 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	\$ -	\$ 1,444
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	306	
Changes in proportion and differences between County Contributions and proportionate share of contributions	3,109	359
County contributions subsequent to the measurement date	1,517	-
Total	<u>\$ 4,932</u>	<u>\$ 1,803</u>

\$1,517 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, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended	
2021	\$ 95
2022	1,331
2023	777
2024	(591)
2025	-
Thereafter	-

Actuarial Assumptions. The total pension liability in the December 31, 2018 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

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, 2018 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, 2020 is 1.4%.

The information above is based on 30 year expectations developed with the consulting actuary for the 2020 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 <u>(2.75%)</u>	Discount Rate <u>(3.75%)</u>	1% Increase <u>(4.75%)</u>
County's proportionate share of the net pension liability (asset)	(24,751)	(29,943)	(34,332)

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

7 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, 2018, 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, 2019, with an actuarial valuation date of December 31, 2018. The County's proportion of the net pension liability was based on 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:

	LGERS	ROD	LEOSSA	Total
Proportionate Share of Net Pension Liability (Asset)	\$ 3,516,335	\$ (29,943)	\$ -	\$ 3,486,392
Proportion of the Net Pension Liability (Asset)	0.1288%	0.1517%	n/a	
Total Pension Liability	\$ -	\$ -	\$ 663,460	\$ 663,460
Pension Expense	\$ 1,606,615	\$ 3,073	\$ 64,653	\$ 1,674,341

At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	LGERS	ROD	LEOSSA	Total
<u>Deferred Outflows of Resources</u>				
Difference between expected and actual experience	\$ 602,086	\$ -	\$ 86,732	\$ 688,818
Changes of assumptions	573,104	-	39,856	612,960
Net difference between projected and actual earnings on pension plan investments	85,768	306	-	86,074
Changes in proportion and differences between County contributions and proportionate share of contributions	79,589	3,109	-	82,698
County contributions (LGERS,ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	927,322	1,517	5,620	934,459
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	-	1,444	29,429	30,873
Changes of assumptions	-	-	22,203	22,203
Changes in proportion and differences between County contributions and proportionate share of contributions	12,903	359	-	13,262

8 Other Post-Employment Benefits

Healthcare Benefits

Plan Description. Under the terms of the County's resolution, the County administers a single-employer defined benefit healthcare plan (HCP). The County Board has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided. The HCB provides postemployment healthcare benefits to retirees of the County, provided they participate in the North Carolina Local Governmental Employees' Retirement System and meet the eligibility conditions stated below in the Amount of Allowance. The HCB provides postemployment health care insurance premiums based on the age at retirement and the years of creditable service. The County may amend the benefit provisions. A separate report was not issued for the HCP.

Current retirees who retired prior to June 1, 1992 will have the full cost of health insurance paid for by the County.

Current retirees who retired prior to November 1, 2004 and on or after June 1, 1992 will have the County pay a maximum of \$229 per month towards the cost of health insurance. The \$229 is not assumed to increase in the future.

Retirees retiring on and or after November 1, 2004: The County will contribute to the cost of retiree insurance premium based on the age at retirement and the years of creditable service with NCLGERS using the following schedule for employees who were hired before January 1, 1993:

Age at Retirement	Service with NLGERS	Continuous Years of Service with County	County Contribution
62	20	20	100%
Any	30 or more	10	100%

The County will contribute to the cost of retiree insurance premium based on the age at retirement and the years of creditable service with NCLGERS using the following schedule for employees who were hired between January 1, 1993 and before November 1, 2004:

Age at Retirement	Service with NLGERS	Continuous Years of Service with County	Maximum County Contribution*
65	10	10	\$ 115
62	15	10	\$ 115
62	20	10	\$ 229
62	25	10	\$ 286
Any	30 or more	10	\$ 343

The County will contribute to the cost of retiree insurance premium based on the age at retirement and the years of creditable service with NCLGERS using the following schedule for employees who were hired after October 31, 2004:

Age at Retirement	Service with NLGERS	Continuous Years of Service with County	Maximum County Contribution*
62	15	10	\$ -
62	20	10	\$ 229
62	25	10	\$ 286
Any	30 or more	10	\$ 343

* The maximum County contributions are not assumed to increase in the future.

Membership of the HCB Plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

	General Employees	Law Enforcement
Retirees receiving benefits	67	2
Terminated plan members entitled to but not yet receiving benefits	-	-
Active Plan members	208	31
Total	275	33

Total OPEB Liability

The County's total OPEB liability of \$8,00,621 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs. The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Inflation	3.00 percent
Salary increases	3.50 to 7.75 percent, including inflation
Discount rate	3.50 percent
Healthcare cost trend rates	
Pre-Medicare	7.50% for 2017 decreasing to an ultimate rate of 5.00% by 2023
Medicare	5.50% for 2017 decreasing to an ultimate rate of 5.00% by 2020

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

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2018	\$ 8,888,703
Service cost	104,057
Interest	339,659
Changes of benefit terms	-
Differences between expected and actual experience	(1,508,169)
Changes in assumptions or other inputs	490,596
Benefit payments	(314,225)
Net Changes	(888,082)
Balance at June 30, 2019	<u>\$ 8,000,621</u>

Changes in assumptions and other inputs reflect a change in the discount rate from 3.89% to 3.50%.

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

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period January 2010 through December 2014.

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage-point higher (4.50 percent) than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB liability	\$ 9,211,511	\$ 8,000,621	\$ 7,023,288

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current	1% Increase
Total OPEB liability	\$ 7,080,777	\$ 8,000,621	\$ 9,128,628

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the County recognized OPEB expense of \$87,604. At June 30, 2020, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 39,630	\$ 1,272,518
Changes of assumptions	413,940	711,844
Benefit payments and administrative costs made subsequent to the measurement date	294,679	-
Total	<u>\$ 748,249</u>	<u>\$ 1,984,362</u>

\$294,679 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, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2020	\$ (335,412)
2021	(335,412)
2022	(335,412)
2023	(273,984)
2024	(186,969)
Thereafter	(63,603)

9 Other Employment Benefits

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

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pensions - Difference between expected and actual experience		
LGERS	\$ 602,086	\$ -
Register of Deeds	-	1,444
LEOSSA	86,732	29,429
OPEB	39,630	1,272,518
Changes of assumptions		
LGERS	573,104	-
LEOSSA	39,856	22,203
OPEB	413,940	711,844

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES (CONTINUED)

Pensions - Difference between projected and actual investment earnings		
LGERS	85,768	-
Register of Deeds	306	-
OPEB	-	-
Pensions - Change in proportion and difference between employer contributions and proportionate share of contributions		
LGERS	79,589	12,903
Register of Deeds	3,109	359
OPEB	-	-
Contributions to pension plan subsequent to measurement date		
LGERS	927,322	-
Register of Deeds	1,517	-
Benefit payments and administrative expenses for LEOSSA made subsequent to measurement date	5,620	-
Benefits payments for the OPEB plan paid subsequent to measurement date	294,679	-
Prepaid taxes (General)	-	7,374
Prepaid taxes (Special Revenue)	-	541
Taxes receivable, net (General)	-	1,990,849
Taxes receivable, net (Special Revenue)	-	203,440
	<u>\$ 3,153,258</u>	<u>\$ 4,252,904</u>

COMMITMENTS

There are no commitments as of June 30, 2020.

RISK MANAGEMENT

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

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

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

CLAIMS AND JUDGMENTS

At June 30, 2020, the County was a defendant to various claims and/or lawsuits. In the opinion of the County's management and the County attorneys, the ultimate effect of these legal matters will not have a material adverse effect on the County's financial position. Any claims are expected to be covered by the County's insurance carrier.

LONG-TERM OBLIGATIONS

1 Capital Leases

The County has no capital leases as of June 30, 2020.

2 Installment Purchase Obligations

Serviced by the General Fund:

For all debt instruments listed below, the property/equipment stands as collateral for the loan. The terms consist of the lender requesting payment in full upon default.

On May 27, 2004, the County entered into a direct purchase financing agreement to finance renovations \$ 28,788 for Anson County Board of Education. The installment purchase was issued pursuant to a deed of trust that requires legal title remain with the County as long as debt is outstanding. The County has entered into a lease with the Board of Education that transfers the rights and responsibilities for maintenance and insurance of the property to the Board of Education. The lease calls for nominal annual lease payments. The lease term is the same as that of the installment purchase obligation. Due to the economic substance of the transaction, the capital assets associated with the installment purchase obligation are recorded by the Board of Education. The installment purchase requires one payment of \$225,000 due May 28, 2020. The financing agreement requires annual funding of the debt in the amount of \$12,261 per fiscal year.

On March 10, 2008, the County entered into a direct purchase agreement to finance improvements to the administration building purchased in 2007 and to pay off the existing note on the purchase of the building. 382,277 The financing agreement requires 15 annual payments of \$127,426 plus interest at 3.83% beginning October 18, 2008.

On June 14, 2013, the County entered into a direct purchase agreement to finance construction of the Emergency Services Center. 1,966,396 The financing agreement requires 15 annual payments of \$245,799 including interest at 2.37% beginning June 14, 2014.

On November 28, 2016, the County entered into a direct purchase agreement to finance the purchase of vehicles. The financing agreement requires 3 annual payments of \$78,031 including interest at 1.78% beginning November 28, 2017. -

On November 15, 2017, the County entered into a direct purchase agreement to finance the purchase of vehicles. 57,376 The financing agreement requires 3 annual payments of \$58,537 including interest at 1.99% beginning November 15, 2018.

On July 27, 2017, the County entered into a direct purchase agreement to finance the purchase of vehicles. 173,007 The financing agreement requires 3 annual payments of \$187,485 including interest at 1.97% beginning July 27, 2018.

On August 8, 2019, the County entered into a direct purchase agreement to finance the purchase of 6 Sheriff vehicles. 214,869 The financing agreement requires 3 annual payments of \$76,015 including interest at 2.99% beginning August 8, 2020.

On August 8, 2019, the County entered into a direct purchase agreement to finance the purchase of an ambulance. 256,571 The financing agreement requires 3 annual payments of \$90,379 including interest at 2.77% beginning August 8, 2020.

On November 1, 2019, the County entered into a direct purchase agreement to finance the purchase of an ambulance and Sheriff vehicles. 495,471 The financing agreement requires 3 annual payments of \$172,410 including interest at 2.18% beginning November 1, 2020.

Total Serviced by the General Fund 3,574,755

Serviced by the Enterprise Funds:

The County was awarded \$1,195,373 through the Drinking Water State Revolving Fund. As part of the American Recovery and Reinvestment Act of 2009, the unpaid principal sum is immediately reduced by one half of the loan amount as principal forgiveness. The remaining principal requires 18 remaining annual payments \$63,023 at 0% interest. The agreement is being serviced by the Water Fund. 630,232

The County was awarded \$550,000 through the Drinking Water State Revolving Fund. The financing agreement requires 20 annual payments of \$26,388 at 0% interest. The agreement is being serviced by the Water Fund. 343,045

Total Serviced by the Water Fund 973,277

TOTAL INSTALLMENT PURCHASES PAYABLE \$ 4,548,032

The future minimum payments of the installment purchase obligations as of June 30, 2020, (using the interest rate ceiling after the first five years of the first contract) are as follows:

Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 930,113	\$ 90,955	\$ 89,411	\$ -
2022	707,733	67,661	89,411	-
2023	707,911	48,702	89,411	-
2024	245,799	29,613	89,411	-
2025	245,799	23,625	89,411	-
2026-2030	737,400	35,454	447,057	-
2031-2035	-	-	79,165	-
Total	<u>\$ 3,574,755</u>	<u>\$ 296,010</u>	<u>\$ 973,277</u>	<u>\$ -</u>

At June 30, 2020, Anson County had a legal debt margin of \$157,427,963.

3 Long-Term Obligation Activity

The following is a summary of changes in the County's long-term obligations for the year ended June 30, 2020:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020	Amount Due Within One Year
Governmental activities:					
Direct purchase installment purchases	\$ 3,770,729	\$ 495,471	\$ 691,445	\$ 3,574,755	\$ 930,113
Net Pension Liability	2,722,540	484,490	-	3,207,030	-
Compensated absences	601,589	134,860	-	736,449	-
Total OPEB Liability	7,379,401	-	737,285	6,642,116	-
Total pension liability (LEO)	568,555	94,905	-	663,460	-
Total governmental	<u>\$ 15,042,814</u>	<u>\$ 1,209,726</u>	<u>\$ 1,428,730</u>	<u>\$ 14,823,810</u>	<u>\$ 930,113</u>
Business-type activities:					
Direct purchase/borrowing installment purchases	\$ 1,247,421	\$ -	\$ 274,143	\$ 973,278	\$ 89,411
Net Pension Liability	262,578	46,727	-	309,305	-
Compensated absences	114,713	18,602	-	133,315	-
Total OPEB Liability	1,509,302	-	150,797	1,358,505	-
Total business-type	<u>\$ 3,134,014</u>	<u>\$ 65,329</u>	<u>\$ 424,940</u>	<u>\$ 2,774,403</u>	<u>\$ 89,411</u>

Net pension liability, total pension liability, and total other postemployment liability for governmental activities are all typically liquidated in the general fund. Compensated absences for governmental activities typically have been liquidated in the General Fund and are accounted for on a LIFO basis, assuming that employees are taking leave as it is earned.

C. INTERFUND BALANCES AND ACTIVITY

Transfer from/to other funds at June 30, 2020, consist of the following:

Transfer from the Public School Capital Outlay Reserve Fund to the General Fund to provide resources for debt service payments.	\$ 102,301
Transfer from the General Fund to the Revaluation Fund to reserve fundings for future tax revaluation expenses.	75,000
Transfer from the General Fund to the Airport Construction Fund to provide County match requirements for Airport Grants received.	16,667
	<u>\$ 193,968</u>

D. OPERATING LEASE REVENUE

The County has entered into leases with communications companies granting the companies the right to install communications equipment on County property. The initial leases are for five years with varying automatic renewal terms of five years each. Lease revenue under these leases for the year ended June 30, 2020, was \$72,513. The total future minimum rental payments receivable under these leases (excluding any future renewal options) are as follows at June 30, 2020:

2022	\$ 73,860
2023	75,248
2024	76,677
2025	80,910
2026	<u>83,988</u>
	<u>\$ 390,683</u>

E. FUND BALANCE

Anson County has a revenue spending policy that provides a policy for programs with multiple revenue sources. The Finance Officers will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-city funds, city 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 is in the best interest of the County.

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

Total fund balance - General Fund	\$ 23,373,595
Less:	
Prepays	38,466
Stabilization by State Statute	2,010,041
School Capital	1,932,059
Committed for Other Purposes	1,880,152
Tax Revaluation	334,572
Appropriated Fund Balance in 2021 budget	1,901,855
Remaining Fund Balance	<u>\$ 15,276,450</u>

The County had no outstanding encumbrances at June 30, 2020.

NOTE 4: JOINT VENTURES

South Piedmont Community College

The County, in conjunction with the State of North Carolina, the Anson County Board of Education, Union County, and Union County Board of Education participates in a joint venture to operate South Piedmont Community College. Each of the participants appoints two to four members of the thirteen-member board of trustees of the community college. The president of the community college's student government serves as an ex-officio nonvoting member of the community college's board of trustees. The community college is included as a component unit of the State. The County has the basic responsibility for providing funding for the facilities of the community college and also provides some financial support for the community college's operation. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$560,629 and \$233,250 to the community college for operating and capital purposes, respectively, during the fiscal year ended June 30, 2019. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2020. Complete financial statements for the community college may be obtained from the community college's administrative office on U.S. Highway 74, Polkton, North Carolina 28135.

Sandhill Regional Library System

The County also participates in a joint venture to operate Sandhill Regional Library System (Library) with four other County governments (Hoke, Montgomery, Moore and Richmond). Each participating government appoints three board members to the fifteen member board of the Library. The County has an ongoing financial responsibility for the joint venture because the Library's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Library, so no equity interest has been reflect in the financial statements at June 30, 2020. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$10,000 to the Library to supplement its activities. Complete financial statements for the Library can be obtained from the Library's office at 412 East Franklin Street; Rockingham, North Carolina 28379.

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

The County, in conjunction with seven other county governments (Harnett, Hoke, Lee, Montgomery, Moore, Randolph, and Richmond), participates in a joint venture to operate The Sandhills Center for Mental Health, Developmental Disabilities, and Substance Abuse Services (Center). The Center operates units in each of the counties to provide services to residents who are in need of assistance for either mental health, developmental disabilities, or alcohol or drug related problems. Each participating government appoints members to the Center's twenty-five member governing board, with the County of Anson appointing two. The County has an ongoing financial responsibility for the joint venture because the Center's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Center, so no equity interest has been reflected in the financial statements at June 30, 2020. In accordance with the intergovernmental agreement between the participating governments, the County appropriated \$55,000 to the Center to supplement its activities. Complete financial statements for the Center can be obtained from the Center's office in West End, North Carolina 27376.

Yadkin/Pee Dee Lakes Project, Inc.

The County also participates in a joint venture to operate Yadkin/Pee Dee Lakes Project, Inc. (Project) with six other county governments (Davidson, Montgomery, Randolph, Richmond, Rowan, and Stanly). Each participating government appoints three board members to the twenty-five member board of the Project which also includes members appointed by the North Carolina House of Representatives, the North Carolina Senate, Carolina Power and Light Company, and Alcoa/Yadkin, Inc. The purpose of the project is to promote and support efforts to balance economic development and environmental management within the Yadkin/Pee Dee River Region of North Carolina. The County has an ongoing financial responsibility for the joint venture because the Project's continued existence depends on the participating governments' continued funding. None of the participating governments have any equity interest in the Project, so no equity interest has been reflected in the financial statements at June 30, 2020. The County contributed \$4,415 to this venture in the current fiscal year. Complete financial statements for the Project can be obtained from the Project's office in Badin, North Carolina 28009

Rocky River Rural Planning Organization

The County also participates in a joint venture, Rocky River Rural Planning Organization (RPO), with 2 other counties and 14 municipalities to work cooperatively with each other and the North Carolina Department of Transportation to enhance transportation planning opportunities for rural areas in the region. Rocky River RPO is the only RPO in the State not housed in a Council of Governments. The RPO's fiscal agent is the County of Stanly. None of the participating governments have any equity interest in the RPO, so no equity interest has been reflected in the financial statements at June 30, 2020. In accordance with the agreement between the participating governments and the RPO, the County paid \$3,983 to the RPO during the fiscal year ended June 30, 2020, for membership dues. Complete financial statements for the RPO can be obtained from the RPO's office at 1000 North Front Street, Suite 17; Albemarle, North Carolina 28001

NOTE 5: JOINTLY GOVERNED ORGANIZATION

Centralina

The County, in conjunction with 8 other counties and approximately 70 municipalities, is a member of the Centralina Council of Governments (Council) and the Centralina Council of Governments Economic Development Commission. The Council coordinate various funding received from federal and State agencies. Each participating government appoints one member to the Council's governing board and one member to the Commission. The County paid \$6,110 to the Council and \$1,012 to the Commission during the fiscal year ended June 30, 2020, for membership fees and zoning and code enforcement services.

NC Southeast

Additionally, the County is a member in NC Southeast. This organization promotes economic development in the region. The County contributed \$20,000 to NC Southeast during the fiscal year ended June 30, 2020.

NOTE 6: SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

FEDERAL AND STATE ASSISTED PROGRAMS

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

NOTE 7: SIGNIFICANT SUBSEQUENT EVENTS

There have been no significant subsequent events.

NOTE 8: PRIOR PERIOD ADJUSTMENT

The water fund recorded an adjustment of \$57,562 to correct the outstanding liability for the Mobile Radio Read System loan. Per the bank, the loan was paid off, but the County was still showing a remaining liability, so this amount was written off.

REQUIRED SUPPLEMENTAL FINANCIAL DATA

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

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

Schedule of County Contributions (LGERS)

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

Schedule of County Contributions (ROD)

Schedule of Changes in Total Pension Liability (LEOSSA)

Schedule of Total Pension Liability as a Percentage of Covered Payroll

Schedule of Changes in the Total OPEB Liability and Related Ratios

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

Local Government Employees' Retirement System							
	2020	2019	2018	2017	2016	2015	2014
County's proportion of the net pension liability (asset) (%)	0.1288%	0.1258%	0.1327%	0.1363%	13.5900%	0.1325%	0.1338%
County's proportion of the net pension liability (asset) (\$)	\$3,516,335	\$2,985,118	\$ 2,027,441	\$ 2,892,106	\$ 609,011	\$ 781,354	\$ 1,612,804
County's covered payroll	\$9,520,727	\$8,767,098	\$ 8,385,464	\$ 8,494,657	\$ 8,385,464	\$ 8,185,211	\$ 8,185,211
County's proportionate share of the net pension liability as a percentage of its payroll	36.93%	34.05%	24.18%	34.05%	7.26%	9.55%	19.70%
Plan fiduciary net position as a percentage of the total pension liability**	90.86%	92.00%	94.18%	91.47%	98.09%	102.64%	94.35%

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

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

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

Local Government Employees' Retirement System							
	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 937,322	\$ 756,905	\$ 675,242	\$ 624,955	\$ 581,797	\$ 596,989	\$ 582,787
Contributions in relation to the contractually required contribution	937,322	756,905	675,242	624,955	581,797	596,989	582,787
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County covered payroll	\$ 10,239,863	\$ 9,520,727	\$ 8,767,098	\$ 8,385,464	\$ 8,494,657	\$ 8,385,464	\$ 8,185,211
Contributions as a percentage of covered payroll	9.15%	7.95%	7.70%	7.45%	6.85%	7.12%	7.12%

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

	2020	2019	2018	2017	2016	2015	2014
County's proportionate share of the net pension liability (%)	0.1517%	0.1731%	0.1681%	0.1715%	0.1757%	0.1780%	0.1690%
County's proportionate share of the net pension liability (\$)	\$ (29,943)	\$ (28,664)	\$ (28,691)	\$ (32,060)	\$ (40,710)	\$ (40,339)	\$ (36,143)
Plan fiduciary net position as a percentage of the total pension liability	164.11%	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.

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

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
County's required contribution	\$ 1,517	\$ 1,442	\$ 1,481	\$ 1,401	\$ 3,233	\$ 3,358	\$ 1,453
Contributions in relation to contractually required contribution	<u>1,517</u>	<u>1,442</u>	<u>1,481</u>	<u>1,401</u>	<u>3,233</u>	<u>3,358</u>	<u>1,453</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Anson County, North Carolina
Schedule of Changes in Total Pension Liability
Law Enforcement Officers' Special Separation Allowance
For the Year Ended June 30, 2020

	2020	2019	2018	2017
Beginning balance	\$ 568,555	\$ 466,300	\$ 450,681	\$ 438,672
Service Cost	35,444	37,651	31,159	30,296
Interest on the total pension liability	20,405	14,483	17,088	15,292
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience in the measurement of the total pension liability	31,884	93,605	(57,548)	-
Changes of assumptions or other inputs	23,150	(27,506)	40,898	(12,935)
Benefit Payments	(15,978)	(15,978)	(15,978)	(20,644)
Other changes	-	-	-	-
Ending balance of the total pension liability	<u>\$ 663,460</u>	<u>\$ 568,555</u>	<u>\$ 466,300</u>	<u>\$ 450,681</u>

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

Anson 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, 2020

	2020	2019	2018	2017
Total Pension Liability	\$ 663,460	\$ 568,555	\$ 466,300	\$ 450,681
Covered Payroll	1,477,753	1,421,458	1,366,868	1,227,828
Total Pension Liability as a percentage of covered payroll	44.90%	40.00%	34.11%	36.71%

Notes to the schedule:

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

Anson County, North Carolina
Schedule of Changes in the Total OPEB Liability and Related Ratios
June 30, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 104,057	\$ 100,538	\$ 114,436
Interest	339,659	321,100	292,062
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(1,508,169)	44,119	16,993
Changes of assumptions	490,596	(421,827)	(782,461)
Benefit payments	<u>(314,225)</u>	<u>(346,768)</u>	<u>(302,845)</u>
Net change in total OPEB liability	<u>(888,082)</u>	<u>(302,838)</u>	<u>(661,815)</u>
Total OPEB liability - beginning	<u>8,888,703</u>	<u>9,191,541</u>	<u>9,853,356</u>
Total OPEB liability - ending	<u>\$ 8,000,621</u>	<u>\$ 8,888,703</u>	<u>\$ 9,191,541</u>
Covered payroll	9,920,028	8,261,014	8,261,014
Total OPEB liability as a percentage of covered payroll	80.65%	107.60%	111.26%

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%
2020	3.50%

MAJOR FUNDS

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

Airport Construction Fund: Accounts for resources associated with airport construction projects.

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current Year Taxes	\$ 14,558,047	\$ 14,694,808	\$ 136,761
Prior Year Taxes	575,000	592,818	17,818
Deferred Taxes	35,000	30,426	(4,574)
Penalties and interest	237,984	270,298	32,314
Total	<u>15,406,031</u>	<u>15,588,350</u>	<u>182,319</u>
Local option sales tax:			
Article 39 one percent	600,000	780,456	180,456
Article 40 one - half percent	900,000	995,589	95,589
Article 42 one - half percent	245,000	298,177	53,177
Article 44 one - half percent	600,000	694,408	94,408
Article 46	375,000	418,168	43,168
Total	<u>2,720,000</u>	<u>3,186,798</u>	<u>466,798</u>
Other taxes & licenses:			
Deed stamp excise tax	56,500	80,728	24,228
Privilege licenses	800	1,025	225
Cablevision franchise tax	22,000	20,210	(1,790)
Scrap Tire Disposal Tax	21,000	36,040	15,040
Total	<u>100,300</u>	<u>138,003</u>	<u>37,703</u>
Unrestricted intergovernmental:			
Payments in lieu of taxes	31,000	30,977	(23)
ABC profit distribution	15,000	47,000	32,000
DMV - LPA State Revenues	78,850	64,937	(13,913)
Total	<u>124,850</u>	<u>142,914</u>	<u>18,064</u>
Restricted intergovernmental revenues:			
Federal Grants	4,869,366	3,861,916	(1,007,450)
State Grants	526,971	452,429	(74,542)
Lottery funds	-	-	-
ABC bottle tax	14,000	13,413	(587)
Controlled Substance tax	18,500	16,285	(2,215)
State imposed tipping fee	12,500	14,280	1,780
Electronics management program	1,500	-	(1,500)
Court facilities fees	51,000	38,025	(12,975)
Needs Based Grant	750,000	697,733	(52,267)
Total	<u>6,243,837</u>	<u>5,094,081</u>	<u>(1,149,756)</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Permits and fees:			
Building Permits	60,000	82,345	22,345
Zoning, building and inspection fees	6,000	7,125	1,125
Concealed Weapon Fees	8,000	13,725	5,725
Register of Deeds Fees	97,450	107,398	9,948
Total	<u>171,450</u>	<u>210,593</u>	<u>39,143</u>
Sales and services:			
Landfill Fees	1,708,000	2,158,343	450,343
Ambulance Services	835,000	870,888	35,888
Health Department Fees & Donations	682,351	778,975	96,624
Rents	69,900	74,559	4,659
Concessions & Recreation Fees	9,400	5,973	(3,427)
Jail and Officers' Fees	64,500	63,542	(958)
Aviation Fuel Sales & Fees	180,850	187,266	6,416
Library Fees & Donations	7,200	7,241	41
Map Sales	355	389	34
Assistance - Enterprise Funds	202,176	202,176	-
Reimbursements from Other Agencies	431,801	425,222	(6,579)
Civic Clubs & 4H Programs	49,000	22,731	(26,269)
Soil Conservation Fees	-	-	-
Board of Elections Fees	-	-	-
Animal Shelter	12,500	5,105	(7,395)
Total	<u>4,253,033</u>	<u>4,802,410</u>	<u>549,377</u>
Investment earnings:	<u>78,500</u>	<u>207,387</u>	<u>128,887</u>
Miscellaneous:			
Sale of Fixed Assets	30,500	34,553	4,053
Other Miscellaneous	175,379	426,700	251,321
Total	<u>205,879</u>	<u>461,253</u>	<u>255,374</u>
Total revenues	<u>\$ 29,303,880</u>	<u>\$ 29,831,789</u>	<u>\$ 527,909</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Expenditures:			
General Government:			
Governing Body:			
Salaries and Employee Benefits	\$ 633,417	\$ 532,440	\$ 100,977
Professional Services	90,766	65,414	25,352
Insurance	15,800	11,756	4,044
Operating Expenditures	106,550	126,961	(20,411)
Total	<u>846,533</u>	<u>736,571</u>	<u>109,962</u>
Administration:			
Salaries and Employee Benefits	198,622	212,159	(13,537)
Operating Expenditures	14,120	8,278	5,842
Total	<u>212,742</u>	<u>220,437</u>	<u>(7,695)</u>
Human Resources/Assistant County Manager:			
Operating Expenditures	112,512	108,314	4,198
Less: Departmental Allocations	88,950	94,159	(5,209)
Total	<u>201,462</u>	<u>202,473</u>	<u>(1,011)</u>
Finance:			
Salaries and Employee Benefits	390,336	370,171	20,165
Operating Expenditures	64,570	55,758	8,812
Total	<u>454,906</u>	<u>425,929</u>	<u>28,977</u>
Tax Assessor:			
Salaries and Employee Benefits	308,880	251,733	57,147
Professional Services	27,350	24,000	3,350
Operating Expenditures	55,965	40,267	15,698
Total	<u>392,195</u>	<u>316,000</u>	<u>76,195</u>
Tax Collector:			
Salaries and Employee Benefits	182,856	184,411	(1,555)
Operating Expenditures	108,130	104,626	3,504
Total	<u>290,986</u>	<u>289,037</u>	<u>1,949</u>
Court Facilities:			
Operating Expenditures	81,334	64,361	16,973
Board of Elections:			
Salaries and Employee Benefits	182,335	201,405	(19,070)
Operating Expenditures	88,400	84,187	4,213
Total	<u>270,735</u>	<u>285,592</u>	<u>(14,857)</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Register of Deeds:			
Salaries and Employee Benefits	173,304	175,065	(1,761)
Operating Expenditures	98,195	69,200	28,995
Total	<u>271,499</u>	<u>244,265</u>	<u>27,234</u>
Data Processing:			
Salaries and Employee Benefits	87,049	87,057	(8)
Operating Expenditures	254,000	202,351	51,649
Capital Outlay	200,000	70,021	129,979
Less: Departmental Allocations	-	-	-
Total	<u>541,049</u>	<u>359,429</u>	<u>181,620</u>
Public Buildings:			
Courthouse Building			
Operating Expenditures	74,081	64,594	9,487
Capital Outlay	20,000	15,780	4,220
Total	<u>94,081</u>	<u>80,374</u>	<u>13,707</u>
Law Enforcement Building			
Operating Expenditures	<u>152,160</u>	<u>143,885</u>	<u>8,275</u>
Inspections Building:			
Operating Expenditures	<u>20,054</u>	<u>11,402</u>	<u>8,652</u>
Belk Building:			
Operating Expenditures	<u>49,018</u>	<u>68,948</u>	<u>(19,930)</u>
Total	<u>49,018</u>	<u>68,948</u>	<u>(19,930)</u>
Administrative Building:			
Operating Expenditures	<u>97,975</u>	<u>98,918</u>	<u>(943)</u>
Board of Elections Building:			
Operating Expenditures	<u>26,927</u>	<u>23,699</u>	<u>3,228</u>
Emergency Services Center:			
Operating Expenditures	<u>156,189</u>	<u>133,931</u>	<u>22,258</u>
Animal Shelter Building:			
Operating Expenditures	45,683	38,140	7,543
Capital Outlay	-	-	-
Total	<u>45,683</u>	<u>38,140</u>	<u>7,543</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Central Services:			
Gasoline	270,500	248,101	22,399
Less: Departmental Allocations	<u>(264,000)</u>	<u>(240,684)</u>	<u>(23,316)</u>
	<u>6,500</u>	<u>7,417</u>	<u>(917)</u>
Janitorial Services:			
Contracted Services	111,785	111,780	5
Less: Departmental Allocations	<u>(111,785)</u>	<u>(111,780)</u>	<u>(5)</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>
Information Technology Services:			
Operating Expenditures	67,048	26,525	40,523
Capital Outlay	5,000	-	5,000
Less: Departmental Allocations	<u>(72,048)</u>	<u>(90,060)</u>	<u>18,012</u>
Total	<u>-</u>	<u>(63,535)</u>	<u>63,535</u>
Building Maintenance:			
Salaries and Employee Benefits	52,624	43,054	9,570
Operating Expenditures	11,477	7,419	4,058
Capital Outlay	4,047	-	4,047
Less: Departmental Allocations	<u>(67,788)</u>	<u>(84,735)</u>	<u>16,947</u>
Total	<u>360</u>	<u>(34,262)</u>	<u>34,622</u>
Veterans:			
Salaries and Employee Benefits	56,863	56,719	144
Operating Expenditures	13,110	6,113	6,997
Total	<u>69,973</u>	<u>62,832</u>	<u>7,141</u>
DMV-License Plate Agency			
Salaries and Employee Benefits	95,104	94,927	177
Operating Expenditures	4,680	3,453	1,227
Total	<u>99,784</u>	<u>98,380</u>	<u>1,404</u>
Total General Government	<u>4,382,145</u>	<u>3,814,223</u>	<u>567,922</u>
Public Safety:			
Sheriff and Communications:			
Salaries and Employee Benefits	2,334,344	2,280,945	53,399
Operating Expenditures	486,978	417,470	69,508
Capital Outlay	224,008	257,510	(33,502)
Total	<u>3,045,330</u>	<u>2,955,925</u>	<u>89,405</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Jail:			
Salaries and Employee Benefits	992,631	821,757	170,874
Contracted Services	115,000	94,118	20,882
Operating Expenditures	286,347	279,206	7,141
Total	<u>1,393,978</u>	<u>1,195,081</u>	<u>198,897</u>
Emergency Management:			
Salaries and Employee Benefits	131,636	128,159	3,477
Operating Expenditures	116,111	49,302	66,809
Capital Outlay	-	-	-
Total	<u>247,747</u>	<u>177,461</u>	<u>70,286</u>
Fire:			
Volunteer Fire Services	9,000	9,000	-
Building Inspections and Zoning:			
Salaries and Employee Benefits	133,141	133,299	(158)
Operating Expenditures	15,187	9,978	5,209
Total	<u>148,328</u>	<u>143,277</u>	<u>5,051</u>
Planning Department:			
Salaries and Employee Benefits	-	-	-
Operating Expenditures	93,175	72,776	20,399
Total	<u>93,175</u>	<u>72,776</u>	<u>20,399</u>
Medical Examiner:			
Other operating expenditures	25,000	23,200	1,800
EMS:			
Salaries and Employee Benefits	1,077,393	1,082,405	(5,012)
Operating Expenditures	253,616	218,125	35,491
Capital Outlay	317,878	55,615	262,263
Total	<u>1,648,887</u>	<u>1,356,145</u>	<u>292,742</u>
911 Services:			
Salaries and Employee Benefits	643,251	609,142	34,109
Operating Expenditures	46,367	36,454	9,913
Capital Outlay	-	-	-
Total	<u>689,618</u>	<u>645,596</u>	<u>44,022</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Rescue Services:			
Contributions to Rescue Squads	34,000	34,000	-
Domestic Violence Coalition:			
Operating Expenditures	253,000	272,544	(19,544)
Animal Shelter			
Salaries and Employee Benefits	232,677	225,324	7,353
Operating Expenditures	97,989	82,750	15,239
Total	330,666	308,074	22,592
Total Public Safety	7,918,729	7,193,079	725,650
Transportation:			
Anson County Transit System:			
Salaries and Employee Benefits	544,783	589,107	(44,324)
Operating Expenditures	639,031	360,832	278,199
Capital Outlay	168,256	68,718	99,538
Total	1,352,070	1,018,657	333,413
Airport:			
Salaries and Employee Benefits	64,772	58,956	5,816
Operating Expenditures	218,223	183,534	34,689
Capital Outlay	-	17,437	(17,437)
Total	282,995	259,927	23,068
Total Transportation	1,635,065	1,278,584	356,481
Environmental Protection:			
Landfill/Solid Waste Management:			
Salaries and Employee Benefits	26,035	10,012	16,023
Operating Expenditures	103,217	36,277	66,940
Total	129,252	46,289	82,963
N.C. Forestry Service	109,372	108,558	814
Total Environmental Protection	238,624	154,847	83,777

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Economic and Physical Development:			
Economic Development Commission:			
Professional Dues	106,050	106,012	38
Operating Expenditures	218,833	203,221	15,612
Total	<u>324,883</u>	<u>309,233</u>	<u>15,650</u>
Road Naming:			
Salaries and Employee Benefits	56,213	54,418	1,795
Operating Expenditures	13,452	10,520	2,932
Total	<u>69,665</u>	<u>64,938</u>	<u>4,727</u>
Cooperative Extension Service:			
Salaries and Employee Benefits	209,707	173,071	36,636
Operating Expenditures	98,044	61,904	36,140
Capital Outlay	0	0	-
Total	<u>307,751</u>	<u>234,975</u>	<u>72,776</u>
Agri-Civic Center			
Operating Expenditures	488,379	282,149	
Total	<u>488,379</u>	<u>282,149</u>	<u>206,230</u>
Soil Conservation Service:			
Salaries and Employee Benefits	107,182	107,187	(5)
Operating Expenditures	20,674	14,590	6,084
Capital Outlay	25,000	25,000	-
Total	<u>152,856</u>	<u>146,777</u>	<u>6,079</u>
Total Economic and Physical Development	<u>1,343,534</u>	<u>1,038,072</u>	<u>305,462</u>
Human Services:			
Health:			
General:			
Salaries and Employee Benefits	7,623	9,683	(2,060)
Contracted Services	29,500	16,310	13,190
Operating Expenditures	132,579	117,016	15,563
Total	<u>169,702</u>	<u>143,009</u>	<u>26,693</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Bioterrorism:			
Salaries and Employee Benefits	19,057	6,082	12,975
Operating Expenditures	52,400	47,745	4,655
Total	<u>71,457</u>	<u>53,827</u>	<u>17,630</u>
Tuberculosis Control:			
Salaries and Employee Benefits	35,101	193	34,908
Professional Services	200	280	(80)
Operating Expenditures	3,750	492	3,258
Total	<u>39,051</u>	<u>965</u>	<u>38,086</u>
Adult Health Services:			
Salaries and Employee Benefits	166,471	155,696	10,775
Professional Services	7,000	4,953	2,047
Operating Expenditures	28,317	15,104	13,213
Total	<u>201,788</u>	<u>175,753</u>	<u>26,035</u>
Environmental Health:			
Salaries and Employee Benefits	138,332	169,384	(31,052)
Professional Services	-	16,320	(16,320)
Operating Expenditures	27,250	20,691	6,559
Total	<u>165,582</u>	<u>206,395</u>	<u>(40,813)</u>
Health Promotion:			
Salaries and Employee Benefits	58,738	59,473	(735)
Operating Expenditures	1,950	1,103	847
Total	<u>60,688</u>	<u>60,576</u>	<u>112</u>
Maternal Health:			
Salaries and Employee Benefits	164,934	68,303	96,631
Professional Services	4,700	4,272	428
Operating Expenditures	27,416	11,727	15,689
Total	<u>197,050</u>	<u>84,302</u>	<u>112,748</u>
Family Planning:			
Salaries and Employee Benefits	219,913	281,705	(61,792)
Professional Services	10,700	10,019	681
Operating Expenditures	89,309	60,153	29,156
Total	<u>319,922</u>	<u>351,877</u>	<u>(31,955)</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Women, Infants and Children-Gen Admin.			
Salaries and Employee Benefits	32,034	7,709	24,325
Total	<u>32,034</u>	<u>7,709</u>	<u>24,325</u>
Women, Infants and Children-Nutrition Education			
Salaries and Employee Benefits	40,967	60,202	(19,235)
Operating Expenditures	250	-	250
Total	<u>41,217</u>	<u>60,202</u>	<u>(18,985)</u>
Women, Infants and Children-Client Services			
Salaries and Employee Benefits	110,293	135,331	(25,038)
Professional Services	250	-	250
Operating Expenditures	15,169	10,584	4,585
Total	<u>125,712</u>	<u>145,915</u>	<u>(20,203)</u>
Women, Infants and Children-Breastfeeding Promotions			
Salaries and Employee Benefits	30,189	18,219	11,970
Operating Expenditures	2,000	-	2,000
Total	<u>32,189</u>	<u>18,219</u>	<u>13,970</u>
Epidemiology:			
Salaries and Employee Benefits	169,071	270,260	(101,189)
Professional Services	8,771	7,948	823
Operating Expenditures	11,450	6,844	4,606
Total	<u>189,292</u>	<u>285,052</u>	<u>(95,760)</u>
Food and Lodging:			
Operating Expenditures	750	(350)	1,100
Immunization Action Plan:			
Salaries and Employee Benefits	135,685	77,406	58,279
Operating Expenditures	38,750	34,348	4,402
Total	<u>174,435</u>	<u>111,754</u>	<u>62,681</u>
Total Health	<u>1,820,869</u>	<u>1,705,205</u>	<u>115,664</u>
Mental Health:			
Sandhills Mental Health	55,000	55,000	-
Anson County Council on Alcoholism	14,000	13,913	87
Total Mental Health	<u>69,000</u>	<u>68,913</u>	<u>87</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Social Services:			
Administration:			
Salaries and Employee Benefits	2,979,994	2,820,752	159,242
Contracted Services	95,000	72,713	22,287
Operating Expenditures	253,183	217,889	35,294
Capital Outlay	52,650	37,321	15,329
Total	<u>3,380,827</u>	<u>3,148,675</u>	<u>232,152</u>
COVID-19			
Salaries and Employee Benefits	26,862	-	26,862
Operating Expenditures	35,000	24,343	10,657
Total	<u>61,862</u>	<u>24,343</u>	<u>37,519</u>
Work First Program:			
Operating Expenditures	<u>367,137</u>	<u>182,560</u>	<u>184,577</u>
Miscellaneous Services:			
Operating Expenditures	<u>62,906</u>	<u>51,256</u>	<u>11,650</u>
Child Daycare Program:			
Operating Expenditures	<u>115,000</u>	<u>(300)</u>	<u>115,300</u>
Title XIX Transportation			
Operating Expenditures	<u>194,000</u>	<u>157,638</u>	<u>36,362</u>
TANF			
Operating Expenditures	<u>1,000</u>	<u>-</u>	<u>1,000</u>
Foster Care:			
Operating Expenditures	<u>60,500</u>	<u>49,600</u>	<u>10,900</u>
Title IV-E Foster Care:			
Operating Expenditures	<u>315,000</u>	<u>317,211</u>	<u>(2,211)</u>
Medicaid Program:			
Operating Expenditures	<u>200,000</u>	<u>162,324</u>	<u>37,676</u>
Crisis Intervention:			
Operating Expenditures	<u>491,340</u>	<u>471,174</u>	<u>20,166</u>
Public Assistance:			
Operating Expenditures	<u>32,660</u>	<u>30,678</u>	<u>1,982</u>
Total social services	<u>5,282,232</u>	<u>4,595,159</u>	<u>687,073</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Other Human Services:			
Elderly Services:			
Activity Center:			
Salaries and Employee Benefits	34,795	34,041	754
Operating Expenditures	69,312	63,850	5,462
Total	<u>104,107</u>	<u>97,891</u>	<u>6,216</u>
Title III - Chore and Transportation:			
Salaries and Employee Benefits	163,462	172,473	(9,011)
Operating Expenditures	86,944	53,347	33,597
Total	<u>250,406</u>	<u>225,820</u>	<u>24,586</u>
Home Delivered Nutrition Services:			
Salaries and Employee Benefits	41,157	36,074	5,083
Operating Expenditures	66,300	63,743	2,557
Total	<u>107,457</u>	<u>99,817</u>	<u>7,640</u>
Congregate Nutrition Services:			
Salaries and Employee Benefits	75,526	77,834	(2,308)
Operating Expenditures	49,750	43,739	6,011
Total	<u>125,276</u>	<u>121,573</u>	<u>3,703</u>
Aging - Planning and Administration:			
Operating Expenditures	4,000	3,791	209
Total Elderly Services	<u>591,246</u>	<u>548,892</u>	<u>42,354</u>
Youth Services:			
Youth Services Advisory Council:			
Operating Expenditures	1,145	1,145	-
4-H Youth Promise:			
Salaries and Employee Benefits	103,255	100,365	2,890
Operating Expenditures	61,120	52,377	8,743
Total	<u>164,375</u>	<u>152,742</u>	<u>11,633</u>
Total Youth Services	<u>165,520</u>	<u>153,887</u>	<u>11,633</u>
Total Other Human Services	<u>756,766</u>	<u>702,779</u>	<u>53,987</u>
Total Human Services	<u>7,928,867</u>	<u>7,072,056</u>	<u>856,811</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Cultural and Recreational:			
Library:			
Salaries and Employee Benefits	199,370	197,119	2,251
Operating Expenditures	40,780	30,892	9,888
Sandhills Regional Library System	10,000	10,000	-
Total	<u>250,150</u>	<u>238,011</u>	<u>12,139</u>
Parks and Recreation:			
Salaries and Employee Benefits	312,702	313,657	(955)
Operating Expenditures	122,843	108,784	14,059
Capital outlay	12,500	12,500	-
Total	<u>448,045</u>	<u>434,941</u>	<u>13,104</u>
Library Building:			
Operating Expenditures	48,870	44,943	3,927
Capital Outlay	-	-	-
Total	<u>48,870</u>	<u>44,943</u>	<u>3,927</u>
Total Cultural and Recreation	<u>747,065</u>	<u>717,895</u>	<u>29,170</u>
Education:			
Public schools - current expense	3,694,598	3,694,598	-
Public schools - capital outlay	640,638	340,637	300,001
Public schools - Grant	614,918	658,086	(43,168)
Community colleges - current	560,629	560,629	-
Community colleges - contribution	433,250	433,249	1
Needs Based Grant	750,000	697,733	52,267
County Contribution ACMS	250,000	232,578	17,422
McLaurin Vocational Training Center	-	-	-
Total Education	<u>6,944,033</u>	<u>6,617,510</u>	<u>326,523</u>
Debt service:			
Principal retirement	844,082	691,446	152,636
Interest and fees	104,711	85,999	18,712
Total debt service	<u>948,793</u>	<u>777,445</u>	<u>171,348</u>
Contingency	<u>2,233</u>	<u>-</u>	<u>2,233</u>
TOTAL EXPENDITURES	<u>\$ 32,089,088</u>	<u>\$ 28,663,711</u>	<u>\$ 3,425,377</u>
REVENUES UNDER EXPENDITURES	<u>\$ (2,785,208)</u>	<u>\$ 1,168,078</u>	<u>\$ 3,953,286</u>

Anson County, North Carolina
General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
OTHER FINANCING SOURCES (USES):			
Transfers from (to) other funds:			
Revaluation Fund	(75,000)	(75,000)	-
Public School Capital Outlay Reserve Fund	452,939	102,301	(350,638)
ACMS Match	250,000	-	(250,000)
Capital Projects Funds - Airport	(269,668)	(16,667)	253,001
Loan proceeds	495,471	495,471	-
Appropriated fund balance	1,931,466	-	(1,931,466)
	<u>\$ 2,785,208</u>	<u>\$ 506,105</u>	<u>\$ (2,279,103)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	1,674,183	<u>\$ 1,674,183</u>
FUND BALANCE, BEGINNING		<u>19,432,781</u>	
FUND BALANCE, ENDING		<u>\$ 21,106,964</u>	

Anson County, North Carolina
Revaluation Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Investment earnings	\$ -	\$ 2,946	\$ 2,946
EXPENDITURES			
General Government:			
Revaluation	75,000	-	75,000
Revenues over (under) expenditures	<u>(75,000)</u>	<u>2,946</u>	<u>77,946</u>
Other Financing Sources (Uses)			
Fund Balance Appropriated	-	-	-
Transfer to General Fund	75,000	-	(75,000)
Transfer from General Fund	-	75,000	75,000
Total Other Financing Sources (Uses)	<u>75,000</u>	<u>75,000</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	77,946	<u>\$ 77,946</u>
Fund balance, beginning		<u>256,626</u>	
Fund balance, ending		<u>\$ 334,572</u>	

Anson County, North Carolina
Public School Capital Outlay Reserve Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
REVENUES			
Local option sales tax	\$ 452,490	\$ 873,947	\$ 421,457
Investment Earnings	449	13,134	12,685
Total Revenues	<u>452,939</u>	<u>887,081</u>	<u>434,142</u>
EXPENSES			
Public School Reserve	<u>90,000</u>	-	<u>(90,000)</u>
Total Expenses	<u>90,000</u>	-	<u>(90,000)</u>
OTHER FINANCING SOURCES			
Transfer to General Fund	<u>(362,939)</u>	<u>(102,301)</u>	<u>260,638</u>
Net change in fund balance	<u>\$ -</u>	784,780	<u>\$ 694,780</u>
Fund balance, beginning		<u>1,147,279</u>	
Fund balance, ending		<u>\$ 1,932,059</u>	

Anson County, North Carolina
Airport Construction Project Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental Revenues:					
Division of Aviation Grants	\$ 1,449,658	\$ 1,334,341	\$ 1,070,702	\$ 2,405,043	\$ 955,385
Total Revenues	<u>1,449,658</u>	<u>1,334,341</u>	<u>1,070,702</u>	<u>2,405,043</u>	<u>955,385</u>
Expenditures					
Transportation:					
Engineering	305,000	390,817	101,189	492,006	(187,006)
Miscellaneous	-	-	-	-	-
Site Preparation	-	-	-	-	-
Road Relocation	-	-	-	-	-
Land Acquisition	57,000	48,397	-	48,397	8,603
Construction	1,415,398	1,292,150	953,648	2,245,798	(830,400)
Fuel Tanks	-	-	-	-	-
Total Expenditures	<u>1,777,398</u>	<u>1,731,364</u>	<u>1,054,837</u>	<u>2,786,201</u>	<u>(1,008,803)</u>
Revenues over (under) expenditures	(327,740)	(397,023)	15,865	(381,158)	(53,418)
Other Financing Sources (Uses)					
Transfer from General Fund	1,535,980	642,343	16,667	659,010	876,970
Total Other Financing Sources (Uses)	<u>1,535,980</u>	<u>642,343</u>	<u>16,667</u>	<u>659,010</u>	<u>876,970</u>
Revenues and other sources over (under) expenditures	<u>\$ 1,208,240</u>	<u>\$ 245,320</u>	32,532	<u>\$ 277,852</u>	<u>\$ (930,388)</u>
Fund balance, beginning of year (July 1)			<u>245,320</u>		
Fund balance, end of year (June 30)			<u>\$ 277,852</u>		

NON-MAJOR GOVERNMENTAL FUNDS

Non-Major Governmental Funds are Special Revenue Funds.

Anson County, North Carolina
Combining Balance Sheet - Non-Major Governmental Funds
Non-Major Special Revenue Funds
June 30, 2020

	Special Revenue Funds			Total Non-Major Special Revenue Funds
	Fire Districts Fund	Emergency Telephone System - 911 Fund	CDBG Scattered Housing	
Assets:				
Cash and cash equivalents	\$ 36,410	\$ 238,596	\$ 1,713	\$ 276,719
Taxes receivable, net	203,440	-	-	203,440
Accounts receivable, net	-	-	-	-
Total assets	<u>\$ 239,850</u>	<u>\$ 238,596</u>	<u>\$ 1,713</u>	<u>\$ 480,159</u>
Liabilities and Fund Balances:				
Liabilities:				
Accounts payable and accrued liabilities	\$ 30,332	\$ 12,442	\$ -	\$ 42,774
Total liabilities	<u>30,332</u>	<u>12,442</u>	<u>-</u>	<u>42,774</u>
Deferred Inflows of Resources				
Property Taxes Receivable	203,440	-	-	203,440
Prepaid Taxes	541	-	-	541
Total Deferred Inflows of Resources	<u>203,981</u>	<u>-</u>	<u>-</u>	<u>203,981</u>
Fund Balances:				
Restricted:				
Stabilization by State Statute	-	-	-	-
Public safety	5,537	226,154	-	231,691
Economic and physical development	-	-	1,713	1,713
Unassigned	-	-	-	-
Total fund balances	<u>5,537</u>	<u>226,154</u>	<u>1,713</u>	<u>233,404</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 239,850</u>	<u>\$ 238,596</u>	<u>\$ 1,713</u>	<u>\$ 480,159</u>

Anson County, North Carolina
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances -
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds			Total Non-Major Special Revenue Funds
	Fire Districts Fund	Emergency Telephone System - 911 Fund	CDBG Scattered Housing	
Revenues:				
Ad valorem taxes	\$ 1,450,594	\$ -	\$ -	\$ 1,450,594
Other taxes and licenses	-	200,282	-	200,282
Unrestricted intergovernmental	-	-	-	-
Restricted intergovernmental revenues	-	-	-	-
Local Commitments	-	-	-	-
Investment Earnings	8,760	1,469	-	10,229
Total revenues	<u>1,459,354</u>	<u>201,751</u>	<u>-</u>	<u>1,661,105</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	1,453,817	128,834	-	1,582,651
Transportation	-	-	-	-
Environmental Protections	-	-	-	-
Economic and physical development	-	-	-	-
Community development	-	-	-	-
Total expenditures	<u>1,453,817</u>	<u>128,834</u>	<u>-</u>	<u>1,582,651</u>
Excess (deficiency) of revenues over expenditures	<u>5,537</u>	<u>72,917</u>	<u>-</u>	<u>78,454</u>
Other financing sources (uses):				
Transfer (to) from General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>5,537</u>	<u>72,917</u>	<u>-</u>	<u>78,454</u>
Fund balances, beginning	<u>-</u>	<u>153,237</u>	<u>1,713</u>	<u>154,950</u>
Fund balances, ending	<u>\$ 5,537</u>	<u>\$ 226,154</u>	<u>\$ 1,713</u>	<u>\$ 233,404</u>

Anson County, North Carolina
Fire Districts Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Revenues:			
Ad valorem taxes:			
Current Year Taxes	\$ 1,458,702	\$ 1,450,594	\$ (8,108)
Prior Year Taxes	-	-	-
Refunds	-	-	-
Total	<u>1,458,702</u>	<u>1,450,594</u>	<u>(8,108)</u>
Investment Earnings	5,850	8,760	2,910
Total Revenues	<u>1,464,552</u>	<u>1,459,354</u>	<u>(5,198)</u>
Expenditures			
Public Safety:			
Ansonville Fire District	159,641	158,441	1,200
Burnsville Fire District	162,172	160,087	2,085
Gulledge Fire District	134,731	134,520	211
Lanesboro Fire District	219,723	219,365	358
Lilesville Fire District	330,966	329,374	1,592
Morven Fire District	182,628	179,807	2,821
Wadesboro Fire District	268,841	267,222	1,619
NCVTS Fees/Costs	5,850	5,001	849
Total Expenditures	<u>1,464,552</u>	<u>1,453,817</u>	<u>10,735</u>
Net change in fund balance	<u>\$ -</u>	5,537	<u>\$ 5,537</u>
Fund balance, beginning		<u>-</u>	
Fund balance, ending		<u>\$ 5,537</u>	

Anson County, North Carolina
Emergency Telephone System - 911 Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Other Taxes and Licenses:			
Access Facility Fees	\$ 200,282	\$ 200,282	\$ -
Restricted intergovernmental revenues:			
911 Grant Funds	151,566	-	(151,566)
Investment Earnings	100	1,469	1,369
Total Revenues	<u>351,948</u>	<u>201,751</u>	<u>(150,197)</u>
Expenditures			
Public Safety:			
Training	300	2,400	(2,100)
System Trunk Lines	14,500	11,520	2,980
AT&T Language Line	-	-	-
Service Contracts	182,582	114,914	67,668
Computers and Equipment	-	-	-
Equipment Maintenance	3,000	-	3,000
911 Grant Funds (ES Center)	151,566	-	151,566
Total Expenditures	<u>351,948</u>	<u>128,834</u>	<u>223,114</u>
Revenues over (under) expenditures	<u>-</u>	<u>72,917</u>	<u>72,917</u>
Other Financing Sources (Uses)			
Appropriated Fund Balance	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>72,917</u>	<u>\$ 72,917</u>
Fund balance, beginning		<u>153,237</u>	
Fund balance, ending		<u>\$ 226,154</u>	

Anson County, North Carolina
CDBG Scattered Housing GT Project
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Project Authorization	Actual		Total to Date	Variance Positive (Negative)
		Prior Years	Current Year		
Revenues:					
Restricted Intergovernmental Revenues:					
CDBG Grant	\$ 225,000	\$ 17,037	\$ -	\$ 17,037	\$ (207,963)
Investment Earnings	-	-	-	-	-
Total Revenues	<u>225,000</u>	<u>17,037</u>	<u>-</u>	<u>17,037</u>	<u>(207,963)</u>
Expenditures					
Economic and Physical Development:					
Rehabilitation	180,000	606	-	606	179,394
Administration	22,500	2,500	-	2,500	20,000
Local Option Emergency	25,180	14,897	-	14,897	10,283
Total Expenditures	<u>227,680</u>	<u>18,003</u>	<u>-</u>	<u>18,003</u>	<u>209,677</u>
Revenues over (under) expenditures	<u>(2,680)</u>	<u>(966)</u>	<u>-</u>	<u>(966)</u>	<u>1,714</u>
Other Financing Sources (Uses)					
Transfer from General Fund	2,680	2,679	-	2,679	(1)
Total Other Financing Sources (Uses)	<u>2,680</u>	<u>2,679</u>	<u>-</u>	<u>2,679</u>	<u>(1)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,713</u>	<u>-</u>	<u>\$ 1,713</u>	<u>\$ 1,713</u>
Fund balance, beginning			<u>1,713</u>		
Fund balance, ending			<u>\$ 1,713</u>		

ENTERPRISE FUNDS

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

Anson County, North Carolina
Enterprise Funds
Combining Statement of Net Position
June 30, 2020

	Water Fund	Waste Water Fund	Total
Assets:			
Current assets:			
Cash and cash equivalents	\$ 5,836,853	\$ 2,184,970	\$ 8,021,823
Accounts receivable, net	512,688	240,329	753,017
Due from other governments	-	827	827
Inventories	215,527	9,284	224,811
Prepaid items	1,904	669	2,573
Total current assets	<u>6,566,972</u>	<u>2,436,079</u>	<u>9,003,051</u>
Restricted Cash and Cash Equivalents	1,562,304	1,695,144	3,257,448
Capital assets, net of depreciation	15,152,151	9,449,536	24,601,687
Total assets	<u>\$ 23,281,427</u>	<u>\$ 13,580,759</u>	<u>\$ 36,862,186</u>
Deferred Outflows of Resources			
Pension related deferrals	\$ 135,632	\$ 63,856	\$ 199,488
OPEB related deferrals	90,905	28,597	119,502
Total deferred outflows of resources	<u>\$ 226,537</u>	<u>\$ 92,453</u>	<u>\$ 318,990</u>
Liabilities:			
Current liabilities:			
Accounts payable and accrued liabilities	\$ 324,468	\$ 97,221	\$ 421,689
Customer deposits	124,428	-	124,428
Accrued interest payable	-	-	-
Bond and notes payable	89,411	-	89,411
Total current liabilities	<u>538,307</u>	<u>97,221</u>	<u>635,528</u>
Noncurrent liabilities:			
Compensated absences	95,318	37,997	133,315
Total OPEB liability	1,049,681	308,824	1,358,505
Net pension liability	210,297	99,008	309,305
Bond and notes payable	883,867	-	883,867
Total noncurrent liabilities	<u>2,239,163</u>	<u>445,829</u>	<u>2,684,992</u>
Total liabilities	<u>\$ 2,777,470</u>	<u>\$ 543,050</u>	<u>\$ 3,320,520</u>
Deferred Inflows of Resources			
Pension related deferrals	\$ 772	\$ 363	\$ 1,135
OPEB related deferrals	260,348	76,596	336,944
Total deferred inflows of resources	<u>\$ 261,120</u>	<u>\$ 76,959</u>	<u>\$ 338,079</u>
Net Position:			
Net investment in capital assets	\$ 14,178,873	\$ 9,449,536	\$ 23,628,409
Unrestricted	6,290,501	3,603,667	9,894,168
Total net position	<u>\$ 20,469,374</u>	<u>\$ 13,053,203</u>	<u>\$ 33,522,577</u>

Anson County, North Carolina
Enterprise Funds
Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2020

	Water Fund	Wastewater Fund	Total
Operating revenues:			
Charges for services	\$ 4,904,728	\$ 2,420,711	\$ 7,325,439
Other operating revenues	96,888	-	96,888
Total operating revenues	<u>5,001,616</u>	<u>2,420,711</u>	<u>7,422,327</u>
Operating expenses:			
Administration	218,801	72,382	291,183
Water distribution	1,558,672	-	1,558,672
Water filtration	1,994,828	-	1,994,828
Wastewater treatment	-	1,604,461	1,604,461
Capital outlay	63,512	29,479	92,991
Depreciation and amortization	900,494	762,084	1,662,578
Total operating expenses	<u>4,736,307</u>	<u>2,468,406</u>	<u>7,204,713</u>
Operating income (loss)	<u>265,309</u>	<u>(47,695)</u>	<u>217,614</u>
Nonoperating revenues (expenses):			
Investment earnings	61,661	61,103	122,764
Interest and fees	526	-	526
Disposal of assets	(1,958)	-	(1,958)
Other revenues (expenses)	1,420	17	1,437
Total nonoperating revenues (expenses)	<u>61,649</u>	<u>61,120</u>	<u>122,769</u>
Income (loss) before contributions and transfers	<u>326,958</u>	<u>13,425</u>	<u>340,383</u>
Change in net position	<u>326,958</u>	<u>13,425</u>	<u>340,383</u>
Net position, beginning	20,084,854	13,039,778	33,124,632
Prior Period Adjustment	57,562	-	57,562
Net position, beginning (restated)	<u>20,142,416</u>	<u>13,039,778</u>	<u>33,182,194</u>
Net position, ending	<u>\$ 20,469,374</u>	<u>\$ 13,053,203</u>	<u>\$ 33,522,577</u>

Anson County, North Carolina
Water Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues:			
Water Sales	\$ 4,814,026	\$ 4,849,604	\$ 35,578
Tap Fees	45,000	55,124	10,124
Total charges for Services	<u>4,859,026</u>	<u>4,904,728</u>	<u>45,702</u>
Other operating revenues:	103,444	96,888	(6,556)
Total operating revenues	<u>4,962,470</u>	<u>5,001,616</u>	<u>39,146</u>
Nonoperating revenues:			
Investment earnings	30,000	57,400	27,400
Sale of fixed assets	2,500	(1,958)	(4,458)
Other Revenues	1,000	1,420	420
Total nonoperating revenues	<u>33,500</u>	<u>56,862</u>	<u>23,362</u>
Total revenues	<u>\$ 4,995,970</u>	<u>\$ 5,058,478</u>	<u>\$ 62,508</u>
Expenditures:			
Administration:			
Operating Expenditures	\$ 185,596	\$ 291,126	\$ (105,530)
Distribution:			
Salaries and Employee Benefits	1,126,754	1,117,674	9,080
Repairs and Maintenance	314,600	171,502	143,098
Operating Expenditures	496,939	295,928	201,011
Total Distribution	<u>1,938,293</u>	<u>1,585,104</u>	<u>353,189</u>
Filtration:			
Salaries and employee benefits	565,073	464,582	100,491
Chemicals and Supplies	596,000	512,554	83,446
Electricity	800,000	728,222	71,778
Repairs and Maintenance	156,000	110,903	45,097
Operating Expenditures	376,782	178,567	198,215
Total Filtration	<u>2,493,855</u>	<u>1,994,828</u>	<u>499,027</u>
Debt service:			
Interest and fees	11,998	(8,100)	20,098
Principal Retirement	340,711	274,143	66,568
Total debt service	<u>352,709</u>	<u>266,043</u>	<u>86,666</u>

Anson County, North Carolina
Water Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Capital outlay	625,000	422,513	202,487
Total Expenditures	5,595,453	4,559,614	1,035,839
Revenues over (under) expenditures	(599,483)	498,864	1,098,347
Other financing sources (uses)			
Transfers in (out)	-	-	-
Appropriated Fund Balance	599,483	-	(599,483)
Total other financing sources (uses)	599,483	-	(599,483)
Revenues and other financing sources over expenditures	\$ -	498,864	\$ 498,864
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Net Change in Fund Balance		\$ 498,864	
Reconciling items:			
Payment of debt principal		274,143	
Capital Outlay		359,001	
Depreciation		(900,494)	
Increase in inventory		72,325	
Increase in deferred outflows of resources - pension		10,093	
Increase in deferred outflows of resources - OPEB		(53,859)	
Decrease in deferred inflows of resources - pension		(1,237)	
Increase in deferred inflows of resources - OPEB		142,571	
Increase in accrued interest payable		(7,574)	
Increase in compensated absences		13,611	
Increase in net pension liability		31,770	
Decrease in total OPEB liability		(116,517)	
Transactions from Water Main to Union County Project Fund (Exhibit E-4)		4,261	
Total reconciling items		(171,906)	
Change in net position		\$ 326,958	

Anson County, North Carolina
Water Main to Union County Project Fund
Statement of Revenues and Expenditures-Budget and Actual (NON-GAAP)
From Inception and for the Year Ended June 30, 2020

	Project Authorization	Actual			Completed Project	Variance Positive (Negative)
		Prior Years	Current Year	Total to Date		
Revenues:						
Investment earnings	\$ 25,000	\$ 205,857	\$ 4,261	\$ 210,118	\$ -	\$ 185,118
Sales tax refunds	100,000	42,759	-	42,759	-	(57,241)
Total Revenues	<u>125,000</u>	<u>248,616</u>	<u>4,261</u>	<u>252,877</u>	<u>-</u>	<u>127,877</u>
Expenditures						
Waterline Construction	3,325,000	3,037,553	-	3,037,553	(3,037,553)	287,447
Total Expenditures	<u>3,325,000</u>	<u>3,037,553</u>	<u>-</u>	<u>3,037,553</u>	<u>(3,037,553)</u>	<u>287,447</u>
Revenues over (under) expenditures	<u>(3,200,000)</u>	<u>(2,788,937)</u>	<u>4,261</u>	<u>(2,784,676)</u>	<u>3,037,553</u>	<u>415,324</u>
Other Financing Sources (Uses)						
Proceeds from long-term debt	3,200,000	3,200,000	-	3,200,000	(3,037,553)	-
Total Other Financing Sources (Uses)	<u>3,200,000</u>	<u>3,200,000</u>	<u>-</u>	<u>3,200,000</u>	<u>(3,037,553)</u>	<u>-</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ 411,063</u>	<u>\$ 4,261</u>	<u>\$ 415,324</u>	<u>\$ -</u>	<u>\$ 415,324</u>

Anson County, North Carolina
 CDBG Raw Water Intake Project Fund - #06-E-1586
 Statement of Revenues and Expenditures-Budget and Actual (NON-GAAP)
 From Inception and for the Year Ended June 30, 2020

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

Anson County, North Carolina
24" Water Line - SRF Loan Project Fund
Statement of Revenues and Expenditures-Budget and Actual (NON-GAAP)
From Inception and for the Year Ended June 30, 2020

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

Anson County, North Carolina
Wastewater Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2020

	Budget	Actual	Variance Positive (Negative)
Revenues:			
Operating revenues:			
Wastewater Treatment Charges	\$ 2,213,400	\$ 2,378,030	\$ 164,630
Tap Fees	800	-	(800)
Industrial Surcharges	15,000	42,681	27,681
Total operating revenues	<u>2,229,200</u>	<u>2,420,711</u>	<u>191,511</u>
Nonoperating revenues:			
Investment earnings	25,000	61,103	36,103
Other Revenues	100	17	(83)
Total nonoperating revenues	<u>25,100</u>	<u>61,120</u>	<u>36,020</u>
Total revenues	<u>\$ 2,254,300</u>	<u>\$ 2,481,831</u>	<u>\$ 227,531</u>
Expenditures:			
Administration:			
Operating Expenditures	<u>\$ 77,464</u>	<u>\$ 76,120</u>	<u>\$ 1,344</u>
Distribution:			
Salaries and Employee Benefits	771,589	757,695	13,894
Electricity and Fuel	403,000	348,971	54,029
Repairs and Maintenance	285,305	197,336	87,969
Operating Expenditures	334,656	285,352	49,304
Total Distribution	<u>1,794,550</u>	<u>1,589,354</u>	<u>205,196</u>
Capital Outlay	<u>296,900</u>	<u>71,179</u>	<u>225,721</u>
Contingency	<u>9,386</u>	<u>-</u>	<u>9,386</u>
Total Expenditures	<u>2,178,300</u>	<u>1,736,653</u>	<u>441,647</u>
Revenues over (under) expenditures	<u>76,000</u>	<u>745,178</u>	<u>669,178</u>
Other financing sources			
Transfers Out	<u>(76,000)</u>	<u>-</u>	<u>76,000</u>
Total Other Financing Source (Uses)	<u>(76,000)</u>	<u>-</u>	<u>76,000</u>
Revenues and other financing sources over expenditures	<u>\$ -</u>	<u>745,178</u>	<u>\$ 745,178</u>

Anson County, North Carolina
Wastewater Fund
Statement of Revenues and Expenditures
Budget and Actual (Non - GAAP)
For the Fiscal Year Ended June 30, 2020

	<u>Budget</u>	<u>Actual</u>	Variance Positive (Negative)
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Expenditures over (under) revenues and other financing sources		\$ 745,178	
Reconciling items:			
Payment of debt principal		\$ -	
Capital Outlay		41,700	
Depreciation		(762,084)	
Decrease in inventory		3,738	
Increase in deferred outflows of resources - pension		4,752	
Increase in deferred outflows of resources - OPEB		(14,384)	
Decrease in deferred inflows of resources - pension		(583)	
Increase in deferred inflows of resources - OPEB		41,945	
Decrease in compensated absences		4,991	
Increase in net pension liability		14,957	
Decrease in total OPEB liability		(34,280)	
Sludge Removal Project (from Ex E-4b)		(32,505)	
Total reconciling items		<u>(731,753)</u>	
Change in net position		<u>\$ 13,425</u>	

Anson County, North Carolina
Richmond Street Sewer Project Fund
Statement of Revenues and Expenditures-Budget and Actual (NON-GAAP)
From Inception and for the Year Ended June 30, 2020

	Project Authorization	Actual			Completed Project	Variance Positive (Negative)
		Prior Years	Current Year	Total to Date		
Revenues:						
NC Rural Center grant #2009-152-40101-112	\$ 500,000	\$ 212,145	\$ -	\$ 212,145	\$ (212,145)	\$ (287,855)
Golden Leaf Foundation	80,000	64,000	-	64,000	(64,000)	(16,000)
Town of Wadesboro Committee	85,000	85,000	-	85,000	(85,000)	-
CDBG #08-C-1859	750,000	750,000	-	750,000	(750,000)	-
Total Revenues	1,415,000	1,111,145	-	1,111,145	(1,111,145)	(303,855)
Expenditures						
Administration	100,000	100,000	-	100,000	(100,000)	-
Inspections	73,500	73,500	-	73,500	(73,500)	-
Engineering/Design	100,500	100,500	-	100,500	(100,500)	-
Land acquisition/Appraisals/Legal	15,000	-	-	-	-	15,000
Surveying and survey plats	10,000	10,000	-	10,000	(10,000)	-
Legal fees	3,000	-	-	-	-	3,000
Construction	1,319,000	893,564	-	893,564	(893,564)	425,436
Total Expenditures	1,621,000	1,177,564	-	1,177,564	(1,177,564)	443,436
Revenues over (under) expenditures	(206,000)	(66,419)	-	(66,419)	66,419	139,581
Other Financing Sources (Uses)						
Transfer from Wastewater Fund	206,000	206,000	-	206,000	(66,419)	-
Total Other Financing Sources (Uses)	206,000	206,000	-	206,000	(66,419)	-
Revenues and other financing sources over (under) expenditures	\$ -	\$ 139,581	\$ -	\$ 139,581	\$ -	\$ 139,581

Anson County, North Carolina
Capital Projects Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2020

	Project Authorization	Actual			Variance Positive (Negative)
		Prior Years	Current Year	Total to Date	
Revenues:					
Restricted Intergovernmental Revenues:					
Grant Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures					
Water Treatment Plant- Sludge Removal					
Administration/Engineering	80,000	253,219	32,505	285,724	(205,724)
Contracted Services	1,970,000	2,523,162	-	2,523,162	(553,162)
Total Expenditures	<u>2,050,000</u>	<u>2,776,381</u>	<u>32,505</u>	<u>2,808,886</u>	<u>(758,886)</u>
Revenues over (under) expenditures	<u>(2,050,000)</u>	<u>(2,776,381)</u>	<u>(32,505)</u>	<u>(2,808,886)</u>	<u>(758,886)</u>
Other Financing Sources (Uses)					
Transfers:					
From Water Fund	2,050,000	-	-	-	(2,050,000)
Total Other Financing Sources (Uses)	<u>2,050,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,050,000)</u>
Revenues and other financing sources over (under) expenditures	<u>\$ -</u>	<u>\$ (2,776,381)</u>	<u>\$ (32,505)</u>	<u>\$ (2,808,886)</u>	<u>\$ (2,808,886)</u>

AGENCY FUNDS

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

Anson County, North Carolina
Agency Funds
Combining Balance Sheet
June 30, 2020
(With Comparative Totals as of June 30, 2019)

	Agency						Totals	
	Social Services Fund	Sheriff's Judgment Fund	Finds and Forfeitures Fund	Municipal Tax Collection Fund	Deed of Trust Fee Fund	Library Trust Fund	June 30, 2020	June 30, 2019
Assets								
Cash and cash equivalents	\$ 21,805	\$ 916	\$ -	\$ 62,804	\$ (1,130)	\$ 14,536	\$ 98,931	\$ 53,275
Paid to other governments	-	-	-	-	-	-	-	-
Total assets	<u>\$ 21,805</u>	<u>\$ 916</u>	<u>\$ -</u>	<u>\$ 62,804</u>	<u>\$ (1,130)</u>	<u>\$ 14,536</u>	<u>\$ 98,931</u>	<u>\$ 53,275</u>
Liabilities								
Accrued liabilities	\$ 21,805	\$ -	\$ -	\$ 62,804	\$ -	\$ -	\$ 84,609	\$ 37,698
Intergovernmental payable	-	916	-	-	(1,130)	14,536	14,322	15,577
Total liabilities	<u>\$ 21,805</u>	<u>\$ 916</u>	<u>\$ -</u>	<u>\$ 62,804</u>	<u>\$ (1,130)</u>	<u>\$ 14,536</u>	<u>\$ 98,931</u>	<u>\$ 53,275</u>

Anson County, North Carolina
Agency Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
Social Services				
Assets:				
Cash and cash equivalents	\$ 15,035	\$ 121,032	\$ 114,262	\$ 21,805
Liabilities:				
Accrued liabilities	\$ 15,035	\$ 121,032	\$ 114,262	\$ 21,805
Sheriff's Judgment Fund				
Assets:				
Cash and cash equivalents	\$ 1,190	\$ 16,407	\$ 16,681	\$ 916
Liabilities:				
Intergovernmental payables	\$ 1,190	\$ 16,407	\$ 16,681	\$ 916
Fines and Forfeitures Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ 67,463	\$ 67,463	\$ -
Liabilities:				
Intergovernmental payables	\$ -	\$ 67,463	\$ 67,463	\$ -
Municipal Tax Collection Fund				
Assets:				
Cash and cash equivalents	\$ 22,663	\$ 2,365,814	\$ 2,325,673	\$ 62,804
Liabilities:				
Accrued liabilities	\$ 22,663	\$ 2,365,814	\$ 2,325,673	\$ 62,804
Deed of Trust Fee Fund				
Assets:				
Cash and cash equivalents	\$ -	\$ 10,627	\$ 11,757	\$ (1,130)
Liabilities:				
Intergovernmental payables	\$ -	\$ 11,757	\$ 10,627	\$ (1,130)
Library Trust Fund				
Assets:				
Cash and cash equivalents	\$ 14,387	\$ 149	\$ -	\$ 14,536
Liabilities:				
Intergovernmental payables	\$ 14,387	\$ -	\$ 149	\$ 14,536
Totals - All Agency Funds				
Assets:				
Cash and cash equivalents	\$ 53,275	\$ 2,570,865	\$ 2,524,079	\$ 100,061
Paid to other governments	-	-	-	-
Total assets	\$ 53,275	\$ 2,570,865	\$ 2,524,079	\$ 100,061
Liabilities:				
Accrued liabilities	\$ 37,698	\$ 2,486,846	\$ 2,439,935	\$ 84,609
Intergovernmental payable	15,577	83,870	84,293	15,452
Total liabilities	\$ 53,275	\$ 2,570,716	\$ 2,524,228	\$ 100,061

OTHER SCHEDULES

This section includes additional information on property taxes.

Anson County, North Carolina
General Fund
Schedule of Ad Valorem Taxes Receivable
June 30, 2020

Fiscal Year	Uncollected Balance June 30, 2019	Additions	Collections And Credits	Uncollected Balance June 30, 2020
2019-2020	\$ -	\$ 15,637,389	\$ 14,720,573	\$ 916,816
2018-2019	802,690	-	245,334	557,356
2017-2018	549,320	-	106,279	443,041
2016-2017	385,808	-	39,480	346,328
2015-2016	298,531	-	28,110	270,421
2014-2015	225,769	-	23,605	202,164
2013-2014	189,780	-	17,446	172,334
2012-2013	150,403	-	19,168	131,235
2011-2012	118,902	-	12,390	106,512
2010-2011	96,558	-	9,789	86,769
Prior Years	89,862	-	89,862	-
	<u>\$ 2,907,623</u>	<u>\$ 15,637,389</u>	<u>\$ 15,312,036</u>	3,232,976
Less: allowance for uncollectible accounts:				
General Fund				<u>1,242,126</u>
Ad valorem taxes receivable - net:				
General Fund				<u>\$ 1,990,850</u>
<u>Reconciliation with revenues:</u>				
Ad valorem taxes - General Fund				<u>\$ 15,318,052</u>
Reconciling items:				
Interest and Penalty collected				270,298
Releases and adjustments				(186,452)
Taxes written off				(89,862)
Total reconciling items				<u>(6,016)</u>
Total collections and credits				<u>\$ 15,312,036</u>

Anson County, North Carolina
Analysis of Current Tax Levy
County - wide Levy
For the Fiscal Year Ended June 30, 2020

	County - wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
	Original levy:				
Property taxes at current year's rate	\$ 1,832,056,757	0.777	\$ 14,235,081	\$ 14,235,081	\$ -
Motor Vehicles taxed at current year's rate	178,436,422	0.777	1,386,451	-	1,386,451
Deferred taxes at current year's rate	1,926,770	0.777	14,971	14,971	-
Total	<u>2,012,419,949</u>		<u>15,636,503</u>	<u>14,250,052</u>	<u>1,386,451</u>
Discoveries:					
Current Year Taxes	114,028	0.777	886	886	-
Total	<u>114,028</u>		<u>886</u>	<u>886</u>	<u>-</u>
Abatements:	-	0.777	-	-	-
Total property valuation	<u>\$ 2,012,533,977</u>				
Net levy			15,637,389	14,250,938	1,386,451
Uncollected taxes at June 30, 2020			<u>916,816</u>	<u>916,816</u>	<u>-</u>
Current year's taxes collected			<u>\$ 14,720,573</u>	<u>\$ 13,334,122</u>	<u>\$ 1,386,451</u>
Current levy collection percentage			<u>94.14%</u>	<u>93.57%</u>	<u>100.00%</u>

Anson County, North Carolina
Ten Largest Taxpayers
For the Fiscal Year Ended June 30, 2020

Taxpayer	Type of Business	2019 Assessed Valuation	Percentage of Total Assessed Valuation
NC Electric Membership Corp.	Utility	\$ 109,947,199	5.46%
Duke Energy Progress	Utility	66,199,438	3.29%
Piedmont Natural Gas Co. Inc.	Utility	48,734,035	2.42%
Innovative Solar 37 LLC	Solar Panels	30,761,405	1.53%
Pee Dee Electric Membership Corp.	Utility	29,046,440	1.44%
Triangle Brick	Masonry Materials	27,736,418	1.38%
SD Fibers Corporation	Textiles	27,027,703	1.34%
CSX Transportation	Utility	18,645,051	0.93%
Hornwood Inc	Textiles	14,592,867	0.73%
Walmart Stores East LP	Commercial Sales	12,921,199	0.64%
Total		\$ 385,611,756	19.16%

COMPONENT UNIT FINANCIAL DATA

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

Anson County, North Carolina
Tourism Development Authority
Balance Sheet-Discretely Presented Component Unit
June 30, 2020

Assets:	
Cash and cash equivalents	\$ 92,856
Restricted cash and cash equivalents	-
Due from other governments	32,766
Prepaid expenses	-
Total Assets	<u><u>\$ 125,622</u></u>
Liabilities and Fund Balances:	
Liabilities:	
Accounts Payable and Accrued Liabilities	<u>\$ 30</u>
Fund Balances:	
Nonspendable:	
Prepaid Items	-
Restricted:	
Stabilization by State Statute	32,766
Committed:	
Economic and Physical Development	92,826
Unassigned:	
Total Fund Balances	<u><u>125,592</u></u>
Total Liabilities and Fund Balances	<u><u>\$ 125,622</u></u>

Anson County, North Carolina
Tourism Development Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual - Discretely Presented Component Unit
June 30, 2020

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Other taxes and licenses:			
6% occupancy tax	\$ 34,000	\$ 70,466	\$ 36,466
Investment Earnings	1,000	954	(46)
Miscellaneous	-	-	-
	<u>35,000</u>	<u>71,420</u>	<u>36,420</u>
TOTAL REVENUES			
EXPENDITURES			
Economic and physical development:			
Contracted Services	10,000	9,996	4
Travel	1,725	-	1,725
Marketing	29,000	28,972	28
Special Projects	-	-	-
Miscellaneous	175	175	-
	<u>40,900</u>	<u>39,143</u>	<u>1,757</u>
TOTAL EXPENDITURES			
REVENUES OVER (UNDER)			
EXPENDITURES	<u>(5,900)</u>	<u>32,277</u>	<u>38,177</u>
APPROPRIATED FUND BALANCE	<u>5,900</u>	<u>-</u>	<u>(5,900)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>32,277</u>	<u>\$ 32,277</u>
FUND BALANCE			
Beginning of year, July 1		<u>93,315</u>	
End of year, June 30		<u>\$ 125,592</u>	

COMPLIANCE SECTION



Report On Internal Control Over Financial Reporting And On Compliance and
Other Matters Based On An Audit Of Financial Statements Performed In Accordance With
Government Auditing Standards

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Anson County, North Carolina, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Anson County basic financial statements, and have issued our report thereon dated June 29, 2021. The financial statements of Anson Tourism Development Authority were not audited in accordance with Government Auditing Standards.

Internal Control Over Financial Reporting

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

Our consideration of internal control was for 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 questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs [2020-001, 2020-002] to be material weaknesses.

A significant deficiency is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs [2020-003] to be significant deficiencies.

Compliance and Other Matters

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

County's Response to Findings

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
June 29, 2021



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

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

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

Independent Auditors' Report

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

Report on Compliance for Each Major Federal Program

We have audited Anson County, North Carolina's, compliance with the types of compliance requirements described in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of the Anson County's major federal programs for the year ended June 30, 2020. Anson County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Anson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2020-004, 2020-007 and 2020-008. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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 a type of compliance requirement of a federal 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2020-004, 2020-005, 2020-006, 2020-007 and 2020-008 that we consider to be significant deficiencies.

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

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

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
June 29, 2021



**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
Anson County
Wadesboro, North Carolina

Report on Compliance for Each Major State Program

We have audited Anson County, North Carolina's, compliance with the types of compliance requirements described in the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of Anson County's major state programs for the year ended June 30, 2020. Anson County's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major State Program

In our opinion, Anson County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2020.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2020-004, 2020-007 and 2020-008. Our opinion on each major federal program is not modified with respect to these matters.

The County's response to the noncompliance findings identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

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

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. However, we did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2020-005, 2020-006, 2020-007 and 2020-008 that we consider to be significant deficiency.

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

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

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

Thompson, Price, Scott, Adams & Co., P.A.
Whiteville, NC
June 29, 2021

ANSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section II - Financial Statement Findings (continued)

Finding 2020-002 Internal Control over Information Technology
MATERIAL WEAKNESS

Criteria: Information technology general controls should be designed and implemented to ensure that risks are reduced to an acceptable level.

Condition: Current anti-virus systems in place did not adequately protect the environment from a ransomware attack. Additionally, when the County implemented a new financial accounting software, the information did not convert from the old system. Detail transactions from prior to June 30, 2020 is only available on one computer that one person has access to.

Effect: Valuable information could be lost if controls over information technology systems are not strong enough to prevent attacks. Additionally, all historical data for the County could be lost if controls aren't in place to protect this data.

Cause: The County has not designed or implemented effective and efficient internal controls over information technology to prevent cyber attacks and to protect historical data.

Recommendation: The County should review the information technology environment to design and implement appropriate internal control system and backup plans to prevent significant data loss. They should also provide regular employee training regarding information security.

Views of responsible officials and planned corrective actions: The county agrees with this finding. See corrective action plan.

Finding 2020-003 Lack of Technical Expertise
SIGNIFICANT DEFICIENCY

Criteria: Management should have a system in place to reduce the likelihood of errors in financial reporting

Condition: The financial reporting under the accounting standards promulgated by the Financial Accounting Standards Board and Governmental Accounting Standards Board (GAAP) requires a certain level of technical expertise. Due to staff changes in the finance office, suitable skill, knowledge, and experience to assume the management responsibilities, oversee and evaluate the services performed, and accept responsibility for the results of the services must be developed.

Effect: Misstatements of financial statements could result.

Cause: The finance officer resigned before the audit was completed. Additional training is needed to ensure that the County personnel possess required technical expertise to oversee the financial statement preparation process.

ANSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section II - Financial Statement Findings (continued)

Recommendation: The County should seek out training for the financial staff. Until training can be completed the County should exercise due care in reviewing the financial statements drafted by the external auditor as the County is responsible for the accuracy of the audited financial statement.

Views of responsible officials and planned corrective actions: The County agrees with this finding. The County has hired a finance officer as of the report date, which should mitigate this risk going forward. The County acknowledges and accepts responsibility for the accuracy of the audited financial statements. The County has contracted with a third-party CPA firm to assist in reviewing the audited financial statements and proposed journal entries.

Section III - Federal Award Findings and Questioned Costs

US Department of Health and Human Service

Passed through the NC Dept of Health and Human Services

Program Names: Low Income Energy Assistance

CFDA #: 93.568

Finding: 2020-004 Income Verification
NONCOMPLIANCE / SIGNIFICANT DEFICIENCY

Eligibility

Criteria: The County is required to verify applicant's countable income to determine whether the applicant is eligible for the program and document the verifications performed and appropriate amounts used for verifications in the eligibility determination process.

Condition: There were twelve errors in which the County failed to appropriately document the correct countable income, of these, there was one instance where this failure resulted in an incorrect eligibility determination.

Questioned Costs: The questioned costs were immaterial and below the threshold for reporting.

Context: We examined 40 Low Income Energy Assistance and Crisis Intervention Program cases from a listing of approved energy assistance applicants for the months of October and March of fiscal year 2020. These findings are being reported with the financial statement audit as it relates to the Social Services administrative cost compliance audit.

Effect: For those determinations resulting in an internal control error, there was a chance that an applicant could have been approved for benefits for which they were not eligible. For the error in which an incorrect eligibility determination was found, program funds were paid on behalf of an applicant who was not eligible for benefits and, potentially, a future potential eligible individual may have been denied benefits because of limitations on program funding.

Cause: Lack of proper internal controls over eligibility determinations.

ANSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section III - Federal Award Findings and Questioned Costs (continued)

Recommendation: The County should ensure that applicant intake information is clear and concise, verification procedures are performed correctly and accurately documented in the case files. Eligibility determinations should be made carefully using all available information within requirements of policy. Additionally, management should perform routine reviews to ensure staff is following policy and to provide feedback on performance improvement. The auditor recommends that management update their internal procedures and clearly communicate the updates, as well as expectations, to all staff.

Views of Responsible Officials and Planned Corrective Actions: The county agrees with this finding. See corrective action plan.

US Department of Health and Human Service

Passed through the NC Dept of Health and Human Services

Program Names: Medical Assistance

CFDA #: 93.778

**Finding: 2020-005 IV-D Non-Cooperation
SIGNIFICANT DEFICIENCY**

Eligibility

Criteria: The Child Support Enforcement Agency (IV-D) can assist the family in obtaining financial and/or medical support or medical support payments from the child's non-custodial parent. Cooperation requirement with Social Services and Child Support Agencies must be met or good cause for not cooperating must be established when determine Medicaid eligibility.

Condition: There were four errors discovered during our procedures that referrals between DSS and Child Support Agencies were not properly made.

Questioned Costs: There was no known affect to eligibility and there were no known questioned costs.

Context: We examined 60 Medicaid applicants from the Medicaid Beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST and a participant could have been approved for benefits for which they were not eligible.

Cause: Error in reading the ACTS report and/or ineffective case review process.

Recommendation: Files should be reviewed internally to ensure proper information is in place and necessary procedures are taken when determine eligibility. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

ANSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section III - Federal Award Findings and Questioned Costs (continued)

Views of Responsible Officials and Planned Corrective Actions: The County agrees with the finding. See corrective action plan.

US Department of Health and Human Service

Passed through the NC Dept of Health and Human Services
Program Names: Medical Assistance
CFDA #: 93.778

Finding: 2020-006 Inaccurate Information Entry

SIGNIFICANT DEFICIENCY

Eligibility

Criteria: In accordance with 42 CFR 435, documentation must be obtained as needed to determine if a recipient meets specific income standards, and documentation must be maintained to support eligibility determinations. In accordance with 2 CFR 200, management should have an adequate system of internal controls procedures in place to ensure an applicant is properly determined or redetermined for benefits.

Condition: There were twenty-two errors discovered during our procedures that inaccurate information was entered when determining eligibility.

Questioned Costs: There was no known affect to eligibility and there were no known questioned costs.

Context: We examined 60 Medicaid recipients from the Medicaid Beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which could affect countable resource. Therefore, a participant could have been approved to receive benefits for which they were not eligible.

Cause: Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST. The results found or documentation made in case notes that clearly indicates what actions were performed and the results of those actions.

Views of Responsible Officials and Planned Corrective Actions: The County agrees with the finding. See corrective action plan.

ANSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section III - Federal Award Findings and Questioned Costs (continued)

US Department of Health and Human Service

Passed through the NC Dept of Health and Human Services

Program Names: Medical Assistance

CFDA #: 93.778

Finding: 2020-007 Inaccurate Resource Calculation

NONCOMPLIANCE / SIGNIFICANT DEFICIENCY

Eligibility

Criteria: Medicaid for Aged, Blind and Disabled case records should contain documentation that verifications were done in preparation of the application and these items will agree to reports in the NC FAST system. In this process, the countable resources should be calculated correctly and agree back to the amounts in the NC FAST system. Any items discovered in the verification process should be considered countable or non-countable resources and explained within the documentation.

Condition: There were sixteen errors discovered during our procedures that resources in the county documentation and those same resources contained in NC FAST were not the same amounts or files containing resources were not properly documented to be considered countable or non-countable. Of these, one beneficiary received assistance for which the recipient was not eligible.

Questioned Costs: \$7,894. This amount was determined by totaling all the aid received by the ineligible beneficiary for all claims during the fiscal year ending 6/30/2020 which had dates of service during the certification period for which the were determined ineligible.

Context: We examined 60 Medicaid applicants from the Medicaid Beneficiary report provided by NC Department of Health and Human Services to re-determine eligibility. These findings are being reported with the financial statement audit as it relates to Medicaid administrative cost compliance audit.

Effect: For those certifications/re-certifications there was a chance that information was not properly documented and reconciled to NC FAST which could affect countable resource. Therefore, applicants could have received assistance for which they were not eligible.

Cause: Ineffective record keeping and ineffective case review process, incomplete documentation, and incorrect application of rules for purposes of determining eligibility.

Recommendation: Files should be reviewed internally to ensure proper documentation is in place for eligibility. Workers should be retrained on what files should contain and the importance of complete and accurate record keeping. We recommend that all files include online verifications, documented resources of income and those amounts agree to information in NC FAST. The results found or documentation made in case notes should clearly indicate what actions were performed and the results of those actions.

ANSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section III - Federal Award Findings and Questioned Costs (continued)

Views of Responsible Officials and Planned Corrective Actions: The County agrees with the finding. See corrective action plan.

US Department of Transportation

Passed through the NC Dept of Transportation
Program Names: Airport Improvement
CFDA #: 20.106

Finding: 2020-008 Grant Cash Management
NONCOMPLIANCE / SIGNIFICANT DEFICIENCY
Cash Management

Criteria: The County as a grantee/subgrantee of NCDOT and funded on an advance basis are required to pay their vendors within three business days of receipt of the NCDOT payment.

Condition: There were two errors in which the County remitted payments greater than three business days from receipt of the NCDOT payments.

Questioned Costs: \$251,906. The total of advance payments to vendors that were untimely remitted.

Context: We examined four of fifteen payments received for the Airport Improvement Program and determined that two of these were not in compliance with the three business day requirement.

Effect: NCDOT advance payments for program expenditures were held in the County's bank account more than the allowable time. Noncompliance can put the County at risk of losing future state and federal funding for Airport programs.

Cause: Lack of proper internal controls over cash management requirements.

Recommendation: The County should accurately track and review accounts payable related to its federal and state grant programs. Additionally, the County should ensure that advance payments from the state are remitted to the vendors within the allowable time frame.

Views of responsible of officials and planned corrective actions: The county agrees with the finding. See corrective action plan.

ANSON COUNTY, NORTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2020

Section IV - State Award Findings and Questioned Costs

Program Name: Medical Assistance Program (Medicaid; Title XIX)

CFDA # 93.778

SIGNIFICANT DEFICENCY: Finding 2020-005 through 2020-007 also apply to State requirements and State Awards.

Program Names: Airport Improvement

CFDA # 20.106

SIGNIFICANT DEFICENCY: Finding 2020-008 also applies to State requirements and State Awards.



Anson County Finance Department
101 S. Greene Street, Suite 238
Wadesboro, NC 28170

Corrective Action Plan
For the Year Ended June 30, 2020

Section II - Financial Statement Findings

Finding: 2020-001

Reconciliation of Records and Reporting

Name of Contact Person:

Amber Daniels, Interim Finance Director

Corrective Action:

The County is aware of the circumstances, which lead to the late completion of the annual audit and issuance of the financial statements. Management will dedicate resources accordingly in order to prepare for the annual audit to issue the financial statements in a timely manner.

Proposed Completion Date:

The County will implement this procedure immediately.

Finding: 2020-002

Internal Control over Information Technology

Name of Contact Person:

Amber Daniels, Interim Finance Director

Corrective Action:

The County will design and implement internal control system over information technology to strengthen information security. Employees will be trained regularly regarding information security.

Proposed Completion Date:

The County will implement this procedure immediately.

Finding: 2020-003

Lack of Technical Expertise

Name of Contact Person:

Amber Daniels, Interim Finance Director

Corrective Action:

A finance director has been hired as of the report date. Additionally, the County is looking for assistance to help them catch up their records. The County will exercise due care in reviewing the financial statements. The County acknowledges and accepts responsibility for the accuracy of the audited financial statements. The County has hired a third-party CPA firm to assist in reviewing the financial statements and proposed journal entries.

Proposed Completion Date:

The County will implement this procedure immediately.

Finding: 2020-004

Income Verification

Name of Contact Person:

Kishia Dunlap, Administrative Officer

Corrective Action:

The department will work towards streamlining procedures in processing applications from department to a single unit, increase training for staff to ensure policy is being followed, and focus on policy related to income. Additionally, the department will commit to second party reviews of a minimum of two cases per worker per month.



Anson County Finance Department
101 S. Greene Street, Suite 238
Wadesboro, NC 28170

Corrective Action Plan
For the Year Ended June 30, 2020

Section III - Federal Award Findings and Questioned Costs

Proposed Completion Date: Program assigned to one unit will be completed July 6, 2021, trainings will be completed by July 31, 2021 and new second party review requirement will start August 1, 2021.

Finding: 2020-005

IV-D Non-Cooperation

Name of Contact Person: Nia Broadway, Economic Services Administrator

Corrective Action: The County will discuss findings with staff and will complete a policy refresher training for staff on Family and Children Policy MA-3365 Child Support. The County will complete Child Support Referrals for cases cited by Single County Audit. The County will continue Second Party Reviews.

Proposed Completion Date: Discussion and Trainings will be completed by January 31, 2021.

Finding: 2020-006

Inaccurate Information Entry

Name of Contact Person: Nia Broadway, Economic Services Administrator

Corrective Action: The County will findings with staff and complete a policy refresher training for staff on Family and Children MA-3306 MAGI and Adult Medicaid, MA-2230 Financial Resources, MA-2250 Income and MA-2552 and Non MAGI Medicaid Income/Resource Limits. The County will correct cited cases by the Single County Audit. The County will continue Second Party Reviews.

Proposed Completion Date: Discussion and Trainings will be completed by January 31, 2021.

Finding: 2020-007

Inaccurate Resource Calculation

Name of Contact Person: Nia Broadway, Economic Services Administrator

Corrective Action: The County will discuss finding and complete policy refresher training for staff on Adult Medicaid 2230 Financial Resources. The County will continue Second Party Reviews.

Proposed Completion Date: Discussion and Trainings will be completed by January 31, 2021.

Finding: 2020-008

Grant Cash Management

Name of Contact Person: Amber Daniels, Interim Finance Director

Corrective Action: The finance officer has received training on the cash management requirements related to the issuing payments within the required timeframe.

Proposed Completion Date: April 2021



**Anson County Finance Department
101 S. Greene Street, Suite 238
Wadesboro, NC 28170**

Corrective Action Plan
For the Year Ended June 30, 2020

Section IV- State Award Findings and Questioned Costs

Corrective Actions for finding 2020-005 through 2020-008 also apply to the State Award findings.

ANSON COUNTY, NORTH CAROLINA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the Year Ended June 30, 2020

Finding:	2019-001
Status:	Repeat as 20020-001.
Finding:	2019-002
Status:	Corrected
Finding:	2019-003
Status:	Corrected
Finding:	2019-004
Status:	Corrected
Finding:	2019-005
Status:	Repeat as 20020-004.
Finding:	2019-006
Status:	Repeat as 20020-006.
Finding:	2019-007
Status:	Repeat as 20020-008.
Finding:	2019-008
Status:	Corrected

Anson County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Fiscal Year Ended June 30, 2020

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Provided to Sub-recipients	Local Expenditures
Federal Awards:						
<u>U. S. Department of Agriculture</u>						
Passed-through N.C. Dept. of Health and Human Services:						
Division of Social Services:						
Administration:						
Supplemental Nutrition Assistance Program Cluster						
State Administrative Matching Grants	10.561		\$ 318,076	\$ -	\$ -	\$ 318,076
Passed-through N.C. Dept. of Health and Human Services						
Division of Public Health:						
Administration:						
Special Supplemental Nutrition Program for Women, Infants and Children						
	10.557		168,018	-	-	-
Total U. S. Department of Agriculture			486,094	-	-	318,076
<u>U.S. Dept. of Health and Human Services</u>						
Passed-through N.C. Dept. of Health and Human Services						
Division of Public Health:						
COVID-19 Provider Relief Fund	93.498		23,687	-	-	-
Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements						
	93.074		28,130	-	-	-
Project Grants and Cooperative Agreements for Tuberculosis Control Programs						
	93.116		15	-	-	-
Family Planning Services						
	93.217		35,990	-	-	-
Immunization Grants						
	93.268		11,504	-	-	-
COVID-19 - Public Health Emergency Response: Cooperative Agreement for Emergency Response: Public Health Crisis Response						
	93.354		44,362	-	-	-
Preventive Health Services_Sexually Transmitted Diseases Control Grants						
	93.977		58	-	-	-
Preventive Health and Health Services Block Grant						
	93.991		4,958	-	-	-
Maternal and Child Health Services Block Grant						
	93.994		20,250	15,189	-	-
Division of Social Services						
Family Perservation						
	93.556		7,426	-	-	-
Temporary Assistance Needy Families Cluster						
Division of Social Services:						
TANF - Work First						
	93.558		251,529	-	-	323,427
Division of Public Health						
TANF - Work First						
	93.558		6,133	-	-	-
Total TANF Cluster			257,662	-	-	323,427
Low Income Energy Assistance						
Administration						
	93.568		24,687	-	-	-
Crisis Intervention Payments						
	93.568		245,066	-	-	-
Energy Assistance						
	93.568		259,631	-	-	-
Total Low-Income Energy Assistance			529,384	-	-	-
AFDC Payments & Penalties						
	93.560		(47)	(13)	-	(13)

Anson County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Fiscal Year Ended June 30, 2020

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Provided to Sub-recipients	Local Expenditures
Stephanie Tubbs Jones Child Welfare Services Program	93.645		5,118	-	-	1,706
Foster Care and Adoption Cluster						
Foster Care - Title IV-E 4	93.658		217,714	42,957	-	74,559
Adoption Assistance	93.659		3,152	-	-	3,152
Foster Care	N/A		559	-	-	-
IV-E Adoption	N/A		7,180	-	-	420
Total Foster Care and Adoption			228,605	42,957	-	78,131
Child Support Enforcement	93.563		385,581	(378)	-	199,010
SSBG - Other Training & Services	93.667		115,807	-	-	38,602
Division of Aging and Adult Services						
SSBG -In Home Services	93.667		8,190	1,170	-	-
Division of Social Services						
CPS TANF to SSBG	93.667		42,019	-	-	-
Total Social Service Block Grant			166,016	1,170	-	38,602
<u>Child Care Development Fund Cluster</u>						
Child Care Development Mandatory and Match Fund-	93.596		78,539	-	-	-
Medical Assistance Program Administration	93.778		881,075	704	-	329,202
State Children's Insurance Program-N. C. Health Choice	93.767		21,729	73	-	1,351
Passed-through Centralina Council of Government - Aging Cluster						
Division of Aging and Adult Services						
<u>Aging Cluster</u>						
Special Programs for the Aging - Title III B						
Grants for Supportive Services and Senior Centers	93.044		110,700	19,536	-	-
Special Programs for the Aging - Title III C						
Nutrition Services	93.045		142,139	21,207	-	-
Nutrition Services Incentive Program	93.053		11,905	-	-	-
Total Aging Cluster			264,744	40,743	-	-
Special Programs for the Aging - EBHP	93.043		1,262	223	-	-
Family Caregiver Services	93.052		11,404	760	-	-
Total U. S. Department of Health and Human Services			3,007,452	101,428	-	971,416
<u>U.S. Dept. of Transportation</u>						
Passed through the N.C. Department of Transportation						
Anson County Administration	20.509	DOT-11 36233.5.21.1	96,546	6,034	-	-
Anson County Administration	20.509	DOT-11 36233.5.20.1	37,666	2,354	-	-
Total Anson County			134,212	8,388	-	-
Anson County COA Capital	20.513	DOT-14 51001.96.4.3	18,213	2,277	-	-

Anson County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Fiscal Year Ended June 30, 2020

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Provided to Sub-recipients	Local Expenditures
Airport Improvement Program						
Anson County-Jeff Cloud Field NPE Terminal & Perimeter Fencing	20.106	36237.9.13.1	25,966	-	-	-
		DOT-8				
Anson County-Jeff Cloud Field	20.106	36237.9.14.2	305,390	712,577	-	-
Total Airport Improvement			331,356	712,577	-	-
Total U.S. Dept. of Transportation			483,781	723,242	-	-
U.S. Department of Homeland Security						
Passed through N.C. Dept. of Public Safety						
Disaster Grants - Public Assistance	97.036		29,679	9,893	-	-
Emergency Mgt. Performance Grant	97.042		24,641	-	-	-
Total U.S. Department of Homeland Security			54,320	9,893	-	-
Total Federal Awards			\$ 4,031,647	\$ 834,563	\$ -	\$ 1,289,492
State Awards:						
NC Department of Administration						
Veteran Service			-	2,182	-	-
Total NC Department of Administration			-	2,182	-	-
N.C. Dept. of Health and Human Services						
Division of Public Health:						
Food & Lodging Fees			-	4,464	-	-
Aid to Counties			-	101,510	-	-
General Communicable Diseases Control			-	5,876	-	-
HIV/STD STATE			-	400	-	-
STD Drugs			-	1,608	-	-
Family Planning - State			-	13,204	-	-
Maternal Health			-	29,104	-	-
Women's Health Service Fund			-	6,511	-	-
TB Control			-	907	-	-
Total Division of Public Health			-	163,584	-	-
Division of Social Services:						
State Child Welfare/CPS/CS LD		N/A	-	16,648	-	-
County Funded Programs		N/A	-	-	-	337,174
Eenergy Assist Private		N/A	-	2,875	-	-
Non-Allocating County Cost		N/A	-	-	-	16,909
Work First Non Reimbursable		N/A	-	-	-	1,157
AFDC INCENT / Program Integrity		N/A	-	-	-	-
SFHF Maximization		N/A	-	7,068	-	7,068
State Foster Home		N/A	-	8,285	-	8,285
Total Division of Social Services			-	34,876	-	370,593
Passed-through Centralina Council of Government						
Division of Aging and Adult Services						
Senior Center -General Purpose			-	3,524	-	-
Fan/Heat Program			-	287	-	-
Total Division of Aging and Adult Services			-	3,811	-	-
Total N.C. Dept. of Health and Human Services			-	202,271	-	370,593

Anson County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Fiscal Year Ended June 30, 2020

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Provided to Sub-recipients	Local Expenditures
<u>N.C. Dept. of Transportation</u>						
Anson County Airport		DOT-23 36244.12.11.1	-	8,018	-	-
Rural Operating Assistance Program (ROAP) Cluster						
ROAP EDTAP		DOT-16CL 36220.10.9.1	-	66,548	-	-
ROAP EMPLOYMENT		DOT-16CL 36236.11.8.1	-	9,396	-	-
ROAP RGP		DOT-16CL 36228.22.9.1	-	72,416	-	-
Total ROAP Cluster			-	148,360	-	-
Total N.C. Department of Transportation			-	156,378	-	-
<u>N.C. Department of Pubic Safety</u>						
Juvenile Crime Prevention Programs						
Youth and Family Counseling (JCPC Admin)			-	917	-	-
4-H Youth Promise			-	95,782	-	-
Total N.C. Department of Pubic Safety			-	96,699	-	-
<u>N.C. Department of Commerce</u>						
Rural Building Reuse Program			-	45,874	-	-
Total N.C. Department of Commerce			-	45,874	-	-
<u>N.C. Department of Environmental Quality</u>						
Soil Conservation			-	3,600	-	-
Agricultural Cost Share			-	24,167	-	-
Total N.C. Dept. of Environmental Quality			-	27,767	-	-
<u>N.C. Department of Insurance</u>						
SHIIP Grant			-	4,502	-	-
Total N.C. Department of Insurance			-	4,502	-	-
<u>N.C. Department of Public Instruction</u>						
Public School Building Capital Fund - Needs Based Lottery Fund			-	697,733	-	-
Total N.C. Department of Public Instruction			-	697,733	-	-
Total State Awards			\$ -	\$ 1,233,406	\$ -	\$ 370,593
Total Federal and State Awards			\$ 4,031,647	\$ 2,067,969	\$ -	\$ 1,660,085

Notes to the Schedule of Federal and State Financial 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 Anson County under the programs of the federal government and the State of North Carolina for the year ended June 30, 2020. 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 Anson County, it is not intended to and does not present the financial position, change in net position or cash flows of Anson 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

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

Anson County, North Carolina
Schedule of Expenditures of Federal and State Awards
For The Fiscal Year Ended June 30, 2020

Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	State/ Pass-through Grantor's Number	Federal Expenditures	State Expenditures	Provided to Sub-recipients	Local Expenditures
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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
Special Supplemental Nutrition Program for Women			
Infant and Children	10.557	419,753	-
Food and Nutrition Services	10.551	8,720,705	-
Medical Assistance Program	93.778	41,302,475	18,759,490
Children's Health Insurance Program	93.767	548,150	41,721
IV-E Adopt & Vendor	93.659	41,352	9,352
TANF Payments & Penalties	93.558	168,478	-
CWS Adopt, Vendor, Guard	N/A	-	49,637
SC/SA Domiciliary Care	N/A	-	166,270

Note 6: Coronavirus Relief Funds

Anson County received \$647,744 of funding from the Coronavirus Relief Fund (21.019) and is scheduled to receive \$474,447 in July 2020. At least twenty-five percent (25%) of the funds are mandated to go to municipalities within Anson County, at the discretion of the County. Municipalities are to have a plan to spend these funds by September 1, 2020, or any funds received are to be returned to the County. Counties and municipalities are liable to the State for funds not spent in accordance with US Dept. of Treasury, the granting agency, guidelines. According to the Office of State Budget and Management, the State's pass-through agency, municipalities are considered subrecipients of the Counties. However, under state statute, municipalities are liable to the State, not the County, for any misused or misspent funds. CRF must be spent during the period March 1, 2020 to December 30, 2020.