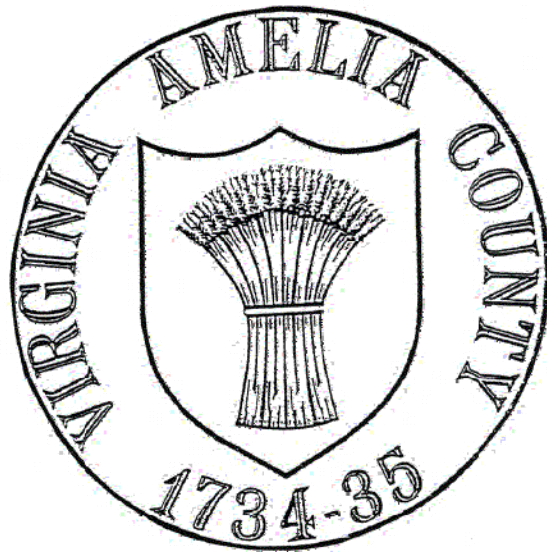


COUNTY OF AMELIA, VIRGINIA



ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDED JUNE 30, 2017

COUNTY OF AMELIA, VIRGINIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2017

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COUNTY OF AMELIA, VIRGINIA

Board of Supervisors

Franklin D. Harris, Chairperson

Judy M. Jones, Vice Chairperson
Ralph A. Whitaker, Jr.

Thomas R. Gleason
Carroll E. Barnard

Department of Social Services Administrative Board

A. Taylor Harvie, III

County School Board

Jim Ferrara, Chairperson

Mike Neller
Ann B. Salster

Glen Wilkerson, Vice Chairperson
Catherine N. Wilkinson

Other Officials

Judge of the Circuit Court Paul W. Cella
Clerk of the Circuit Court Marilyn L. Wilson
Commonwealth's Attorney..... Lee R. Harrison
Commissioner of the Revenue..... Laura M. Walsh
Treasurer Pamela H. Conyers
Sheriff Rick L. Walker
Director of Social Services Martha A. Pullen
County Administrator A. Taylor Harvie, III
Judge of the General District Court..... Mayo K. Gravatt
Judge of the Juvenile and Domestic Relations Court..... Valentine W. Southall, Jr.
Superintendent of Schools Dr. Jack McKinley

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ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To The Honorable Members of the Board of Supervisors
County of Amelia
Amelia, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Amelia, Virginia, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Amelia, Virginia, as of June 30, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and schedules related to pension and OPEB funding on pages 4-10, 85, and 86-91 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County of Amelia, Virginia's basic financial statements. The introductory section, other supplementary information, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis 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*, and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal 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. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information (Continued)

The introductory section and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 13, 2017, on our consideration of County of Amelia, Virginia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering County of Amelia, Virginia's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "D. F. Clark", followed by a long horizontal line extending to the right.

Richmond, Virginia
October 13, 2017

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MANAGEMENT'S DISCUSSION AND ANALYSIS

To the Honorable Members of the Board of Supervisors
To the Citizens of Amelia County
County of Amelia, Virginia

As management of the County of Amelia, Virginia we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended June 30, 2017.

Financial Highlights

Government-wide Financial Statements

- < The assets of the County exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$23,691,692 (net position).

Fund Financial Statements

The Governmental Funds, on a current financial resource basis, reported revenues and other sources in excess of expenditures and other financing uses of \$1,987,030 (Exhibit 5) after making contributions totaling \$5,218,339 to the School Board.

- < As of the close of the current fiscal year; the County's funds reported ending fund balances of \$11,422,773, an increase of \$1,987,030 in comparison with the prior year.
- < At the end of the current fiscal year, unassigned fund balance for the general fund was \$5,738,123, or 35% of total general fund expenditures and other financing uses.
- < The combined long-term obligations decreased \$302,809 during the current fiscal year.

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Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements.

This report also contains required and other supplementary information in addition to the basic financial statements themselves.

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

The statement of net position presents information on all of the County's assets, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, courts, police protection, sanitation, social services, education, cultural events, and recreation.

The Government-wide financial statements include not only the County of Amelia, Virginia itself (known as the primary government), but also a legally separate school district and Industrial development authority for which the County of Amelia, Virginia is financially accountable. Financial information for the component units are reported separately from the financial information presented for the primary government itself.

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

Overview of the Financial Statements (Continued)

Governmental funds - *Governmental funds* are used to account for essentially the same functions or services reported as governmental activities in the government-wide financial statements. Whereas the government-wide financial statements are prepared on the accrual basis of accounting, the governmental fund financial statements are prepared on the modified accrual basis of accounting. The focus of modified accrual reporting is on near-term inflows and outflows of financial resources and the balance of financial resources available at the end of the fiscal year. Since the governmental funds focus is narrower than that of the government-wide financial statements a reconciliation between the two methods is provided at the bottom of the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances. The County has two major governmental funds - the General Fund and the County Capital Projects Fund.

Proprietary funds - Proprietary funds consist of enterprise funds. Enterprise funds are established to account for the delivery of goods and services to the general public and use the accrual basis of accounting, similar to private sector business.

The Sanitary District Fund provides a centralized source for water / sewer services to County residents.

Fiduciary funds - The County is the trustee, or fiduciary, for the County's agency funds. It is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net position. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations. Agency funds are County custodial funds used to provide accountability of client monies for which the County is custodian.

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.

Other information - In addition to the basic financial statement and accompanying notes, this report also presents certain required supplementary information for budgetary comparison schedules and schedules of pension and OPEB funding and presentation of combining financial statements for the discretely presented component unit - School Board and statements for the component unit - Industrial Development Authority. The School Board and Industrial Development Authority do not issue separate financial statements.

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Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a County's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$23,691,692 at the close of the most recent fiscal year. The following table summarizes the County's Statement of Net Position:

County of Amelia, Virginia's Net Position						
	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 13,593,365	\$ 11,438,953	\$ 63,349	\$ 83,050	\$ 13,656,714	\$ 11,522,003
Capital assets	<u>11,808,717</u>	<u>11,991,022</u>	<u>6,258,780</u>	<u>6,446,912</u>	<u>18,067,497</u>	<u>18,437,934</u>
Total assets	<u>\$ 25,402,082</u>	<u>\$ 23,429,975</u>	<u>\$ 6,322,129</u>	<u>\$ 6,529,962</u>	<u>\$ 31,724,211</u>	<u>\$ 29,959,937</u>
Deferred outflows of resources	\$ <u>637,258</u>	\$ <u>403,428</u>	\$ <u>15,240</u>	\$ <u>9,849</u>	\$ <u>652,498</u>	\$ <u>413,277</u>
Current liabilities	\$ 1,388,247	\$ 1,367,478	\$ 15,159	\$ 12,275	\$ 1,403,406	\$ 1,379,753
Long-term liabilities outstanding	<u>4,751,556</u>	<u>4,911,363</u>	<u>2,041,686</u>	<u>2,184,688</u>	<u>6,793,242</u>	<u>7,096,051</u>
Total liabilities	<u>\$ 6,139,803</u>	<u>\$ 6,278,841</u>	<u>\$ 2,056,845</u>	<u>\$ 2,196,963</u>	<u>\$ 8,196,648</u>	<u>\$ 8,475,804</u>
Deferred inflows of resources	\$ <u>476,200</u>	\$ <u>608,751</u>	\$ <u>12,169</u>	\$ <u>16,135</u>	\$ <u>488,369</u>	\$ <u>624,886</u>
Net investment in capital assets	\$ 8,288,356	\$ 8,113,554	\$ 4,251,244	\$ 4,293,272	\$ 12,539,600	\$ 12,406,826
Restricted for:						
Landfill	1,012,928	1,005,228	-	-	1,012,928	1,005,228
Cash proffers	524,410	455,206	-	-	524,410	455,206
Indoor plumbing	26,441	24,731	-	-	26,441	24,731
Asset forfeiture	30,290	30,661	-	-	30,290	30,661
Courthouse security	3,125	21,451	-	-	3,125	21,451
Unrestricted	<u>9,537,787</u>	<u>7,294,980</u>	<u>17,111</u>	<u>33,441</u>	<u>9,554,898</u>	<u>7,328,421</u>
Total net position	<u>\$ 19,423,337</u>	<u>\$ 16,945,811</u>	<u>\$ 4,268,355</u>	<u>\$ 4,326,713</u>	<u>\$ 23,691,692</u>	<u>\$ 21,272,524</u>

Government-wide Financial Analysis (Continued)

Governmental and business-type activities increased the County's net position by \$2,419,168 during the current fiscal year. The following table summarizes the County's Statement of Activities:

County of Amelia, Virginia's Changes in Net Position						
	Governmental Activities		Business-type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 3,971,573	\$ 2,550,460	\$ 380,262	\$ 386,525	\$ 4,351,835	\$ 2,936,985
Operating grants and contributions	3,086,136	3,023,800	-	-	3,086,136	3,023,800
Capital grants and contributions	-	-	13,626	234,084	13,626	234,084
General revenues:						
General property taxes	8,384,347	7,956,608	-	-	8,384,347	7,956,608
Other local taxes	1,799,598	1,699,701	-	-	1,799,598	1,699,701
Grants and other contributions not restricted	1,352,298	1,350,044	-	-	1,352,298	1,350,044
Other general revenues	274,199	261,320	-	-	274,199	261,320
Transfers	(171,839)	(218,938)	171,839	218,938	-	-
Total revenues	\$ 18,696,312	\$ 16,622,995	\$ 565,727	\$ 839,547	\$ 19,262,039	\$ 17,462,542
Expenses:						
General government						
administration	\$ 1,864,753	\$ 1,678,210	\$ -	\$ -	\$ 1,864,753	\$ 1,678,210
Judicial administration	842,795	755,646	-	-	842,795	755,646
Public safety	3,405,773	3,231,655	-	-	3,405,773	3,231,655
Public works	1,027,901	(331,120)	624,085	632,679	1,651,986	301,559
Health and welfare	1,730,950	1,724,362	-	-	1,730,950	1,724,362
Education	5,719,068	5,662,665	-	-	5,719,068	5,662,665
Parks, recreation, and cultural	609,538	611,931	-	-	609,538	611,931
Community development	819,585	1,345,342	-	-	819,585	1,345,342
Interest and other fiscal charges	198,423	194,995	-	-	198,423	194,995
Total expenses	\$ 16,218,786	\$ 14,873,686	\$ 624,085	\$ 632,679	\$ 16,842,871	\$ 15,506,365
Change in net position	\$ 2,477,526	\$ 1,749,309	\$ (58,358)	\$ 206,868	\$ 2,419,168	\$ 1,956,177
Beginning of year	16,945,811	15,196,502	4,326,713	4,119,845	21,272,524	19,316,347
End of year	\$ 19,423,337	\$ 16,945,811	\$ 4,268,355	\$ 4,326,713	\$ 23,691,692	\$ 21,272,524

Financial Analysis of the County's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported fund balances of \$11,422,773, an increase of \$1,987,030 in comparison with the prior year. Approximately 50% of the reported fund balance constitutes unassigned General Fund balance, which is available for spending at the County's discretion.

Proprietary Funds - The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position at the end of the year was \$17,111. The total decrease in net position was \$58,358. Other factors concerning the finances of this fund have already been addressed in the discussion of the County's business-type activities.

General Fund Budgetary Highlights

During the year, revenues and other financing sources of the General Fund were less than budgetary estimates by \$509,537. Expenditures and other financing uses were less than budgetary estimates by \$838,887, resulting in a positive variance of \$329,350.

Capital Asset and Debt Administration

Capital assets - The County's investment in capital assets for its governmental operations as of June 30, 2017 was \$11,808,717 and its investment in capital assets for its proprietary operations was \$6,258,780 (both net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and machinery and equipment.

Additional information on the County's capital assets can be found in the notes of this report.

Long-term debt - At the end of the current fiscal year, the County had total debt outstanding of \$5,392,107. Of this amount, \$3,384,571 comprises debt backed by the full faith and credit of the County. The remainder of the County's debt represents bonds secured solely by specified revenue sources (i.e., revenue and lease/revenue bonds).

The County's bonded debt decreased by \$488,124 during the current fiscal year.

Additional information on the County of Amelia, Virginia's long-term debt can be found in the notes of this report.

Economic Factors and Next Year's Budgets and Rates

< Inflationary trends in the region compare to national indices.

All of these factors were considered in preparing the County's budget for the 2018 fiscal year.

The fiscal year 2018 budget decreased by approximately 1.9%. All tax rates remained the same as in 2017.

Requests for Information

This financial report is designed to provide a general overview of the County of Amelia, Virginia's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the County Administrator, P.O. Box A, Amelia, Virginia 23002.

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BASIC FINANCIAL STATEMENTS

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County of Amelia, Virginia
Statement of Net Position
June 30, 2017

	Primary Government			Component Units		
	Governmental	Business-type		School Board		IDA
	Activities	Activities	Total			
ASSETS						
Cash and cash equivalents	\$ 5,548,950	\$ -	\$ 5,548,950	\$ 275,948	\$ -	
Investments	3,041,962	-	3,041,962	-		72,981
Receivables (net of allowance for uncollectibles):						
Taxes receivable	1,001,143	-	1,001,143	-		-
Accounts receivable	86,533	42,851	129,384	-		-
Interest receivable	421	-	421	-		74
Due from other governmental units	601,975	-	601,975	1,818,601		-
Prepaid items	-	20,498	20,498	-		-
Certificate of deposit	2,299,453	-	2,299,453	-		-
Restricted assets:						
Landfill funds held with trustee	1,012,928	-	1,012,928	-		-
Capital assets (net of accumulated depreciation):						
Land and land improvements	2,679,084	29,463	2,708,547	367,715		30,020
Buildings and improvements	6,965,072	-	6,965,072	6,476,550		1,299,046
Utility plant in service	-	6,128,733	6,128,733	-		-
Machinery and equipment	2,164,561	100,584	2,265,145	1,653,872		-
Construction in progress	-	-	-	26,175		-
Total assets	\$ 25,402,082	\$ 6,322,129	\$ 31,724,211	\$ 10,618,861	\$ 1,402,121	
DEFERRED OUTFLOWS OF RESOURCES						
Items related to measurement of net pension liability/asset	\$ 349,204	\$ 8,157	\$ 357,361	\$ 1,473,343	\$ -	
Pension contributions subsequent to measurement date	288,054	7,083	295,137	1,321,081		-
Total deferred outflows of resources	\$ 637,258	\$ 15,240	\$ 652,498	\$ 2,794,424	\$ -	
LIABILITIES						
Accounts payable	\$ 259,551	\$ 3,453	\$ 263,004	\$ 92,825	\$ -	
Accrued liabilities	-	-	-	1,762,738		-
Accrued interest payable	90,994	11,706	102,700	-		-
Due to other governmental units	1,037,702	-	1,037,702	-		-
Long-term liabilities:						
Due within one year	373,040	151,805	524,845	131,126		-
Due in more than one year	4,378,516	1,889,881	6,268,397	19,977,391		-
Total liabilities	\$ 6,139,803	\$ 2,056,845	\$ 8,196,648	\$ 21,964,080	\$ -	
DEFERRED INFLOWS OF RESOURCES						
Deferred revenue - property taxes	\$ 5,746	\$ -	\$ 5,746	\$ -	\$ -	
Items related to measurement of net pension liability/asset	470,454	12,169	482,623	767,444		-
Total deferred inflows of resources	\$ 476,200	\$ 12,169	\$ 488,369	\$ 767,444	\$ -	
NET POSITION						
Net investment in capital assets	\$ 8,288,356	\$ 4,251,244	\$ 12,539,600	\$ 7,522,383	\$ 1,329,066	
Restricted:						
Landfill funds held by trustees	1,012,928	-	1,012,928	-		-
Cash proffers	524,410	-	524,410	-		-
Indoor plumbing	26,441	-	26,441	-		-
Asset forfeiture	30,290	-	30,290	-		-
Courthouse security fund	3,125	-	3,125	-		-
Unrestricted (deficit)	9,537,787	17,111	9,554,898	(16,840,622)		73,055
Total net position	\$ 19,423,337	\$ 4,268,355	\$ 23,691,692	\$ (9,318,239)	\$ 1,402,121	

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

County of Amelia, Virginia
Statement of Activities
For the Year Ended June 30, 2017

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions		Primary Government Business-type Activities		Component Units	
			Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total	School Board	IDA
PRIMARY GOVERNMENT:								
Governmental activities:								
General government administration	\$ 1,864,753	\$ -	\$ 247,460	\$ -	\$ (1,617,293)	\$ (1,617,293)		
Judicial administration	842,795	157,558	453,942	-	(231,295)	(231,295)		
Public safety	3,405,773	172,359	1,011,972	-	(2,221,442)	(2,221,442)		
Public works	1,027,901	3,531,904	-	-	2,504,003	2,504,003		
Health and welfare	1,730,950	-	1,248,042	-	(482,908)	(482,908)		
Education	5,719,068	-	-	-	(5,719,068)	(5,719,068)		
Parks, recreation, and cultural	609,538	109,752	58,958	-	(440,828)	(440,828)		
Community development	819,585	-	6,192	-	(813,393)	(813,393)		
Interest on long-term debt	198,423	-	59,570	-	(138,853)	(138,853)		
Total governmental activities	\$ 16,218,786	\$ 3,971,573	\$ 3,086,136	\$ -	\$ (9,161,077)	\$ (9,161,077)		
Business-type activities:								
Sanitary District	\$ 624,085	\$ 380,262	\$ -	\$ 13,626	\$ (230,197)	\$ (230,197)		
Total business-type activities	\$ 624,085	\$ 380,262	\$ -	\$ 13,626	\$ (230,197)	\$ (230,197)		
Total primary government	\$ 16,842,871	\$ 4,351,835	\$ 3,086,136	\$ 13,626	\$ (9,391,274)	\$ (9,391,274)		
COMPONENT UNITS:								
School Board	\$ 19,498,049	\$ 303,878	\$ 12,446,805	\$ -	\$ (6,747,366)	\$ (6,747,366)	\$ 38,502	
Industrial Development Authority	55,369	93,871	-	-	-	-	-	
Total component units	\$ 19,553,418	\$ 397,749	\$ 12,446,805	\$ -	\$ (6,747,366)	\$ (6,747,366)	\$ 38,502	
General revenues:								
General property taxes					\$ 8,384,347	\$ 8,384,347	\$ -	\$ -
Other local taxes:								
Local sales and use taxes					765,327	765,327	-	-
Consumers' utility taxes					223,453	223,453	-	-
Motor vehicle licenses					364,340	364,340	-	-
Business license taxes					226,014	226,014	-	-
Other local taxes					220,464	220,464	-	-
Unrestricted revenues from use of money and property					96,222	96,222	16,954	738
Miscellaneous					177,977	177,977	346,244	-
Payments from Amelia County					-	-	5,560,359	440,347
Grants and contributions not restricted to specific programs					1,352,298	1,352,298	-	-
Transfers					(171,839)	171,839	-	-
Total general revenues and transfers					\$ 11,638,603	\$ 11,810,442	\$ 5,923,557	\$ 441,085
Change in net position					\$ 2,477,526	\$ (58,358)	\$ 2,419,168	\$ (823,809)
Net position - beginning					16,945,811	4,326,713	21,272,524	(8,494,430)
Net position - ending					\$ 19,423,337	\$ 4,268,355	\$ 23,691,692	\$ (9,318,239)
							\$ 1,402,121	

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

FUND FINANCIAL STATEMENTS

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County of Amelia, Virginia
Balance Sheet
Governmental Funds
June 30, 2017

	<u>General</u>	<u>County Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 2,381,020	\$ 2,606,859	\$ 561,071	\$ 5,548,950
Investments	1,400,570	1,584,420	56,972	3,041,962
Interest receivable	-	421	-	421
Receivables (net of allowance for uncollectibles):				
Taxes receivable	1,001,143	-	-	1,001,143
Accounts receivable	56,525	26,409	3,599	86,533
Due from other governmental units	601,975	-	-	601,975
Certificate of deposit	2,299,453	-	-	2,299,453
Restricted assets:				
Landfill funds held with trustee	1,012,928	-	-	1,012,928
Total assets	<u>\$ 8,753,614</u>	<u>\$ 4,218,109</u>	<u>\$ 621,642</u>	<u>\$ 13,593,365</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 91,522	\$ 168,029	\$ -	\$ 259,551
Due to other governmental units	1,037,702	-	-	1,037,702
Total liabilities	<u>\$ 1,129,224</u>	<u>\$ 168,029</u>	<u>\$ -</u>	<u>\$ 1,297,253</u>
Deferred inflows of resources:				
Unavailable revenue - property taxes	\$ 873,339	\$ -	\$ -	\$ 873,339
Total deferred inflows of resources	<u>\$ 873,339</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 873,339</u>
Fund balances:				
Restricted	\$ 1,012,928	\$ -	\$ 584,266	\$ 1,597,194
Committed	-	4,050,080	37,376	4,087,456
Unassigned	5,738,123	-	-	5,738,123
Total fund balances	<u>\$ 6,751,051</u>	<u>\$ 4,050,080</u>	<u>\$ 621,642</u>	<u>\$ 11,422,773</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 8,753,614</u>	<u>\$ 4,218,109</u>	<u>\$ 621,642</u>	<u>\$ 13,593,365</u>

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

County of Amelia, Virginia
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2017

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

Total fund balances per Exhibit 3 - Balance Sheet - Governmental Funds	\$	11,422,773
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Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets, cost	\$ 23,012,554		
Accumulated depreciation	(11,203,837)		11,808,717

Other long-term assets are not available to pay for current-period expenditures and, therefore, are reported as unavailable revenues in the funds.

Unavailable revenue - property taxes	\$ 867,593		
Items related to measurement of net pension liability	(470,454)		397,139

Pension contributions subsequent to the measurement date will be a reduction to the net pension liability in the next fiscal year and, therefore, are not reported in the funds.		288,054
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Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. The following is a summary of items supporting this adjustment:

General obligation bonds	\$ (3,384,571)		
Bond issuance premium	(135,790)		
Accrued interest payable	(90,994)		
Net pension liability	(964,834)		
Deferred outflows related to measurement of net pension liability	349,204		
Compensated absences	(266,361)		(4,493,346)

Net position of governmental activities	\$	19,423,337

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

County of Amelia, Virginia
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2017

	<u>General</u>	<u>County Capital Projects</u>	<u>Other Governmental Funds</u>	<u>Total</u>
REVENUES				
General property taxes	\$ 8,222,335	\$ -	\$ -	\$ 8,222,335
Other local taxes	1,799,598	-	-	1,799,598
Permits, privilege fees, and regulatory licenses	136,636	-	-	136,636
Fines and forfeitures	151,839	-	-	151,839
Revenue from the use of money and property	88,777	3,459	3,986	96,222
Charges for services	320,853	3,327,923	34,322	3,683,098
Miscellaneous	107,588	-	70,389	177,977
Recovered costs	123,971	24,941	-	148,912
Intergovernmental:				
Commonwealth	3,589,612	-	-	3,589,612
Federal	848,822	-	-	848,822
Total revenues	<u>\$ 15,390,031</u>	<u>\$ 3,356,323</u>	<u>\$ 108,697</u>	<u>\$ 18,855,051</u>
EXPENDITURES				
Current:				
General government administration	\$ 1,561,187	\$ -	\$ -	\$ 1,561,187
Judicial administration	834,848	-	-	834,848
Public safety	3,583,688	-	-	3,583,688
Public works	998,133	-	-	998,133
Health and welfare	1,866,444	-	-	1,866,444
Education	5,224,467	-	-	5,224,467
Parks, recreation, and cultural	601,687	-	-	601,687
Community development	791,192	-	-	791,192
Capital projects	291	688,508	-	688,799
Debt service:				
Principal retirement	342,020	-	-	342,020
Interest and other fiscal charges	203,717	-	-	203,717
Total expenditures	<u>\$ 16,007,674</u>	<u>\$ 688,508</u>	<u>\$ -</u>	<u>\$ 16,696,182</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (617,643)</u>	<u>\$ 2,667,815</u>	<u>\$ 108,697</u>	<u>\$ 2,158,869</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 769,497	\$ 64,253	\$ -	\$ 833,750
Transfers out	(236,092)	(715,748)	(53,749)	(1,005,589)
Total other financing sources (uses)	<u>\$ 533,405</u>	<u>\$ (651,495)</u>	<u>\$ (53,749)</u>	<u>\$ (171,839)</u>
Net change in fund balances	\$ (84,238)	\$ 2,016,320	\$ 54,948	\$ 1,987,030
Fund balances - beginning	6,835,289	2,033,760	566,694	9,435,743
Fund balances - ending	<u>\$ 6,751,051</u>	<u>\$ 4,050,080</u>	<u>\$ 621,642</u>	<u>\$ 11,422,773</u>

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

County of Amelia, Virginia
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2017

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

Net change in fund balances - total governmental funds	\$	1,987,030
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period. The following is a summary of items supporting this adjustment:

Capital asset additions	\$	693,938	
Depreciation expense		(534,223)	
Activity related to joint tenancy assets to Component Unit from Primary Government		(342,020)	(182,305)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

Property taxes	\$	162,012	
Decrease (increase) in items related to measurement of net pension liability		126,945	288,957

The issuance of long-term obligations (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term obligations consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The following is a summary of items supporting this adjustment:

Principal retirement on school general obligation bonds			342,020
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds. The following is a summary of items supporting this adjustment:

Bond issuance premium amortization	\$	15,087	
Decrease (increase) in compensated absences		(4,569)	
Decrease (increase) in net pension liability		(192,731)	
Decrease (increase) in deferred outflows related to pension payments subsequent to the measurement date		(115,374)	
Increase (decrease) in deferred outflows related to measurement of net pension liability		349,204	
Decrease (increase) in accrued interest payable		(9,793)	41,824

Change in net position of governmental activities	\$	2,477,526
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The notes to the financial statements are an integral part of this statement.

County of Amelia, Virginia
Statement of Net Position
Proprietary Funds
June 30, 2017

	Enterprise Fund Sanitary District
ASSETS	
Current assets:	
Accounts receivable, net of allowance for uncollectibles	\$ 42,851
Prepaid items	20,498
Total current assets	<u>\$ 63,349</u>
Noncurrent assets:	
Capital assets:	
Land and land improvements	\$ 29,463
Utility plant in service	9,610,298
Machinery and equipment	390,254
Accumulated depreciation	(3,771,235)
Total capital assets	<u>\$ 6,258,780</u>
Total noncurrent assets	<u>\$ 6,258,780</u>
Total assets	<u>\$ 6,322,129</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension contributions subsequent to measurement date	\$ 7,083
Items related to measurement of net pension liability	8,157
Total deferred outflows of resources	<u>\$ 15,240</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 3,453
Accrued interest payable	11,706
Bonds payable - current portion	150,762
Compensated absences - current portion	1,043
Total current liabilities	<u>\$ 166,964</u>
Noncurrent liabilities:	
Bonds payable - net of current portion	\$ 1,856,774
Net pension liability	23,725
Compensated absences - net of current portion	9,382
Total noncurrent liabilities	<u>\$ 1,889,881</u>
Total liabilities	<u>\$ 2,056,845</u>
DEFERRED INFLOWS OF RESOURCES	
Items related to measurement of net pension liability	\$ 12,169
Total deferred inflows of resources	<u>\$ 12,169</u>
NET POSITION	
Net investment in capital assets	\$ 4,251,244
Unrestricted	17,111
Total net position	<u><u>\$ 4,268,355</u></u>

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

County of Amelia, Virginia
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2017

	Enterprise Fund Sanitary <u>District</u>
OPERATING REVENUES	
Charges for services:	
Water and sewer revenues	\$ 343,175
Penalties	16,087
Total operating revenues	<u>\$ 359,262</u>
OPERATING EXPENSES	
Water	\$ 90,693
Sewer	266,657
Depreciation	201,758
Total operating expenses	<u>\$ 559,108</u>
Operating income (loss)	<u>\$ (199,846)</u>
NONOPERATING REVENUES (EXPENSES)	
Connection fees	\$ 21,000
Interest expense	<u>(64,977)</u>
Total nonoperating revenues (expenses)	<u>\$ (43,977)</u>
Income (loss) before contributions and transfers	<u>\$ (243,823)</u>
Capital contributions and construction grants	\$ 13,626
Transfers in	<u>171,839</u>
Change in net position	\$ (58,358)
Total net position - beginning	4,326,713
Total net position - ending	<u><u>\$ 4,268,355</u></u>

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

County of Amelia, Virginia
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2017

	Enterprise Fund Sanitary District
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and users	\$ 380,542
Payments to suppliers	(243,090)
Payments to employees	(118,899)
Net cash provided by (used for) operating activities	<u>\$ 18,553</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Transfers from other funds	\$ 171,839
Net cash provided by (used for) noncapital financing activities	<u>\$ 171,839</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital asset additions	\$ (13,626)
Principal payments on bonds	(146,104)
Capital contributions	13,626
Connection fees	21,000
Interest payments	(65,288)
Net cash provided by (used for) capital and related financing activities	<u>\$ (190,392)</u>
Net increase (decrease) in cash and cash equivalents	\$ -
Cash and cash equivalents - beginning	-
Cash and cash equivalents - ending	<u><u>\$ -</u></u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:	
Operating income (loss)	\$ (199,846)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation	\$ 201,758
(Increase) decrease in accounts receivable	21,280
(Increase) decrease in prepaid items	(1,579)
(Increase) decrease in deferred outflows of resources	(5,391)
Increase (decrease) in accounts payable	3,195
Increase (decrease) in compensated absences	(1,637)
Increase (decrease) in net pension liability	4,739
Increase (decrease) in deferred inflows of resources	(3,966)
Total adjustments	<u>\$ 218,399</u>
Net cash provided by (used for) operating activities	<u><u>\$ 18,553</u></u>

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

County of Amelia, Virginia
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

	Private Purpose Trust <u>Funds</u>	Agency <u>Funds</u>
ASSETS		
Cash and cash equivalents	\$ 5,163	\$ 50,394
Investments	245,848	-
Receivables:		
Interest and dividends	1,059	2
Total assets	<u>\$ 252,070</u>	<u>\$ 50,396</u>
LIABILITIES		
Amounts held for social services clients	\$ -	\$ 15,437
Performance bonds	-	22,812
Amounts held for others	-	12,147
Total liabilities	<u>\$ -</u>	<u>\$ 50,396</u>
NET POSITION		
Held in trust for scholarships	<u>\$ 252,070</u>	<u>\$ -</u>

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

County of Amelia, Virginia
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2017

	<u>Private Purpose Trust Funds</u>
ADDITIONS	
Contributions:	
Private donations	\$ 13,215
Total contributions	<u>\$ 13,215</u>
Investment earnings:	
Interest	\$ 5,973
Total investment earnings	<u>\$ 5,973</u>
Total additions	<u>\$ 19,188</u>
DEDUCTIONS	
Scholarships	\$ 14,050
Total deductions	<u>\$ 14,050</u>
Change in net position	\$ 5,138
Net position - beginning	246,932
Net position - ending	<u><u>\$ 252,070</u></u>

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

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements As of June 30, 2017

Note 1—Summary of Significant Accounting Policies:

County of Amelia, Virginia (the "County") is governed by an elected five member Board of Supervisors. The County provides a full range of services for its citizens. These services include police and fire protection, sanitation services, recreational activities, cultural events, education, and social services.

The financial statements of County of Amelia, Virginia have been prepared in conformity with the specifications promulgated by the Auditor of Public Accounts (APA) of the Commonwealth of Virginia, and the accounting principles generally accepted in the United States as specified by the Governmental Accounting Standards Board. The more significant of the government's accounting policies are described below.

Financial Statement Presentation

GASB Statement No. 34 establishes requirements and a reporting model for the annual financial reports of state and local governments. The Statement was developed to make annual reports easier to understand and more useful to the people who use governmental financial information to make decisions.

Management's Discussion and Analysis - GASB Statement No. 34 requires the financial statements be accompanied by a narrative introduction and analytical overview of the government's financial activities in the form of "Management's Discussion and Analysis" (MD&A).

Government-wide and Fund Financial Statements

Government-wide financial statements - The reporting model includes financial statements prepared using full accrual accounting for all of the government's activities. This approach includes not just current assets and liabilities but also capital assets and long-term liabilities (such as buildings and general obligation debt).

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 1—Summary of Significant Accounting Policies: (Continued)

Statement of Net Position - The Statement of Net Position is designed to display the financial position of the primary government (governmental and business-type activities) and its discretely presented component units. Governments will report all capital assets in the government-wide Statement of Net Position and will report depreciation expense - the cost of “using up” capital assets - in the Statement of Activities. The net position of a government will be broken down into three categories - 1) net investment in capital assets; 2) restricted; and 3) unrestricted.

Statement of Activities - The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government’s functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Budgetary Comparison Schedules - Demonstrating compliance with the adopted budget is an important component of a government’s accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments, and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Under the GASB 34 reporting model, governments provide budgetary comparison information in their annual reports, including a requirement to report the government’s original budget and a comparison of final budget and actual results.

A. Financial Reporting Entity

The basic criterion for determining whether a governmental department, agency, institution, commission, public authority, or other governmental organization should be included in a primary governmental unit’s reporting entity for the basic financial statements is financial accountability. Financial accountability includes the appointment of a voting majority of the organization’s governing body and the ability of the primary government to impose its will on the organization or if there is a financial benefit/burden relationship. In addition, an organization which is fiscally dependent on the primary government should be included in its reporting entity. These financial statements present the County of Amelia (the primary government) and its component units. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and so data from these units are combined with data of the primary government. Each discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize it is legally separate from the government.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued) As of June 30, 2017

Note 1—Summary of Significant Accounting Policies: (Continued)

B. Individual Component Unit Disclosures

Blended Component Unit. The County has no blended component units at June 30, 2017.

Discretely Presented Component Units. The School Board members are elected by the citizens of Amelia County. The School Board is responsible for the operations of the County's School System within the County boundaries. The School Board is fiscally dependent on the County. The County has the ability to approve its budget and any amendments. The School Fund does not issue a separate financial report. The financial statements of the School Board are presented as a discrete presentation of the County financial statements for the fiscal year ended June 30, 2017.

The Industrial Development Authority of Amelia County is responsible for industrial and commercial development in the County. The Authority consists of seven members appointed by the Board of Supervisors. The Authority is fiscally dependent on the County, and therefore, it is included in the County's financial statements as a discrete presentation for the year ended June 30, 2017. The Industrial Development Authority does not issue a separate report.

C. Other Related Organizations Included in the County's Financial Report

None

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accompanying financial statements are prepared in accordance with pronouncements issued by the Governmental Accounting Standards Board. The principles prescribed by GASB represent generally accepted accounting principles applicable to governmental units.

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

The government-wide Statement of Activities reflects both the gross and net cost per functional category (public safety, public works, health and welfare, etc.) which are otherwise being supported by general government revenues, (property, sales and use taxes, certain intergovernmental revenues, fines, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants, and contributions. The program revenues must be directly associated with the function (public safety, public works, health and welfare, etc.) or a business-type activity.

Note 1—Summary of Significant Accounting Policies: (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County's fiduciary funds are presented in the fund financial statements by type. Since by definition these assets are being held for the benefit of a third party and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts. Property taxes not collected within 60 days after year-end are reflected as unavailable revenues. Sales and utility taxes, which are collected by the state or utilities and subsequently remitted to the County, are recognized as revenues and receivables upon collection by the state or utility, which is generally within two months preceding receipt by the County.

Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of federal, state and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of the specific expenditure. Revenues from general purpose grants are recognized in the period to which the grant applies. All other revenue items are considered to be measurable and available only when cash is received by the government.

In the fund financial statements, financial transactions and accounts of the County are organized on the basis of funds. The operation of each fund is considered to be an independent fiscal and separate accounting entity, with a self-balancing set of accounts recording cash and/or other financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Note 1—Summary of Significant Accounting Policies: (Continued)

D. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)

1. Governmental Funds

Governmental Funds are those through which most governmental functions typically are financed. The County reports the General Fund and Capital Projects Fund as major governmental funds.

The General Fund is the primary operating fund of the County. This fund is used to account for and report all financial transactions and resources except those required to be accounted for in another fund. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for service, and interest income. A significant part of the General Fund's revenues is used principally to finance the operations of the Component Unit School Board.

Capital Projects Funds - The Capital Projects Fund accounts for and reports financial resources that are restricted, committed or assigned to expenditure for capital outlays, except for those financed by proprietary funds or for assets held in trust for individuals, private organizations, or other governments.

The County reports the following nonmajor governmental funds:

Special Revenue Funds - Special revenue funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The County Special Revenue Fund reports the operations of the proffers, IPR program, Courthouse security, Amelia County clean-up program, special library and forfeited assets funds transactions.

2. Proprietary Funds - account for operations that are financed in a manner similar to private business enterprises. The Proprietary Fund measurement focus is upon determination of net income, financial position, and changes in financial position. Proprietary Funds consist of Enterprise Funds.

Enterprise Funds - Enterprise 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 County's Enterprise Funds consist of the Sanitary District.

3. Fiduciary Funds - (Trust and Agency Funds) - account for assets held by the County in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include Agency Funds and Private Purpose Trust Funds. These funds utilize the accrual basis of accounting. Fiduciary funds are not included in the government-wide financial statements. The County's Agency Funds include amounts held for others in fiduciary capacity, which include the Special Welfare, Performance Bond, Project Lifesaver, and A.M. Radio Partners funds. The County's Private Purpose Trust Funds include the following funds: Harris Scholarship, Wright Scholarship, Arnold Scholarship, Black Scholarship and N.S. Montague Scholarship.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2017

Note 1—Summary of Significant Accounting Policies: (Continued)

E. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the government.

F. Investments

The money market investments, participating interest-earning investment contracts (repurchase agreements) that have a remaining maturity at time of purchase of one year or less, nonparticipating interest-earning investment contracts (nonnegotiable certificates of deposits (CDs) and external investment pools are measured at amortized cost. All other investments are reported at fair value. Investments in custody of others include unspent bond proceeds and accumulated interest that the County intends to use for the new government complex.

State statutes authorize the government to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements.

G. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e. the current portions of the interfund loans). All other outstanding balances between funds are reported as “advances to/from other funds.”

All trade and property tax receivables are shown net of an allowance for uncollectibles. The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to approximately \$186,130 at June 30, 2017 and is comprised of \$176,277 for property taxes and \$9,853 related to proprietary revenue.

Real and Personal Property Tax Data:

The tax calendars for real and personal property taxes are summarized below.

	<u>Real Property</u>	<u>Personal Property</u>
Levy	January 1	January 1
Due Date	December 5	December 5
Lien Date	January 1	January 1

The County bills and collects its own property taxes.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 1—Summary of Significant Accounting Policies: (Continued)

H. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County and Component Unit School Board as land, buildings, and equipment with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. The County does not have any infrastructure in its capital assets since roads, streets, bridges and similar assets within its boundaries are the property of the Commonwealth of Virginia. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There is no capitalized interest for the year June 30, 2017.

Property, plant and equipment of the primary government, as well as the component units, are depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40
Furniture, Vehicles, and Office Equipment	5-20
Buses	10

Property, plant and equipment of the Enterprise Fund are depreciated using the straight-line method over the following estimated useful lives.

<u>Assets</u>	<u>Years</u>
Sewer System	50
Sewage Treatment Plant	25
Machinery and Equipment	3-5

Note 1—Summary of Significant Accounting Policies: (Continued)

I. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported as an expense in the Statement of Activities and a long-term obligation in the Statement of Net Position. In accordance with the provisions of Governmental Accounting Standards No. 16, Accounting for Compensated Absences, no liability is recorded for nonvesting accumulating rights to receive sick pay benefits. However, a liability is recognized for that portion of accumulating sick leave benefits that is estimated will be taken as “terminal leave” prior to retirement.

J. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. Fund Equity

The County reports fund balances in accordance with GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in spendable form (such as inventory and prepaids) or are required to be maintained intact (corpus of a permanent fund);
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are only reported in the general fund.

When fund balance resources are available for a specific purpose in more than one classification, it is the County’s policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 1—Summary of Significant Accounting Policies: (Continued)

K. Fund Equity (Continued)

Board of Supervisors establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by Board of Supervisors through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

The details of governmental fund balances, as presented in aggregate on Exhibit 3, are as follows:

	General Fund	Major Capital Project Fund County Capital Projects Fund	Non-Major Special Revenue Fund County Special Revenue Fund	Total
Fund Balances:				
Restricted:				
Cash Proffers	\$ -	\$ -	\$ 524,410	\$ 524,410
Indoor Plumbing	-	-	26,441	26,441
Asset forfeiture	-	-	30,290	30,290
Courthouse security fund	-	-	3,125	3,125
Landfill funds held by trustees	1,012,928	-	-	1,012,928
Total Restricted Fund Balance	\$ 1,012,928	\$ -	\$ 584,266	\$ 1,597,194
Committed:				
Capital Improvements	\$ -	\$ 4,044,494	\$ -	\$ 4,044,494
Special Library	-	-	26,876	26,876
Amelia County Clean-up Program	-	-	10,500	10,500
Hindle Building Bell Fund	-	5,586	-	5,586
Total Committed Fund Balance	\$ -	\$ 4,050,080	\$ 37,376	\$ 4,087,456
Unassigned	\$ 5,738,123	\$ -	\$ -	\$ 5,738,123
Total Fund Balances	\$ 6,751,051	\$ 4,050,080	\$ 621,642	\$ 11,422,773

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 1—Summary of Significant Accounting Policies: (Continued)

L. Net Position

Net position is the difference between a) assets and deferred outflows of resources and b) liabilities and deferred inflows of resources. Net investment in capital assets represent capital assets, less accumulated depreciation, less any outstanding debt related to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

M. Net Position Flow Assumption

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

N. Pensions

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

O. Long-term Obligations

In the government-wide financial statements, long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued and premiums on issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Note 1—Summary of Significant Accounting Policies: (Continued)

P. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has two items that qualify for reporting in this category. It is comprised of certain items related to the measurement of the net pension liability. These include differences between expected and actual experience, change in assumptions, the net difference between projected and actual earnings on pension plan investments. It is also comprised of contributions to the pension plan made during the current year and subsequent to the net pension asset or liability measurement date, which will be recognized as an increase to or a reduction of the net pension asset or liability next fiscal year. For more detailed information on these items, reference the pension note.

In addition to liabilities, the statement of financial position will sometimes 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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two types of items that qualify for reporting in this category. Under a modified accrual basis of accounting, unavailable revenue representing property taxes receivable is reported in the governmental funds balance sheet. This amount is comprised of uncollected property taxes due prior to June 30, and amounts prepaid on next year's taxes and is deferred and recognized as an inflow of resources in the period that the amount becomes available. Under the accrual basis, amounts prepaid on next year's taxes are reported as deferred inflows of resources. In addition, certain items related to the measurement of the net pension liability (asset) are reported as deferred inflows of resources. These include differences between expected and actual experience, change in assumptions, the net difference between projected and actual earnings on pension plan investments and the changes in proportion and differences between employer contributions and proportionate share of contributions. For more detailed information on these items, reference the pension note.

Note 2—Stewardship, Compliance, and Accounting:

The following procedures are used by the County in establishing the budgetary data reflected in the financial statements:

1. On or before March 30th, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 2—Stewardship, Compliance, and Accounting: (Continued)

4. The Appropriations Resolution places legal restrictions on expenditures at the department or category level. The appropriation for each department or category can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within general government departments; however, the School Board is authorized to transfer budgeted amounts within the school system's categories.
5. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Appropriations lapse on June 30, for all County units.

Expenditures and Appropriations

Expenditures exceeded appropriations in the following fund at June 30, 2017:

School Operating Fund \$ 32,107

Note 3 - Deposits and Investments:

Deposits

Deposits with banks are covered by the Federal Deposit Insurance Corporation (FDIC) and collateralized in accordance with the Virginia Security for Public Deposits Act (the "Act") Section 2.2-4400 et. seq. of the Code of Virginia. Under the Act, banks and savings institutions holding public deposits in excess of the amount insured by the FDIC must pledge collateral to the Commonwealth of Virginia Treasury Board. Financial Institutions may choose between two collateralization methodologies and depending upon that choice, will pledge collateral that ranges in the amounts from 50% to 130% of excess deposits. Accordingly, all deposits are considered fully collateralized.

Investments

Statutes authorize the County to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank), the Asian Development Bank, the African Development Bank, "prime quality" commercial paper and certain corporate notes, banker's acceptances, repurchase agreements and the State Treasurer's Local Government Investment Pool (LGIP).

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued) As of June 30, 2017

Note 3 - Deposits and Investments: (Continued)

Credit Risk of Debt Securities

The County's rated debt investments as of June 30, 2017 were rated by Standard and Poor's and the ratings are presented below using the Standard and Poor's rating scale.

County's Rated Debt Investments' Values		
Rated Debt Investments	Fair Quality Ratings	
	AAAm	AA+
Local Government Investment Pool	\$ 2,019,966	\$ -
U.S. Government Securities Money Market Fund	-	1,000,170
Corporate Debt	-	94,807
Total	<u>\$ 2,019,966</u>	<u>\$ 1,094,977</u>

Interest Rate Risk

Investment Maturities (in years)			
Investment Type	Fair Value	Less Than	
		1 Year	1-5 Years
Local Government Investment Pool	\$ 2,019,966	\$ 2,019,966	\$ -
U.S. Government Securities Money Market Fund	1,000,170	1,000,170	-
Corporate Debt	94,807	94,807	-
Total	<u>\$ 3,114,943</u>	<u>\$ 3,114,943</u>	<u>\$ -</u>

External Investment Pools

The value of the positions in the external investment pools (Local Government Investment Pool) is the same as the value of pool shares. As LGIP is not SEC registered, regulatory oversight of the pool rests with the Virginia State Treasury. LGIP is amortized cost basis portfolios under the provisions of GASB Statement No. 79. There are no withdrawal limitations or restrictions imposed on participants.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 4—Due to/from Other Governments:

At June 30, 2017, the County has receivables from other governments as follows:

	Primary Government	Component Unit School Board
Other Local Governments:		
County of Amelia	\$ -	\$ 1,037,702
Commonwealth of Virginia:		
Local sales tax	136,868	-
Welfare	36,959	-
Comprehensive services act	85,873	-
Rolling stock tax	28,016	-
State Sales Tax	-	374,583
Constitutional officer reimbursements	110,891	-
Recordation tax	6,564	-
Mobile home titling tax	12,608	-
E-911 wireless	7,473	-
Victim witness	20,788	-
School resource officer grant	8,522	-
Communications tax	39,400	-
Timber sales	24,097	-
Circuit court records grant	2,466	-
School fund grants	-	148,912
Federal Government:		
School fund grants	-	257,404
LEMPG grant	21,274	-
Welfare	60,176	-
Total due from other governments	<u>\$ 601,975</u>	<u>\$ 1,818,601</u>

At June 30, 2017, amounts due to other local governments are as follows:

Other Local Governments:		
Amelia County School Board	<u>\$ 1,037,702</u>	<u>\$ -</u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 5—Capital Assets:

Primary Government:

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<i>Governmental Activities:</i>				
Capital assets not subject to depreciation:				
Land and land improvements	\$ 2,096,507	\$ 582,577	\$ -	\$ 2,679,084
Construction in progress	558,687	23,890	582,577	-
Total capital assets not subject to depreciation	\$ 2,655,194	\$ 606,467	\$ 582,577	\$ 2,679,084
Capital assets subject to depreciation:				
Buildings and improvements	\$ 6,499,898	\$ 129,967	\$ -	\$ 6,629,865
Machinery and Equipment	6,152,243	540,081	-	6,692,324
Jointly owned assets	7,326,541	-	315,260	7,011,281
Total capital assets subject to depreciation	\$ 19,978,682	\$ 670,048	\$ 315,260	\$ 20,333,470
Accumulated depreciation:				
Buildings and improvements	\$ 2,857,232	\$ 192,132	\$ -	\$ 3,049,364
Machinery and Equipment	4,185,672	342,091	-	4,527,763
Jointly owned assets	3,599,950	189,834	163,074	3,626,710
Total accumulated depreciation	\$ 10,642,854	\$ 724,057	\$ 163,074	\$ 11,203,837
Total capital assets subject to depreciation, net	\$ 9,335,828	\$ (54,009)	\$ 152,186	\$ 9,129,633
Governmental activities capital assets, net	\$ 11,991,022	\$ 552,458	\$ 734,763	\$ 11,808,717

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 5—Capital Assets: (Continued)

Primary Government: (Continued)

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<i>Business-type activities:</i>				
Capital assets not subject to depreciation:				
Land and land improvements	\$ 29,463	\$ -	\$ -	\$ 29,463
Construction in progress	154,133	13,626	167,759	-
Total capital assets not subject to depreciation	<u>\$ 183,596</u>	<u>\$ 13,626</u>	<u>\$ 167,759</u>	<u>\$ 29,463</u>
Capital assets subject to depreciation:				
Utility plant in service	\$ 9,442,539	\$ 167,759	\$ -	\$ 9,610,298
Machinery and equipment	390,254	-	-	390,254
Total capital assets subject to depreciation	<u>\$ 9,832,793</u>	<u>\$ 167,759</u>	<u>\$ -</u>	<u>\$ 10,000,552</u>
Accumulated depreciation:				
Utility plant in service	\$ 3,297,751	\$ 183,814	\$ -	\$ 3,481,565
Machinery and equipment	271,726	17,944	-	289,670
Total accumulated depreciation	<u>\$ 3,569,477</u>	<u>\$ 201,758</u>	<u>\$ -</u>	<u>\$ 3,771,235</u>
Total capital assets subject to depreciation, net	<u>\$ 6,263,316</u>	<u>\$ (33,999)</u>	<u>\$ -</u>	<u>\$ 6,229,317</u>
Business-type activities capital assets, net	<u>\$ 6,446,912</u>	<u>\$ (20,373)</u>	<u>\$ 167,759</u>	<u>\$ 6,258,780</u>

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 5—Capital Assets: (Continued)

Component Unit - School Board

The following is a summary of changes in capital assets for the fiscal year ended June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Capital assets not subject to depreciation:				
Land and land improvements	\$ 367,715	\$ -	\$ -	\$ 367,715
Construction in progress	-	26,175	-	26,175
Total capital assets not subject to depreciation	\$ 367,715	\$ 26,175	\$ -	\$ 393,890
Capital assets subject to depreciation:				
Machinery and Equipment	\$ 3,191,790	\$ 1,066,895	\$ 82,480	\$ 4,176,205
Jointly owned assets	13,101,185	-	(315,260)	13,416,445
Total capital assets subject to depreciation	\$ 16,292,975	\$ 1,066,895	\$ (232,780)	\$ 17,592,650
Accumulated depreciation:				
Machinery and Equipment	\$ 2,149,904	\$ 454,909	\$ 82,480	\$ 2,522,333
Jointly owned assets	6,437,364	339,457	(163,074)	6,939,895
Total accumulated depreciation	\$ 8,587,268	\$ 794,366	\$ (80,594)	\$ 9,462,228
Total capital assets subject to depreciation, net	\$ 7,705,707	\$ 272,529	\$ (152,186)	\$ 8,130,422
Component unit school board capital assets, net	\$ 8,073,422	\$ 298,704	\$ (152,186)	\$ 8,524,312

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 5—Capital Assets: (Continued)

Component Unit - School Board

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government administration	\$ 94,561
Judicial administration	28,953
Public safety	337,304
Public works	28,960
Health and welfare	8,009
Education	189,834
Parks, recreation and cultural	29,283
Community development	7,153
	<hr/>
Total depreciation expense - governmental activities	\$ 724,057
Business-type activities:	
Sanitary District Fund	\$ 201,758
	<hr/>
Total depreciation expense - primary government	\$ 925,815
	<hr/>
Component Unit School Board	\$ 794,366
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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 5—Capital Assets: (Continued)

The following is a summary of changes in capital assets for the fiscal year ending June 30, 2017:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<i>Component Unit-Industrial Development Authority:</i>				
Capital assets not subject to depreciation:				
Land and land improvements	\$ 30,020	\$ -	\$ -	\$ 30,020
Construction in progress	127,865	205,545	333,410	-
Total capital assets not subject to depreciation	\$ 157,885	\$ 205,545	\$ 333,410	\$ 30,020
Capital assets subject to depreciation:				
Buildings and improvements	\$ 784,252	\$ 568,212	\$ -	\$ 1,352,464
Accumulated depreciation:				
Buildings and improvements	\$ 19,606	\$ 33,812	\$ -	\$ 53,418
Total capital assets subject to depreciation, net	\$ 764,646	\$ 534,400	\$ -	\$ 1,299,046
Business-type activities capital assets, net	\$ 922,531	\$ 739,945	\$ 333,410	\$ 1,329,066

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 6—Long-Term Obligations:

Primary Government:

The following is a summary of changes in long-term obligations for the fiscal year ended June 30, 2017:

	Balance July 1, 2016	Issuances/ Increases	Retirements/ Decreases	Balance June 30, 2017	Amounts Due Within One Year
Primary Government Obligations:					
Governmental Activities Obligations:					
Incurred by County:					
Compensated absences	\$ 261,792	\$ 30,748	\$ 26,179	\$ 266,361	\$ 26,636
Net pension liability	772,103	1,403,166	1,210,435	964,834	-
Total incurred by County	\$ 1,033,895	\$ 1,433,914	\$ 1,236,614	\$ 1,231,195	\$ 26,636
Incurred by School Board:					
General obligation bonds	\$ 3,726,591	\$ -	\$ 342,020	\$ 3,384,571	\$ 346,404
Add deferred amounts:					
Bond Issuance premium	150,877	-	15,087	135,790	-
Total incurred by School Board	\$ 3,877,468	\$ -	\$ 357,107	\$ 3,520,361	\$ 346,404
Total Governmental Activities Obligations	<u>\$ 4,911,363</u>	<u>\$ 1,433,914</u>	<u>\$ 1,593,721</u>	<u>\$ 4,751,556</u>	<u>\$ 373,040</u>
Incurred by Business-type Activities:					
Compensated absences	\$ 12,062	\$ 1,206	\$ 2,843	\$ 10,425	\$ 1,043
Net pension liability	18,986	34,503	29,764	23,725	-
Revenue bonds	2,153,640	-	146,104	2,007,536	150,762
Total Business-type Obligations	<u>\$ 2,184,688</u>	<u>\$ 35,709</u>	<u>\$ 178,711</u>	<u>\$ 2,041,686</u>	<u>\$ 151,805</u>
Total Primary Government Obligations	<u>\$ 7,096,051</u>	<u>\$ 1,469,623</u>	<u>\$ 1,772,432</u>	<u>\$ 6,793,242</u>	<u>\$ 524,845</u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending June 30	Business-type Activities Obligations	
	Revenue Bonds	
	Principal	Interest
2018	\$ 150,762	\$ 59,781
2019	153,013	55,833
2020	160,350	51,785
2021	162,777	47,393
2022	130,833	43,244
2023	137,024	40,063
2024	143,259	36,609
2025	144,537	32,855
2026	150,863	29,054
2027	37,761	25,024
2028	38,889	23,896
2029	40,068	22,717
2030	41,302	21,483
2031	42,592	20,193
2032	43,942	18,843
2033	45,354	17,431
2034	46,830	15,955
2035	35,162	14,410
2036	36,777	12,795
2037	38,467	1,106
2038	40,234	9,338
2039	42,082	7,490
2040	44,015	5,557
2041	46,037	3,535
2042	54,606	(1,069)
Total	<u>\$ 2,007,536</u>	<u>\$ 615,321</u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Annual requirements to amortize long-term obligations and related interest are as follows: (continued)

Year Ending June 30	Governmental Activities	
	School Fund Obligations	
	General Obligation Bonds	
	Principal	Interest
2018	\$ 346,404	\$ 189,182
2019	351,019	174,968
2020	355,875	160,512
2021	360,984	145,802
2022	366,361	130,825
2023	372,021	115,566
2024	377,187	100,799
2025	387,223	86,162
2026	392,497	71,288
2027	75,000	63,986
Total	<u>\$ 3,384,571</u>	<u>\$ 1,239,090</u>

Details of Long-Term Obligations:

Governmental Activities:

Incurred by County:

	Total Amount
Net pension liability	<u>\$ 964,834</u>
Compensated absences (payable from General Fund)	<u>\$ 266,361</u>
Total Incurred by County	<u>\$ 1,231,195</u>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-Term Obligations: (Continued)

Governmental Activities: (Continued)

Incurred by School Board:

General Obligation Bonds:

\$5,471,508 School Bonds 2005 Series, issued November 10, 2005, maturing annually in installments of varying amounts through July 15, 2025; interest payable semi-annually at 4.057%.

Total
Amount

\$ 2,669,571

\$1,205,000 Qualified School Construction Bonds, issued June 29, 2010, maturing annually in installments of varying amounts through June 1, 2027; interest payable semi-annually at 5.31%.

715,000

Total General Obligation Bonds

\$ 3,384,571

Bond Issuance premium

135,790

Total incurred by School Board

\$ 3,520,361

Total Long-Term Obligations, Governmental Activities

\$ 4,751,556

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 6—Long-Term Obligations: (Continued)

Primary Government: (Continued)

Details of Long-Term Obligations: (Continued)

Business-type Activities:

Revenue Bonds:

2001 Virginia Water Facilities Revolving Fund, loan commitment of \$457,100, interest at 4.10%, \$17,058 due semi-annually through May 1, 2021.	\$ 124,688
2000 Virginia Water Facilities Revolving Fund, loan commitment of \$1,368,299, interest at 0.50%, \$29,701 due semi-annually through March 1, 2026.	522,133
2004 Virginia Water Facilities Revolving Fund, loan commitment of \$396,385, non-interest bearing, \$6,606 due semi-annually through June 1, 2034.	224,618
\$900,000 Tax Revenue bond issued November 7, 2002, interest payable at 4.50%, \$4,131 due monthly through June 7, 2042.	746,097
2006 Virginia Water Facilities Revolving Fund, loan commitment of \$700,000, varying interest rate from 4.7% to 4.96%, varying payments due semi-annually through November 1, 2026.	390,000
Total Revenue Bonds	<u>\$ 2,007,536</u>
Compensated absences (payable from Enterprise Fund)	<u>\$ 10,425</u>
Net pension liability	<u>\$ 23,725</u>
Total Long-Term Obligations, Business-type Activities	<u>\$ 2,041,686</u>
Total Long-Term Obligations, Primary Government	<u><u>\$ 6,793,242</u></u>

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 6—Long-Term Obligations: (Continued)

Component Unit - School Board:

The following is a summary of changes in long-term obligation transactions for fiscal year ended June 30, 2017.

	Restated Balance at July 1, 2016	Increases	Decreases	Balance at June 30, 2017	Amounts Due Within One Year
Component Unit-School Board:					
Compensated absences	\$ 146,264	\$ 32,919	\$ 14,626	\$ 164,557	\$ 16,456
Capital lease	324,163	789,135	111,369	1,001,929	114,670
Net pension liability	13,821,235	4,205,856	2,576,420	15,450,671	-
Net OPEB obligation	3,096,100	670,660	275,400	3,491,360	-
Total Component Unit-School Board	<u>\$ 17,387,762</u>	<u>\$ 5,698,570</u>	<u>\$ 2,977,815</u>	<u>\$ 20,108,517</u>	<u>\$ 131,126</u>

Details of Long-Term Obligations:

Capital Lease:

\$455,445 lease for the purchase of five school buses issued on August 19, 2013, due in annual installments of \$52,381 on each August 19 through 2022; interest rate of 3.25%. The cost of the school buses was \$455,445. At June 30, 2016, accumulated depreciation for the school buses amounted to \$134,141.

	<u>\$ 1,001,929</u>
Net OPEB obligation	<u>\$ 3,491,360</u>
Net pension liability	<u>\$ 15,450,671</u>
Compensated absences (payable from General Fund)	<u>\$ 164,557</u>
Total Component Unit-School Board	<u><u>\$ 20,108,517</u></u>

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 6—Long-Term Obligations: (Continued)

Component Unit - School Board:

Annual requirements to amortize long-term obligations and related interest are as follows:

Year Ending June 30	Component Unit-School Board Obligations	
	Capital Lease	
	Principal	Interest
2018	\$ 114,670	\$ 9,155
2019	118,070	7,749
2020	121,571	6,296
2021	125,177	4,797
2022	128,889	3,249
2023	133,623	11,189
2024	84,270	7,252
2025	86,621	4,901
2026	89,038	2,484
Total	<u>\$ 1,001,929</u>	<u>\$ 57,072</u>

Note 7—Closure and Postclosure Costs:

Maplewood Landfill:

The currently operating solid waste landfill located in the County is owned and operated by a private company, pursuant to an agreement between the County and such company. In accordance with provisions of such an agreement, the company has agreed to comply with the financial security requirements of the Commonwealth of Virginia Department of Waste Management as to the cost of closure and maintenance of such landfill for a period of 20 years following closure. Also under such landfill agreement the company is required to deposit with a third party specific funds to pay for mitigation and remediation as may be reasonably necessary as a result of its operation of the landfill. At June 30, 2017, such funds in the amount of \$1,012,928 are presented in the accompanying financial statements as “Cash in the custody of others.”

Note 8—Unearned and Deferred/Unavailable Revenue:

Unearned and deferred/unavailable revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Unearned and deferred/unavailable revenue is comprised of the following:

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued) As of June 30, 2017

Note 8—Unearned and Deferred/Unavailable Revenue: (Continued)

Unavailable Property Tax Revenue - Deferred revenue representing uncollected tax billings not available for funding of current expenditures totaled \$867,593 at June 30, 2017.

Unavailable Prepaid Property Taxes - Property taxes due subsequent to June 30, 2017 but paid in advance by the taxpayers totaled \$5,746 at June 30, 2017.

Note 9—Contingent Liabilities:

Federal programs in which the County and all discretely presented component units participate were audited in accordance with the provisions of the Title 2 U. S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements.

While no matters of noncompliance were disclosed by audit, the Federal Government may subject grant programs to additional compliance tests which may result in disallowed expenditures. In the opinion of management, any future disallowance of current grant program expenditures, if any, would be immaterial.

Note 10—Litigation:

At June 30, 2017, there were no matters of litigation involving the County or which would materially affect the County's financial position should any court decisions on pending matters not be favorable to the County.

Note 11—Risk Management:

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

The County is a member of the Virginia Municipal Group Self Insurance Association for workers' compensation. This program is administered by a servicing contractor, which furnishes claims review and processing.

Each Association member jointly and severally agrees to assume, pay and discharge any liability. The County pays Virginia Municipal Group contributions and assessments based upon classifications and rates into a designated cash reserve fund out of which expenses of the Association and claims and awards are to be paid. In the event of a loss deficit and depletion of all available excess insurance, the Association may assess all members in the proportion which the premium of each bears to the total premiums of all members in the year in which such deficit occurs.

The County continues to carry commercial insurance for all other risks of loss. During the last three fiscal years, settled claims from these risks have not exceeded commercial coverage.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan:

Plan Description

All full-time, salaried permanent employees of the County and (nonprofessional) employees of public school divisions are automatically covered by a VRS Retirement Plan upon employment. This is an agent multiple-employer plan administered by the Virginia Retirement System (the System) along with plans for other employer groups in the Commonwealth of Virginia. Members earn one month of service credit for each month they are employed and for which they and their employer pay contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the Code of Virginia, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees - Plan 1, Plan 2, and Hybrid. Each of these benefit structures has different eligibility criteria. The specific information for each plan and the eligibility for covered groups within each plan are set out in the table below:

RETIREMENT PLAN PROVISIONS		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>About Plan 1 Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p>	<p>About Plan 2 Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. Employees are eligible for Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p>	<p>About the Hybrid Retirement Plan The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. Most members hired on or after January 1, 2014 are in this plan, as well as Plan 1 and Plan 2 members who were eligible and opted into the plan during a special election window. (see "Eligible Members")</p> <ul style="list-style-type: none"> • The defined benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. • The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
About Plan 1 (Cont.)	About Plan 2 (Cont.)	About the Hybrid Retirement Plan (Cont.) <ul style="list-style-type: none"> In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.
<p>Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p>	<p>Eligible Members Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election Eligible Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p>	<p>Eligible Members Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <ul style="list-style-type: none"> Political subdivision employees* School division employees Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014. <p>*Non-Eligible Members Some employees are not eligible to participate in the Hybrid Retirement Plan. They include:</p> <ul style="list-style-type: none"> Political subdivision employees who are covered by enhanced benefits for hazardous duty employees.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Hybrid Opt-In Election (Cont.) Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.</p>	<p>Hybrid Opt-In Election (Cont.) Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.</p>	<p>*Non-Eligible Members (Cont.) Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.</p>
<p>Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions and school divisions elected to phase in the required 5% member contribution but all employees are paying the full 5% as of July 1, 2017. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.</p>	<p>Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some political subdivisions and school divisions elected to phase in the required 5% member contribution but all employees are paying the full 5% as of July 1, 2017.</p>	<p>Retirement Contributions A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.</p>

Note 12—Pension Plan: (Continued)**Plan Description (Continued)**

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Creditable Service Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p>	<p>Creditable Service Same as Plan 1.</p>	<p>Creditable Service <u>Defined Benefit Component:</u> Under the defined benefit component of the plan, creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p> <p><u>Defined Contributions Component:</u> Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.</p>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Vesting Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.</p> <p>Members are always 100% vested in the contributions that they make.</p>	<p>Vesting Same as Plan 1.</p>	<p>Vesting <u>Defined Benefit Component:</u> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. Plan 1 or Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.</p> <p><u>Defined Contributions Component:</u> Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.</p> <p>Members are always 100% vested in the contributions that they make.</p> <p>Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.</p> <ul style="list-style-type: none"> • After two years, a member is 50% vested and may withdraw 50% of employer contributions.

Note 12—Pension Plan: (Continued)**Plan Description (Continued)**

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
Vesting (Cont.)	Vesting (Cont.)	<p>Vesting (Cont.)</p> <p><u>Defined Contributions Component: (Cont.)</u></p> <ul style="list-style-type: none"> • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. <p>Distribution is not required by law until age 70½.</p>
<p>Calculating the Benefit</p> <p>The Basic Benefit is calculated based on a formula using the member's average final compensation, a retirement multiplier and total service credit at retirement. It is one of the benefit payout options available to a member at retirement.</p> <p>An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.</p>	<p>Calculating the Benefit</p> <p>See definition under Plan 1.</p>	<p>Calculating the Benefit</p> <p><u>Defined Benefit Component:</u> See definition under Plan 1</p> <p><u>Defined Contribution Component:</u> The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.</p>
<p>Average Final Compensation</p> <p>A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation</p> <p>A member's average final compensation is the average of their 60 consecutive months of highest compensation as a covered employee.</p>	<p>Average Final Compensation</p> <p>Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.</p>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Service Retirement Multiplier VRS: The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.70%.</p> <p>Sheriffs and regional jail superintendents: The retirement multiplier for sheriffs and regional jail superintendents is 1.85%.</p> <p>Political subdivision hazardous duty employees: The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.70% or 1.85% as elected by the employer.</p>	<p>Service Retirement Multiplier VRS: Same as Plan 1 for service earned, purchased or granted prior to January 1, 2013. For non-hazardous duty members the retirement multiplier is 1.65% for creditable service earned, purchased or granted on or after January 1, 2013.</p> <p>Sheriffs and regional jail superintendents: Same as Plan 1.</p> <p>Political subdivision hazardous duty employees: Same as Plan 1.</p>	<p>Service Retirement Multiplier <u>Defined Benefit Component:</u> VRS: The retirement multiplier for the defined benefit component is 1.00%.</p> <p>For members who opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans.</p> <p>Sheriffs and regional jail superintendents: Not applicable.</p> <p>Political subdivision hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p>
<p>Normal Retirement Age VRS: Age 65.</p> <p>Political subdivisions hazardous duty employees: Age 60.</p>	<p>Normal Retirement Age VRS: Normal Social Security retirement age.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Normal Retirement Age <u>Defined Benefit Component:</u> VRS: Same as Plan 2.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Earliest Unreduced Retirement Eligibility VRS: Age 65 with at least five years (60 months) of creditable service or at age 50 with at least 30 years of creditable service.</p> <p>Political subdivisions hazardous duty employees: Age 60 with at least five years of creditable service or age 50 with at least 25 years of creditable service.</p>	<p>Earliest Unreduced Retirement Eligibility VRS: Normal Social Security retirement age with at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Earliest Unreduced Retirement Eligibility <u>Defined Benefit Component:</u> VRS: Normal Social Security retirement age and have at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Earliest Reduced Retirement Eligibility VRS: Age 55 with at least five years (60 months) of creditable service or age 50 with at least 10 years of creditable service.</p> <p>Political subdivisions hazardous duty employees: 50 with at least five years of creditable service.</p>	<p>Earliest Reduced Retirement Eligibility VRS: Age 60 with at least five years (60 months) of creditable service.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Earliest Reduced Retirement Eligibility <u>Defined Benefit Component:</u> VRS: Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of creditable service.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p><u>Defined Contribution Component:</u> Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.</p> <p><u>Eligibility:</u> For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date.</p> <p>For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.</p> <p><u>Exceptions to COLA Effective Dates:</u> The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:</p> <ul style="list-style-type: none"> • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. 	<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%.</p> <p><u>Eligibility:</u> Same as Plan 1.</p> <p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1.</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement <u>Defined Benefit Component:</u> Same as Plan 2.</p> <p><u>Defined Contribution Component:</u> Not applicable.</p> <p><u>Eligibility:</u> Same as Plan 1 and Plan 2.</p> <p><u>Exceptions to COLA Effective Dates:</u> Same as Plan 1 and Plan 2.</p>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</p> <p><u>Exceptions to COLA Effective Dates: (Cont.)</u></p> <ul style="list-style-type: none"> • The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP). • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. • The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins. 	<p>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</p> <p><u>Exceptions to COLA Effective Dates: (Cont.)</u> Same as Plan 1.</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement (Cont.)</p> <p><u>Exceptions to COLA Effective Dates: (Cont.)</u> Same as Plan 1 and Plan 2.</p>
<p>Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted.</p>	<p>Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted.</p>	<p>Disability Coverage Employees of political subdivisions and School divisions (including Plan 1 and Plan 2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides an employer-paid comparable program for its members.</p>

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Plan Description (Continued)

RETIREMENT PLAN PROVISIONS (CONTINUED)		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>Disability Coverage (Cont.) VSDP members are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>	<p>Disability Coverage (Cont.) VSDP members are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>	<p>Disability Coverage (Cont.) Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work-related disability benefits.</p>
<p>Purchase of Prior Service Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.</p>	<p>Purchase of Prior Service Same as Plan 1.</p>	<p>Purchase of Prior Service <u>Defined Benefit Component:</u> Same as Plan 1, with the following exceptions:</p> <ul style="list-style-type: none"> • Hybrid Retirement Plan members are ineligible for ported service. • The cost for purchasing refunded service is the higher of 4% of creditable compensation or average final compensation. • Plan members have one year from their date of hire or return from leave to purchase all but refunded prior service at approximate normal cost. After that one-year period, the rate for most categories of service will change to actuarial cost. <p><u>Defined Contribution Component:</u> Not applicable.</p>

Pension Plan Data

Information about the VRS Political Subdivision Retirement Plan is also available in the separately issued VRS 2016 Comprehensive Annual Financial Report (CAFR). A copy of the 2016 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2016-annual-report-pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA 23218-2500.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Employees Covered by Benefit Terms

As of the June 30, 2015 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Primary Government	Component Unit School Board Nonprofessional
Inactive members or their beneficiaries currently receiving benefits	41	44
Inactive members:		
Vested inactive members	12	4
Non-vested inactive members	11	22
Inactive members active elsewhere in VRS	29	14
Total inactive members	52	40
Active members	82	47
Total covered employees	175	131

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012, new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

The County's contractually required contribution rate for the year ended June 30, 2017 was 7.50% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2015.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Contributions to the pension plan from the County were \$295,137 and \$410,080 for the years ended June 30, 2017 and June 30, 2016, respectively.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Contributions (Continued)

The Component Unit School Board's contractually required contribution rate for nonprofessional employees for the year ended June 30, 2017 was 7.12% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2015.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Component Unit School Board's nonprofessional employees were \$60,160 and \$68,660 for the years ended June 30, 2017 and June 30, 2016, respectively.

Net Pension Liability

The County's and Component Unit School Board's (nonprofessional) net pension liability (asset) were measured as of June 30, 2016. The total pension liabilities used to calculate the net pension liability (asset) were determined by an actuarial valuation performed as of June 30, 2015, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2016.

Actuarial Assumptions - General Employees

The total pension liability for General Employees in the County's and Component Unit School Board's (nonprofessional) Retirement Plan was based on an actuarial valuation as of June 30, 2015, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2016.

Inflation	2.5%
Salary increases, including inflation	3.5% - 5.35%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

Mortality rates: 14% of deaths are assumed to be service related

Largest 10 - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Actuarial Assumptions - General Employees (Continued)

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

All Others (Non 10 Largest) - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Actuarial Assumptions - Public Safety Employees

The total pension liability for Public Safety employees in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2015, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2016.

Inflation	2.5%
Salary increases, including inflation	3.5% - 4.75%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

Mortality rates: 60% of deaths are assumed to be service related

Largest 10 - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

All Others (Non 10 Largest) - Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 2 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 - LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) - LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges 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 asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-term Expected Rate of Return	Weighted Average Long-term Expected Rate of Return
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
Total	100.00%		5.83%
		Inflation	2.50%
		*Expected arithmetic nominal return	8.33%

* Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

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 System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2018, the rate contributed by the employer for the County and Component Unit School Board (nonprofessional) Retirement Plans will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Primary Government		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2015	\$ 14,078,526	13,287,437	\$ 791,089
Changes for the year:			
Service cost	\$ 465,839	\$ -	\$ 465,839
Interest	963,557	-	963,557
Benefit changes			
Differences between expected and actual experience	(404,512)	-	(404,512)
Contributions - employer	-	410,080	(410,080)
Contributions - employee	-	193,495	(193,495)
Net investment income	-	232,112	(232,112)
Benefit payments, including refunds			
Refunds of employee contributions	(626,865)	(626,865)	-
Administrative expenses	-	(8,174)	8,174
Other changes	-	(99)	99
Net changes	\$ 398,019	\$ 200,549	\$ 197,470
Balances at June 30, 2016	\$ 14,476,545	\$ 13,487,986	\$ 988,559

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Changes in Net Pension Liability (Asset)

	Component School Board (nonprofessional)		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at June 30, 2015	\$ 3,452,110	3,524,875	\$ (72,765)
Changes for the year:			
Service cost	\$ 89,371	\$ -	\$ 89,371
Interest	234,908	-	234,908
Benefit changes			
Differences between expected and actual experience	207,349	-	207,349
Contributions - employer	-	68,660	(68,660)
Contributions - employee	-	41,997	(41,997)
Net investment income	-	59,763	(59,763)
Benefit payments, including refunds			
Refunds of employee contributions	(192,553)	(192,553)	-
Administrative expenses	-	(2,202)	2,202
Other changes	-	(26)	26
Net changes	\$ 339,075	\$ (24,361)	\$ 363,436
Balances at June 30, 2016	\$ 3,791,185	\$ 3,500,514	\$ 290,671

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the County and Component Unit School Board (nonprofessional) using the discount rate of 7.00%, as well as what the County's and Component Unit School Board's (nonprofessional) net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	Rate		
	1% Decrease (6.00%)	Current Discount (7.00%)	1% Increase (8.00%)
County			
Net Pension Liability (Asset)	\$ 2,779,326	988,559	(510,906)
Component Unit School Board (nonprofessional)			
Net Pension Liability (Asset)	\$ 737,630	290,671	(85,521)

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

For the year ended June 30, 2017, the County and Component Unit School Board (nonprofessional) recognized pension expense of \$119,278 and \$73,631 respectively. At June 30, 2017, the County and Component Unit School Board (nonprofessional) reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government		Component Unit School Board (nonprofessional)	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 482,623	\$ 123,741	\$ 16,444
Net difference between projected and actual earnings on pension plan investments	357,361	-	91,602	-
Employer contributions subsequent to the measurement date	295,137	-	60,160	-
Total	\$ 652,498	\$ 482,623	\$ 275,503	\$ 16,444

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

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

\$295,137 and \$60,160 reported as deferred outflows of resources related to pensions resulting from the County's and Component Unit School Board's (nonprofessional) contributions, respectively, subsequent to the measurement date will be recognized as a reduction of (increase to) the Net Pension Liability (Asset) in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year ended June 30</u>	<u>Primary Government</u>	<u>Component Unit School Board (nonprofessional)</u>
2018	\$ (195,880)	\$ 67,861
2019	(185,108)	40,829
2020	116,346	53,403
2021	139,380	36,806
2022	-	-
Thereafter	-	-

Component Unit School Board (professional)

Plan Description

All full-time, salaried permanent (professional) employees of public school divisions are automatically covered by the VRS Teacher Retirement Plan upon employment. This is a cost-sharing multiple employer plan administered by the Virginia Retirement System (the system). Additional information regarding the plan description can be found in the first section of this note.

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the Code of Virginia, as amended, but may be impacted as a result of funding options provided to school divisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012, new employees were required to pay the 5% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

Note 12—Pension Plan: (Continued)

Component Unit School Board (professional) (Continued)

Contributions (Continued)

Each School Division's contractually required contribution rate for the year ended June 30, 2017 was 14.66% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2015 and reflects the transfer in June 2015 of \$192,884,000 as an accelerated payback of the deferred contribution in the 2010-12 biennium. The actuarial rate for the Teacher Retirement Plan was 18.20%, however, it was reduced to 17.64% as a result of the transfer. The actuarially determined rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Based on the provisions of §51.1-145 of the Code of Virginia, as amended the contributions were funded at 79.69% of the actuarial rate for the year ended June 30, 2017. Contributions to the pension plan from the School Board were \$1,260,921 and \$1,243,334 for the years ended June 30, 2017 and June 30, 2016, respectively.

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

At June 30, 2017, the school division reported a liability of \$15,160,000 for its proportionate share of the Net Pension Liability. The Net Pension Liability was measured as of June 30, 2016 and the total pension liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date. The school division's proportion of the Net Pension Liability was based on the school division's actuarially determined employer contributions to the pension plan for the year ended June 30, 2016 relative to the total of the actuarially determined employer contributions for all participating employers. At June 30, 2016, the school division's proportion was 0.10818% as compared to 0.11039% at June 30, 2015.

For the year ended June 30, 2017, the school division recognized pension expense of \$1,349,000. Since there was a change in proportionate share between measurement dates, a portion of the pension expense was related to deferred amounts from changes in proportion and from differences between employer contributions and the proportionate share of employer contributions.

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Component Unit School Board (professional) (Continued)

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

At June 30, 2017, the school division reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience \$	-	\$ 491,000
Net difference between projected and actual earnings on pension plan investments	866,000	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	392,000	260,000
Employer contributions subsequent to the measurement date	<u>1,260,921</u>	<u>-</u>
Total	<u>\$ 2,518,921</u>	<u>\$ 751,000</u>

\$1,260,921 reported as deferred outflows of resources related to pensions resulting from the school division's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the fiscal year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future reporting periods as follows:

<u>Year ended June 30</u>	
2018	\$ (56,000)
2019	(56,000)
2020	434,000
2021	243,000
2022	(58,000)

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Component Unit School Board (professional) (Continued)

Actuarial Assumptions

The total pension liability for the VRS Teacher Retirement Plan was based on an actuarial valuation as of June 30, 2015, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2016.

Inflation	2.5%
Salary increases, including inflation	3.5% - 5.95%
Investment rate of return	7.0%, net of pension plan investment expense, including inflation*

* Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

Mortality rates:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set back 3 years and females set back 5 years

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set back 2 years and females set back 3 years

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 1 year and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

- Update mortality table
- Adjustments to the rates of service retirement
- Decrease in rates of withdrawals for 3 through 9 years of service
- Decrease in rates of disability
- Reduce rates of salary increase by 0.25% per year

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Component Unit School Board (professional) (Continued)

Net Pension Liability

The net pension liability (NPL) is calculated separately for each system and represents that particular system's total pension liability determined in accordance with GASB Statement No. 67, less that system's fiduciary net position. As of June 30, 2016, NPL amounts for the VRS Teacher Employee Retirement Plan is as follows (amounts expressed in thousands):

		<u>Teacher Employee Retirement Plan</u>
Total Pension Liability	\$	44,182,326
Plan Fiduciary Net Position		<u>30,168,211</u>
Employers' Net Pension Liability (Asset)	\$	<u><u>14,014,115</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		68.28%

The total pension liability is calculated by the System's actuary, and each plan's fiduciary net position is reported in the System's financial statements. The net pension liability is disclosed in accordance with the requirements of GASB Statement No. 67 in the System's notes to the financial statements and required supplementary information.

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COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Component Unit School Board (professional) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation) are developed for each major asset class. These ranges 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 asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class (Strategy)</u>	<u>Target Allocation</u>	<u>Arithmetic Long-term Expected Rate of Return</u>	<u>Weighted Average Long-term Expected Rate of Return</u>
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
Total	<u>100.00%</u>		<u>5.83%</u>
		Inflation	<u>2.50%</u>
		*Expected arithmetic nominal return	<u>8.33%</u>

* Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 12—Pension Plan: (Continued)

Component Unit School Board (professional) (Continued)

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 member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2018, the rate contributed by the school division for the VRS Teacher Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 on, school divisions are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School Division's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the school division's proportionate share of the net pension liability using the discount rate of 7.00%, as well as what the school division's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	Rate		
	1% Decrease	Current Discount	1% Increase
	(6.00%)	(7.00%)	(8.00%)
School Board's proportionate share of the VRS Teacher Employee Retirement Plan			
Net Pension Liability (Asset) \$	21,611,000	15,160,000	9,847,000

Pension Plan Fiduciary Net Position

Detailed information about the VRS Teacher Retirement Plan's Fiduciary Net Position is available in the separately issued VRS 2016 Comprehensive Annual Financial Report (CAFR). A copy of the 2016 VRS CAFR may be downloaded from the VRS website at <http://www.varetire.org/Pdf/Publications/2016-annual-report.pdf>, or by writing to the System's Chief Financial Officer at P.O. Box 2500, Richmond, VA, 23218-2500.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 13—Surety Bonds:

The County of Amelia holds the following Surety Bonds:

	<u>Amount</u>
Division of Risk Management Surety Bond:	
Commonwealth Funds	
Marilyn L. Wilson, Clerk of the Circuit Court	\$ 1,110,000
Pamela H. Conyers, Treasurer	300,000
Laura M. Walsh, Commissioner of the Revenue	3,000
Rick Walker, Sheriff	30,000
Zurich Insurance Company - Surety:	
School Board Clerk and Deputy Clerk	10,000
Nationwide Mutual Insurance Company:	
All Social Services Employees	100,000
Travelers Insurance Company:	
County Board of Supervisors	250,000

Note 14—Interfund Transfers:

Interfund transfers for the year ended June 30, 2017, consisted of the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Primary Government:		
General Fund	\$ 769,497	\$ 236,092
County Capital Projects Fund	64,253	715,748
County Special Revenue Fund	-	53,749
	<u>833,750</u>	<u>1,005,589</u>
Total	\$	\$
Enterprise Fund	<u>171,839</u>	<u>-</u>
	<u>\$ 1,005,589</u>	<u>\$ 1,005,589</u>
Grand Total	<u>\$ 1,005,589</u>	<u>\$ 1,005,589</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgeting authorization.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 15—Other Postemployment Benefits - Health Insurance:

A. Plan Description

Amelia County Public Schools offer eligible retirees post-retirement medical and dental coverage if they retire directly from the Schools and are eligible to receive an early or regular retirement benefit from the Virginia Retirement System (VRS). Health benefits include medical, disability and dental coverage.

B. Funding Policy

The School Board allows retirees and their spouses to continue to participate in the School Board's medical, dental and disability coverage plans. The retiree pays 100% to all premiums. Medical and dental coverage stops at age 65 or when eligible for Medicare. Disability coverage changes to a carveout class at eligibility for Medicare and stops at age 65.

C. Annual OPEB Cost and Net OPEB Obligation

The School Board's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution of the employer (ARC)*. The School Board has elected to calculate the ARC as the normal cost plus amortization of the unfunded portion of actuarial accrued liability in compliance with GASB 45 parameters. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The estimated contributions are based on projected medical premium payments and credit for the implicit rate subsidy made during the year for the retired employees by the School Board. The following table shows the components of the School Board's annual OPEB cost for the year, the estimated amount contributed to the plan, and changes in the School Board's net OPEB obligation to the Retiree Health Plan:

	Component Unit School Board
Annual required contribution	\$ 665,500
Interest on net OPEB obligation	108,363
Adjustment to annual required contribution	(103,203)
Annual OPEB cost (expense)	\$ 670,660
Contributions made	(275,400)
Increase in net OPEB obligation	395,260
Net OPEB obligation-beginning of year	3,096,100
Net OPEB obligation-end of year	\$ 3,491,360

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 15—Other Postemployment Benefits - Health Insurance: (Continued)

C. Annual OPEB Cost and Net OPEB Obligation (Continued)

For 2017, the School Board's contribution of \$275,400 was not equal to the ARC and OPEB cost. The School Board's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2017 and the two preceding years were as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
School Board:			
6/30/2015	\$ 584,305	39.84%	\$ 2,726,390
6/30/2016	606,810	39.07%	3,096,100
6/30/2017	670,660	41.06%	3,491,360

D. Funded Status and Funding Progress

As of June 30, 2014, the School Board's most recent actuarial valuation date, the actuarial accrued liability for benefits was \$7,712,500, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$8,142,300, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 94.72 percent.

The projection of future benefit payments for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples included assumptions about future employment, mortality, and healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial Methods and Assumptions

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

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)
As of June 30, 2017

Note 15—Other Postemployment Benefits - Health Insurance: (Continued)

E. Actuarial Methods and Assumptions: (Continued)

The following simplifying assumptions were made:

Retirement age for active employees-Retirement eligible for medical benefits are assumed to occur beginning once a participant attains age 60 and completes 10 or more years of service or attains age 55 and completes 20 or more years of service. In no event is an active participant assumed to work beyond age 70.

Mortality-Life expectancies were based on mortality tables from the 1994 Group Annuity Mortality Tables for males and females with a one year setback in pre-retirement for males and females.

Coverage elections - The actuary assumed that 30% of active participants who retire at age 50 or greater are assumed to continue their coverage into retirement. 30% of their spouses are assumed to continue their coverage into retirement. 100% of actives who become disabled (and 25% of their spouses) are assumed to continue their coverage.

Based on the historical and expected returns of the School Board's short-term investment portfolio, a discount of 3.50% was used. In addition, the projected unit credit actuarial cost method was used. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at June 30, 2014 was thirty years.

Note 16—Other Postemployment Benefits - VRS Health Insurance Credit:

A. Plan Description

The County participates in the Health Insurance Credit Program, a plan designed to assist retirees with the cost of health insurance coverage. This program is an agent and cost sharing, multiple-employer defined benefit plan administered by the Virginia Retirement System (VRS). The Virginia General Assembly establishes the dollar amount of the health insurance credit for each year of creditable service. The credit amount and eligibility differs for state, school division, political subdivision, local officer, local social services department and general registrar retirees.

Employees of the County, who retire under VRS with at least 15 years of total creditable service under the System and are enrolled in a health insurance plan, are eligible to receive a monthly health insurance credit of \$1.50 per year of creditable service up to a maximum monthly credit of \$45. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive the maximum monthly health insurance credit of \$45.

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued) As of June 30, 2017

Note 16—Other Postemployment Benefits - VRS Health Insurance Credit: (Continued)

A. Plan Description (Continued)

Benefit provisions and eligibility requirements are established by Title 51.1, Chapter 14 of the Code of Virginia. The VRS actuarially determines the amount necessary to fund all credits provided, reflects the cost of such credits in the applicable employer contribution rate pursuant to §51.1-145, and prescribes such terms and conditions as are necessary to carry out the provisions of the health insurance credit program. VRS issues separate financial statements as previously discussed in Note 12.

B. Funding Policy

As a participating local political subdivision, the County is required to contribute the entire amount necessary to fund participation in the program using the actuarial basis specified by the Code of Virginia and the VRS Board of Trustees. The County's contribution rate for the fiscal year ended 2017 was .19% of annual covered payroll.

C. Annual OPEB Cost and Net OPEB Obligation

The annual cost of OPEB under Governmental Accounting Standards Board (GASB) 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions, is based on the annual required contribution (ARC). The County is required to contribute the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

For 2017, the County's contribution of \$2,585 was equal to the ARC and OPEB cost. The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 and the preceding two years were as follows:

<u>Fiscal Year Ending</u>	<u>Annual OPEB Cost (ARC)</u>	<u>Percentage of ARC Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2015	2,720	100.00%	\$ -
6/30/2016	2,802	100.00%	-
6/30/2017	2,585	100.00%	-

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued) As of June 30, 2017

Note 16—Other Postemployment Benefits - VRS Health Insurance Credit: (Continued)

D. Funded Status and Funding Progress

The funded status of the plan as of June 30, 2016, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 37,130
Actuarial value of plan assets	\$ 9,426
Unfunded actuarial accrued liability (UAAL)	\$ 27,704
Funded ratio (actuarial value of plan assets/AAL)	25.39%
Covered payroll (active plan members)	\$1,416,905
UAAL as a percentage of covered payroll	1.96%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future and reflect a long-term perspective. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

E. Actuarial Methods and Assumptions

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

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2017

Note 16—Other Postemployment Benefits - VRS Health Insurance Credit: (Continued)

E. Actuarial Methods and Assumptions: (Continued)

The entry age normal cost method was used to determine the plan's funding liabilities and costs. The actuarial assumptions included a 7.0% investment rate of return, compounded annually, including an inflation component of 2.5%, and a payroll growth rate of 3%. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining open amortization period at June 30, 2016 was 18-27 years.

Professional Employees – Discretely Presented Component Unit School Board

The School Board professional employees participate in the Health Insurance Credit Program, a plan designed to assist retirees with the cost of health insurance coverage. This program is a cost sharing, multiple-employer defined benefit plan administered by the Virginia Retirement System (VRS). The Virginia General Assembly establishes the dollar amount of the health insurance credit for each year of creditable service.

A teacher, who retires under VRS with at least 15 years of total creditable service under the System and is enrolled in a health insurance plan, is eligible to receive a monthly health insurance credit of \$4 per year of creditable service. However, such credit shall not exceed the health insurance premium for the retiree. Disabled retirees automatically receive a monthly health insurance credit of \$4 multiplied by the smaller of (i) twice the amount of their creditable service or (ii) the amount of creditable service they would have completed at age 60 if they had remained in service to that age.

The School Board is required to contribute, at an actuarially determined rate, the entire amount necessary to fund participation in the program. The current rate is 1.11% of annual covered payroll. The School Board's contributions to VRS for the years ended June 30, 2017, 2016, and 2015 were \$93,375, \$87,019 and \$82,736, respectively and equaled the required contributions for each year.

Note 17— Fair Value Measurements:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The County maximizes the use of observable inputs and minimizes the use of unobservable inputs. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from independent sources. Unobservable inputs reflect assumptions that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels as follows:

- Level 1. Quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at a measurement date

COUNTY OF AMELIA, VIRGINIA

Notes to Financial Statements (Continued)

As of June 30, 2017

Note 17— Fair Value Measurements: (Continued)

- Level 2. Directly or indirectly observable inputs for the asset or liability other than quoted prices
- Level 3. Unobservable inputs that are supported by little or no market activity for the asset or liability

Inputs are used in applying the various valuation techniques and broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk.

The County has the following recurring fair value measurements as of June 30, 2017:

Investment type	Balance June 30, 2017	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Primary Government				
Debt Securities:				
Corporate Issues	\$ 94,807	\$ 94,807	\$ -	\$ -
U.S. Government Issues	1,000,170	1,000,170	-	-
	<u>\$ 1,094,977</u>	<u>\$ 1,094,977</u>	<u>\$ -</u>	<u>\$ -</u>

Note 18—Upcoming Pronouncements:

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, improves accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. This Statement is effective for fiscal years beginning after June 15, 2017.

Statement No. 81, *Irrevocable Split-Interest Agreements*, improves accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2016, and should be applied retroactively.

Note 18—Upcoming Pronouncements: (Continued)

Statement No. 83, Certain Asset Retirement Obligations, addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018.

Statement No. 84, Fiduciary Activities, establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018.

Statement No. 86, Certain Debt Extinguishment Issues, improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance. The requirements of this Statement are effective for reporting periods beginning after June 15, 2017.

Statement No. 87, Leases, increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

Management is currently evaluating the impact these standards will have on the financial statements when adopted.

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REQUIRED SUPPLEMENTARY INFORMATION

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County of Amelia, Virginia
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget -
			Amounts	Positive
				(Negative)
REVENUES				
General property taxes	\$ 8,330,833	\$ 8,330,833	\$ 8,222,335	\$ (108,498)
Other local taxes	1,673,800	1,673,800	1,799,598	125,798
Permits, privilege fees, and regulatory licenses	130,750	130,750	136,636	5,886
Fines and forfeitures	196,450	196,450	151,839	(44,611)
Revenue from the use of money and property	49,715	49,715	88,777	39,062
Charges for services	325,925	325,925	320,853	(5,072)
Miscellaneous	81,580	82,256	107,588	25,332
Recovered costs	132,200	132,200	123,971	(8,229)
Intergovernmental:				
Commonwealth	3,639,962	3,768,451	3,589,612	(178,839)
Federal	812,937	812,937	848,822	35,885
Total revenues	\$ 15,374,152	\$ 15,503,317	\$ 15,390,031	\$ (113,286)
EXPENDITURES				
Current:				
General government administration	\$ 1,604,132	\$ 1,604,132	\$ 1,561,187	\$ 42,945
Judicial administration	770,851	832,313	834,848	(2,535)
Public safety	3,944,508	4,003,811	3,583,688	420,123
Public works	1,061,125	1,061,125	998,133	62,992
Health and welfare	2,162,684	2,162,684	1,866,444	296,240
Education	4,777,437	4,777,437	5,224,467	(447,030)
Parks, recreation, and cultural	588,474	598,474	601,687	(3,213)
Community development	289,309	1,005,057	791,192	213,865
Capital projects	350	350	291	59
Debt service:				
Principal retirement	342,020	342,020	342,020	-
Interest and other fiscal charges	203,167	203,167	203,717	(550)
Total expenditures	\$ 15,744,057	\$ 16,590,570	\$ 16,007,674	\$ 582,896
Excess (deficiency) of revenues over (under) expenditures				
	\$ (369,905)	\$ (1,087,253)	\$ (617,643)	\$ 469,610
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 450,000	\$ 1,165,748	\$ 769,497	\$ (396,251)
Transfers out	(492,083)	(492,083)	(236,092)	255,991
Total other financing sources (uses)	\$ (42,083)	\$ 673,665	\$ 533,405	\$ (140,260)
Net change in fund balances				
	\$ (411,988)	\$ (413,588)	\$ (84,238)	\$ 329,350
Fund balances - beginning	411,988	413,588	6,835,289	6,421,701
Fund balances - ending	\$ -	\$ -	\$ 6,751,051	\$ 6,751,051

County of Amelia, Virginia
Schedule of OPEB Funding Progress
For the Year Ended June 30, 2017

Primary Government:

Health Insurance Credit Program Through Virginia Retirement System:

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Payroll
6/30/2014	\$ 7,412	\$ 38,646	\$ 31,234	19.18%	\$ 1,396,201	2.24%
6/30/2015	8,507	35,325	26,818	24.08%	1,393,177	1.92%
6/30/2016	9,426	37,130	27,704	25.39%	1,416,905	1.96%

Discretely Presented Component Unit:

School Board Retiree Health Care Plan:

Actuarial Valuation Date	Actuarial Value of Assets (AVA)	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as % of Payroll
School Board:						
6/30/2012	\$ -	\$ 5,603,600	\$ 5,603,600	0.00%	\$ 9,383,700	59.72%
6/30/2014	-	7,712,500	7,712,500	0.00%	8,142,300	94.72%

County of Amelia, Virginia
Schedule of Changes in Net Pension Liability and Related Ratios
Primary Government
For the Years Ended June 30, 2015 through June 30, 2017

	2016	2015	2014
Total pension liability			
Service cost	\$ 465,839	\$ 461,138	\$ 452,456
Interest	963,557	932,346	874,169
Differences between expected and actual experience	(404,512)	(381,023)	-
Benefit payments, including refunds of employee contributions	(626,865)	(506,315)	(484,753)
Net change in total pension liability	\$ 398,019	\$ 506,146	\$ 841,872
Total pension liability - beginning	14,078,526	13,572,380	12,730,508
Total pension liability - ending (a)	<u>\$ 14,476,545</u>	<u>\$ 14,078,526</u>	<u>\$ 13,572,380</u>
Plan fiduciary net position			
Contributions - employer	\$ 410,080	\$ 401,322	\$ 484,286
Contributions - employee	193,495	189,494	187,386
Net investment income	232,112	584,360	1,711,486
Benefit payments, including refunds of employee contributions	(626,865)	(506,315)	(484,753)
Administrative expense	(8,174)	(7,791)	(8,981)
Other	(99)	(126)	90
Net change in plan fiduciary net position	\$ 200,549	\$ 660,944	\$ 1,889,514
Plan fiduciary net position - beginning	13,287,437	12,626,493	10,736,979
Plan fiduciary net position - ending (b)	<u>\$ 13,487,986</u>	<u>\$ 13,287,437</u>	<u>\$ 12,626,493</u>
County's net pension liability - ending (a) - (b)	\$ 988,559	\$ 791,089	\$ 945,887
Plan fiduciary net position as a percentage of the total pension liability	93.17%	94.38%	93.03%
Covered payroll	\$ 3,921,031	\$ 3,823,516	\$ 3,755,658
County's net pension liability as a percentage of covered payroll	25.21%	20.69%	25.19%

Schedule is intended to show information for 10 years. Information prior to the 2014 valuation is not available. However, additional years will be included as they become available.

County of Amelia, Virginia
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Component Unit School Board (nonprofessional)
For the Year Ended June 30, 2015 through June 30, 2017

	2016	2015	2014
Total pension liability			
Service cost	\$ 89,371	\$ 86,961	\$ 94,280
Interest	234,908	234,130	224,266
Differences between expected and actual experience	207,349	(119,218)	-
Benefit payments, including refunds of employee contributions	(192,553)	(188,960)	(166,305)
Net change in total pension liability	\$ 339,075	\$ 12,913	\$ 152,241
Total pension liability - beginning	3,452,110	3,439,197	3,286,956
Total pension liability - ending (a)	<u>\$ 3,791,185</u>	<u>\$ 3,452,110</u>	<u>\$ 3,439,197</u>
Plan fiduciary net position			
Contributions - employer	\$ 68,660	\$ 65,179	\$ 71,139
Contributions - employee	41,997	40,171	40,745
Net investment income	59,763	155,863	474,163
Benefit payments, including refunds of employee contributions	(192,553)	(188,960)	(166,305)
Administrative expense	(2,202)	(2,185)	(2,580)
Other	(26)	(33)	25
Net change in plan fiduciary net position	\$ (24,361)	\$ 70,035	\$ 417,187
Plan fiduciary net position - beginning	3,524,875	3,454,840	3,037,653
Plan fiduciary net position - ending (b)	<u>\$ 3,500,514</u>	<u>\$ 3,524,875</u>	<u>\$ 3,454,840</u>
School Division's net pension liability (asset) - ending (a) - (b)	\$ 290,671	\$ (72,765)	\$ (15,643)
Plan fiduciary net position as a percentage of the total pension liability	92.33%	102.11%	100.45%
Covered payroll	\$ 869,346	\$ 813,650	\$ 814,564
School Division's net pension liability (asset) as a percentage of covered payroll	33.44%	-8.94%	-1.92%

Schedule is intended to show information for 10 years. Information prior to the 2014 valuation is not available. However, additional years will be included as they become available.

County of Amelia, Virginia
Schedule of Employer's Share of Net Pension Liability VRS Teacher Retirement Plan
For the Years Ended June 30, 2015 through June 30, 2017

	2016	2015	2014
Employer's Proportion of the Net Pension Liability (Asset)	0.10818%	0.11039%	0.10594%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$ 15,160,000	\$ 13,894,000	\$ 12,803,000
Employer's Covered Payroll	8,240,228	7,993,097	7,806,938
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	183.98%	173.82%	164.00%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.28%	70.68%	70.88%

Schedule is intended to show information for 10 years. Information prior to the 2014 valuation is not available. However, additional years will be included as they become available.

County of Amelia, Virginia
Schedule of Employer Contributions
For the Years Ended June 30, 2008 through June 30, 2017

Date	Contractually Required Contribution (1)	Contributions in Relation to Contractually Required Contribution (2)	Contribution Deficiency (Excess) (3)	Employer's Covered Payroll (4)	Contributions as a % of Covered Payroll (5)
Primary Government					
2017	\$ 295,137	\$ 295,137	\$ -	\$ 3,935,166	7.50%
2016	410,080	410,080	-	3,921,031	10.46%
2015	402,999	402,999	-	3,823,516	10.54%
2014	480,724	480,724	-	3,755,658	12.80%
2013	470,714	470,714	-	3,677,455	12.80%
2012	337,949	337,949	-	3,342,724	10.11%
2011	333,706	333,706	-	3,300,748	10.11%
2010	284,283	284,283	-	3,328,837	8.54%
2009	286,741	286,741	-	3,357,622	8.54%
2008	177,628	177,628	-	3,127,259	5.68%
Component Unit School Board (nonprofessional)					
2017	\$ 60,160	\$ 60,160	\$ -	\$ 844,938	7.12%
2016	68,660	68,660	-	869,346	7.90%
2015	65,580	65,580	-	813,650	8.06%
2014	71,111	71,111	-	814,564	8.73%
2013	74,115	74,115	-	848,968	8.73%
2012	67,137	67,137	-	933,751	7.19%
2011	67,915	67,915	-	944,571	7.19%
2010	68,002	68,002	-	940,559	7.23%
2009	68,591	68,591	-	948,697	7.23%
2008	33,607	33,607	-	882,069	3.81%
Component Unit School Board (professional)					
2017	\$ 1,260,921	\$ 1,260,921	\$ -	\$ 8,601,098	14.66%
2016	1,158,576	1,158,576	-	8,240,228	14.06%
2015	1,158,999	1,158,999	-	7,993,097	14.50%
2014	910,289	910,289	-	7,806,938	11.66%
2013	898,667	898,667	-	7,707,264	11.66%
2012	907,166	907,166	-	8,006,761	11.33%
2011	732,139	732,139	-	8,198,645	8.93%
2010	989,822	989,822	-	7,167,429	13.81%
2009	1,159,514	1,159,514	-	8,396,191	13.81%
2008	1,262,741	1,262,741	-	8,253,209	15.30%

Current year contributions are from County records and prior year contributions are from the VRS actuarial valuation performed each year.

County of Amelia, Virginia
Notes to Required Supplementary Information
For the Year Ended June 30, 2017

Changes of benefit terms - There have been no actuarially material changes to the System benefit provisions since the prior actuarial valuation. The 2014 valuation includes Hybrid Retirement Plan members for the first time. The hybrid plan applies to most new employees hired on or after January 1, and not covered by enhanced hazardous duty benefits. Because this is a fairly new benefit and the number of participants was relatively small, the impact on the liabilities as of the measurement date of June 30, 2016 are not material.

Changes of assumptions - The following changes in actuarial assumptions were made effective June 30, 2013 based on the most recent experience study of the System for the four-year period ending June 30, 2012:

Largest 10 - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

Largest 10 - LEOS:

- Update mortality table
- Decrease in male rates of disability

All Others (Non 10 Largest) - Non-LEOS:

- Update mortality table
- Decrease in rates of service retirement
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) - LEOS:

- Update mortality table
- Adjustments to rates of service retirement for females
- Increase in rates of withdrawal
- Decrease in male and female rates of disability

Component Unit School Board - Professional Employees

- Update mortality table
- Adjustments to the rates of service retirement
- Decrease in rates of withdrawals for 3 through 9 years of service
- Decrease in rates of disability retirement
- Reduce rates of salary increase by 0.25% per year

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OTHER SUPPLEMENTARY INFORMATION

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*COMBINING AND INDIVIDUAL FUND FINANCIAL
STATEMENTS AND SCHEDULES*

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County of Amelia, Virginia
County Capital Projects Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2017

	<u>Budgeted Amounts</u>			Variance with Final Budget - Positive Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 3,459	\$ 3,459
Charges for services	2,100,000	2,100,000	3,327,923	1,227,923
Recovered costs	-	-	24,941	24,941
Total revenues	<u>\$ 2,100,000</u>	<u>\$ 2,100,000</u>	<u>\$ 3,356,323</u>	<u>\$ 1,256,323</u>
EXPENDITURES				
Capital projects	\$ 1,007,000	\$ 1,617,110	\$ 688,508	\$ 928,602
Total expenditures	<u>\$ 1,007,000</u>	<u>\$ 1,617,110</u>	<u>\$ 688,508</u>	<u>\$ 928,602</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 1,093,000	\$ 482,890	\$ 2,667,815	\$ 2,184,925
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ -	\$ -	\$ 64,253	\$ 64,253
Transfers out	(370,000)	(1,085,748)	(715,748)	370,000
Total other financing sources (uses)	<u>\$ (370,000)</u>	<u>\$ (1,085,748)</u>	<u>\$ (651,495)</u>	<u>\$ 434,253</u>
Net change in fund balances	\$ 723,000	\$ (602,858)	\$ 2,016,320	\$ 2,619,178
Fund balances - beginning	(723,000)	602,858	2,033,760	1,430,902
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,050,080</u>	<u>\$ 4,050,080</u>

County of Amelia, Virginia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Fund
For the Year Ended June 30, 2017

	County Special Revenue Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ -	\$ -	\$ 3,986	\$ 3,986
Charges for services	42,000	42,000	34,322	(7,678)
Miscellaneous	-	-	70,389	70,389
Total revenues	\$ 42,000	\$ 42,000	\$ 108,697	\$ 66,697
OTHER FINANCING SOURCES (USES)				
Transfers out	\$ -	\$ -	\$ (53,749)	\$ (53,749)
Total other financing sources (uses)	\$ -	\$ -	\$ (53,749)	\$ (53,749)
Net change in fund balances	\$ 42,000	\$ 42,000	\$ 54,948	\$ 12,948
Fund balances - beginning	(42,000)	(42,000)	566,694	608,694
Fund balances - ending	\$ -	\$ -	\$ 621,642	\$ 621,642

County of Amelia, Virginia
Combining Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2017

	Agency Funds					Private Purpose Trust Funds					
	Special <u>Welfare</u>	Performance <u>Bond</u>	A.M. Radio <u>Partners</u>	Project <u>Lifesaver</u>	<u>Total</u>	Harris <u>Scholarship</u>	Wright <u>Scholarship</u>	Arnold <u>Scholarship</u>	Black <u>Scholarship</u>	N.S. Montague <u>Scholarship</u>	<u>Total</u>
ASSETS											
Cash and cash equivalents	\$ 15,437	\$ 22,812	\$ 10,179	\$ 1,966	\$ 50,394	\$ -	\$ -	\$ -	\$ 5,163	\$ -	\$ 5,163
Investments	-	-	-	-	-	4,642	11,076	196,692	-	33,438	245,848
Receivables:											
Interest and dividends	-	-	-	2	2	4	10	1,013	3	29	1,059
Total assets	\$ 15,437	\$ 22,812	\$ 10,179	\$ 1,968	\$ 50,396	\$ 4,646	\$ 11,086	\$ 197,705	\$ 5,166	\$ 33,467	\$ 252,070
LIABILITIES											
Amounts held for social services clients	\$ 15,437	\$ -	\$ -	\$ -	\$ 15,437	\$ -	\$ -	\$ -	\$ -	\$ -	-
Performance bonds	-	22,812	-	-	22,812	-	-	-	-	-	-
Amounts held for others	-	-	10,179	1,968	12,147	-	-	-	-	-	-
Total liabilities	\$ 15,437	\$ 22,812	\$ 10,179	\$ 1,968	\$ 50,396	\$ -	\$ -	\$ -	\$ -	\$ -	-
NET POSITION											
Held in trust for scholarships	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,646	\$ 11,086	\$ 197,705	\$ 5,166	\$ 33,467	\$ 252,070

County of Amelia, Virginia
Combining Statement of Changes in Assets and Liabilities - Agency Funds
For the Year Ended June 30, 2017

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
Special Welfare:				
Assets:				
Cash and cash equivalents	\$ 12,625	\$ 4,679	\$ 1,867	\$ 15,437
Liabilities:				
Amounts held for social services clients	\$ 12,625	\$ 4,679	\$ 1,867	\$ 15,437
Performance Bond:				
Assets:				
Cash and cash equivalents	\$ 22,755	\$ 57	\$ -	\$ 22,812
Liabilities:				
Performance bonds	\$ 22,755	\$ 57	\$ -	\$ 22,812
A.M. Radio Partners:				
Assets:				
Cash and cash equivalents	\$ 10,178	\$ 1	\$ -	\$ 10,179
Liabilities:				
Amounts held for others	\$ 10,178	\$ 1	\$ -	\$ 10,179
Project Lifesaver:				
Assets:				
Cash and cash equivalents	\$ 3,944	\$ 1,972	\$ 3,950	\$ 1,966
Interest and dividends receivable	1	1		2
Total assets	<u>3,945</u>	<u>1,973</u>	<u>3,950</u>	<u>1,968</u>
Liabilities:				
Amounts held for others	\$ 3,945	\$ 1,973	\$ 3,950	\$ 1,968
Totals -- All Agency Funds				
Assets:				
Cash and cash equivalents	\$ 49,502	\$ 6,709	\$ 5,817	\$ 50,394
Interest and dividends receivable	1	1	-	2
Total assets	<u>\$ 49,503</u>	<u>\$ 6,710</u>	<u>\$ 5,817</u>	<u>\$ 50,396</u>
Liabilities:				
Amounts held for social services clients	\$ 12,625	\$ 4,679	\$ 1,867	\$ 15,437
Performance bonds	22,755	57	-	22,812
Amounts held for others	14,123	1,974	\$ 3,950	12,147
Total liabilities	<u>\$ 49,503</u>	<u>\$ 6,710</u>	<u>\$ 5,817</u>	<u>\$ 50,396</u>

*DISCRETELY PRESENTED COMPONENT UNIT
SCHOOL BOARD*

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County of Amelia, Virginia
Combining Balance Sheet - Governmental Funds
Discretely Presented Component Unit - School Board
June 30, 2017

	School Operating <u>Fund</u>	School Special Revenue <u>Fund</u>	Total Governmental <u>Funds</u>
ASSETS			
Cash and cash equivalents	\$ -	\$ 275,948	\$ 275,948
Due from other governmental units	1,818,601	-	1,818,601
Total assets	<u>\$ 1,818,601</u>	<u>\$ 275,948</u>	<u>\$ 2,094,549</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 88,283	\$ 4,542	\$ 92,825
Accrued liabilities	1,730,318	32,420	1,762,738
Total liabilities	<u>\$ 1,818,601</u>	<u>\$ 36,962</u>	<u>\$ 1,855,563</u>
Fund balances:			
Committed - Textbook	\$ -	\$ 250,141	\$ 250,141
Unassigned	-	(11,155)	(11,155)
Total fund balances	<u>\$ -</u>	<u>\$ 238,986</u>	<u>\$ 238,986</u>
Total liabilities and fund balances	<u>\$ 1,818,601</u>	<u>\$ 275,948</u>	<u>\$ 2,094,549</u>

Amounts reported for governmental activities in the Statement of Net Position (Exhibit 1) are different because:

Total fund balances per above	\$ 238,986
-------------------------------	------------

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets, cost	\$ 17,986,540	
Accumulated depreciation	<u>(9,462,228)</u>	8,524,312

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.

Items related to measurement of net pension liability	(767,444)
---	-----------

Pension contributions subsequent to the measurement date will be a reduction to the net pension liability in the next fiscal year and, therefore, are not reported in the funds.	1,321,081
--	-----------

Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. The following is a summary of items supporting this adjustment:

Compensated absences	\$ (164,557)	
Capital lease	(1,001,929)	
Net pension liability	(15,450,671)	
Changes in proportionate share of net pension liability	1,473,343	
Net OPEB obligation	<u>(3,491,360)</u>	(18,635,174)

Net position of governmental activities	<u>\$ (9,318,239)</u>
---	-----------------------

County of Amelia, Virginia
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds - Discretely Presented Component Unit - School Board
For the Year Ended June 30, 2017

	School Operating Fund	School Special Revenue Fund	Total Governmental Funds
REVENUES			
Revenue from the use of money and property	\$ 16,954	\$ -	\$ 16,954
Charges for services	13,997	289,881	303,878
Miscellaneous	346,244	-	346,244
Recovered costs	2,000	-	2,000
Intergovernmental:			
Local government	5,206,441	11,898	5,218,339
Commonwealth	10,892,863	159,716	11,052,579
Federal	849,655	544,571	1,394,226
Total revenues	<u>\$ 17,328,154</u>	<u>\$ 1,006,066</u>	<u>\$ 18,334,220</u>
EXPENDITURES			
Current:			
Education	\$ 17,973,386	\$ 993,153	\$ 18,966,539
Debt service:			
Principal retirement	111,369	-	111,369
Interest and other fiscal charges	32,534	-	32,534
Total expenditures	<u>\$ 18,117,289</u>	<u>\$ 993,153</u>	<u>\$ 19,110,442</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (789,135)</u>	<u>\$ 12,913</u>	<u>\$ (776,222)</u>
OTHER FINANCING SOURCES (USES)			
Issuance of capital leases	\$ 789,135	\$ -	\$ 789,135
Total other financing sources (uses)	<u>\$ 789,135</u>	<u>\$ -</u>	<u>\$ 789,135</u>
Net change in fund balances	\$ -	\$ 12,913	\$ 12,913
Fund balances - beginning	-	226,073	226,073
Fund balances - ending	<u>\$ -</u>	<u>\$ 238,986</u>	<u>\$ 238,986</u>

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

Net change in fund balances - total governmental funds - per above \$ 12,913

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which the capital outlays exceeded depreciation in the current period. The following is a summary of items supporting this adjustment:

Capital asset additions	\$ 1,093,070	
Depreciation expense	(984,200)	
Activity related to joint tenancy assets to Component Unit from Primary Government	<u>342,020</u>	450,890

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.

(Increase) decrease in deferred inflows of resources items related to measurement of net pension liability	457,122
--	---------

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (677,766)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore are not reported as expenditures in governmental funds.

The following is a summary of items supporting this adjustment:

(Increase) decrease in compensated absences	\$ (18,293)	
Increase (decrease) in deferred outflows related to pension payments subsequent to the measurement date	7,678	
Increase (decrease) in net pension asset	(72,765)	
(Increase) decrease in net pension liability	(1,556,671)	
Increase (decrease) in deferred outflows related to proportionate share of net pension liability	968,343	
(Increase) decrease in net OPEB obligation	<u>(395,260)</u>	(1,066,968)

Change in net position of governmental activities	<u>\$ (823,809)</u>
---	---------------------

County of Amelia, Virginia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Operating Fund - Discretely Presented Component Unit - School Board
For the Year Ended June 30, 2017

	School Operating Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Revenue from the use of money and property	\$ 11,700	\$ 11,700	\$ 16,954	\$ 5,254
Charges for services	17,500	17,500	13,997	(3,503)
Recovered Costs	-	-	2,000	2,000
Miscellaneous	289,709	289,709	346,244	56,535
Intergovernmental:				
Local government	4,724,354	4,724,354	5,206,441	482,087
Commonwealth	11,084,973	11,219,032	10,892,863	(326,169)
Federal	923,229	1,033,752	849,655	(184,097)
Total revenues	\$ 17,051,465	\$ 17,296,047	\$ 17,328,154	\$ 32,107
EXPENDITURES				
Current:				
Education	\$ 16,907,562	\$ 17,941,279	\$ 17,973,386	\$ (32,107)
Debt service:				
Principal retirement	111,369	111,369	111,369	-
Interest and other fiscal charges	32,534	32,534	32,534	-
Total expenditures	\$ 17,051,465	\$ 18,085,182	\$ 18,117,289	\$ (32,107)
Excess (deficiency) of revenues over (under) expenditures	\$ -	\$ (789,135)	\$ (789,135)	\$ -
OTHER FINANCING SOURCES (USES)				
Issuance of capital leases	\$ -	\$ 789,135	\$ 789,135	\$ -
Total other financing sources (uses)	\$ -	\$ 789,135	\$ 789,135	\$ -
Net change in fund balances	\$ -	\$ -	\$ -	\$ -
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

County of Amelia, Virginia
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Fund - Discretely Presented Component Unit - School Board
For the Year Ended June 30, 2017

	School Special Revenue Fund				Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual		
	Original	Final			
REVENUES					
Charges for services	\$ 285,081	\$ 285,081	\$ 289,881	\$	4,800
Intergovernmental:					
Local government	51,982	51,982	11,898		(40,084)
Commonwealth	162,715	162,715	159,716		(2,999)
Federal	491,358	535,334	544,571		9,237
Total revenues	<u>\$ 991,136</u>	<u>\$ 1,035,112</u>	<u>\$ 1,006,066</u>	<u>\$</u>	<u>(29,046)</u>
EXPENDITURES					
Current:					
Education	<u>\$ 1,066,136</u>	<u>\$ 1,110,112</u>	<u>\$ 993,153</u>	<u>\$</u>	<u>116,959</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (75,000)</u>	<u>\$ (75,000)</u>	<u>\$ 12,913</u>	<u>\$</u>	<u>87,913</u>
Net change in fund balances	\$ (75,000)	\$ (75,000)	\$ 12,913	\$	87,913
Fund balances - beginning	75,000	75,000	226,073		151,073
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 238,986</u>	<u>\$</u>	<u>238,986</u>

*DISCRETELY PRESENTED COMPONENT UNIT
INDUSTRIAL DEVELOPMENT AUTHORITY*

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County of Amelia, Virginia
Statement of Net Position
Discretely Presented Component Unit - Industrial Development Authority
June 30, 2017

ASSETS

Current assets:

Investments	\$ 72,981
Interest receivable	74
Total current assets	<u>\$ 73,055</u>

Noncurrent assets:

Capital assets:

Land and land improvements	\$ 30,020
Buildings	1,352,464
Accumulated depreciation	<u>(53,418)</u>
Total noncurrent assets	<u>\$ 1,329,066</u>
Total assets	<u><u>\$ 1,402,121</u></u>

NET POSITION

Net investment in capital assets	\$ 1,329,066
Unrestricted	<u>73,055</u>
Total net position	<u><u>\$ 1,402,121</u></u>

County of Amelia, Virginia
Statement of Revenues, Expenses, and Changes in Net Position
Discretely Presented Component Unit - Industrial Development Authority
For the Year Ended June 30, 2017

OPERATING REVENUES

Charges for services:

Rental income	\$ 93,871
Miscellaneous	426
Total operating revenues	<u>\$ 94,297</u>

OPERATING EXPENSES

Other supplies and expenses	\$ 21,557
Depreciation	33,812
Total operating expenses	<u>\$ 55,369</u>

Operating income (loss)	<u>\$ 38,928</u>
-------------------------	------------------

NONOPERATING REVENUES (EXPENSES)

Investment income	\$ 312
Contribution from Amelia County	440,347
Total nonoperating revenues (expenses)	<u>\$ 440,659</u>

Income (loss)	<u>\$ 479,587</u>
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Change in net position	\$ 479,587
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Total net position - beginning	922,534
Total net position - ending	<u><u>\$ 1,402,121</u></u>

County of Amelia, Virginia
Statement of Cash Flows
Discretely Presented Component Unit - Industrial Development Authority
For the Year Ended June 30, 2017

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 94,297
Payments for operating activities	(21,557)
Net cash provided by (used for) operating activities	<u>\$ 72,740</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Transfers from other funds	\$ 440,347
Net cash provided (used) by noncapital financing activities	<u>\$ 440,347</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Additions to capital assets	\$ (440,347)
Net cash provided (used) by capital and related financing activities	<u>\$ (440,347)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Sale (purchase) of investments	\$ (72,981)
Interest and dividends received	241
Net cash provided (used) by investing activities	<u>\$ (72,740)</u>

Net increase (decrease) in cash and cash equivalents	\$ -
--	------

Cash and cash equivalents - beginning	-
Cash and cash equivalents - ending	<u>\$ -</u>

Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:

Operating income (loss)	\$ 38,928
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	\$ 33,812
Net cash provided by (used for) operating activities	<u>\$ 72,740</u>

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SUPPORTING SCHEDULES

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County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund:				
Revenue from local sources:				
General property taxes:				
Real property taxes	\$ 5,505,870	\$ 5,505,870	\$ 5,240,015	\$ (265,855)
Real and personal public service corporation taxes	197,160	197,160	225,201	28,041
Personal property taxes	2,416,788	2,416,788	2,533,721	116,933
Mobile home taxes	23,990	23,990	21,047	(2,943)
Machinery and tools taxes	29,025	29,025	38,719	9,694
Penalties	118,000	118,000	127,243	9,243
Interest	40,000	40,000	36,389	(3,611)
Total general property taxes	\$ 8,330,833	\$ 8,330,833	\$ 8,222,335	\$ (108,498)
Other local taxes:				
Local sales and use taxes	\$ 700,000	\$ 700,000	\$ 765,327	\$ 65,327
Consumers' utility taxes	225,000	225,000	223,453	(1,547)
Consumption tax	42,500	42,500	40,216	(2,284)
Business license taxes	188,000	188,000	226,014	38,014
Motor vehicle licenses	352,000	352,000	364,340	12,340
Bank stock taxes	53,000	53,000	55,776	2,776
Taxes on recordation and wills	113,300	113,300	124,472	11,172
Total other local taxes	\$ 1,673,800	\$ 1,673,800	\$ 1,799,598	\$ 125,798
Permits, privilege fees, and regulatory licenses:				
Animal licenses	\$ 15,000	\$ 15,000	\$ 11,968	\$ (3,032)
Land use application fees	800	800	640	(160)
Transfer fees	450	450	560	110
Permits and other licenses	114,500	114,500	123,468	8,968
Total permits, privilege fees, and regulatory licenses	\$ 130,750	\$ 130,750	\$ 136,636	\$ 5,886
Fines and forfeitures:				
Court fines and forfeitures	\$ 196,450	\$ 196,450	\$ 151,839	\$ (44,611)
Revenue from use of money and property:				
Revenue from use of money	\$ 32,100	\$ 32,100	\$ 69,912	\$ 37,812
Revenue from use of property	17,615	17,615	18,865	1,250
Total revenue from use of money and property	\$ 49,715	\$ 49,715	\$ 88,777	\$ 39,062
Charges for services:				
Sheriff's fees	\$ 1,000	\$ 1,000	\$ 1,086	\$ 86
Court costs	4,300	4,300	4,083	(217)
Charges for Commonwealth's Attorney	1,800	1,800	1,636	(164)
Charges for other protection	1,025	1,025	315	(710)
Charges for sanitation and waste removal	205,000	205,000	203,981	(1,019)
Charges for parks and recreation	105,000	105,000	101,662	(3,338)
Charges for library	7,800	7,800	8,090	290
Total charges for services	\$ 325,925	\$ 325,925	\$ 320,853	\$ (5,072)

County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Revenue from local sources: (Continued)				
Miscellaneous:				
Miscellaneous	\$ 81,580	\$ 82,256	\$ 107,588	\$ 25,332
Recovered costs:				
Social Services reimbursement	\$ 132,200	\$ 132,200	\$ 123,971	\$ (8,229)
Total revenue from local sources	\$ 10,921,253	\$ 10,921,929	\$ 10,951,597	\$ 29,668
Intergovernmental:				
Revenue from the Commonwealth:				
Noncategorical aid:				
Mobile home titling tax	\$ 25,000	\$ 25,000	\$ 34,104	\$ 9,104
Communications tax	255,000	255,000	239,655	(15,345)
Rolling stock tax	32,000	32,000	28,471	(3,529)
Auto rental tax	1,000	1,000	748	(252)
State recordation tax	35,000	35,000	30,107	(4,893)
Personal property tax relief funds	1,019,213	1,019,213	1,019,213	-
Total noncategorical aid	\$ 1,367,213	\$ 1,367,213	\$ 1,352,298	\$ (14,915)
Categorical aid:				
Shared expenses:				
Commonwealth's attorney	\$ 222,653	\$ 222,653	\$ 220,422	\$ (2,231)
Sheriff	748,678	748,678	733,152	(15,526)
Commissioner of revenue	86,032	86,032	84,932	(1,100)
Treasurer	87,480	87,480	86,152	(1,328)
Registrar/electoral board	38,000	38,000	37,030	(970)
Clerk of the Circuit Court	188,544	188,544	189,930	1,386
Total shared expenses	\$ 1,371,387	\$ 1,371,387	\$ 1,351,618	\$ (19,769)
Other categorical aid:				
Public assistance and welfare administration	\$ 354,148	\$ 354,148	\$ 343,249	\$ (10,899)
Emergency medical services grant	15,000	15,000	15,081	81
School resource officer grant	24,000	24,000	34,088	10,088
Juvenile confinement	9,914	9,914	9,913	(1)
Litter control	6,400	6,400	6,192	(208)
Comprehensive Services Act	270,000	270,000	204,520	(65,480)
Wireless grant	42,000	42,000	43,946	1,946
Virginia information technology grant	-	-	60,713	60,713
Library	52,000	52,000	58,258	6,258
Victim-witness grant	37,000	71,483	15,421	(56,062)
Circuit court records grant	-	25,703	28,169	2,466
Fire programs	40,000	94,293	41,181	(53,112)
DMV animal friendly plates	200	200	168	(32)

County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

Schedule 1
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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
Other categorical aid: (Continued)				
Timber sales	\$ -	\$ -	\$ 24,097	\$ 24,097
RAD grant	700	700	700	-
LEMPG grant	-	14,010	-	(14,010)
USDA firetruck grant	50,000	50,000	-	(50,000)
Total other categorical aid	\$ 901,362	\$ 1,029,851	\$ 885,696	\$ (144,155)
Total categorical aid	\$ 2,272,749	\$ 2,401,238	\$ 2,237,314	\$ (163,924)
Total revenue from the Commonwealth	\$ 3,639,962	\$ 3,768,451	\$ 3,589,612	\$ (178,839)
Revenue from the federal government:				
Other categorical aid:				
Public assistance and welfare administration	\$ 747,030	\$ 747,030	\$ 700,273	\$ (46,757)
SCAAP grant	250	250	291	41
Local emergency management performance grant	9,000	9,000	21,274	12,274
Local law enforcement block grant	2,000	2,000	-	(2,000)
DMV grant	25,000	25,000	15,081	(9,919)
Victim witness	-	-	52,333	52,333
Energy efficiency loan interest	29,657	29,657	59,570	29,913
Total other categorical aid	\$ 812,937	\$ 812,937	\$ 848,822	\$ 35,885
Total categorical aid	\$ 812,937	\$ 812,937	\$ 848,822	\$ 35,885
Total revenue from the federal government	\$ 812,937	\$ 812,937	\$ 848,822	\$ 35,885
Total General Fund	\$ 15,374,152	\$ 15,503,317	\$ 15,390,031	\$ (113,286)
Special Revenue Funds:				
County Special Revenue Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 3,986	\$ 3,986
Charges for services:				
Courthouse security fees	\$ 42,000	\$ 42,000	\$ 34,322	\$ (7,678)
Miscellaneous:				
Miscellaneous	\$ -	\$ -	\$ 70,389	\$ 70,389
Total revenue from local sources	\$ 42,000	\$ 42,000	\$ 108,697	\$ 66,697
Total County Special Revenue Fund	\$ 42,000	\$ 42,000	\$ 108,697	\$ 66,697

County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

Schedule 1
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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Capital Projects Fund:				
County Capital Projects Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of money	\$ -	\$ -	\$ 3,459	\$ 3,459
Charges for services:				
Charges for sanitation and waste removal	\$ 2,100,000	\$ 2,100,000	\$ 3,327,923	\$ 1,227,923
Recovered costs:				
Other recovered costs	\$ -	\$ -	\$ 24,941	\$ 24,941
Total revenue from local sources	\$ 2,100,000	\$ 2,100,000	\$ 3,356,323	\$ 1,256,323
Total County Capital Projects Fund	\$ 2,100,000	\$ 2,100,000	\$ 3,356,323	\$ 1,256,323
Total Revenues - Primary Government	\$ 17,516,152	\$ 17,645,317	\$ 18,855,051	\$ 1,209,734
Component Unit - School Board:				
School Operating Fund:				
Revenue from local sources:				
Revenue from use of money and property:				
Revenue from the use of property	\$ 11,700	\$ 11,700	\$ 16,954	\$ 5,254
Charges for services:				
Tuition	\$ 17,500	\$ 17,500	\$ 13,997	\$ (3,503)
Miscellaneous:				
Miscellaneous	\$ 289,709	\$ 289,709	\$ 346,244	\$ 56,535
Recovered costs:				
Head Start transportation	\$ -	\$ -	\$ 2,000	\$ 2,000
Total revenue from local sources	\$ 318,909	\$ 318,909	\$ 379,195	\$ 60,286
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Amelia	\$ 4,724,354	\$ 4,724,354	\$ 5,206,441	\$ 482,087
Revenue from the Commonwealth:				
Categorical aid:				
Share of state sales tax	\$ 2,068,656	\$ 2,068,656	\$ 2,033,712	\$ (34,944)
Basic school aid	5,679,908	5,679,908	5,526,624	(153,284)
Regular foster care	-	-	22,729	22,729
Gifted and talented	58,417	58,417	56,856	(1,561)
Special education	730,208	730,208	710,695	(19,513)
GED funding	7,859	7,859	8,418	559
Vocational education	132,654	138,713	129,110	(9,603)
Compensation supplement	87,421	87,421	-	(87,421)

County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Component Unit - School Board: (Continued)				
School Operating Fund: (Continued)				
Intergovernmental: (Continued)				
Revenue from the Commonwealth: (Continued)				
Categorical aid: (Continued)				
School fringes	1,081,925	1,081,925	1,053,012	(28,913)
Lottery	63,796	63,796	62,257	(1,539)
Social security grant	-	-	36,245	36,245
Reduced K-3	293,137	293,137	294,902	1,765
Early reading intervention	44,524	44,524	33,393	(11,131)
English as a second language	29,101	29,101	29,983	882
Homebound	7,400	7,400	11,113	3,713
CTE equipment	5,140	5,140	6,762	1,622
Project graduation	20,000	20,000	7,465	(12,535)
Technology grant	128,000	256,000	273,656	17,656
At risk	297,319	297,319	292,380	(4,939)
Standards of Learning algebra readiness	25,214	25,214	22,867	(2,347)
Remedial education - summer school	85,395	85,395	42,015	(43,380)
Remedial education	237,318	237,318	230,976	(6,342)
Mentor teacher program	1,581	1,581	632	(949)
Other state aid	-	-	7,061	7,061
Total categorical aid	\$ 11,084,973	\$ 11,219,032	\$ 10,892,863	\$ (326,169)
Total revenue from the Commonwealth	\$ 11,084,973	\$ 11,219,032	\$ 10,892,863	\$ (326,169)
Revenue from the federal government:				
Categorical aid:				
Title I grants to local educational agencies	\$ 342,520	\$ 433,810	\$ 289,843	\$ (143,967)
Special education-grants to states	406,878	425,294	420,356	(4,938)
Vocational education - basic grants to states	28,810	29,148	8,164	(20,984)
Special education - preschool grants	12,623	13,102	13,102	-
Improving teacher quality state grants	132,398	132,398	117,698	(14,700)
AP test fees	-	-	492	492
Total categorical aid	\$ 923,229	\$ 1,033,752	\$ 849,655	\$ (184,097)
Total revenue from the federal government	\$ 923,229	\$ 1,033,752	\$ 849,655	\$ (184,097)
Total School Operating Fund	\$ 17,051,465	\$ 17,296,047	\$ 17,328,154	\$ 32,107

County of Amelia, Virginia
Schedule of Revenues - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

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<u>Fund, Major and Minor Revenue Source</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Component Unit - School Board: (Continued)				
School Special Revenue Fund:				
Revenue from local sources:				
Charges for services:				
Cafeteria sales	\$ 285,081	\$ 285,081	\$ 289,881	\$ 4,800
Total revenue from local sources	\$ 285,081	\$ 285,081	\$ 289,881	\$ 4,800
Intergovernmental:				
Revenues from local governments:				
Contribution from County of Amelia	\$ 51,982	\$ 51,982	\$ 11,898	\$ (40,084)
Revenue from the Commonwealth:				
Categorical aid:				
School food program grant	\$ 29,111	\$ 29,111	\$ 29,683	\$ 572
Textbook payments	133,604	133,604	130,033	(3,571)
Total categorical aid	\$ 162,715	\$ 162,715	\$ 159,716	\$ (2,999)
Total revenue from the Commonwealth	\$ 162,715	\$ 162,715	\$ 159,716	\$ (2,999)
Revenue from the federal government:				
Categorical aid:				
School food program grant	\$ 491,358	\$ 491,358	\$ 500,595	\$ 9,237
Commodities	-	43,976	43,976	-
Total categorical aid	\$ 491,358	\$ 535,334	\$ 544,571	\$ 9,237
Total revenue from the federal government	\$ 491,358	\$ 535,334	\$ 544,571	\$ 9,237
Total School Special Revenue Fund	\$ 991,136	\$ 1,035,112	\$ 1,006,066	\$ (29,046)
Total Discretely Presented Component Unit - School Board	\$ 18,042,601	\$ 18,331,159	\$ 18,334,220	\$ 3,061

County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

Schedule 2
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<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund:				
General government administration:				
Legislative:				
Board of supervisors	\$ 157,604	\$ 157,604	\$ 142,256	\$ 15,348
General and financial administration:				
County administrator	\$ 408,600	\$ 408,600	\$ 398,925	\$ 9,675
Legal services	78,712	78,712	78,614	98
Commissioner of revenue	253,050	253,050	251,042	2,008
Independent Auditor	43,300	43,300	43,300	-
Treasurer	291,029	291,029	285,310	5,719
Other general and financial administration	243,677	243,677	239,132	4,545
Total general and financial administration	\$ 1,318,368	\$ 1,318,368	\$ 1,296,323	\$ 22,045
Board of elections:				
Electoral board and officials	\$ 31,341	\$ 31,341	\$ 29,759	\$ 1,582
Registrar	96,819	96,819	92,849	3,970
Total board of elections	\$ 128,160	\$ 128,160	\$ 122,608	\$ 5,552
Total general government administration	\$ 1,604,132	\$ 1,604,132	\$ 1,561,187	\$ 42,945
Judicial administration:				
Courts:				
Circuit court	\$ 11,825	\$ 11,825	\$ 18,664	\$ (6,839)
General district court	19,115	19,115	21,024	(1,909)
Special Magistrates	300	300	245	55
Sheriff - court services unit	18,288	18,288	10,069	8,219
Sheriff - courtroom security	78,720	78,720	100,146	(21,426)
Victim and witness assistance	37,000	71,483	69,752	1,731
Law library	3,765	3,765	3,831	(66)
Clerk of the circuit court	293,775	319,478	305,701	13,777
Total courts	\$ 462,788	\$ 522,974	\$ 529,432	\$ (6,458)
Commonwealth's attorney:				
Commonwealth's attorney	\$ 308,063	\$ 309,339	\$ 305,416	\$ 3,923
Total judicial administration	\$ 770,851	\$ 832,313	\$ 834,848	\$ (2,535)
Public safety:				
Law enforcement and traffic control:				
Sheriff	\$ 2,056,800	\$ 2,056,800	\$ 1,783,019	\$ 273,781
School resource officer	60,457	60,457	58,974	1,483
911 System	257,240	257,240	219,688	37,552
Total law enforcement and traffic control	\$ 2,374,497	\$ 2,374,497	\$ 2,061,681	\$ 312,816
Fire and rescue services:				
Fire department	\$ 739,250	\$ 793,543	\$ 776,329	\$ 17,214
Ambulance and rescue services	63,400	63,400	62,981	419
Total fire and rescue services	\$ 802,650	\$ 856,943	\$ 839,310	\$ 17,633

County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

Schedule 2
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<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Public safety: (Continued)				
Correction and detention:				
Payments to Regional Jail	\$ 397,300	\$ 397,300	\$ 284,115	\$ 113,185
Payments to Juvenile Detention Center	12,000	12,000	36,300	(24,300)
Total correction and detention	\$ 409,300	\$ 409,300	\$ 320,415	\$ 88,885
Inspections:				
Building	\$ 87,802	\$ 87,802	\$ 86,052	\$ 1,750
Other protection:				
Animal control	\$ 149,973	\$ 149,973	\$ 146,372	\$ 3,601
Emergency services	120,186	125,196	129,738	(4,542)
Medical examiner	100	100	120	(20)
Total other protection	\$ 270,259	\$ 275,269	\$ 276,230	\$ (961)
Total public safety	\$ 3,944,508	\$ 4,003,811	\$ 3,583,688	\$ 420,123
Public works:				
Maintenance of highways, streets, bridges and sidewalks:				
Streetlights	\$ 5,000	\$ 5,000	\$ 5,081	\$ (81)
Sanitation and waste removal:				
Refuse disposal	\$ 263,501	\$ 263,501	\$ 252,278	\$ 11,223
Maintenance of general buildings and grounds:				
General properties	\$ 792,624	\$ 792,624	\$ 740,774	\$ 51,850
Total public works	\$ 1,061,125	\$ 1,061,125	\$ 998,133	\$ 62,992
Health and welfare:				
Health:				
Supplement of local health department	\$ 153,285	\$ 153,285	\$ 131,982	\$ 21,303
Mental health and mental retardation:				
Crossroads	\$ 66,000	\$ 66,000	\$ 66,000	\$ -
Welfare:				
Public assistance and welfare administration	\$ 1,485,737	\$ 1,485,737	\$ 1,271,867	\$ 213,870
Area agency on aging	4,043	4,043	4,043	-
Comprehensive services act	450,376	450,376	391,277	59,099
Social services board	3,243	3,243	1,275	1,968
Total welfare	\$ 1,943,399	\$ 1,943,399	\$ 1,668,462	\$ 274,937
Total health and welfare	\$ 2,162,684	\$ 2,162,684	\$ 1,866,444	\$ 296,240

County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

Schedule 2
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<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Education:				
Other instructional costs:				
Contributions to Community College	\$ 1,101	\$ 1,101	\$ 6,128	\$ (5,027)
Contribution to County School Board	4,776,336	4,776,336	5,218,339	(442,003)
Total education	\$ 4,777,437	\$ 4,777,437	\$ 5,224,467	\$ (447,030)
Parks, recreation, and cultural:				
Parks and recreation:				
Supervision of parks and recreation	\$ 275,131	\$ 275,131	\$ 280,337	\$ (5,206)
Library:				
Library administration	\$ 313,343	\$ 323,343	\$ 321,350	\$ 1,993
Total parks, recreation, and cultural	\$ 588,474	\$ 598,474	\$ 601,687	\$ (3,213)
Community development:				
Planning and community development:				
Planning and zoning	\$ 126,120	\$ 126,120	\$ 119,203	\$ 6,917
Board of zoning appeals	-	-	764	(764)
Contribution to Industrial Development Authority	-	440,347	440,347	-
Economic development	57,450	332,851	135,872	196,979
Total planning and community development	\$ 183,570	\$ 899,318	\$ 696,186	\$ 203,132
Environmental management:				
Contribution to soil and water conservation district	\$ 12,900	\$ 12,900	\$ 12,900	\$ -
Flood and erosion control	11,768	11,768	6,645	5,123
Total environmental management	\$ 24,668	\$ 24,668	\$ 19,545	\$ 5,123
Cooperative extension program:				
Extension office	\$ 81,071	\$ 81,071	\$ 75,461	\$ 5,610
Total community development	\$ 289,309	\$ 1,005,057	\$ 791,192	\$ 213,865
Capital projects:				
SCAAP grant project	\$ 350	\$ 350	\$ 291	\$ 59
Total capital projects	\$ 350	\$ 350	\$ 291	\$ 59

County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

Schedule 2
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<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
General Fund: (Continued)				
Debt service:				
Principal retirement	\$ 342,020	\$ 342,020	\$ 342,020	\$ -
Interest and other fiscal charges	203,167	203,167	203,717	(550)
Total debt service	<u>\$ 545,187</u>	<u>\$ 545,187</u>	<u>\$ 545,737</u>	<u>\$ (550)</u>
 Total General Fund	 <u>\$ 15,744,057</u>	 <u>\$ 16,590,570</u>	 <u>\$ 16,007,674</u>	 <u>\$ 582,896</u>
Capital Projects Fund:				
County Capital Projects Fund:				
Capital projects:				
School projects	\$ 133,000	\$ 133,000	\$ 152,581	\$ (19,581)
County capital projects	874,000	1,484,110	535,927	948,183
Total capital projects	<u>\$ 1,007,000</u>	<u>\$ 1,617,110</u>	<u>\$ 688,508</u>	<u>\$ 928,602</u>
 Total County Capital Projects Fund	 <u>\$ 1,007,000</u>	 <u>\$ 1,617,110</u>	 <u>\$ 688,508</u>	 <u>\$ 928,602</u>
 Total Primary Government	 <u>\$ 16,751,057</u>	 <u>\$ 18,207,680</u>	 <u>\$ 16,696,182</u>	 <u>\$ 1,511,498</u>
Discretely Presented Component Unit - School Board:				
School Operating Fund:				
Education:				
Administration, health, and attendance	\$ 1,306,645	\$ 1,306,645	\$ 1,145,767	\$ 160,878
Instruction costs	12,703,291	12,947,873	13,115,151	(167,278)
Pupil transportation	1,387,692	2,176,827	2,377,680	(200,853)
Operation and maintenance of school plant	1,509,934	1,509,934	1,334,788	175,146
 Total education	 <u>\$ 16,907,562</u>	 <u>\$ 17,941,279</u>	 <u>\$ 17,973,386</u>	 <u>\$ (32,107)</u>
Debt service:				
Principal retirement	\$ 111,369	\$ 111,369	\$ 111,369	\$ -
Interest and other fiscal charges	32,534	32,534	32,534	-
Total debt service	<u>\$ 143,903</u>	<u>\$ 143,903</u>	<u>\$ 143,903</u>	<u>\$ -</u>
 Total School Operating Fund	 <u>\$ 17,051,465</u>	 <u>\$ 18,085,182</u>	 <u>\$ 18,117,289</u>	 <u>\$ (32,107)</u>

County of Amelia, Virginia
Schedule of Expenditures - Budget and Actual
Governmental Funds
For the Year Ended June 30, 2017

Schedule 2
Page 5 of 5

<u>Fund, Function, Activity and Element</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Discretely Presented Component Unit - School Board: (Continued)				
Special Revenue Funds:				
School Special Revenue Fund:				
Education:				
School food services	\$ 880,550	\$ 880,550	\$ 884,607	\$ (4,057)
Purchase of textbooks	185,586	185,586	64,570	121,016
Commodities	-	43,976	43,976	-
Total School Special Revenue Fund	\$ 1,066,136	\$ 1,110,112	\$ 993,153	\$ 116,959
Total Discretely Presented Component Unit - School Board	\$ 18,117,601	\$ 19,195,294	\$ 19,110,442	\$ 84,852

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STATISTICAL INFORMATION

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Table 1

County of Amelia, Virginia
Government-Wide Expenses by Function
Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education	Parks, Recreation, and Cultural	Community Development	Interest on Long-Term Debt	Sanitary District	Total
2008	\$ 1,358,926	\$ 687,057	\$ 2,368,075	\$ 1,128,387	\$ 1,792,303	\$ 5,509,457	\$ 489,571	\$ 403,372	\$ 363,098	\$ 675,262	\$ 14,775,508
2009	1,403,535	698,653	2,716,067	1,344,358	1,777,720	5,323,104	521,866	325,028	325,999	687,074	15,123,404
2010	1,411,481	812,424	3,486,512	894,193	1,815,222	4,756,806	520,951	249,971	91,538	679,436	14,718,534
2011	1,727,212	678,883	2,701,541	948,197	1,839,393	5,380,927	544,177	248,281	310,451	667,609	15,046,671
2012	1,674,203	730,856	2,857,590	1,515,809	1,699,946	5,653,776	543,833	192,626	271,437	621,784	15,761,860
2013	1,706,345	765,573	3,288,315	1,024,339	1,876,664	5,355,124	611,009	527,242	235,972	593,906	15,984,489
2014	1,593,468	776,237	3,445,649	1,170,623	1,670,608	5,385,673	591,491	594,582	223,135	630,756	16,082,222
2015	1,518,593	752,482	3,275,948	1,201,005	1,642,741	5,317,680	577,018	444,668	220,003	791,653	15,741,791
2016	1,678,210	755,646	3,231,655	(331,120)	1,724,362	5,662,665	611,931	1,345,342	194,995	632,679	15,506,365
2017	1,864,753	842,795	3,405,773	1,027,901	1,730,950	5,719,068	609,538	819,585	198,423	624,085	16,842,871

Table 2

County of Amelia, Virginia
Government-Wide Revenues
Last Ten Fiscal Years

Fiscal Year	PROGRAM REVENUES				GENERAL REVENUES					
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		General Property Taxes	Other Local Taxes	Unrestricted Investment Earnings	Miscellaneous	Grants and Contributions Not Restricted to Specific Programs	Total
2008	\$ 2,425,393	\$ 3,066,731	\$ 315,870	\$	6,607,770	1,928,252	445,461	202,393	1,125,567	\$ 16,117,437
2009	2,369,605	3,451,119	298,875		7,030,195	1,802,647	177,654	249,316	1,100,355	16,479,766
2010	2,094,499	2,915,375	807,277		6,698,182	1,477,885	165,993	499,684	1,409,280	16,068,175
2011	2,885,986	2,873,695	-		6,444,873	1,515,784	157,628	270,166	1,394,339	15,542,471
2012	2,188,018	2,841,920	-		6,790,813	1,536,883	145,893	447,314	1,302,212	15,253,053
2013	1,856,133	2,977,173	-		6,935,586	1,545,825	72,655	418,947	1,319,015	15,125,334
2014	1,661,511	2,838,861	103,938		7,052,795	1,567,240	57,246	238,788	1,389,791	14,910,170
2015	1,652,357	3,008,010	191,780		7,497,455	1,677,527	47,228	110,589	1,361,766	15,546,712
2016	2,936,985	3,023,800	234,084		7,956,608	1,699,701	59,212	202,108	1,350,044	17,462,542
2017	4,351,835	3,086,136	13,626		8,384,347	1,799,598	96,222	177,977	1,352,298	19,262,039

County of Amelia, Virginia
General Governmental Expenditures by Function (1,3)
Last Ten Fiscal Years

Fiscal Year	General Government Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare	Education (2)	Parks, Recreation, and Cultural	Community Development	Debt Service	Total
2008	\$ 1,347,918	\$ 658,002	\$ 2,209,536	\$ 834,031	\$ 1,847,996	\$ 16,958,325	\$ 459,017	\$ 332,632	\$ 1,074,412	\$ 25,721,869
2009	1,408,093	670,119	2,562,844	840,320	1,758,681	17,873,586	481,688	286,564	1,054,984	26,936,879
2010	1,394,465	688,476	2,356,051	845,838	1,904,574	17,079,267	483,716	247,792	839,444	25,839,623
2011	1,565,005	650,030	2,348,926	870,518	1,910,023	16,119,943	504,480	243,549	1,143,205	25,355,679
2012	1,608,467	699,394	2,405,642	967,369	1,797,756	16,649,493	509,979	183,166	1,130,651	25,951,917
2013	1,645,229	734,217	2,909,683	924,280	1,977,788	15,657,464	542,486	237,288	914,774	25,543,209
2014	1,484,503	744,907	3,183,966	908,605	1,756,550	17,374,335	559,957	218,855	574,486	26,806,164
2015	1,432,482	706,901	3,153,371	935,226	1,798,811	17,131,226	567,652	223,118	554,937	26,503,724
2016	1,509,454	763,447	3,139,165	1,002,190	1,900,931	17,611,787	589,512	1,295,868	607,267	28,419,621
2017	1,561,187	834,848	3,583,688	998,133	1,866,444	18,972,667	601,687	791,192	689,640	29,899,486

(1) Includes General and Special Revenue funds of the Primary Government and its Discretely Presented Component Unit - School Board.

(2) Excludes contribution from Primary Government to Discretely Presented Component Unit - School Board.

(3) Excludes Capital projects funds.

Table 4

County of Amelia, Virginia
General Governmental Revenues by Source (1,3)
Last Ten Fiscal Years

Fiscal Year	General Property Taxes	Other Local Taxes	Permits, Privilege Fees, Regulatory Licenses	Fines and Forfeitures	Revenue from the Use of Money and Property	Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental (2)	Total
2008	\$ 6,464,564	\$ 1,928,252	\$ 229,741	\$ 181,238	\$ 417,688	\$ 2,230,052	\$ 461,219	\$ 78,899	\$ 16,012,997	\$ 28,004,650
2009	6,859,158	1,802,647	160,747	189,075	164,920	1,926,092	484,877	76,020	17,402,818	29,066,354
2010	6,470,665	1,477,885	162,489	16,793	162,726	1,684,498	411,488	98,310	17,435,709	27,920,563
2011	6,580,459	1,515,784	118,036	195,651	154,225	687,777	474,876	97,683	14,949,513	24,774,004
2012	6,603,169	1,536,883	95,413	197,161	146,300	616,760	157,735	144,445	15,291,661	24,789,527
2013	7,021,596	1,545,825	101,037	239,194	75,085	698,425	622,934	99,449	15,133,598	25,537,143
2014	7,225,278	1,567,240	126,466	178,515	58,215	633,895	651,655	103,171	15,759,010	26,303,445
2015	7,568,465	1,677,527	126,237	183,743	48,466	664,087	459,292	130,771	16,208,569	27,067,157
2016	7,843,728	1,699,701	129,241	134,292	57,932	365,454	202,108	125,121	16,275,329	26,832,906
2017	8,222,335	1,799,598	136,636	151,839	92,763	355,175	107,588	123,971	16,885,239	27,875,144

(1) Includes General and Special Revenue funds of the Primary Government and its Discretely Presented Component Unit - School Board.

(2) Excludes contribution from Primary Government to Discretely Presented Component Unit - School Board.

(3) Excludes Capital projects funds.

Table 5

County of Amelia, Virginia
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (1)	Percent of Levy Collected	Delinquent Tax Collections (1)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding Delinquent Taxes (1,2)	Percent of Delinquent Taxes to Tax Levy
2008	\$ 7,568,823	\$ 7,246,789	95.75%	\$ 121,509	\$ 7,368,298	97.35%	\$ 555,846	7.34%
2009	7,965,477	7,455,764	93.60%	308,749	7,764,513	97.48%	802,921	10.08%
2010	7,767,156	7,044,774	90.70%	348,244	7,393,018	95.18%	857,670	11.04%
2011	7,859,093	7,133,128	90.76%	354,971	7,488,099	95.28%	825,695	10.51%
2012	7,851,275	7,187,882	91.55%	307,049	7,494,931	95.46%	739,827	9.42%
2013	7,994,316	7,602,007	95.09%	300,840	7,902,847	98.86%	746,545	9.34%
2014	8,482,046	8,052,171	94.93%	402,725	8,454,896	99.68%	721,829	8.51%
2015	8,749,109	8,469,283	96.80%	263,113	8,732,396	99.81%	678,119	7.75%
2016	9,189,117	8,706,028	94.74%	365,879	9,071,907	98.72%	738,748	8.04%
2017	9,772,547	8,793,594	89.98%	807,872	9,601,466	98.25%	811,191	8.30%

(1) Exclusive of penalties, interest and land redemptions.

(2) Includes three years of taxes.

Table 6

County of Amelia, Virginia
Assessed Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Estate (1)	Personal Property	Machinery and Tools	Mobile Homes	Public Utility (2)			Total
					Real Estate	Personal Property		
2008	\$ 1,002,644,186	\$ 74,590,525	\$ 6,706,940	\$ 4,679,150	\$ 33,199,987	\$ 67,140	\$	1,121,887,928
2009	1,027,417,960	84,271,167	7,977,175	4,674,650	27,805,662	56,317		1,152,202,931
2010	1,033,233,853	70,391,917	4,308,775	4,598,725	28,550,898	71,586		1,141,155,754
2011	1,037,797,786	70,483,734	3,930,550	4,572,825	31,821,143	88,878		1,148,694,916
2012	1,045,275,607	69,302,288	3,527,050	4,558,450	34,085,222	125,536		1,156,874,153
2013	1,006,947,721	71,999,188	3,022,375	4,652,575	41,703,478	133,467		1,128,458,804
2014	1,011,526,185	74,570,663	2,550,475	4,671,300	43,125,143	103,815		1,136,547,581
2015	1,014,492,502	75,562,866	2,902,825	4,793,250	40,299,622	76,930		1,138,127,995
2016	1,022,222,257	78,539,493	3,862,375	4,832,600	41,166,610	90,867		1,150,714,202
2017	1,075,290,535	84,393,931	3,962,550	4,750,200	42,741,541	150,893		1,211,289,650

(1) Real estate is assessed at 100% of fair market value.

(2) Assessed values are established by the State Corporation Commission.

Table 7

County of Amelia, Virginia
Property Tax Rates (1)
Last Ten Fiscal Years

Fiscal Year	Real Estate	Personal Property	Machinery and Tools	Mobile Homes
2008	\$ 0.43	\$ 4.00	\$ 1.00	\$ 0.43
2009	0.43	4.00	1.00	0.43
2010	0.43	4.00	1.00	0.43
2011	0.43	4.00	1.00	0.43
2012	0.43	4.00	1.00	0.43
2013	0.47	4.15	1.00	0.47
2014	0.47	4.15	1.00	0.47
2015	0.49	4.15	1.00	0.49
2016	0.51	4.20	1.00	0.51
2017	0.51	4.20	1.00	0.51

(1) Per \$100 of assessed value.

Table 8

County of Amelia, Virginia
Ratio of Net General Obligation Bonded Debt to
Assessed Value and Net Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Net Bonded Debt	Ratio of Net Bonded Debt to		Net Bonded Debt per Capita
					Assessed Value	Assessed Value	
2008	11,400	\$ 1,121,887,928	\$ 6,501,943	\$ 6,501,943	0.58%	\$	570
2009	11,400	1,152,202,931	5,972,445	5,972,445	0.52%		524
2010	12,690	1,141,155,754	5,431,725	5,431,725	0.48%		428
2011	12,690	1,148,694,916	6,013,866	6,013,866	0.52%		474
2012	12,690	1,156,874,153	5,378,040	5,378,040	0.46%		424
2013	12,690	1,128,458,804	4,729,103	4,729,103	0.42%		373
2014	12,690	1,136,547,581	4,398,337	4,398,337	0.39%		347
2015	12,690	1,138,127,995	4,064,444	4,064,444	0.36%		320
2016	12,690	1,150,714,202	3,726,591	3,726,591	0.32%		294
2017	12,690	1,211,289,650	3,384,571	3,384,571	0.28%		267

(1) Weldon Cooper Center for Public Service for the 2000 and 2010 Census counts.

(2) From Table 6.

(3) Includes all long-term general obligation bonded debt, bonded anticipation notes, and literary fund loans.
Excludes revenue bonds, landfill closure/post-closure care liability, capital leases, and compensated absences.

COMPLIANCE

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ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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

To The Honorable Members of the Board of Supervisors
County of Amelia
Amelia, Virginia

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia, the financial statements of the governmental activities, the business-type activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of County of Amelia Virginia, as of and for the year ended June 30, 2017, and the related notes to the financial statements which collectively comprise County of Amelia, Virginia's basic financial statements, and have issued our report thereon dated October 13, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered County of Amelia Virginia'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 County of Amelia, Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Amelia, Virginia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. 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 to be material weaknesses, 2017-001, 2017-002, and 2017-003.

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

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink, appearing to read "D. F. Clark", followed by a long horizontal line.

Richmond, Virginia
October 13, 2017

ROBINSON, FARMER, COX ASSOCIATES

A PROFESSIONAL LIMITED LIABILITY COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report on Compliance For Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

To The Honorable Members of the Board of Supervisors
County of Amelia
Amelia, Virginia

Report on Compliance for Each Major Federal Program

We have audited County of Amelia, Virginia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of County of Amelia, Virginia's major federal programs for the year ended June 30, 2017. County of Amelia, Virginia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of County of Amelia, Virginia'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 the Comptroller General of the United States; and the audit requirements of Title 2 U. S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Those standards and the Uniform Guidance 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 County of Amelia, Virginia'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 County of Amelia, Virginia's compliance.

Opinion on Each Major Federal Program

In our opinion, County of Amelia, Virginia 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, 2017.

Report on Internal Control over Compliance

Management of County of Amelia, Virginia 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 County of Amelia, Virginia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of County of Amelia, Virginia'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 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 a 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 material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Richmond, Virginia
October 13, 2017

County of Amelia, Virginia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

Page 1 of 2

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Health and Human Services:			
Pass Through Payments:			
Department of Social Services:			
Promoting Safe and Stable Families	93.556	0950115/0950116	\$ 8,151
Temporary Assistance for Needy Families	93.558	0400115/0400116	126,413
Refugee and Entrant Assistance - State Administered Programs	93.566	0500115/0500116	376
Low Income Home Energy Assistance	93.568	0600415/0600416	14,014
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	0760115/0760116	19,586
Stephanie Tubbs Jones Child Welfare Services Program	93.645	0900115/0900116	151
Foster care - Title IV-E	93.658	1100115/1100116	76,683
Adoption Assistance	93.659	1120115/1120116	20,584
Social Services Block Grant	93.667	1000115/1000116	80,491
Chafee Foster Care Independence Program	93.674	9150115/9150116	515
Children's Health Insurance Program	93.767	0540115/0540116	5,887
Medical Assistance Program	93.778	1200115/1200116	193,048
Total Department of Health and Human Services			<u>\$ 545,899</u>
Department of Homeland Security:			
Pass Through Payments:			
Department of Emergency Management:			
Emergency Management Performance Grants	97.042	77501-52740/52749	<u>\$ 21,274</u>
Total Department of Homeland Security			<u>\$ 21,274</u>
Department of Agriculture:			
Pass Through Payments:			
Child Nutrition Cluster:			
Department of Agriculture:			
Food Distribution	10.555	17901-45707	\$ 43,976
Department of Education:			
National School Lunch Program	10.555	17901-45707	327,776
Total CFDA# 10.555	10.555	17901-45707	<u>\$ 371,752</u>
School Breakfast Program	10.553	17901-40591	<u>\$ 172,819</u>
Total Child Nutrition Cluster			<u>\$ 544,571</u>
Department of Social Services:			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	0010115/0010116	<u>\$ 154,374</u>
Total Department of Agriculture			<u>\$ 698,945</u>

County of Amelia, Virginia
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

Page 2 of 2

Federal Grantor/State Pass - Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Department of Justice:			
Direct payments:			
State Criminal Alien Assistance Program	16.606	N/A	\$ 291
Pass Through Payments:			
Compensation Board:			
Crime Victim Assistance	16.575	39001-10220	52,333
Total Department of Justice			\$ 52,624
Department of Transportation:			
Pass Through Payments:			
Department of Motor Vehicles:			
State and Community Highway Safety	20.600	60507-53000	\$ 15,081
Total Department of Transportation			\$ 15,081
Department of Education:			
Pass Through Payments:			
Virginia Department of Education:			
Title I Grants to Local Educational Agencies	84.010	17901-42901-42999	\$ 289,843
Special Education Cluster:			
Special Education - Grants to States	84.027	17901-43071-61234	420,356
Special Education - Preschool Grants	84.173	17901-62521	13,102
Total Special Education Cluster			\$ 433,458
Advanced Placement Program	84.330	609570	\$ 492
Career and Technical Education - Basic Grants to States	84.048	17901-61095	8,164
Supporting Effective Instruction State Grant	84.367	17901-61480	117,698
Total Department of Education			\$ 849,655
Total Expenditures of Federal Awards			\$ 2,183,478

See accompanying notes to schedule of expenditures of federal awards.

County of Amelia, Virginia

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2017

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of County of Amelia, Virginia under programs of the federal government for the year ended June 30, 2017. The information in this Schedule is presented in accordance with the requirements of the Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Requirements, Cost Principles, and Audit Requirements for Federal Awards. Because the Schedule presents only a selected portion of the operations of County of Amelia, Virginia, it is not intended to and does not present the financial position, changes in net position, or cash flows of County of Amelia, Virginia.

Note 2 - Summary of Significant Accounting Policies

(1) Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(2) Pass-through entity identifying numbers are presented where available.

Note 3 - Food Donation

Nonmonetary assistance is reported in the schedule at the fair market value of the commodities received or disbursed.

Note 4 - Relationship to Financial Statements

Federal expenditures, revenues and capital contributions are reported in the County's basic financial statements as follows:

Intergovernmental federal revenues per the basic financial statements:

Primary government:

General Fund	\$ 848,822
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Component Unit School Board:

School Operating Fund	\$ 849,655
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School Special Revenue Fund	544,571
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Total Component Unit School Board	\$ 1,394,226
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Total federal expenditures per basic financial statements	\$ 2,243,048
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Less: Federal interest rate subsidy not included in Schedule of Expenditures of Federal Awards	(59,570)
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Total federal expenditures per the Schedule of Expenditures of Federal Awards	\$ 2,183,478
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Note 5 - Subrecipients

No awards were passed through to subrecipients.

Note 6 - De Minimis Cost Rate

The County did not elect to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

Note 7 - Loan Balances

The County has no loans or loan guarantees which are subject to reporting requirements for the current year.

County of Amelia, Virginia
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2017

Section I-Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unmodified

Internal control over financial reporting:

Material weakness(es) identified?	<u>✓</u> yes	<u> </u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u>✓</u> none reported
Noncompliance material to financial statements noted?	<u> </u> yes	<u>✓</u> no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	<u> </u> yes	<u>✓</u> no
Significant deficiency(ies) identified?	<u> </u> yes	<u>✓</u> none reported

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

Any findings disclosed that are required to be
reported in accordance with 2 CFR
section 200.516(a)? yes ✓ no

Identification of major programs:

CFDA Number(s)
10.553/10.555

Name of Federal Program or Cluster
Child Nutrition Cluster

Dollar threshold used to distinguish between type A
and type B programs: \$750,000

Auditee qualified as low-risk auditee? ✓ yes no

County of Amelia, Virginia
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2017

Section II-Financial Statement Findings

2017-001

Criteria:	The Component Unit School Board maintains its own accounting system for revenues and expenditures. The revenues and expenditures from their accounting system should reconcile to the revenues and expenditures captured in the County's accounting system.
Condition:	There are unexplained variances between the expenditures in the Component Unit School Board's accounting system and the County's accounting system.
Effect of Condition:	There is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal controls over financial reporting.
Cause of Condition:	Controls were not in place to provide the necessary reconciliation between the expenditures of the Component Unit School Board's accounting system and that of the County.
Recommendation:	We recommend that the revenues and expenditures recorded in the Component Unit School Board's accounting system be reconciled to the County's accounting system on a monthly basis.
Management's Response:	The County is considering corrective action for FY18.

2017-002

Criteria:	The Component Unit School Board should operate so that they do not need to obtain a contribution from the County greater than what was appropriated.
Condition:	The County appropriated \$4,724,354 as a contribution to the Component Unit School Board's School Fund for the year ended June 30, 2017. The School Board over-budgeted state and federal School Fund revenues by \$510,266 for the same period. As a result, the School Fund required a contribution from the County in excess of the budget of \$482,087 in order to maintain a zero balance at June 30, 2017.
Effect of Condition:	The need for a contribution from the County in excess of what was appropriated indicates a lack of proper planning and budgeting by management of the Component Unit School Board
Cause of Condition:	Controls were not in place to provide the necessary reconciliation between the expenditures of the Component Unit School Board's accounting system and that of the County.
Recommendation:	We recommend that proper training be given to management of the Component Unit School Board in the area of proper planning and budgeting.
Management's Response:	The County is considering corrective action for FY18.

County of Amelia, Virginia
Schedule of Findings and Questioned Costs (Continued)
For the Year Ended June 30, 2017

Section II-Financial Statement Findings (Continued)

2017-003

Criteria:	Non-cash financial transactions need to be captured appropriately in the accounting system in the correct fiscal year.
Condition:	The Component Unit School Board did not record a capital lease that was issued in FY16 for the amount of \$789,135 on their financial statements. Payback of the lease proceeds did not begin until FY17. For financial reporting purposes, the capital lease was not discovered until FY17, when debt payments were reconciled.
Effect of Condition:	For FY16, a long-term obligation and a capital asset were not reported on the Component Unit School Board's Statement of Net Position.
Cause of Condition:	Controls were not in place to appropriately identify and capture the issuance of a capital lease.
Recommendation:	We recommend that capital leases be recorded appropriately in the financial statements when issued.
Management's Response:	The County is considering corrective action for FY18.

Section III-Federal Award Findings and Questioned Costs

None

County of Amelia, Virginia
Summary Schedule of Prior Audit Findings
For the year ended June 30, 2017

There were no prior audit findings.

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