

**SUMMERS COUNTY, WEST VIRGINIA
COUNTY OFFICIALS
For the Fiscal Year Ended June 30, 2018**

OFFICE	NAME	TERM
	<u>Elective</u>	
County Commission:	Tony Williams	01-01-13 / 12-31-18
	Bill Lightner	01-01-15 / 12-31-20
	Jack Woodrum	01-01-17 / 12-31-22
Clerk of the County Commission:	Mary Beth Merritt	01-01-17 / 12-31-22
Clerk of the Circuit Court:	Linda Brumit	01-01-17 / 12-31-22
Sheriff:	Garry Wheeler	01-01-17 / 12-31-20
Prosecuting Attorney:	Kristin Cook	01-01-17 / 12-31-20
Assessor:	Gregory Vandall	01-01-17 / 12-31-20

SUMMERS COUNTY, WEST VIRGINIA
STATEMENT OF NET POSITION
June 30, 2018

	ary Governm	Component Units		
	Governmental <u>Activities</u>	Board of <u>Health</u>	Farmland <u>Protection</u>	Public <u>Library</u>
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,193,693	\$ 144,456	\$ 5,519	\$ 67,575
Receivables:				
Taxes	111,429	--	--	--
Accounts	76,468	17,126	--	--
Inventory, at cost	--	2,500	--	--
Prepaid expenses	--	9,884	--	2,633
Total current assets	<u>1,381,590</u>	<u>173,966</u>	<u>5,519</u>	<u>70,208</u>
Restricted assets:				
Capital assets:				
Nondepreciable:				
Land	138,900	--	--	--
Depreciable:				
Buildings	4,669,224	--	--	--
Machinery and equipment	991,993	34,446	--	917,915
Less: accumulated depreciation	(2,022,480)	--	--	(477,010)
Total noncurrent assets	<u>3,777,637</u>	<u>34,446</u>	<u>--</u>	<u>440,905</u>
Total assets	<u>5,159,227</u>	<u>208,412</u>	<u>5,519</u>	<u>511,113</u>
DEFERRED OUTFLOWS				
Deferred outflows of resources related to pensions	261,691	--	--	23,297
Deferred outflows of resources related to OPEB	66,552	--	--	--
Total deferred outflows of resources	<u>328,243</u>	<u>--</u>	<u>--</u>	<u>23,297</u>
LIABILITIES				
Current liabilities payable from current assets:				
Accounts payable	92,759	--	--	12,057
Payroll payable	--	--	--	2,642
OPEB payable	--	--	--	119,060
Noncurrent liabilities:				
Notes payable - due within one year	85,897	--	--	--
Notes payable - due in more than one year	217,906	--	--	--
Leases payable - due within one year	11,585	--	--	--
Leases payable - due in more than one year	31,323	--	--	--
Compensated absences payable	36,783	--	--	745
Net pension liability	450,591	--	--	26,373
Net OPEB liability	766,878	--	--	--
Total liabilities	<u>1,693,722</u>	<u>--</u>	<u>--</u>	<u>160,877</u>
DEFERRED INFLOWS				
Deferred inflows of resources related to OPEB	126,104	--	--	--
Deferred inflows of resources related to pensions	215,839	--	--	21,646
Total deferred inflows of resources	<u>341,943</u>	<u>--</u>	<u>--</u>	<u>21,646</u>
NET POSITION				
Invested in capital assets, net of related debt	3,430,926	34,446	--	440,905
Unrestricted	20,879	173,966	5,519	(89,018)
Total net position	<u>\$ 3,451,805</u>	<u>\$ 208,412</u>	<u>\$ 5,519</u>	<u>\$ 351,887</u>

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

**SUMMERS COUNTY, WEST VIRGINIA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018**

Functions / Programs	Program Revenues				Net (Expense) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Governmental Activities	Component Units		
					Board of Health	Farmland Protection	Public Library
Primary government:							
Governmental activities:							
General government	\$ 2,544,091	\$ 1,285,220	\$ 4,500	\$ (1,254,371)			
Public safety	1,455,020	--	136,382	(1,318,638)			
Health and sanitation	102,110	--	63,950	(38,160)			
Culture and recreation	284,966	--	13,578	(271,388)			
Capital projects	237,016	--	--	(237,016)			
Total governmental activities	<u>4,623,203</u>	<u>1,285,220</u>	<u>218,410</u>	<u>(3,119,573)</u>			
Total primary government	<u>\$ 4,623,203</u>	<u>\$ 1,285,220</u>	<u>\$ 218,410</u>	<u>(3,119,573)</u>			
Component units:							
Board of Health	254,079	143,133	123,298	--	\$ 12,352	\$ --	\$ --
Farmland Protection	17,604	--	--	--	--	(17,604)	--
Public Library	207,690	28,817	114,820	--	--	--	(64,053)
Total component units	<u>\$ 479,373</u>	<u>\$ 171,950</u>	<u>\$ 238,118</u>	<u>--</u>	<u>12,352</u>	<u>(17,604)</u>	<u>(64,053)</u>
General revenues:							
Ad valorem property taxes				2,322,390	--	--	--
Alcoholic beverages tax				1,796	--	--	--
Hotel occupancy tax				183,420	--	--	--
Animal tax				2,736	--	--	--
Gas and oil severance tax				14,801	--	--	--
Other taxes				160,738	--	--	--
Coal severance tax				30,477	--	--	--
Licenses and permits				70,121	--	--	--
Intergovernmental:							
Local				--	--	21,476	--
Unrestricted investment earnings				474	--	--	62,351
Refunds				40,761	157	--	--
Reimbursement				25,487	--	--	--
Miscellaneous				303,095	--	--	387
Total general revenues				<u>3,156,296</u>	<u>157</u>	<u>21,476</u>	<u>62,738</u>
Change in net assets				36,723	12,509	3,872	(1,315)
Net position - beginning				<u>3,415,082</u>	<u>195,903</u>	<u>1,647</u>	<u>353,202</u>
Net position - ending				<u>\$ 3,451,805</u>	<u>\$ 208,412</u>	<u>\$ 5,519</u>	<u>\$ 351,887</u>

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

SUMMERS COUNTY, WEST VIRGINIA
BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2018

	<u>General</u>	Coal Severance <u>Tax</u>	Emergency <u>911</u>	Farmland Protection	Assessor's Valuation	E911 Building	Other Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
ASSETS								
Current:								
Cash and cash equivalents	\$ 213,965	\$ 12,231	\$ 224,824	\$ 194,140	\$ 232,067	\$ 155,574	\$ 160,892	\$ 1,193,693
Receivables:								
Taxes	111,429	--	--	--	--	--	--	111,429
Accounts	76,468	--	--	--	--	--	--	76,468
Due from:								
Other funds	--	--	--	--	--	--	2,096	2,096
Total assets	\$ 401,862	\$ 12,231	\$ 224,824	\$ 194,140	\$ 232,067	\$ 155,574	\$ 162,988	\$ 1,383,686
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES								
Liabilities:								
Accounts payable	67,244	6,691	7,886	--	--	--	10,938	92,759
Due to:								
Other funds	--	--	--	--	--	--	2,096	2,096
Total liabilities	67,244	6,691	7,886	--	--	--	13,034	94,855
Deferred Inflows:								
Unavailable revenue - taxes	72,003	--	--	--	--	--	--	72,003
Total deferred inflows of resources	72,003	--	--	--	--	--	--	72,003
Total liabilities and deferred inflows of resources	139,247	6,691	7,886	--	--	--	13,034	166,858
Fund balances:								
Restricted	--	--	--	194,140	232,067	155,574	149,954	731,735
Assigned	--	5,540	--	--	--	--	--	5,540
Unassigned	262,615	--	216,938	--	--	--	--	479,553
Total fund balances	262,615	5,540	216,938	194,140	232,067	155,574	149,954	1,216,828
Total liabilities, deferred inflows and fund balances	\$ 401,862	\$ 12,231	\$ 224,824	\$ 194,140	\$ 232,067	\$ 155,574	\$ 162,988	\$ 1,383,686

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

SUMMERS COUNTY, WEST VIRGINIA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
June 30, 2018

Total fund balances on the governmental fund's balance sheet	\$ 1,216,828
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds. (Note IV. C.)	3,777,637
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refunding are applicable to future reporting periods and, therefore, are not reported in the funds.	
Deferred outflow- Changes in employer portion and differences between contributions and proportionate share of pension expense	28,444
Deferred outflow- Differences between expected and actual experience	45,512
Deferred outflow - Employer contributions to pension plan after measurement date	187,735
Deferred outflow - Employer contributions to pension plan after measurement date	66,552
Deferred inflow-Changes in proportion and differences between employer contributions and proportionate share of contributions	(22,217)
Deferred inflow-Changes in proportion and differences between employer contributions and proportionate - OPEB share of contributions	(111,296)
Deferred inflow - Differences between projected and actual investment earnings	(122,311)
Deferred inflow - Differences between projected and actual investment earnings OPEB	(12,240)
Deferred inflow- Differences between expected and actual experience	(37,381)
Deferred inflow- Differences between expected and actual experience OPEB	(2,568)
Deferred inflow - Changes in assumptions	(33,930)
Certain revenues are not available to fund current year expenditures and therefore are deferred in the funds. (Note IV. B.)	72,003
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. (Note IV. G. and Note II. A.)	<u>(1,600,963)</u>
Net position of governmental activities	<u>\$ 3,451,805</u>

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

SUMMERS COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2018

	<u>General</u>	Coal Severance <u>Tax</u>	Emergency <u>911</u>	Farmland <u>Protection</u>	Assessor's <u>Valuation</u>	E911 <u>Building</u>	Other Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
REVENUES								
Taxes:								
Ad valorem property taxes	\$ 2,298,482	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 2,298,482
Alcoholic beverages tax	1,796	--	--	--	--	--	--	1,796
Hotel occupancy tax	183,420	--	--	--	--	--	--	183,420
Animal tax	--	--	--	--	--	--	2,736	2,736
Gas and oil severance tax	14,801	--	--	--	--	--	--	14,801
Other taxes	52,356	--	--	44,098	--	--	--	96,454
Coal severance tax	--	30,477	--	--	--	--	--	30,477
Licenses and permits	53,266	--	--	--	--	--	16,855	70,121
Intergovernmental:								
Federal	8,787	--	--	--	--	--	63,950	72,737
State	145,673	--	--	--	--	--	--	145,673
Charges for services	347,343	--	623,940	--	3,730	--	236,795	1,211,808
Fines and forfeits	19,459	--	--	--	--	--	53,953	73,412
Interest and investment earnings	305	--	--	--	--	169	--	474
Refunds	40,761	--	--	--	--	--	--	40,761
Reimbursements	--	--	--	--	--	--	25,487	25,487
Payments in lieu of taxes	64,284	--	--	--	--	--	--	64,284
Contributions and donations	3,131	--	--	--	--	--	--	3,131
Miscellaneous	93,436	--	500	--	110,583	--	95,445	299,964
Total revenues	3,327,300	30,477	624,440	44,098	114,313	169	495,221	4,636,018
EXPENDITURES								
Current:								
General government	2,377,314	35,206	--	18,843	--	--	65,367	2,496,730
Public safety	694,384	--	494,052	--	--	--	352,433	1,540,869
Health and sanitation	--	--	--	--	--	--	63,950	63,950
Culture and recreation	283,464	--	--	--	--	--	--	283,464
Capital outlay	237,016	--	--	--	--	--	--	237,016
Total expenditures	3,592,178	35,206	494,052	18,843	--	--	481,750	4,622,029
Excess (deficiency) of revenues over expenditures	(264,878)	(4,729)	130,388	25,255	114,313	169	13,471	13,989
OTHER FINANCING SOURCES (USES)								
Transfers in	122,503	--	--	--	--	--	29,714	152,217
Transfers (out)	(29,714)	--	--	--	(81,635)	--	(40,868)	(152,217)
Total other financing sources (uses)	92,789	--	--	--	(81,635)	--	(11,154)	--
Net change in fund balances	(172,089)	(4,729)	130,388	25,255	32,678	169	2,317	13,989
Fund balances - beginning	434,704	10,269	86,550	168,885	199,389	155,405	147,637	1,202,839
Fund balances - ending	\$ 262,615	\$ 5,540	\$ 216,938	\$ 194,140	\$ 232,067	\$ 155,574	\$ 149,954	\$ 1,216,828

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

SUMMERS COUNTY, WEST VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018

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

Net change in fund balances - total governmental funds	\$	13,989
<p>Capital outlays are reported as an expenditure in the governmental funds. 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 of depreciation expense charged during the year. (Note IV. C.).</p>		
		(178,780)
<p>County pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the County's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>		
County pension contributions:		187,735
Pension expense		(125,714)
County OPEB contributions:		66,552
OPEB expense		(41,309)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This is the difference between prior and current year deferred revenues.</p>		
		23,908
Prior year deferred revenues:	(48095)	
Current year deferred revenues:	72,003	
<p>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. (Note II. B.)</p>		
		<u>90,342</u>
Change in net position of governmental activities	\$	<u><u>36,723</u></u>

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

SUMMERS COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Modified Accrual Basis</u>	<u>Adjustments Budget Basis</u>	<u>Actual Amounts Budget Basis</u>		<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>					
REVENUES							
Taxes:							
Ad valorem property taxes	\$ 2,263,718	2,263,718	\$ 2,298,482	\$ --	\$ 2,298,482	\$ 34,764	
Alcoholic beverages tax	1,505	1,505	1,796	--	1,796	291	
Hotel occupancy tax	180,727	180,727	183,420	--	183,420	2,693	
Gas and oil severance tax	28,678	28,678	14,801	--	14,801	(13,877)	
Other taxes	61,386	61,386	52,356	--	52,356	(9,030)	
Licenses and permits	1,686	53,410	53,266	--	53,266	(144)	
Intergovernmental:							
Federal	--	30,735	8,787	--	8,787	(21,948)	
State	--	171,550	145,673	--	145,673	(25,877)	
Charges for services	355,198	363,438	347,343	--	347,343	(16,095)	
Fines and forfeits	342	342	19,459	--	19,459	19,117	
Interest and investment earnings	22,105	22,105	305	--	305	(21,800)	
Refunds	41,969	45,683	40,761	--	40,761	(4,922)	
Payments in lieu of taxes	62,000	62,000	64,284	--	64,284	2,284	
Contributions and donations	--	2,838	3,131	--	3,131	293	
Miscellaneous	76,778	100,617	93,436	--	93,436	(7,181)	
Total revenues	<u>3,096,092</u>	<u>3,388,732</u>	<u>3,327,300</u>	<u>--</u>	<u>3,327,300</u>	<u>(61,432)</u>	
EXPENDITURES							
Current:							
General government	2,100,714	2,736,718	2,377,314	29,714	2,407,028	329,690	
Public safety	729,507	770,487	694,384	--	694,384	76,103	
Culture and recreation	295,776	295,776	283,464	--	283,464	12,312	
Capital outlay	110,330	257,926	237,016	--	237,016	20,910	
Total expenditures	<u>3,236,327</u>	<u>4,060,907</u>	<u>3,592,178</u>	<u>29,714</u>	<u>3,621,892</u>	<u>439,015</u>	
Excess (deficiency) of revenues over expenditures	<u>(140,235)</u>	<u>(672,175)</u>	<u>(264,878)</u>	<u>(29,714)</u>	<u>(294,592)</u>	<u>377,583</u>	
OTHER FINANCING SOURCES (USES)							
Transfers in	138,435	235,671	122,503	--	122,503	(113,168)	
Transfers (out)	--	--	(29,714)	29,714	--	--	
Proceeds from the sale of assets	1,800	1,800	--	--	--	(1,800)	
Total other financing sources (uses)	<u>140,235</u>	<u>237,471</u>	<u>92,789</u>	<u>29,714</u>	<u>122,503</u>	<u>(114,968)</u>	
Net change in fund balance	--	(434,704)	(172,089)	--	(172,089)	262,615	
Fund balance - beginning	--	434,704	434,704	--	434,704	--	
Fund balance - ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 262,615</u>	<u>\$ --</u>	<u>\$ 262,615</u>	<u>\$ 262,615</u>	

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

SUMMERS COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - COAL SEVERANCE TAX FUND
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		Actual Amounts Budget Basis	Variance with Final Budget Positive <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Coal severance tax	\$ 37,000	37,000	\$ 30,477	\$ (6,523)
Total revenues	<u>37,000</u>	<u>37,000</u>	<u>30,477</u>	<u>(6,523)</u>
EXPENDITURES				
Current:				
General government	<u>37,000</u>	<u>47,269</u>	<u>35,206</u>	<u>12,063</u>
Total expenditures	<u>37,000</u>	<u>47,269</u>	<u>35,206</u>	<u>12,063</u>
Net change in fund balance	- -	(10,269)	(4,729)	5,540
Fund balance - beginning	<u>- -</u>	<u>10,269</u>	<u>10,269</u>	<u>- -</u>
Fund balance - ending	<u>\$ - -</u>	<u>\$ - -</u>	<u>\$ 5,540</u>	<u>\$ 5,540</u>

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

SUMMERS COUNTY, WEST VIRGINIA
STATEMENT OF FIDUCIARY NET ASSETS POSITION
FIDUCIARY FUNDS
June 30, 2018

	<u>Agency Funds</u>
ASSETS	
Non-pooled cash	\$ <u>270,131</u>
Total assets	\$ <u><u>270,131</u></u>
LIABILITIES	
Due to: other governments	<u>270,131</u>
Total liabilities	\$ <u><u>270,131</u></u>

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

SUMMERS COUNTY, WEST VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - ASSESSOR'S VALUATION FUND
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Variance with
	<u>Original</u>	<u>Final</u>	<u>Basis</u>	<u>Final Budget</u> <u>Positive (Negative)</u>
REVENUES:				
Other taxes	\$ 102,154	\$ 102,154	\$ 110,583	\$ 8,429
Map sales	-	-	3,730	3,730
	102,154	102,154	114,313	12,159
EXPENDITURES:				
Current:				
General government	-	17,236	-	17,236
Capital outlay	102,154	182,154	-	182,154
	102,154	199,390	-	199,390
Excess (deficiency) of revenues over expenditures	-	(97,236)	114,313	211,549
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(102,154)	(102,154)	(81,635)	20,519
	(102,154)	(102,154)	(81,635)	20,519
Net change in fund balance	(102,154)	(199,390)	32,678	232,068
Fund balance at beginning of year	102,154	199,390	199,389	(1)
Fund balance at end of year	\$ -	\$ -	\$ 232,067	\$ 232,067

SUMMERS COUNTY, WEST VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2018

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of Summers County, West Virginia (the County), conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of significant accounting policies:

A. Reporting Entity

Summers County is one of fifty-five counties established under the Constitution and the Laws of the State of West Virginia. There are six offices elected county-wide, which are: County Commission, County Clerk, Circuit Clerk, Assessor, Sheriff, and Prosecuting Attorney.

The County Commission is the legislative body for the government, and as such budgets and provides all the funding used by the separate Constitutional Offices except for the offices of the Assessor and the Sheriff, which also have additional revenue sources. The County Clerk's office maintains the accounting system for the County's operations. The operations of the County as a whole, however, including all the Constitutional offices have been combined in these financial statements.

The services provided by the government and accounted for within these financial statements include law enforcement for unincorporated areas of the County, health and social services, cultural and recreational programs, and other governmental services.

The accompanying financial statements present the government and its component units as required by generally accepted accounting principles. In determining whether to include a governmental department, agency, commission or organization as a component unit, the government must evaluate each entity as to whether they are legally separate and financially accountable based on the criteria set forth by the Governmental Accounting Standards Board (GASB). Legal separateness is evaluated on the basis of: (1) its corporate name, (2) the right to sue and be sued, and (3) the right to buy, sell or lease and mortgage property. Financial accountability is based on: (1) the appointment of the governing authority and (2) the ability to impose will or (3) the providing of specific financial benefit or imposition of specific financial burden. Another factor to consider in this evaluation is whether an entity is fiscally dependent on the County.

Blended Component Unit

The entity below is legally separate from the County and meets GASB criteria for component units. This entity is blended with the primary government because it provides services entirely or almost entirely to the County.

The Summers County Building Commission serves Summers County, West Virginia, and is governed by a board comprised of 3 members appointed by the County Commission for a term of 3 years each. The Building Commission acquires property and debt on behalf of the County. The Summers County Building Commission is reported as an enterprise fund.

Discretely Presented Component Units

Discretely presented component units are entities which are legally separate from the County, but are financially accountable to the County, or whose relationship with the County is such that exclusion would cause the County's financial statements to be misleading or incomplete. Because of the nature of services they provide and the County's ability to impose its will on them or a financial benefit/burden relationship exists, the following component units are discretely presented in accordance with GASB Statement No. 14 (as amended by GASB Statement No. 39). The discretely presented component units are presented on the government-wide statements.

The Summers County Board of Health serves citizens of Summers County and is governed by a five-member board appointed by the County Commission. The Board of Health is responsible for directing, supervising and carrying out matters related to public health of the County. West Virginia statute dictates the County is legally obligated to provide financial support to the board.

The Summers County Farmland Protection Board serves Summers County, West Virginia, and is governed by a board comprised of 7 members appointed by the County Commission. The Summers County Farmland Protection Board protects property on behalf of the County.

The Summers County Public Library serves Summers County, West Virginia, and is governed by a board comprised of 5 members appointed by the County Commission for a term of 5 years each. The County provides financial support to the library annually.

Complete financial statements for each of the individual component units can be obtained at the entity's administrative offices.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. 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, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues. Interest on general long-term debt liabilities is considered an indirect expense and is reported in the Statement of Activities as a separate line.

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.

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered 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 collectible within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, interest and special assessments are susceptible to accrual. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The government reports the following major governmental funds:

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

The *Coal Severance Tax fund*, a special revenue fund, accounts for revenues and expenditures from a severance tax placed on coal that is distributed to West Virginia counties. The State Auditor's Office requires an annual budget be submitted for approval for this fund.

The *Emergency 911 fund*, a special revenue fund, accounts for the dispatch system in the county.

The *Farmland Protection fund*, a special revenue fund, accounts for farmland protection fees in the

The *Meadow Creek Sewer Project fund*, a special revenue fund, accounts for a federal grant received by the county for a sewer project.

The *Assessor's Valuation fund*, a special revenue fund, accounts for revenues and expenditures resulting from a percentage of taxes collected to finance the extra costs associated with the reappraisal

The *E911 Special Building fund*, a capital project, accounts for revenues and expenditures related to E911 Building.

Additionally, the government reports the following fund types:

The agency funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the full accrual basis of accounting. These funds are used to account for assets that Summers County, West Virginia holds for others in an agency capacity.

Summers County, West Virginia follows GASB guidance as applicable to proprietary funds and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with GASB Pronouncements in both the government-wide and proprietary fund financial statements.

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

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

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Assets, Liabilities, and Net Position or Equity

1. Deposits and Investments

Summers County, West Virginia's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of less than three months from the date of acquisition.

2. Receivables and Payables

Property Tax Receivable

The property tax receivable allowance is equal to 80 percent of the property taxes outstanding at June 30, 2018.

All current taxes assessed on real and personal property may be paid in two installments; the first installment is payable on September first of the year for which the assessment is made, and becomes delinquent on October first; the second installment is payable on the first day the following March and becomes delinquent on April first. Taxes paid on or before the date when they are payable, including both first and second installments, are subject to a discount of two and one-half percent. If the taxes are not paid on or before the date in which they become delinquent, including both first and second installments, interest at the rate of nine percent per annum is added from the date they become delinquent until the date they are paid. Taxes paid on or before the due date are allowed a two and one half percent discount. A tax lien is issued for all unpaid real estate taxes as of the date of the sheriff's sale and these liens are sold between October 14th and November 23rd of each year. Sixty days of estimated property tax collections are recorded in revenues at the end of each fiscal year.

All counties within the state are authorized to levy taxes not in excess of the following maximum levies per \$100 of assessed valuation: On Class I property, fourteen and three-tenths cents (14.30 cents); On Class II property, twenty-eight and six-tenths cents (28.60 cents); On Class III property, fifty-seven and two-tenths cents (57.20 cents); On Class IV property, fifty-seven and two-tenths cents (57.20 cents). In addition, counties may provide for an election to lay an excess levy; the rates not to exceed statutory limitations, provided at least sixty percent of the voters cast ballots in favor of the excess levy.

The rates levied by the County per \$100 of assessed valuation for each class of property for the fiscal year ended June 30 were as follows:

<u>Class of Property</u>	<u>Assessed Valuation For Tax Purposes</u>	<u>Current Expense</u>
Class I	\$ - -	14.3 cents
Class II	226,358,584	28.6 cents
Class III	221,485,743	57.2 cents
Class IV	58,417,652	57.2 cents

3. Inventories and Prepaid Items

The cost of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed.

4. Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$7,500 or more and estimated to have a useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

The government depreciates the capital assets using the straight-line method. Capital assets depreciation and capitalization policies are defined by the government as follows:

<u>Asset</u>	<u>Straight-line Years</u>	<u>Inventory Purposes</u>	<u>Capitalize/ Depreciate</u>
Land	not applicable	\$ 1	\$ Capitalize only
Land improvement	20 to 30 years	1	12,500.00
Building	40 years	1	25,000.00
Building improvements	20 to 25 years	1	25,000.00
Construction in progress	not applicable	1	Capitalize only
Equipment	5 to 10 years	1,000	7,500.00
Vehicles	5 to 10 years	1,000	15,000.00
Infrastructure	40 to 50 years	50,000	100,000.00

5. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation pay is accrued when incurred in the government-wide financial statements in accordance with GASB Statement No. 16, *Accounting for Compensated Absences*.

6. Long-term Obligations

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

7. Fund Balances

In the governmental fund financial statements, fund balance is reported in five classifications.

Nonspendable fund balance: Inventories and prepaid amounts represent fund balance amounts that are not in spendable form.

Restricted The restricted category is the portion of fund balance that is externally imposed by creditors, grantors, contributors or laws or regulations. It also is imposed by law through constitutional provisions or enabling legislation.

Committed The committed category is the portion of fund balance whose use is constrained by limitations that have been approved by an order (the highest level of formal action) of the County Commission, and that remain binding unless removed in the same manner. The approval does not automatically lapse at the end of the fiscal year. The government does not have any committed fund balance this fiscal year.

Assigned The assigned category is the portion of fund balance that has been approved by formal action of the County Commission/other official authorized to assign amounts for any amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned The unassigned category is the portion of fund balance that has not been reported in any other classification. Only the general fund can report a positive amount of unassigned fund balance. However, any governmental fund in a deficit position could report a negative amount of unassigned fund balance.

The County Commission is the government's highest level of decision-making authority. The Commission would take formal action to establish, and modify or rescind, a fund balance commitment or to assign fund balance amounts to a specific purpose. The government has adopted a revenue spending policy that provides guidance for programs with multiple revenue sources. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The government has the authority to deviate from this policy if it is in the best interest of the County.

8. 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.

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.

9. Pensions

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

10. Net Other Post-Employment Benefits (OPEB) Liability

For purposes of measuring the net OPEB liability and deferred outflows/inflows of the resources related to other post-employment benefits, and other post-employment benefit expenses, information about the fiduciary net position of County's Other Post-Employment Benefits Plan (OPEB) of the West Virginia Retiree Health Benefit Trust Fund (RHBTF) and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the RHBTF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investment are reported at fair value. Detailed information can be found in the plans' financial statements.

11. Change in Accounting Principle

For the fiscal year ended June 30, 2018, the County has implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, Statement No. 82, *Pension Issues-An Amendment of GASB Statements No. 67, No. 68, and No. 73*, and GASB Statement No. 85, *Omnibus 2017*.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The Statement also requires various note disclosures and required supplementary information. As a result, beginning net position has been

GASB Statement No. 82 addresses certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. GASB Statement No. 82 did not have an effect on the financial statements of the County.

GASB Statement No. 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). GASB Statement No. 85 did not have an effect on the financial statements of the County.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund Balance Sheet includes a reconciliation between fund balance total governmental funds and net position-governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that, "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this difference are as follows:

Capital leases payable	\$ (42,908)
Notes Payable	(303,803)
Compensated absences	(36,783)
Net OPEB liability	(766,878)
Net pension obligation	<u>(450,591)</u>
Net adjustment to decrease fund balance- total governmental funds to arrive at net assets-governmental activities	<u>\$ (1,600,963)</u>

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities.

Another element of that reconciliation states that, "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 details of this difference are as follows:

Compensated absences	\$ (4,271)
Payments applied to notes liability	83,452
Payments applied to leases liability	<u>11,161</u>
Net adjustment to decrease net changes in fund balances-total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 90,342</u>

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and the Coal Severance Tax Special Revenue Fund. All annual appropriations lapse at fiscal year end.

Summers County, West Virginia prepares its budget on the modified accrual basis of accounting with the exception of OPEB and payroll payable. Therefore, a reconciliation has been performed on the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the

Prior to March 2nd of each year, the various elected officials submit to the County Commission proposed requests for their respective offices for the fiscal year commencing July 1. Upon review and approval of these requests, the County Commission prepares proposed budgets on forms prescribed by the State Auditor and submits them to the State Auditor by March 28 for approval. The County Commission then reconvenes on the third Tuesday in April to hear objections from the public and to formally lay the levies.

The appropriated budget is prepared by fund, function and department. Transfers of appropriations between departments and revenue related revisions to the budget require approval from the governing council and then submission to the State Auditor for approval. Revisions become effective when approved by the State Auditor and budgeted amounts in the financial statements reflect only such approved amounts. The governing body made the following material supplementary budgetary appropriations throughout the year:

<u>Description</u>	<u>Amount</u>
<u>General County</u>	
General government expenditure increase	\$ 636,004
Public safety expenditure decrease	40,980
Culture and recreation expenditure increase	20,000
Capital projects expenditure increase	147,596
<u>Coal Severance</u>	
General government expenditure increase	10,269

IV. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

At year-end, the government had no investments.

Custodial Credit Risk

For deposits, the government could be exposed to risk in the event of a bank failure where the government's deposits may not be returned. The government's policy for custodial credit risk is to comply with statutory provisions for depository bond coverage, which provides that no public money should be deposited until the banking institution designated executes a bond with good and sufficient sureties which may not be less than the maximum sum that is deposited in the depository at any one

At year end, the government's bank balances were \$1,463,824. The bank balance was collateralized by federal depository insurance or with securities held by the pledging financial institution's trust department or agent in the government's name. The bank balance of the Farmland Protection Board, a discretely presented component unit, was \$5,519 and entirely under FDIC coverage.

A reconciliation of cash and investments as shown on the Statement of Net Position of the primary government and Statement of Net Position of the Fiduciary Funds is as follows:

Cash and cash equivalents	\$ <u>1,463,824</u>
Total	\$ <u><u>1,463,824</u></u>
Cash and cash equivalents	\$ 1,193,693
Cash and cash equivalents-restricted	<u>270,131</u>
Total	\$ <u><u>1,463,824</u></u>

B. Receivables

Receivables at year end for the government's individual major and nonmajor funds, and fiduciary funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>
Receivables:	
Accounts	\$ 76,468
Taxes	<u>139,286</u>
Gross Receivables	<u>215,754</u>
Less: Allowance for Uncollectible	<u>(27,857)</u>
Net Total Receivables	\$ <u><u>187,897</u></u>

Governmental funds report deferred revenue in connection with receivables for revenue that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>
Delinquent property taxes receivable (General Fund)	\$ <u>72,003</u>
Total deferred/unearned revenue for governmental funds	\$ <u><u>72,003</u></u>

C. Capital Assets

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

	Primary Government			
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ <u>138,900</u>	\$ --	\$ --	\$ <u>138,900</u>
Total capital assets not being depreciated	<u>138,900</u>	<u>--</u>	<u>--</u>	<u>138,900</u>
Capital assets being depreciated:				
Buildings and improvements	4,669,224	--	--	4,669,224
Machinery and equipment	991,993	--	--	991,993
Less: Total accumulated depreciation	<u>(1,843,700)</u>	<u>(178,780)</u>	<u>--</u>	<u>(2,022,480)</u>
Total capital assets being depreciated, net	<u>3,817,517</u>	<u>(178,780)</u>	<u>--</u>	<u>3,638,737</u>
Governmental activities capital assets, net	\$ <u><u>3,956,417</u></u>	\$ <u><u>(178,780)</u></u>	\$ <u><u>--</u></u>	\$ <u><u>3,777,637</u></u>

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

Governmental activities:	
General government	\$ 92,210
Public safety	45,310
Health and sanitation	38,160
Culture and recreation	<u>3,100</u>
Total depreciation expense-governmental activities	\$ <u><u>178,780</u></u>

D. Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of the fiscal year ended June 30 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Purpose</u>	<u>Amount</u>
Home Confinement	Community Corrections	Reimbursement	\$ <u>2,096</u>
Total			\$ <u><u>2,096</u></u>

Interfund Transfers:

<u>Transferred from:</u>	<u>Transferred to:</u>	<u>Purpose</u>	<u>Amount</u>
Worthless Check	General	Reimbursement	\$ 1,625
Assessor Valuation	General	Reimbursement	81,635
Magistrate Court	General	Reimbursement	5,935
General School	General	Reimbursement	33,308
General	Fiduciary	Reimbursement	26,000
General	Home Confinement	Reimbursement	<u>3,714</u>
Total			\$ <u><u>152,217</u></u>

E. Fund Balance Detail

At year-end, the detail of the government's fund balances is as follows:

	Coal				
	General	Severance Tax	Emergency 911	Farmland Protection	Assessor's Valuation
Restricted:					
General government \$	--	\$ --	\$ --	\$ 194,140	\$ --
Public safety	--	--	216,938	--	--
Health and sanitation					--
Assigned:					
Budget Carryover	<u>262,615</u>	<u>5,540</u>	<u>--</u>	<u>--</u>	<u>232,067</u>
Total fund balances	\$ <u><u>262,615</u></u>	\$ <u><u>5,540</u></u>	\$ <u><u>216,938</u></u>	\$ <u><u>194,140</u></u>	\$ <u><u>232,067</u></u>

	911		
	Special Building	Non-major Funds	Total
Restricted:			
General government	\$ --	\$ 15,617	\$ 209,757
Public safety	155,574	134,235	506,747
Health and sanitation	--	102	102
Assigned:			
Budget Carryover	<u>--</u>	<u>--</u>	<u>500,222</u>
Total fund balances	\$ <u><u>155,574</u></u>	\$ <u><u>149,954</u></u>	\$ <u><u>1,216,828</u></u>

F. Leases

Capital Leases

The government has entered into lease agreements as lessee for financing the acquisition of office equipment and public safety equipment. These lease agreements qualify as capital leases for accounting purposes, and, therefore have been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

<u>Assets:</u>	<u>Governmental Activities</u>
Machinery, equipment and vehicles	\$ 91,494
Less: accumulated depreciation	<u>(26,475)</u>
Total	<u>\$ 65,019</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of the fiscal year ended June 30 were as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>
2019	\$ 12,913
2020	12,913
2021	10,881
2022	<u>9,101</u>
Total minimum lease payments	45,808
Less: amount representing interest	<u>(2,900)</u>
Present value of minimum lease payments	<u>\$ 42,908</u>

G. Long-term Debt

Notes payable-Discretely presented component unit

The Summers County Building Commission, a blended component unit, entered into loan agreements. One note was issued in 2008 with a maturity date of October 1, 2022 for \$914,000 at a rate of 4.2% for financing the acquisition of buildings for the Summers County Courthouse Annex. An additional note was issued in 2012 with a maturity date of February 9, 2022 for \$56,000 at a rate of 3.25% for the acquisition of a building.

Annual debt service requirements to maturity for notes payable are as follows:

Year Ended	Building Commission	
	Principal	Interest
2019	\$ 85,897	6,214
2020	87,932	4,179
2021	90,015	2,096
2022	39,959	255
Totals	<u>\$ 303,803</u>	<u>\$ 12,744</u>

Changes in Long-term Liabilities

	Governmental Activities				
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Capital leases	\$ 54,069	\$ --	\$ (11,161)	\$ 42,908	\$ 11,585
Notes	387,255	--	(83,452)	303,803	85,897
Net pension obligation	1,079,449		(628,858)	450,591	
Compensated absences	32,512	4,271	--	36,783	--
Governmental activities Long-term liabilities	<u>\$ 1,553,285</u>	<u>\$ 4,271</u>	<u>\$ (723,471)</u>	<u>\$ 834,085</u>	<u>\$ 97,482</u>

G. Prior Period Adjustment

The following balances required restatement at the beginning of the year as follows:

	Governmental Funds
Beginning fund balance as previously reported at June 30, 2017	244,131
Prior period adjustment - Implementation of GASB 75	
Removal of PY GASB 45 OPEB Liability - General Fund	785,380
Removal of PY GASB 45 OPEB Liability - E911 Fund	138,042
Removal of PY GASB 45 OPEB Liability - Assessor's Valuation Fund	35,286
	<u>958,708</u>
Net position as restated, July 1, 2017	<u>1,202,839</u>
	Governmental Activities
Beginning net position as previously reported at June 30, 2017	3,308,047
Prior period adjustment - Implementation of GASB 75	
Removal of PY GASB 45 OPEB Liability	958,708
Beginning net OPEB Liability	(915,730)
Deferred outflows of resources - 2017 OPEB contributions	64,057
Total prior period adjustment	<u>107,035</u>
Net position as restated, July 1, 2017	<u>3,415,082</u>

V. OTHER INFORMATION

A. Risk Management

The government 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 with West Virginia Counties Risk Pool for umbrella (general liability) insurance for these various risks.

Workers' Compensation Fund (WCF): West Virginia utilizes a single private insurance company, Brick Street Insurance, to provide workers' compensation coverage to all employers in the state. Other private insurance companies may begin to offer coverage to private sector employees beginning July 1, 2008 and to government employers beginning July 1, 2010. For the most part, all employers in the state, including governmental entities, must have coverage. The cost of all coverage, as determined by the private carrier, is paid by the employers. The WCF risk pool retains the risk related to the compensation of injured employees under the program. Summers County's worker's compensation is currently being provided by the West Virginias Counties Risk Pool.

Liabilities are reported when it is probable a loss has occurred and the amount of the loss can be reasonably estimated.

B. Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the government expects such amounts, if any, to be immaterial.

The government is a defendant in one lawsuit. Although the outcome of this lawsuit is not presently determinable, it is the opinion of the government's counsel that resolution of this matter will not have a material effect on the financial condition of the government.

C. Deferred Compensation Plan

The government offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time government employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held for the exclusive benefit of the participants and their beneficiaries.

D. Retiree Health Plan (RHP)

Plan Description:

Summers County, West Virginia contributes to the West Virginia Retiree Health Benefits Trust Fund (RHBT), a cost-sharing, multiple-employer defined benefit postemployment healthcare plan administered by the West Virginia Public Employees Insurance Agency (PEIA). RHBT provides medical benefits to eligible retired employees of participating employers. Eligibility is primarily established through participation in certain defined benefit plans. RHBT issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to: West Virginia Retiree Health Benefits Trust, Building 5, Room 1001, 1900 Kanawha Boulevard East, Charleston, West Virginia, 25305-0710.

Authority Establishing the Plan and Funding Policy:

Chapter 5, Article 16D of the West Virginia State Code assigns the authority to establish and amend benefits and provisions to the RHBT. Plan members are currently required to contribute \$177 per month per active health policy. Participating employers are contractually required to contribute at a rate assessed each year by RHBT. The RHBT board sets the employer contribution rate based on the annual required contributions of the plan (ARC), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board (GASB) Statement No. 75. Contributions to the OPEB plan from the County were \$66,552 for the year ended June 30, 2018.

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

At fiscal year-end, the government reported the following liabilities for its proportionate share of the net OPEB liability. The net OPEB liability were measured as of June 30, 2016, rolled forward to June 20, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017 using the actuarial assumptions and methods described in the appropriate section of this note. The government's proportion of the net OPEB liability was based on a projection of the government's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2017, the government's reported the following proportions and increase/decreases from its proportion measured as of June 30, 2016:

Amount for proportionate share of net OPEB liability	\$ 766,878
Percentage for proportionate share of net OPEB liability	0.031186716%
Increase/(decrease) % from prior proportion measured	0.005688%

For the year ended June 30, 2018, the government recognized the following OPEB expenses.

Government-wide OPEB expense	<u><u>\$ 41,309</u></u>
------------------------------	-------------------------

The government reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual	\$ - -	\$ 2,568
Net difference between expected and actual earnings on OPEB plan investments	- -	12,240
Changes in proportion and differences between government contributions and proportionate share of contributions	- -	111,296
Government contributions subsequent to the measurement date	<u>66,552</u>	<u>- -</u>
	\$ 66,552	\$ 126,104

The amount reported as deferred outflows of resources related to OPEB resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:

2018	\$ (33,718)
2019	(33,718)
2020	(33,718)
2021	<u>(24,950)</u>
Total	<u>\$ (126,104)</u>

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions. These assumptions were based on the results of an actuarial experience study for the period July 1, 2010 to June 20, 2015 an apply to all periods included in the measurement, unless otherwise specified.

Actuarial assumptions

Inflation rate	2.75%
Salary increases	Dependent upon pension system. Ranging from 3.0%-6.50% including inflation
Investment Rate of Return	7.15%, net of OPEB plan investment expense, including inflation
Mortality Rates	Post-Retirement: RP - 2000 Health Annuitant Mortality Table projected with Scale AA on a fully generational basis.
Discount rate	7.15%
Healthcare cost treand rates	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.5% and 9.75% for pre and post-Medicare, respectively, and gradually decreases to an ultimate trend rate of 4.5%. Excess trend rate of 0.14% and 0.29% for pre and post-Medicare, respectively, is added to healthcare trend rates pertaining to per capita claims costs beginning in 2020 to account for the Excise Tax.

The long-term expected rate of return on OPEB plan investments were determined using a building-block method in which best-estimate ranges of expected future real rates of returns (expected returns, net of OPEB plan 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 allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following tables:

<u>Investment</u>	<u>Target Asset Allocation</u>
US Equity	27.5%
International Equity	27.5%
Fixed Income	15.0%
Real Estate	10.0%
Private Equity	10.0%
Hedge Funds	10.0%
	0.0%
	0.0%
	<hr/>
	100.0%
	<hr/> <hr/>

	<u>Long-Term Expected Real Rate of Return</u>
Large Cap Domestic	17.0%
Non-Large Cap Domestic	22.0%
International Qualified	24.6%
International Non-Qualified	24.3%
International Equity	26.2%
Short-Term Fixed	0.5%
Total Return Fixed Income	6.7%
Core Fixed Income	0.1%
Hedge Fund	5.7%
Private Equity	19.6%
Real Estate	8.3%
Opportunistic Income	4.8%
Cash	0.0%

Discount rate. The discount rate used to measure the OPEB liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on OPEB plan investments were applied to all periods of projected benefit payments to determine the total OPEB liability.

The following table presents the government's proportionate share of its net OPEB liability calculated using the discount rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1% Decrease <u>6.15%</u>	Current Discount Rate <u>7.15%</u>	1% Increase <u>8.15%</u>
Government's proportionate share of RHBT net OPEB liability	\$ 892,941	\$ 766,878	\$ 662,084

The following table presents the government's proportionate share of its net OPEB liability calculated using the healthcare cost trend rate of percent and the impact of using a discount rate that is 1% higher or lower than the current rate.

	1% Decrease <u>6.15%</u>	Healthcare Cost Trend Rate <u>7.15%</u>	1% Increase <u>8.15%</u>
Government's proportionate share of RHBT net OPEB liability	\$ 644,188	\$ 766,878	\$ 916,934

VI. EMPLOYEE RETIREMENT SYSTEMS AND PLANS

Plan Descriptions, Contribution Information, and Funding Policies

Summers County, West Virginia participates in state-wide, cost-sharing, multiple-employer defined benefit plans on behalf of county employees. The system is administered by agencies of the State of West Virginia and funded by contributions from participants, employers, and state appropriations, as necessary.

The following is a summary of eligibility factors, contribution methods, and benefit provisions:

Public Employees Retirement System (PERS)

Eligibility to participate	All county full-time employees, except those covered by other pension plans
Authority establishing contribution obligations and benefit provisions	West Virginia Code §5-10d discusses the Consolidated Public Retirement Board, which administers all public retirement plans in the State of West Virginia.
Plan member's contribution rate	4.5% For those hired before July 1, 2015 6.0% For those hired on or after July 1, 2015
County's contribution rate	11.00%
Period required to vest	Five Years

Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 years or more of contributing service or age 55 if the sum of his/her age plus years of credited service is equal to or greater than 80. The final average salary (three highest consecutive years in the last 10) times the years of service times 2% equals the annual retirement benefit.
Deferred retirement portion	No
Provisions for:	
Cost of living	No
Death benefits	Yes

West Virginia Deputy Sheriff Retirement System (WVDRS)

Eligibility to participate	West Virginia deputy sheriffs first employed after the effective date and any deputy sheriffs hired prior to the effective date who elect to become members.
Authority establishing contribution obligations and benefit provisions	State Statute
Funding policy and contributions	Certain fees for reports generated by sheriff's offices are paid to this plan in accordance with West Virginia State Code. WVDRS members are required to contribute 8.5% of their annual covered salary and the county is required to contribute 12.%. The contribution requirements of WVDRS members are established and may be amended only by the State of West Virginia Legislature. The government's contribution to WVDRS for the current fiscal year ending was \$20,526 for employees' share and \$28,978 for employer's
Period required to vest	Five years
Benefits and eligibility for distribution	A member who has attained age 60 and has earned 5 or more years of contributing service or age 50 and if the sum of his/her age plus years of credited service is equal to or greater than 70. The final average salary (three highest consecutive years in the last ten years) times the years of service times 2.25% equals the annual retirement benefit.
Deferred retirement option	No deferred retirement option is available.
Provisions for cost of living adjustments or de	This plan has no provisions for cost of living adjustments. There are provisions for death benefits.
Annual pension cost and amount contributed:	For the current fiscal year ended, the annual cost was \$49,504 for all covered employees with a contributed percentage of 100%.

Trend Information

Fiscal Year	Public Employees Retirement System (PERS)		West Virginia Deputy Sheriff Retirement System (WVDRS)	
	Annual Pension Cost	Percentage Contributed	Annual Pension Cost	Percentage Contributed
2018	\$ 225,539	100%	\$ 49,504	100%
2017	\$ 209,065	100%	\$ 38,975	100%
2016	\$ 251,255	100%	\$ 47,184	100%

PERS and WVDRS issue a publicly available financial report that includes financial statements and required supplementary information. That information may be obtained by writing to the Public Employees Retirement System, 4101 MacCorkle Avenue, SE, Charleston, WV 25304.

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

At fiscal year-end, the government reported the following liabilities for its proportionate share of the net pension liabilities. The net pension liabilities were measured as of June 30, 2017, and the total pension liability used to calculate the net pension liabilities were determined by an actuarial valuation as of July 1, 2016 and rolled forward to June 30, 2017 using the actuarial assumptions and methods described in the appropriate section of this note. The government's proportion of the net pension liabilities was based on a projection of the government's long-term share of contributions to the pension plans relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2017, the government's reported the following proportions and increase/decreases from its proportion measured as of June 30, 2016:

	PERS	DSRS
Amount for proportionate share of net pension liability \$	434,920	\$ 15,671
Percentage for proportionate share of net pension liability	0.100759%	0.418225%
Increase/(decrease) % from prior proportion measured	-0.09100%	-0.048545%

For the year ended June 30, 2018, the government recognized the following pension expenses.

	PERS	DSRS
Government-wide pension expense	\$ 118,796	\$ 6,918

The government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Public Employees Retirement System (PERS)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual	\$ 38,704	\$ 962
Changes of assumptions	--	22,559
Net difference between projected and actual earnings on pension plan investments	--	105,736
Changes in proportion and differences between government contributions and proportionate share of contributions	14,623	4,774
Government contributions subsequent to the measurement date	<u>158,757</u>	<u>--</u>
	\$ 212,084	\$ 134,031

The amount reported as deferred outflows of resources related to pensions resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the 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 as follows:

Year Ended June 30:

2019	\$ (28,089)
2020	39,833
2021	(1,818)
2022	<u>(90,630)</u>
Total	<u>\$ (80,704)</u>

Deputy Sheriffs' Retirement System

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual	\$ 6,809	\$ 36,419
Changes of assumptions		11,372
Net difference between projected and actual earnings on pension plan investments	--	16,574
Changes in proportion and differences between government contributions and proportionate share of contributions	13,821	17,443
Government contributions subsequent to the measurement date	<u>28,978</u>	<u>--</u>
	<u>49,608</u>	<u>81,808</u>

The amount reported as deferred outflows of resources related to pensions resulting from government contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 20, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

2019	\$	(14,850)
2020		(3,106)
2020		(7,991)
2022		(17,090)
2023		(8,793)
Thereafter		<u>(9,348)</u>
Total	\$	<u><u>(61,178)</u></u>

Actuarial assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2015 and rolled forward to June 30, 2016 for all plans, using the following actuarial assumptions, applied to all periods included in the measurement.

Public Employees Retirement System

Actuarial assumptions

Inflation rate	3.00%
Salary increases	3.35%-6.0%
Investment Rate of Return	7.50%

- Mortality F Healthy males - 110% of RP-2000 Non-Annuitant, Scale AA fully generational
- Healthy females - 101% of RP-2000, Non-Annuitant Scale AA fully generational
- Disabled males - 96% of RP-2000, Non-Annuitant Scale AA fully generational
- Disabled females - 107% of RP-2000, Non-Annuitant Scale AA fully generational

The actuarial assumptions used in the July 1, 2016 PERS valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2014.

Deputy Sheriffs' Retirement System

Actuarial assumptions

Inflation rate	3.00%
Salary increases	5.0% for first 2 years of service
	4.5% for next 3 years of service
	4.0% for the next 5 years of service, and
	3.5% thereafter
Investment Rate of Return	7.50%

Mortality rates were based on the RP-2000 Non-annuitant mortality table, scale BB; Retired and disabled RP2000 healthy annuitant mortality table, scale BB.

The actuarial assumptions used in the July 1, 2016 DSRS valuation were based on the results of an actuarial experience study for the period July 1, 2006 to June 30, 2011.

The long-term expected rate of return on pension plan investments were determined using a building-block method in which estimates of expected real rates of returns (expected returns, net of pension plan 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. Rates summarized in the following table include the inflation component and were used for the following defined benefit plans:

<u>Investment</u>	Long-term Expected Real Rate of Return	PERS Target Asset Allocation	DSRS Target Asset Allocation
US Equity	7.0%	27.5%	27.5%
International Equity	7.7%	27.5%	27.5%
Core Fixed Income	2.7%	7.5%	7.5%
High Yield Fixed Income	5.5%	7.5%	7.5%
TPS	2.7%	0.0%	0.0%
Real Estate	7.0%	10.0%	10.0%
Private Equity	9.4%	10.0%	10.0%
Hedge Funds	4.7%	10.0%	10.0%
		100.0%	100.0%

Discount rate. The discount rate used to measure the total pension liability was 7.5 percent for all defined benefit plans. The projection of cash flows used to determine the discount rates assumed that employer contributions will continue to follow the current funding policies. Based on those assumptions, the fiduciary net position for each defined benefit pension plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rates of return on pension plan investments were applied to all periods of projected benefit payments to determine the total pension liabilities of each plan.

The following chart presents the sensitivity of the net pension liability to changes in the discount rate, calculated using the discount rates as used in the actuarial evaluation, and what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current rate:

	1% Decrease 6.50%	Current Discount Rate 7.50%	1% Increase 8.50%
Government's proportionate share of PERS's net pension liability \$	1,204,053	\$ 434,920	\$ 215,373
Government's proportionate share of DSRS's net pension liability \$	135,998	\$ 15,671	\$ 83,386

Pension plans' fiduciary net position. Detailed information about the pension plans' fiduciary net position is available in the separately issued financial report available at the Consolidated Public Retirement Board's website at www.wvretirement.com. That information can also be obtained by writing to the West Virginia Consolidated Public Retirement Board, 4101 MacCorkle Avenue SE, Charleston, WV 25304.

SUMMERS COUNTY, WEST VIRGINIA
SCHEDULES OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Fiscal Year Ended June 30, 2018

	<u>2018</u> <u>PERS</u>	<u>2018</u> <u>DSRS</u>	<u>2017</u> <u>PERS</u>	<u>2017</u> <u>DSRS</u>
Government's proportion of the net pension liability (asset) (percentage)	0.100759%	0.418225%	0.101077%	0.466770%
Government's proportionate share of the net pension liability (asset)	\$ 434,920	\$ 15,671	\$ 929,018	\$ 148,601
Government's covered-employee payroll	\$ 1,383,307	\$ 209,273	\$ 1,392,824	\$ 230,169
Government's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	31.44%	7.49%	66.70%	64.56%
Plan fiduciary net position as a percentage of the total pension liability	93.67%	98.17%	86.11%	84.48%

**SUMMERS COUNTY, WEST VIRGINIA
SCHEDULE OF GOVERNMENT CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2018**

Public Employees Retirement System

	<u>2018</u> <u>PERS</u>	<u>2018</u> <u>DSRS</u>	<u>2017</u> <u>PERS</u>	<u>2017</u> <u>DSRS</u>
Contractually required contribution	\$ 158,757	\$ 28,978	\$ 165,997	\$ 25,113
Contributions in relation to the contractually	<u>(158,757)</u>	<u>(28,978)</u>	<u>(165,997)</u>	<u>(25,113)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Government's covered-employee payroll	\$ 1,443,249	\$ 241,486	\$ 1,383,307	\$ 209,273
Plan fiduciary net position as a percentage of	11.00%	12.00%	12.00%	12.00%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**SUMMERS COUNTY, WEST VIRGINIA
SCHEDULES OF THE GOVERNMENT'S PROPORTIONATE SHARE OF THE NET OPEB
For the Fiscal Year Ended June 30, 2018**

Last 10 Fiscal Years*

Public Employees Insurance Agency	<u>2018</u>
Government's proportion of the net OPEB liability (asset) (percentage)	0.031186716%
Government's proportionate share of the net OPEB liability (asset)	\$ 766,878
Government's covered-employee payroll	\$ 156,237
Government's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	490.84%
Plan fiduciary net position as a percentage of the total OPEB liability	25.10%

*Information Prior to 2016 is not available

**SUMMERS COUNTY, WEST VIRGINIA
SCHEDULE OF GOVERNMENT CONTRIBUTIONS
For the Fiscal Year Ended June 30, 2018**

Last 10 Fiscal Years*

Public Employees Insurance Agency

	<u>2018</u>	<u>2017</u>
Contractually required contribution	\$ 66,552	\$ 64,057
Contributions in relation to the contractually required contribution	<u>(66,552)</u>	<u>(64,057)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>
Government's covered-employee payroll	\$ 266,136	\$ 156,237
Plan fiduciary net position as a percentage of the total OPEB liability	25.01%	41.00%

*Information prior to 2016 is not available

SUMMERS COUNTY, WEST VIRGINIA
 COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2018

	General School	Magistrate Court	Worthless Check	Home Confinement	Dog and Kennel
ASSETS					
Current:					
Cash and cash equivalents	\$ --	\$ --	\$ --	\$ 38,417	\$ 1,676
Due from:					
Other funds	--	--	--	2,096	--
Total assets	\$ --	\$ --	\$ --	\$ 40,513	\$ 1,676
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	--	--	--	574	68
Due to:					
Other funds	--	--	--	--	--
Total liabilities	--	--	--	574	68
Fund balances:					
Restricted	--	--	--	39,939	1,608
Total fund balances	--	--	--	39,939	1,608
Total liabilities and fund balances	\$ --	\$ --	\$ --	\$ 40,513	\$ 1,676

<u>Fiduciary Supervisor</u>	<u>Prosecutor Asset Forfeiture</u>	<u>Concealed Weapons License Fund</u>	<u>Sheriff Asset Forfeiture</u>	<u>Meadow Creek Sewer Project</u>	<u>Planning Commission</u>	<u>Community Corrections</u>
\$ 3,304	\$ 1,083	\$ 16,197	\$ 7,899	\$ 102	\$ 12,420	\$ 72,338
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>\$ 3,304</u>	<u>\$ 1,083</u>	<u>\$ 16,197</u>	<u>\$ 7,899</u>	<u>\$ 102</u>	<u>\$ 12,420</u>	<u>\$ 72,338</u>
--	--	--	--	--	107	4,756
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>2,096</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>107</u>	<u>6,852</u>
<u>3,304</u>	<u>1,083</u>	<u>16,197</u>	<u>7,899</u>	<u>102</u>	<u>12,313</u>	<u>65,486</u>
<u>3,304</u>	<u>1,083</u>	<u>16,197</u>	<u>7,899</u>	<u>102</u>	<u>12,313</u>	<u>65,486</u>
<u>\$ 3,304</u>	<u>\$ 1,083</u>	<u>\$ 16,197</u>	<u>\$ 7,899</u>	<u>\$ 102</u>	<u>\$ 12,420</u>	<u>\$ 72,338</u>

<u>Fire Service Fee</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 7,456	\$ 160,892
<u>- -</u>	<u>2,096</u>
\$ <u>7,456</u>	\$ <u>162,988</u>
5,433	10,938
<u>- -</u>	<u>2,096</u>
<u>5,433</u>	<u>13,034</u>
<u>2,023</u>	<u>149,954</u>
<u>2,023</u>	<u>149,954</u>
\$ <u>7,456</u>	\$ <u>162,988</u>

SUMMERS COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES -
 NONMAJOR SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended June 30, 2018

	General School	Magistrate Court	Worthless Check	Home Confinement
REVENUES				
Taxes:				
Animal tax	\$ --	\$ --	\$ --	\$ --
Licenses and permits	--	--	--	--
Intergovernmental:				
Federal	--	--	--	--
Charges for services	--	--	--	55,619
Fines and forfeits	42,768	4,567	1,625	--
Reimbursements	--	--	--	12,402
Miscellaneous	--	2,334	--	--
	<u>42,768</u>	<u>6,901</u>	<u>1,625</u>	<u>68,021</u>
Total revenues	<u>42,768</u>	<u>6,901</u>	<u>1,625</u>	<u>68,021</u>
EXPENDITURES				
Current:				
General government	9,460	966	--	--
Public safety	--	--	--	60,924
Health and sanitation	--	--	--	--
	<u>9,460</u>	<u>966</u>	<u>--</u>	<u>60,924</u>
Total expenditures	<u>9,460</u>	<u>966</u>	<u>--</u>	<u>60,924</u>
Excess (deficiency) of revenues over expenditures	<u>33,308</u>	<u>5,935</u>	<u>1,625</u>	<u>7,097</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	--	--	--	3,714
Transfers (out)	(33,308)	(5,935)	(1,625)	--
	<u>(33,308)</u>	<u>(5,935)</u>	<u>(1,625)</u>	<u>3,714</u>
Total other financing sources (uses)	<u>(33,308)</u>	<u>(5,935)</u>	<u>(1,625)</u>	<u>3,714</u>
Net change in fund balances	--	--	--	10,811
Fund balances - beginning	<u>--</u>	<u>--</u>	<u>--</u>	<u>29,128</u>
Fund balances - ending	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 39,939</u>

<u>Dog and Kennel</u>	<u>Fiduciary Supervisor</u>	<u>Prosecutor Asset Forfeiture</u>	<u>Concealed Weapons License Fund</u>	<u>Sheriff Asset Forfeiture</u>	<u>Meadow Creek Sewer Project</u>
\$ 2,736	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	16,855	--	--
--	--	--	--	--	63,950
--	16,312	669	--	--	--
--	--	--	--	4,993	--
--	--	--	--	--	--
108	--	--	30	--	--
<u>2,844</u>	<u>16,312</u>	<u>669</u>	<u>16,885</u>	<u>4,993</u>	<u>63,950</u>
--	45,063	--	--	--	--
3,345	--	--	10,442	918	--
--	--	--	--	--	63,950
<u>3,345</u>	<u>45,063</u>	<u>--</u>	<u>10,442</u>	<u>918</u>	<u>63,950</u>
<u>(501)</u>	<u>(28,751)</u>	<u>669</u>	<u>6,443</u>	<u>4,075</u>	<u>--</u>
--	26,000	--	--	--	--
--	--	--	--	--	--
<u>--</u>	<u>26,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
(501)	(2,751)	669	6,443	4,075	--
<u>2,109</u>	<u>6,055</u>	<u>414</u>	<u>9,754</u>	<u>3,824</u>	<u>102</u>
\$ <u><u>1,608</u></u>	\$ <u><u>3,304</u></u>	\$ <u><u>1,083</u></u>	\$ <u><u>16,197</u></u>	\$ <u><u>7,899</u></u>	\$ <u><u>102</u></u>

	<u>Planning Commission</u>	<u>Community Corrections</u>	<u>Fire Service Fee</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$	--	--	--	\$ 2,736
	--	--	--	16,855
	--	--	--	63,950
	8,420	155,775	--	236,795
	--	--	--	53,953
	--	13,085	--	25,487
	--	--	92,973	95,445
	<u>8,420</u>	<u>168,860</u>	<u>92,973</u>	<u>495,221</u>
	9,878	--	--	65,367
	--	185,825	90,979	352,433
	--	--	--	63,950
	<u>9,878</u>	<u>185,825</u>	<u>90,979</u>	<u>481,750</u>
	<u>(1,458)</u>	<u>(16,965)</u>	<u>1,994</u>	<u>13,471</u>
	--	--	--	29,714
	--	--	--	(40,868)
	--	--	--	(11,154)
	(1,458)	(16,965)	1,994	2,317
	<u>13,771</u>	<u>82,451</u>	<u>29</u>	<u>147,637</u>
\$	<u><u>12,313</u></u>	<u><u>65,486</u></u>	<u><u>2,023</u></u>	<u><u>149,954</u></u>

SUMMERS COUNTY, WEST VIRGINIA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 June 30, 2018

State Funds

	<u>State Current</u>	<u>Criminal Charges</u>	<u>Court Reporter</u>	<u>Deputy Retirement</u>	<u>Vehicle Licenses</u>
ASSETS					
Cash and cash equivalents	\$ 518	\$ 424	\$ 30	\$ 413	\$ - -
Total assets	<u>\$ 518</u>	<u>\$ 424</u>	<u>\$ 30</u>	<u>\$ 413</u>	<u>\$ - -</u>
LIABILITIES					
Due to other governments	<u>518</u>	<u>424</u>	<u>30</u>	<u>413</u>	<u>- -</u>
Total liabilities	<u>\$ 518</u>	<u>\$ 424</u>	<u>\$ 30</u>	<u>\$ 413</u>	<u>\$ - -</u>

		<u>School Funds</u>			<u>CITIES</u>	
<u>State</u>	<u>State</u>	<u>Total</u>	<u>School</u>	<u>Total</u>		<u>Total</u>
<u>Fines</u>	<u>Police</u>	<u>State</u>	<u>Current</u>	<u>School</u>	<u>Hinton</u>	<u>Municipal</u>
\$ - -	\$ 1,985	\$ 3,370	\$ 39,372	\$ 39,372	\$ 4,339	\$ 4,339
<u>\$ - -</u>	<u>\$ 1,985</u>	<u>\$ 3,370</u>	<u>\$ 39,372</u>	<u>\$ 39,372</u>	<u>\$ 4,339</u>	<u>\$ 4,339</u>
- -	1,985	3,370	39,372	39,372	4,339	4,339
<u>\$ - -</u>	<u>\$ 1,985</u>	<u>\$ 3,370</u>	<u>\$ 39,372</u>	<u>\$ 39,372</u>	<u>\$ 4,339</u>	<u>\$ 4,339</u>

County Offices

<u>County Clerk</u>	<u>Circuit Clerk</u>	<u>Sheriff</u>	<u>Assessor</u>	<u>Prosecuting Attorney</u>	<u>Total County Offices</u>
\$ <u>32,606</u>	\$ <u>99,556</u>	\$ <u>9,330</u>	\$ <u>3</u>	\$ <u>--</u>	\$ <u>141,495</u>
\$ <u><u>32,606</u></u>	\$ <u><u>99,556</u></u>	\$ <u><u>9,330</u></u>	\$ <u><u>3</u></u>	\$ <u><u>--</u></u>	\$ <u><u>141,495</u></u>
<u>32,606</u>	<u>99,556</u>	<u>9,330</u>	<u>3</u>	<u>--</u>	<u>141,495</u>
\$ <u><u>32,606</u></u>	\$ <u><u>99,556</u></u>	\$ <u><u>9,330</u></u>	\$ <u><u>3</u></u>	\$ <u><u>--</u></u>	\$ <u><u>141,495</u></u>

<u>Tax</u> <u>Lein</u>	Delinquent Nonentered <u>Land</u>	Total <u>Agency</u>
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\$ <u>68,192</u>	\$ <u>13,363</u>	\$ <u>270,131</u>
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\$ <u><u>68,192</u></u>	\$ <u><u>13,363</u></u>	\$ <u><u>270,131</u></u>
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<u>68,192</u>	<u>13,363</u>	<u>270,131</u>
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\$ <u><u>68,192</u></u>	\$ <u><u>13,363</u></u>	\$ <u><u>270,131</u></u>
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SUMMERS COUNTY, WEST VIRGINIA
GOVERNMENTAL FUND BALANCE SHEET/STATEMENT OF NET POSITION -
DISCRETELY PRESENTED COMPONENT UNIT - FARMLAND PROTECTION
June 30, 2016

	<u>Farmland Protection</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
Assets			
Cash and cash equivalents	\$ <u>6,868</u>	\$ <u> -</u>	\$ <u>6,868</u>
Total assets	\$ <u><u>6,868</u></u>	\$ <u><u> -</u></u>	\$ <u><u>6,868</u></u>
Fund Balances/Net Position			
Fund balances:			
Unassigned	<u>6,868</u>	<u>(6,868)</u>	<u> -</u>
Total fund balances	<u>6,868</u>	<u>(6,868)</u>	<u> -</u>
Total liabilities and fund balances	\$ <u><u>6,868</u></u>		
Net position:			
Unrestricted		<u>6,868</u>	<u>6,868</u>
Total net position		\$ <u><u>6,868</u></u>	\$ <u><u>6,868</u></u>

SUMMERS COUNTY, WEST VIRGINIA
GOVERNMENTAL FUND REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE/STATEMENT OF ACTIVITIES -
DISCRETELY PRESENTED COMPONENT UNIT - FARMLAND PROTECTION
For the Fiscal Year Ended June 30, 2018

	<u>Farmland Protection</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Intergovernmental:			
Local	\$ 21,476	--	21,476
Total revenues	<u>21,476</u>	<u>--</u>	<u>21,476</u>
Expenditures/expenses:			
Current:			
General government	17,604	--	17,604
Total expenditures	<u>17,604</u>	<u>--</u>	<u>17,604</u>
Change in net position	3,872	--	3,872
Fund balances/net position at beginning of year	<u>1,647</u>	<u>--</u>	<u>1,647</u>
Fund balances/net position at end of year	\$ <u><u>5,519</u></u>	\$ <u><u>--</u></u>	\$ <u><u>5,519</u></u>

**FINANCIAL STATEMENT OF
SUMMERS COUNTY, WEST VIRGINIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**SUMMERS COUNTY, WEST VIRGINIA
SCHEDULE OF FUNDS INCLUDED IN REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

GOVERNMENTAL FUND TYPES

MAJOR FUNDS

General
Coal Severance Tax
Emergency 911
Farmland Protection
Assessor's Valuation
E911 Building

NONMAJOR FUNDS

Special Revenue Funds

General School
Magistrate Court
Worthless Check
Home Confinement
Dog and Kennel
Fiduciary Supervisor
Prosecuting Attorney Forfeiture
Concealed Weapons
Sheriff Asset Forfeiture
Fire Service Fee
Planning Commission
Community Corrections
Meadow Creek Sewer

**SUMMERS COUNTY, WEST VIRGINIA
SCHEDULE OF FUNDS INCLUDED IN REPORT (CONTINUED)
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FIDUCIARY FUND TYPE

Agency Funds

State
School
Municipal
Other Agency

DISCRETELY PRESENTED COMPONENT UNITS

Board of Health
Farmland Protection
Public Library

BLENDED COMPONENT UNIT

Building Commission

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