

***DALE COUNTY COMMISSION  
FINANCIAL REPORT FOR THE  
FISCAL YEAR ENDED SEPTEMBER 30, 2017  
UNAUDITED***





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***Dale County Commission  
Financial Statements  
For Fiscal Year Ended September 30, 2017***

**UNAUDITED**

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***Dale County Commission  
Financial Statements  
For Fiscal Year Ended September 30, 2017***

**UNAUDITED**

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**Required Supplementary Information**

Provides information required by the Governmental Accounting Standards Board (GASB) to supplement the basic financial statements. This information has not been audited and no opinion is provided about the information.

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Provides basic information related to the Commission, including reports and items required by generally accepted government auditing standards.

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*Management's Discussion and Analysis*  
*(Required Supplementary Information)*

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**DALE COUNTY COMMISSION  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended September 30, 2017**

The Dale County Commission's discussion and analysis is a narrative overview that is designed to assist the reader in reviewing significant financial issues and activities of the County. The reader should also be able to identify the changes in the County's financial position and analyze the ability of the County to meet future challenges.

The Management's Discussion and Analysis (MD&A) focuses on the activities of the Dale County Commission for the fiscal year ended September 30, 2017. Please consider the information contained in this MD&A in conjunction with the County's financial statements for the same period. The MD&A report is required under Governmental Accounting Standards Board's (GASB) Statement Number 34, and includes comparison of government-wide data to prior years.

**FINANCIAL HIGHLIGHTS**

- Dale County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year ended September 30, 2017, by \$5,209,446 for governmental activities. *Exhibit 1*
- The County's total net position increased by \$57,523, or 1.041%. A detailed explanation of this decrease can be seen on page 4 of this Management Discussion and Analysis. *Exhibit 2*
- At the end of the current fiscal year Dale County's governmental funds reported combined ending fund balances of \$4,553,216, an increase of \$305,815 or 6.72% from the prior year. *Exhibit 5*
- Governmental Fund Revenues for the current fiscal year were \$11,439,109 and were more than current Expenditures of \$11,171,447 by \$267,662. *Exhibit 5*
- Total general long-term debt for governmental activities for Dale County increased by \$134,112, or 1.54%. *Note 9*

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management's Discussion and Analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are made up of the following components:

- Government-wide financial statements
- Fund financial statements
- Proprietary Funds statements
- Fiduciary Funds statements
- Notes to the financial statements

This report also contains additional information that is relevant to the County's financial position.

**Government-wide Statements**

The government-wide financial statements are designed to provide readers with an overview of the County's finances in a manner similar to those used by private-sector companies. The statement of net position includes all of the County's assets, deferred outflows of resources, liabilities and deferred inflows of resources. Current year's revenues and expenses are accounted for in the statement of activities, regardless of when cash is received or paid.



The Statement of Net Position presents information on all of the county's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital assets and long term debt. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the County is improving or deteriorating. To properly evaluate the overall health of the Commission, you may need to consider additional non-financial factors such as changes in the county's property tax base and the condition of the county's infrastructure and buildings.

The Statement of Activities presents information focused on both gross and net costs and shows how the County's net position changed during the current fiscal year. This statement is intended to summarize and simplify the reader's analysis of cost of various governmental services and/or subsidy to various business-type activities. The governmental activities include most of the County's basic services including general government, public safety, highways and roads, sanitation, health, welfare, culture and recreation, and education. The funding of these activities comes primarily from property taxes, sales taxes, gasoline taxes, and other miscellaneous revenues and charges for services.

### **Fund Financial Statements**

Traditional users of governmental financial statements will find the Fund Financial Statements more familiar. Fund financial statements provide more detailed information about the County's funds, focusing on its Major funds rather than the County as a whole. 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. Dale County, like other state and local governments uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Governmental, proprietary and fiduciary are the three categories of fund types used to keep track of specific sources of funding and spending on particular county programs. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for government funds with similar information presented for governmental activities in the government-wide financial statements. In doing so, readers may better understand the long-term impact of the County's current financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to aid in this comparison between governmental funds and governmental activities.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are included in governmental funds. Unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows, outflows and balances of spendable resources. The governmental fund statements provide a detailed short-term view of the County's operations and the basic services it provides. Governmental funds statements assist the reader in determining the short-term financial resources available to finance future programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information in Exhibits 4 and 6 to reconcile the differences between them.

Dale County maintains many funds that are governmental funds. Separate information is presented in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Gasoline Tax Fund, RRR Gasoline Tax Fund, and Reappraisal Fund. These funds are deemed to be major funds. Data from the remaining funds are combined into a single aggregated presentation.



## **Fiduciary Fund Statements**

Fiduciary funds are funds in which the County is the trustee, or fiduciary, of assets that belong to others. The County is responsible for ensuring that these assets are used only for their intended purposes and reported and presented correctly in these funds. All the County's fiduciary activities are reported in a separate statement of fiduciary net position (Exhibit #10) and a statement of changes in fiduciary net position (Exhibit #11). The activities of these funds are excluded from the government-wide financial statements because their assets are not available for use by the County to finance its operations.

## **Notes to the Financial Statements**

Notes to the financial statements, provided in this report, offer additional essential information to achieve a full understanding of the data provided in the government-wide and fund financial statements. The notes follow the exhibits contained in this report.

## **Required Supplementary Information**

Required supplementary information is expressed in Exhibits 12 and 13 which are the Schedule of Changes in Net Pension Liability and the Schedule of the Employer's Contributions relating to the County's pension liability. Exhibits 14 through 17 are Budget to Actual comparisons of the governmental major funds of the County. Dale County adopts an annual appropriated budget for its General, Gasoline Tax, RRR Gasoline Tax, and Reappraisal Funds. The comparison schedules are presented to demonstrate compliance with the fund budgets.

## **Government-Wide Financial Analysis**

Dale County's net position increased by \$57,523 *Exhibit 2* during the current fiscal year. Management monitors net position because the variance is a useful indicator of the County's financial position. Dale County's total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$5,209,446 as of September 30, 2017. *Exhibit 1*

The following table reflects the condensed Statement of Net Position for Governmental Activities compared to the prior year:

Statement of Net Position As of September 30, 2017		
<u>Governmental Activities</u>		
	2017	2016
Current and Other Assets	8,932,184	8,416,457
Capital Assets	8,741,251	9,071,997
Total Assets	17,673,435	17,488,453
Deferred Outflows of Resources	879,885	650,706
Current and Other Liabilities	752,556	589,428
Long Term Liabilities	8,538,300	8,389,275
Total Liabilities	9,290,856	8,978,703
Deferred Inflows of Resources	4,053,017	4,008,532
Net Position:		
Net Investment in Capital Assets	5,575,543	5,603,138
Unrestricted	2,239,119	-2,682,414
Restricted	-2,605,215	2,231,199
Total Net Position	5,209,446	5,151,923

**Exhibit I**

The largest portion of Dale County's net position (101%) is contained in its capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. These assets are not available for future spending. The County uses these capital assets to provide services to citizens. While the County's capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to pay for or liquidate these liabilities.

The following table reflects the condensed Statement of Net Position for Business Activities compared to the prior year:

Statement of Net Position As of September 30, 2017		
<u>Business-Type Activities</u>		
	2017	2016
Current and Other Assets	1,697,414	1,593,906
Capital Assets	143,737	152,196
Total Assets	1,841,151	1,746,102
Current and Other Liabilities	289,238	264,348
Long Term Liabilities	2,361	2,320
Total Liabilities	291,599	266,668
Net Position:		
Net Investment in Capital Assets		
Assets	143,737	152,196
Unrestricted	1,405,815	1,327,239
Total Net Position	1,549,552	1,479,435

## Statement of Activities

The following table summarizes the changes in the County's Net Position from its governmental activities for the fiscal year ended September 30, 2017.

### CHANGES IN NET POSITION – GOVERNMENTAL ACTIVITIES As of September 30, 2017

REVENUES	2017	2016
Program Revenues:		
Charges for Services	1,440,800	1,481,329
Operating Grants and Contributions	3,685,681	3,554,453
Capital Grants and Contributions	316,523	325,200
General Revenues		
Property Taxes-General Purposes	2,910,906	2,919,130
Property Taxes-Specific Purposes	1,503,201	1,520,325
Other County Sales and Use Taxes	247,188	247,406
Miscellaneous Taxes	134,278	157,131
Grants/Contributions not Restricted	249,046	240,097
Investment Earnings	56,775	51,123
Gain (Loss) on Disposition of Capital Assets	9,591	186,195
Miscellaneous	894,709	1,039,240
<b>Total Revenues</b>	<b>11,448,698</b>	<b>11,721,629</b>
EXPENSES		
Program Activities		
General Government	2,872,265	2,862,020
Public Safety	4,404,358	3,936,024
Highways and Roads	3,607,433	3,292,546
Sanitation	60,040	281,540
Health	115,984	133,180
Welfare	139,712	140,115
Culture and Recreation	63,100	63,097
Education	27,000	27,000
Interest and Fiscal Charges	101,283	78,498
<b>Total Expenses</b>	<b>11,391,175</b>	<b>10,814,020</b>
<b>Increase/(Decrease) in Net Position</b>	<b>57,523</b>	<b>907,609</b>

*Exhibit 2*

The County's total revenues of \$11,448,698 were 2.33% lower than the previous year. Property Taxes accounted for 38.56% of the total revenue of the County. Taxes as a whole represented 41.89% of the total revenue collected by the County for fiscal year ended September 30, 2017.

Expenses for all services of the County were \$11,391,175, which represented an increase of 5.34% over the prior year. Of the total expenses, 25.21% was spent for general government, 38.66% for public safety, 31.67% for highways and roads, and 4.45% on the remaining categories listed above.

The following table compares the revenues and expenditures for Business-Type Activities for FY 2017 and FY 2016, respectively.

**CHANGES IN NET POSITION - BUSINESS TYPE ACTIVITIES**

**As of September 30, 2017**

<b>REVENUES</b>	<b>2017</b>	<b>2016</b>	<b>CHANGE</b>
Program Revenues:			
Charges for Services	\$1,026,960	\$1,042,798	-\$15,838
General Revenues			
Investment Earnings	8,887	8,481	\$406
Gain (Loss) on Disposition of Capital Assets	0		\$0
Miscellaneous	0	32	-\$32
<b>Total Revenues</b>	<b>1,035,847</b>	<b>1,051,311</b>	<b>-15,464</b>
<b>EXPENDITURES</b>			
Program Activities			
Sanitation	965,730	882,945	\$82,785
<b>Total Expenditures</b>	<b>965,730</b>	<b>882,945</b>	<b>82,785</b>
<b>Increase/(Decrease) in Net Position</b>	<b>\$70,117</b>	<b>\$168,366</b>	<b>-\$98,249</b>

**Net Cost of Services**

The net cost of services is a comparison of the total cost for government functions and programs and the net cost remaining after reducing the total cost by the revenue generated from the specific function or program. For the current year, the total cost of services was \$11,391,177 and the combined charges for services plus operating and capital grants received were \$5,443,005, leaving a net cost to the County of \$5,948,172.

The table below presents the total cost and the net cost of each of the County's Functions. *Exhibit 2*

<b><u>Function/Program</u></b>	<b>2017</b>		<b>2016</b>	
	<b>Total Cost of Services</b>	<b>Net Cost of Services</b>	<b>Total Cost of Services</b>	<b>Net Cost of Services</b>
General Government	2,872,265	1,430,480	2,862,020	1,260,422
Public Safety	4,404,358	3,527,965	3,936,024	3,326,723
Highways and Roads	3,607,433	621,718	3,292,546	462,640
Sanitation	60,040	-137	281,541	3,159
Health	115,984	102,336	133,180	116,946
Welfare	139,712	76,744	140,115	116,553
Culture and Recreation	63,100	61,475	63,097	61,694
Education	27,000	26,308	27,000	26,403
Interest and Fiscal Charges	101,283	101,283	78,498	78,498
<b>Total Governmental Activities</b>	<b>11,391,175</b>	<b>5,948,172</b>	<b>10,814,021</b>	<b>5,453,038</b>



## FINANCIAL ANALYSIS OF FUND BALANCES

The financial performance of the County as a whole is also reflected in its governmental funds. As the Commission completed the year, its governmental funds reported a combined fund balance of \$4,040,479. As noted in the Budgetary Highlights below, the largest part of this increase of \$801,485 comes from the increase in the Capital Improvements Fund.

<u>Fund</u>	<u>Beginning Fund Balance</u>	<u>Net Increase or (Decrease)</u>	<u>Ending Fund Balance</u>
General Fund	1,130,491	59,465	1,189,956
Gasoline Fund	982,859	240,719	1,223,578
RRR Gasoline Fund	436,193	-210,657	225,536
Other Governmental Funds	1,697,857	216,288	1,914,145
<b>Totals</b>	<b>4,247,400</b>	<b>305,815</b>	<b>4,553,215</b>

*Exhibit 5*

### Highlights – Major Funds

- **General Fund**

As reflected in Exhibit 5, the ending General Fund balance was \$1,189,956 compared to the final budgeted amount of \$11,114. Budgeted expenditures were \$6,447,275 compared to actual General Fund Expenditures of \$6,462,204. Law enforcement expenditures accounted for 56.51% of general fund expenses, and general government expenditures accounted for 3.75% of general fund expenses. Total revenues were \$6,521,281 compared to budgeted revenues of \$4,953,485. 63.27% of general fund revenue came from taxes, and 17.49% were from charges for services.

- **Gasoline Tax Fund**

Fund balance for the Gasoline Tax Fund at the end of the year was \$1,223,578, as shown on Exhibit 5. This is an increase of \$240,719 from the previous year. 70.81% of revenue came from intergovernmental sources, and 29.19% came from miscellaneous sources. 91.02% of total gasoline fund expenditures of \$1,904,447 were spent on highways and roads, and 8.98% was spent on capital outlay and debt service.

- **RRR Gasoline Tax Fund**

Revenues for the RRR Gasoline Tax Fund are entirely intergovernmental. Actual revenues as shown on Exhibit 5 were \$1,017,356, which is \$468,810 more than budgeted. Actual expenditures of \$1,528,613 were \$376,000 more than budgeted.

- **Reappraisal Fund**

Actual revenue for the Reappraisal Fund was \$406,050, which is \$27,607.98 less than was budgeted. Actual expenditures of \$406,050. were \$37,607.98 less than was budgeted. All unencumbered fund balances must be returned to the Revenue Commissioner no later than December 31 of each year, unless the amount is considered in the funding of the budget for the next fiscal year.

## GENERAL FUND BUDGETARY DISCUSSION

The County Commission has established an annual budget process whereby all of the departments submit an annual budget request to the Commission for the coming year's operating expenses. The Commission reviews, adjusts as necessary and then adopts an original budget to fund the operating needs of each department. Throughout the year, the original budget may be amended to reflect changes in requirements that impact the County.

## CAPITAL ASSETS

The commission depreciates assets other than land and construction in progress on an annual basis, using the straight-line method of depreciation. The following table provides a reconciliation of capital assets for the year ended September 30, 2016 for governmental activities.

<b>Governmental Activities:</b>	
<b>Total Capital Assets at October 1, 2016</b>	<b>17,227,200</b>
Additions/Reclassifications	391,771
Retirements/Reclassifications	-438,162
<b>Total Capital Assets at September 30, 2017</b>	<b>17,180,810</b>

The following table provides a comparison of total assets for governmental activities before and after depreciation.

	Value 9/30/2017 Before Depreciation	Value 9/30/2017 After Depreciation
<b>Governmental Activities:</b>		
Land	473,591	473,591
Construction in Progress	646,267	646,267
Infrastructure	1,793,700	1,210,958
Buildings	9,051,193	5,100,851
Construction Equipment	2,184,820	560,582
Office Equipment	55,346	0
Motor Vehicles	1,627,851	415,993
Data Processing Equipment	229,374	14,130
Communication Equipment	152,585	14,296
Other Equipment	966,083	304,583
<b>Total Capital Assets</b>	<b>17,180,810</b>	<b>7,610,393</b>

Further information on Capital Assets (including those of business-type activities) is located in Note 5 of the Notes to the Financial Statements.

## LONG-TERM DEBT ACTIVITY

On April 1, 2012, the Commission entered into a notes payable agreement for \$88,250.00 at 3.38% interest rate to purchase an asphalt zipper. The payments for this note payable are made from the Gasoline Tax Fund. This note was paid in full as of September 30, 2016.

On May 1, 2012, the Commission entered into a notes payable agreement for \$95,057.00 at 1.900% interest rate to purchase a motorgrader. The payments for this note payable are made from the Gasoline Tax Fund.

On February 28, 2014, the Commission entered into a notes payable agreement for \$57,320.00 at 1.900% interest rate to purchase a mulching attachment. The payments for this note payable are made from the Gasoline Tax Fund.

On August 5, 2015, the Commission entered into a notes payable agreement for \$45,461.00 at 1.740% interest rate to purchase a 2016 Mack Dump Truck. The payments for this note payable are made from the Gasoline Tax Fund.

On July 17, 2015, the Commission entered into a notes payable agreement for \$50,016.50 at 1.310% interest rate to purchase an automobile for the Sheriff's Department relating to a Common Service

Agreement with the Town of Arton. The Town of Arton makes monthly payments to the General Fund, and the payments for this note payable are made from the General Fund.

On October 27, 2015, the Commission entered into a notes payable agreement for \$22,374.50 at 1.53% interest rate to purchase a 2016 Ford Transit Van. The payments for this note payable are made from the General Fund.

On March 71, 2016, the Commission entered into a notes payable line of credit agreement for \$849,500.00 at 2.29% interest rate to construct a new P25 Radio Tower. The payments for this note payable are made from the Sheriff's Service Fee Fund, which is included in the General Fund in these financial statements. As of September 30, 2016, the amount of debt on this note was \$620,150.00. The project is not yet completed.

On March 31, 2016, the Commission entered into a notes payable agreement for \$132,270.00 at 2.10% interest rate to purchase a 2017 Mack Dump Truck, a 2003 Peterbilt Truck, and a 2002 Pitts Trailer. The payments for this note payable are made from the Gasoline Fund.

	Debt Outstanding 10/1/2016	Additions	Deletions	Debt Outstanding 9/30/2017	Amounts Due within One Year
<b>Governmental Activities:</b>					-
General Obligation Warrants, Series 2014	\$ 2,575,000.00		\$ (120,000.00)	\$ 2,455,000.00	\$ 120,000.00
Notes Payable					
Motorgrader	\$ 19,631.45		\$ (19,631.45)	\$ -	
Mulcher Attachment	\$ 29,206.01		\$ (14,462.94)	\$ 14,743.07	\$ 14,743.07
Sheriff Vehicle-Arton	\$ 33,565.03		\$ (16,671.80)	\$ 16,893.23	\$ 16,893.23
2016 Mack Dump Truck	\$ 36,661.43		\$ (8,926.47)	\$ 27,734.96	\$ 9,083.95
2016 Ford Transit Van	\$ 22,374.50		\$ (5,464.43)	\$ 16,910.07	\$ 5,636.25
Dump Truck, Tractor Truck, Lowboy	\$ 132,270.00		\$ (32,029.95)	\$ 100,240.05	\$ 32,711.92
Sheriff Radio Tower System	\$ 620,150.00		\$ (85,963.46)	\$ 534,186.54	\$ 87,959.37
Total Notes Payable	\$ 893,858.42	\$ -	\$ (183,150.50)	\$ 710,707.92	\$ 167,027.79
<b>Other Liabilities:</b>					
Other Postemployment Benefits	\$ 465,499.00	\$ 67,567.00		\$ 533,066.00	\$ -
Pension Liability	\$ 4,623,902.00	\$ 357,600.00		\$ 4,981,502.00	
Compensated Absences	\$ 149,073.43	\$ 12,095.45		\$ 161,168.88	\$ 16,116.89
Total Other Liabilities	\$ 5,238,474.43	\$ 437,262.45	\$ -	\$ 5,675,736.88	\$ 16,116.89
Total Governmental Activities				\$ -	
Long-Term Activities	\$ 8,707,332.85	\$ 437,262.45	\$ (303,150.50)	\$ 8,841,444.80	\$ 303,144.68

Further information on Long-Term Debt is located in Note 10 of the Notes to the Financial Statements.

### ECONOMIC FACTORS

Property tax revenue is a major resource component for the County. Other sources of revenues to finance governmental operations include charges for services and intergovernmental revenues.



## **CONTACTING THE COMMISSIONS'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of Commission's finances and to show the Commission's accountability for money received. If you have questions about this report or need additional financial information, please contact the County Administrator at the office of the Dale County Commission, 202 South Highway 123 Suite C, Ozark, Alabama, 36360.

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## *Basic Financial Statements*

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Statement of Net Position  
As of September 30, 2017

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Current Assets			
Cash and Cash Equivalents	2,569,556.15	261,822.57	2,831,378.72
Investments	2,005,000.00	1,230,000.00	3,235,000.00
Receivables	557,670.15	205,590.97	763,261.12
Intergovernmental Taxes Receivable	3,650,685.73	0.00	3,650,685.73
Other Assets	149,271.66	0.00	149,271.66
<b>Total Current Assets</b>	<b>8,932,183.69</b>	<b>1,697,413.54</b>	<b>10,629,597.23</b>
Noncurrent Assets			
Cash and Cash Equivalents	0.00	0.00	0.00
Investments	1,119,857.94	128,113.00	1,247,970.94
Depreciable Assets, Net	7,621,393.02	15,623.72	7,637,016.74
<b>Total Noncurrent Assets</b>	<b>8,741,250.96</b>	<b>143,736.72</b>	<b>8,884,987.68</b>
<b>Total Assets</b>	<b>17,673,434.65</b>	<b>1,841,150.26</b>	<b>19,514,584.91</b>
<b>Deferred Outflows of Resources</b>			
Other Pension Contribution	391,731.79	0.00	391,731.79
Proportionate Share of Collective Deferred Outflows Related to Defined Benefit Pension Plans	488,153.00	0.00	488,153.00
<b>Total Deferred Outflows of Resources</b>	<b>879,884.79</b>	<b>0.00</b>	<b>879,884.79</b>
<b>Liabilities</b>			
Current Liabilities			
Accounts Payable	52,673.69	104,722.73	157,396.42
Unearned Revenue	35,165.23	182,761.36	217,926.59
Accrued Wages Payable	76,677.51	1,491.13	78,168.64
<b>Total Current Liabilities</b>	<b>284,894.90</b>	<b>0.00</b>	<b>284,894.90</b>
Term Liabilities:			
Due Within One Year:			
Compensated Absences Payable	167,027.79	0.00	167,027.79
Compensated Absences	16,116.89	262.30	16,379.19
Pension Liabilities Payable	120,000.00	0.00	120,000.00
<b>Total Current Liabilities</b>	<b>752,556.01</b>	<b>289,237.52</b>	<b>1,041,793.53</b>
Noncurrent Liabilities			
Term Liabilities:			
Due After One Year:			
Compensated Absences Payable	543,680.13	0.00	543,680.13
Compensated Absences	145,051.99	2,360.66	147,412.65
Other Post Employment Benefit Obligation	533,066.00	0.00	533,066.00
Pension Liabilities Payable	2,335,000.00	0.00	2,335,000.00
Other Pension Liability	4,981,502.00	0.00	4,981,502.00
<b>Total Noncurrent Liabilities</b>	<b>8,538,300.12</b>	<b>2,360.66</b>	<b>8,540,660.78</b>
<b>Total Liabilities</b>	<b>9,290,856.13</b>	<b>291,598.18</b>	<b>9,582,454.31</b>
<b>Deferred Inflows of Resources</b>			
Available Revenue - Property Taxes	3,650,685.73	0.00	3,650,685.73
Revenue Received in Advance - Motor Vehicle Taxes	278,871.11	0.00	278,871.11
Proportionate Share of Collective Deferred Inflows Related to Defined Benefit Pension Plans	123,460.00	0.00	123,460.00
<b>Total Deferred Inflows of Resources</b>	<b>4,053,016.84</b>	<b>0.00</b>	<b>4,053,016.84</b>
<b>Position</b>			
Investment in Capital Assets	5,575,543.04	143,736.72	5,719,279.76
Invested for:			
Roads and Roads	548,309.59	0.00	548,309.59
Capital Improvements	921,337.32	0.00	921,337.32
Enforcement	205,946.88	0.00	205,946.88
Use of Probate Judge	201,859.82	0.00	201,859.82
Other Purposes	361,665.23	0.00	361,665.23
<b>Total Invested for</b>	<b>(2,605,215.41)</b>	<b>1,405,815.36</b>	<b>(1,199,400.05)</b>
<b>Total Net Position</b>	<b>5,209,446.47</b>	<b>1,549,552.08</b>	<b>6,758,998.55</b>

Accompanying Notes to the Financial Statements are an integral part of this statement.

Dale County Commission  
Statement of Activities  
For the Year Ended September 30, 2017

EXHIBIT 4

Programs/Activities	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
General Government	2,872,265.01	1,126,308.45	230,869.37	84,606.66	(1,430,480.53)		(1,430,480.53)
Public Safety	4,404,358.36	313,836.17	390,938.16	171,618.90	(3,527,965.13)		(3,527,965.13)
Highways and Roads	3,607,433.05	620.80	2,985,094.52	0.00	(621,717.73)		(621,717.73)
Sanitation	60,040.89	5.51	60,172.29	0.00	136.91		136.91
Health	115,984.00	10.91	13,637.20	0.00	(102,335.89)		(102,335.89)
Fire	139,712.76	9.73	2,661.28	60,297.68	(76,744.07)		(76,744.07)
Arts and Recreation	63,100.00	5.92	1,619.21	0.00	(61,474.87)		(61,474.87)
Administration	27,000.00	2.52	689.38	0.00	(26,308.10)		(26,308.10)
Debt and Fiscal Charges	101,282.63	0.00	0.00	0.00	(101,282.63)		(101,282.63)
Governmental Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Business-Type Activities							
Landfill	11,391,176.70	1,440,800.01	3,685,681.41	316,523.24	(5,948,172.04)	0.00	(5,948,172.04)
Business-Type Total							
Landfill	57,709.61	328.61	0.00	0.00	0.00	(57,381.00)	(57,381.00)
Sanitary Landfill	908,019.92	1,026,631.43	0.00	0.00	0.00	118,611.51	118,611.51
Arts and Recreation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Business-Type Total	965,729.53	1,026,960.04	0.00	0.00	0.00	61,230.51	61,230.51
Total	12,356,906.23	2,467,760.05	3,685,681.41	316,523.24	(5,948,172.04)	61,230.51	(5,886,941.53)
General Revenues:							
Taxes:							
Property Taxes for General Purposes					2,910,905.80		2,910,905.80
Property Taxes for Specific Purposes					1,503,201.12		1,503,201.12
General Sales Tax					0.00		0.00
Special Sales Tax					0.00		0.00
Other County Sales and Use Taxes					247,188.42		247,188.42
Miscellaneous Taxes					134,277.76		134,277.76
Grants and Contributions Not Restricted for Specific Programs					249,046.38		249,046.38
Investment Earnings					56,775.34	8,886.66	65,662.00
Gain on Disposition of Capital Assets					9,590.55	0.00	9,590.55
Miscellaneous					894,709.30	0.00	894,709.30
Transfers					0.00	0.00	0.00
Total General Revenues and Transfers					6,005,694.67	8,886.66	6,014,581.33
Changes in Net Position					57,522.63	70,117.17	127,639.80
Net Position - Beginning of Year					5,151,923.84	1,479,434.91	6,631,358.75
Net Position - End of Year					5,209,446.47	1,549,552.08	6,758,998.55

Accompanying Notes to the Financial Statements are an integral part of this statement.

**Balance Sheet**  
**Governmental Funds**  
**As of September 30, 2017**

Page 1014

	General Fund	Gasoline Tax Fund	RRR Gasoline Tax Fund	Reappraisal Fund	Other Governmental Funds	Total Governmental Funds
and Cash Equivalents	608,864.10	402,883.67	221,283.51	38,909.41	1,297,615.46	2,569,556.15
with Fiscal Agent	0.00	0.00	0.00	0.00	0.00	0.00
stments	975,000.00	405,000.00	0.00	0.00	625,000.00	2,005,000.00
ivables	256,607.45	292,807.15	4,252.44	0.00	4,003.11	557,670.15
alorem Taxes Receivable	3,036,820.83	0.00	0.00	462,247.00	151,617.90	3,650,685.73
From Other Funds	1,154.63	0.00	0.00	0.00	0.00	1,154.63
ntories	0.00	149,271.66	0.00	0.00	0.00	149,271.66
er Assets	0.00	0.00	0.00	0.00	0.00	0.00
Assets	<u>4,878,447.01</u>	<u>1,249,962.48</u>	<u>225,535.95</u>	<u>501,156.41</u>	<u>2,078,236.47</u>	<u>8,933,338.32</u>
<b>ities, Deferred Inflows of Resources and Fund Balances</b>						
ities						
ibles	49,027.46	3,411.21	0.00	235.02	0.00	52,673.69
to Other Funds	0.00	1,154.63	0.00	0.00	0.00	1,154.63
arned Revenues	0.00	0.00	0.00	35,165.23	0.00	35,165.23
ued Wages Payable	51,349.71	21,818.64	0.00	3,509.16	0.00	76,677.51
er Liabilities	284,894.90	0.00	0.00	0.00	0.00	284,894.90
otal Liabilities	<u>385,272.07</u>	<u>26,384.48</u>	<u>0.00</u>	<u>38,909.41</u>	<u>0.00</u>	<u>450,565.96</u>
<b>rred Inflows of Resources</b>						
available Revenue - Property Taxes	3,036,820.83	0.00	0.00	462,247.00	151,617.90	3,650,685.73
enue Received in Advance - Motor Vehicle Taxes	266,397.88	0.00	0.00	0.00	12,473.23	278,871.11
al Deferred Inflows of Resources	<u>3,303,218.71</u>	<u>0.00</u>	<u>0.00</u>	<u>462,247.00</u>	<u>164,091.13</u>	<u>3,929,556.84</u>
<b>Balances</b>						
spendable:						
entories	0.00	149,271.66	0.00	0.00	0.00	149,271.66
stricted for:						
hways and Roads	99,437.55	0.00	225,535.95	0.00	223,336.09	548,309.59
ital Improvements	0.00	0.00	0.00	0.00	921,337.32	921,337.32
v Enforcement	0.00	0.00	0.00	0.00	205,946.88	205,946.88
ice of Probate Judge	0.00	0.00	0.00	0.00	201,859.82	201,859.82
ier Purposes	0.00	0.00	0.00	0.00	361,665.23	361,665.23
mitted	0.00	0.00	0.00	0.00	0.00	0.00
igned to:						
hways and Roads	0.00	1,074,306.34	0.00	0.00	0.00	1,074,306.34
ier Purposes	0.00	0.00	0.00	0.00	0.00	0.00
ssigned	1,090,518.68	0.00	0.00	0.00	0.00	1,090,518.68
otal Fund Balances	<u>1,189,956.23</u>	<u>1,223,578.00</u>	<u>225,535.95</u>	<u>0.00</u>	<u>1,914,145.34</u>	<u>4,553,215.52</u>
Liabilities, Deferred Inflows of Resources and Fund Balances	<u>4,878,447.01</u>	<u>1,249,962.48</u>	<u>225,535.95</u>	<u>501,156.41</u>	<u>2,078,236.47</u>	<u>8,933,338.32</u>

Accompanying Notes to the Financial Statements are an integral part of this statement.



Dale County Commision  
*Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position*  
September 30, 2017

I Fund Balances - Governmental Funds (Exhibit 3) 4,553,215.52

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

tal assets used in governmental activities are not financial resources, and therefore  
not reported as assets in governmental funds. These assets consist of:

nd	473,591.00	
nd Improvements	0.00	
ildings and Improvements	9,051,193.24	
rastructure	1,793,700.17	
uipment and Furniture	5,216,058.67	
nstruction in Progress	646,266.94	
sets Under Capital Leases	0.00	
umulated Depreciation	(8,439,559.06)	
otal Capital Assets		8,741,250.96

ued interest receivable is not available soon enough to pay for the current  
iods expenditures, and therefore is not shown in the funds.

0.00

rrred outflows and inflows of resources related to pensions are applicable to future  
iods and, therefore, are not reported in the governmental funds.

756,424.79

ain liabilities are not due and payable in the current period, and therefore are  
reported as liabilities in the funds. These liabilities at year-end consist of:

	Current Liabilities	Noncurrent Liabilities	
crued Interest Payable	0.00		
otes Payable	167,027.79	543,680.13	
ipital Leases Payable	0.00	0.00	
mpensated Absences	16,116.89	145,051.99	
her Postemployment Benefit Obligation	0.00	533,066.00	
arrants Payable	120,000.00	2,335,000.00	
et Pension Liability		4,981,502.00	
amortized Discount	0.00	0.00	
amortized Premium	0.00	0.00	
otal Long-Term Liabilities	303,144.68	8,538,300.12	(8,841,444.80)

I Net Position - Governmental Activities (Exhibit 1)

5,209,446.47

accompanying Notes to the Financial Statements are an integral part of this statement.

## Governmental Funds

For the Year Ended September 30, 2017

	General Fund	Gasoline Tax Fund	RRR Gasoline Tax Fund	Reappraisal Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Taxes	4,125,844.19	0.00	0.00	406,001.25	263,727.66	4,795,573.10
Licenses and Permits	57,860.24	0.00	0.00	0.00	121,930.00	179,790.24
Intergovernmental	1,068,895.84	1,492,214.05	1,006,907.95	0.00	685,380.54	4,253,398.38
Fees for Services	1,140,374.88	12,868.19	0.00	0.00	88,879.74	1,242,122.81
Miscellaneous	128,305.60	602,318.48	1,048.46	48.77	236,502.94	968,224.25
<b>Total Revenues</b>	<b>6,521,280.75</b>	<b>2,107,400.72</b>	<b>1,007,956.41</b>	<b>406,050.02</b>	<b>1,396,420.88</b>	<b>11,439,108.78</b>
<b>Expenditures</b>						
Current:						
General Government	2,180,717.99	0.00	0.00	406,050.02	113,147.06	2,699,915.07
Public Safety	3,619,381.72	0.00	0.00	0.00	401,058.81	4,020,440.53
Highways and Roads	0.00	1,733,391.06	1,528,612.88	0.00	0.00	3,262,003.94
Housing	58,665.30	0.00	0.00	0.00	0.00	58,665.30
Health	115,984.00	0.00	0.00	0.00	0.00	115,984.00
Transportation	103,534.17	0.00	0.00	0.00	24,599.76	128,133.93
Culture and Recreation	63,100.00	0.00	0.00	0.00	0.00	63,100.00
Education	27,000.00	0.00	0.00	0.00	0.00	27,000.00
Capital Outlay	158,185.74	91,602.00	0.00	0.00	141,983.40	391,771.14
Service:						
Principal Retirement	108,099.69	75,050.81	0.00	0.00	120,000.00	303,150.50
Interest and Fiscal Charges	27,535.64	4,403.23	0.00	0.00	69,343.76	101,282.63
Bond Issuance Costs	0.00	0.00	0.00	0.00	0.00	0.00
Intergovernmental	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Expenditures</b>	<b>6,462,204.25</b>	<b>1,904,447.10</b>	<b>1,528,612.88</b>	<b>406,050.02</b>	<b>870,132.79</b>	<b>11,171,447.04</b>
<b>Surplus (Deficiency) of Revenues over Expenditures</b>	<b>59,076.50</b>	<b>202,953.62</b>	<b>(520,656.47)</b>	<b>0.00</b>	<b>526,288.09</b>	<b>267,661.74</b>
<b>Other Financing Sources (Uses)</b>						
Transfers In	0.00	0.00	310,000.00	0.00	218,634.38	528,634.38
Proceeds from Sale of Capital Assets	388.50	37,765.00	0.00	0.00	0.00	38,153.50
Long-Term Debt Issued	0.00	0.00	0.00	0.00	0.00	0.00
Premium on Debt Issued	0.00	0.00	0.00	0.00	0.00	0.00
Other Financing Sources	0.00	0.00	0.00	0.00	0.00	0.00
Transfers Out	0.00	0.00	0.00	0.00	(528,634.38)	(528,634.38)
Amount on Debt Issued	0.00	0.00	0.00	0.00	0.00	0.00
Payments to Escrow Agent	0.00	0.00	0.00	0.00	0.00	0.00
Repayments	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Financing Sources (Uses)</b>	<b>388.50</b>	<b>37,765.00</b>	<b>310,000.00</b>	<b>0.00</b>	<b>(310,000.00)</b>	<b>38,153.50</b>
<b>Net Changes in Fund Balances</b>	<b>59,465.00</b>	<b>240,718.62</b>	<b>(210,656.47)</b>	<b>0.00</b>	<b>216,288.09</b>	<b>305,815.24</b>
<b>Balances - Beginning of Year</b>	<b>1,130,491.23</b>	<b>982,859.38</b>	<b>436,192.42</b>	<b>0.00</b>	<b>1,697,857.25</b>	<b>4,247,400.28</b>
<b>Balances - End of Year</b>	<b>1,189,956.23</b>	<b>1,223,578.00</b>	<b>225,535.95</b>	<b>0.00</b>	<b>1,914,145.34</b>	<b>4,553,215.52</b>

Accompanying Notes to the Financial Statements are an integral part of this statement.



**Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Year Ended September 30, 2017**

Changes in Fund Balances - Total Governmental Funds (Exhibit 5)		305,815.24
Items reported for governmental activities in the Statement of Activities (Exhibit 2) are different because:		
Governmental funds report capital outlay as an expenditure. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay of \$771.14 exceeded depreciation of \$693,953.82 in the current period.	(302,182.68)	
In the Statement of Activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus the changes in net assets differs from the change in fund balance by the cost of the capital assets sold.		
Proceeds From the Sale of Capital Assets	(38,153.50)	
Less: (Loss) on the Sale of Capital Assets	<u>9,590.55</u>	
Book Value of Assets Sold		(28,562.95)
Payment of debt principal is an expenditure in the governmental funds, but the payment reduces long-term liabilities in the Statement of Net Position.		303,150.50
Interest/issuance costs on debt issuance are recorded as financing uses/expenditures in governmental funds, but are deferred and amortized in the Statement of Activities.		0.00
Payments to refunding escrow agent are recorded as expenditures or other financing in the governmental funds, but reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		0.00
Issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.		
Accounts Payable	0.00	
Capital Leases Payable	0.00	
Other Long-Term Debt Payable	0.00	
Grants Payable	0.00	
Accrued Discount	0.00	
Accrued Charges on Refunding Debt	0.00	
Accrued Premium	<u>0.00</u>	
		0.00
Items reported in the Statement of Activities do not require the use of current financial resources, and therefore are not reported as expenditures in the governmental funds. These items consist of:		
Increase/Decrease in Accrued Interest Payable	0.00	
Increase/Decrease in Compensated Absences	12,095.45	
Amortization of Bond Discounts/Premiums/Issuance Costs	0.00	
Increase/Decrease in Other Postemployment Benefit Obligation	67,567.00	
Increase/Decrease in Pension Expense	<u>141,035.03</u>	
		(220,697.48)
Revenues in the Statement of Activities that do not provide current financial resources are reported as revenues in the funds:		
Accrued Interest Receivable, Current Year Increase/(Decrease)	0.00	
Depreciated Assets	0.00	
Miscellaneous	<u>0.00</u>	
		0.00
Change in Net Position of Governmental Activities (Exhibit 2)		<u><u>57,522.63</u></u>

Accompanying Notes to the Financial Statements are an integral part of this statement.

**Statement of Net Position**  
**Proprietary Funds**  
**As of September 30, 2017**

	Enterprise Funds		Total
	Inert Landfill	Residential	Enterprise
	Fund	Garbage Fund	Funds
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	14,723.24	247,099.33	261,822.57
Investments	200,000.00	1,030,000.00	1,230,000.00
From Other Funds	0.00	0.00	0.00
Accounts Receivable, Net	0.00	205,590.97	205,590.97
<b>Total Current Assets</b>	<b>214,723.24</b>	<b>1,482,690.30</b>	<b>1,697,413.54</b>
<b>Noncurrent Assets</b>			
Restricted Cash and Cash Equivalents	0.00	0.00	0.00
Investments	128,113.00	0.00	128,113.00
Depreciable, Net	0.00	15,623.72	15,623.72
Other Noncurrent Assets	0.00	0.00	0.00
<b>Total Noncurrent Assets</b>	<b>128,113.00</b>	<b>15,623.72</b>	<b>143,736.72</b>
<b>Total Assets</b>	<b>342,836.24</b>	<b>1,498,314.02</b>	<b>1,841,150.26</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts Payable	0.00	104,722.73	104,722.73
Accrued Revenue	0.00	182,761.36	182,761.36
Pensions and Benefits Payable	0.00	1,491.13	1,491.13
Due to Other Governments	0.00	0.00	0.00
Due to Other Funds	0.00	0.00	0.00
Long-Term Liabilities:			
Portion Due or Payable Within One Year:			
Notes Payable	0.00	0.00	0.00
Capital Leases Payable	0.00	0.00	0.00
Compensated Absences	0.00	262.30	262.30
<b>Total Current Liabilities</b>	<b>0.00</b>	<b>289,237.52</b>	<b>289,237.52</b>
<b>Noncurrent Liabilities</b>			
Portion Due or Payable After One Year:			
Notes Payable	0.00	0.00	0.00
Capital Leases Payable	0.00	0.00	0.00
Compensated Absences	0.00	2,360.66	2,360.66
Other Postemployment Benefit Obligation	0.00	0.00	0.00
<b>Total Noncurrent Liabilities</b>	<b>0.00</b>	<b>2,360.66</b>	<b>2,360.66</b>
<b>Total Liabilities</b>	<b>0.00</b>	<b>291,598.18</b>	<b>291,598.18</b>
<b>Net Position</b>			
Investment in Capital Assets	128,113.00	15,623.72	143,736.72
Restricted for Landfill Postclosure Costs	0.00	0.00	0.00
<b>Restricted</b>	<b>214,723.24</b>	<b>1,191,092.12</b>	<b>1,405,815.36</b>
<b>Net Position</b>	<b>342,836.24</b>	<b>1,206,715.84</b>	<b>1,549,552.08</b>

Accompanying notes to the Financial Statements are an integral part of this statement.

## Statement of Revenues, Expenses and Changes in Fund Net Position

## Proprietary Funds

For the Year Ended September 30, 2017

	Enterprise Funds		Total
	Inert Landfill	Residential	Enterprise
	Fund	Garbage Fund	Funds
<b>Operating Revenues</b>			
Charges for Services	328.61	1,026,631.43	1,026,960.04
Total Operating Revenues	<u>328.61</u>	<u>1,026,631.43</u>	<u>1,026,960.04</u>
<b>Operating Expenses</b>			
Salaries	921.10	74,085.78	75,006.88
Employee Benefits and Payroll Taxes	179.04	23,229.58	23,408.62
Contractual and Professional Services	13,115.09	728,672.85	741,787.94
Materials and Supplies	244.25	10,207.98	10,452.23
Repairs and Maintenance	41,657.83	1,346.53	43,004.36
Utilities	0.00	158.31	158.31
Communications	0.00	0.00	0.00
Rent	0.00	16,275.82	16,275.82
Insurance	0.00	2,005.95	2,005.95
Charges for Resale	1,542.00	1,163.00	2,705.00
Depreciation	0.00	0.00	0.00
Landfill Expenses	0.00	8,459.37	8,459.37
Miscellaneous	0.00	1,613.11	1,613.11
Total Operating Expenses	<u>57,709.61</u>	<u>908,019.92</u>	<u>965,729.53</u>
Operating Income (Loss)	<u>(57,381.00)</u>	<u>118,611.51</u>	<u>61,230.51</u>
<b>Nonoperating Revenues (Expenses)</b>			
Miscellaneous Revenue	0.00	0.00	0.00
Interest Revenue	1,445.00	7,441.66	8,886.66
Gain on Disposal of Capital Assets	0.00	0.00	0.00
Interest Expense	0.00	0.00	0.00
Miscellaneous Expenses	0.00	0.00	0.00
Loss on Disposal of Capital Assets	0.00	0.00	0.00
Total Nonoperating Revenues (Expenses)	<u>1,445.00</u>	<u>7,441.66</u>	<u>8,886.66</u>
Income (Loss) before Transfers	<u>(55,936.00)</u>	<u>126,053.17</u>	<u>70,117.17</u>
<b>Transfers In/(Out)</b>			
Transfers In	57,095.00	0.00	57,095.00
Transfers Out	0.00	(57,095.00)	(57,095.00)
Total Transfers In/(Out)	<u>57,095.00</u>	<u>(57,095.00)</u>	<u>0.00</u>
Changes in Net Position	<u>1,159.00</u>	<u>68,958.17</u>	<u>70,117.17</u>
Position - Beginning of Year	<u>341,677.24</u>	<u>1,137,757.67</u>	<u>1,479,434.91</u>
Position - End of Year	<u>342,836.24</u>	<u>1,206,715.84</u>	<u>1,549,552.08</u>

Accompanying Notes to the Financial Statements are an integral part of this statement.

**Statement of Cash Flows**  
**Proprietary Funds**  
**As of September 30, 2017**

	<b>Enterprise Funds</b>		<b>Total</b>
	<b>Inert Landfill Fund</b>	<b>Residential Garbage Fund</b>	<b>Enterprise Funds</b>
<b>Flows from Operating Activities</b>			
Received for Services	328.61	1,027,538.18	1,027,866.79
Payments to Employees	(1,100.14)	(96,684.55)	(97,784.69)
Payments for Goods and Services	(56,609.47)	(788,830.22)	(845,439.69)
<b>Net Cash Flows Provided by Operating Activities</b>	<b>(57,381.00)</b>	<b>142,023.41</b>	<b>84,642.41</b>
<b>Flows from Noncapital Financing Activities</b>			
Incidental Revenues	0.00		0.00
Transfers In/(Out)	57,095.00	(57,095.00)	0.00
<b>Net Cash Flows Provided by Noncapital Financing Activities</b>	<b>57,095.00</b>	<b>(57,095.00)</b>	<b>0.00</b>
<b>Flows from Capital and Related Financing Activities</b>			
Acquisition of Capital Assets	0.00	0.00	0.00
Disposal of Capital Assets	0.00	0.00	0.00
Long-term Debt Related to Capital Assets	0.00	0.00	0.00
<b>Net Cash Flows From Capital and Related Financing Activities</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Flows from Investing Activities</b>			
Acquisition of Investments/Reduction to Investments	0.00	0.00	0.00
Investment Received	1,445.00	7,441.66	8,886.66
<b>Net Cash Flows Provided by Investing Activities</b>	<b>1,445.00</b>	<b>7,441.66</b>	<b>8,886.66</b>
<b>Net Increase (Decrease) in Cash</b>	<b>1,159.00</b>	<b>92,370.07</b>	<b>93,529.07</b>
<b>- Beginning of Year</b>	<b>13,564.24</b>	<b>154,729.26</b>	<b>168,293.50</b>
<b>- End of Year</b>	<b>14,723.24</b>	<b>247,099.33</b>	<b>261,822.57</b>

Accompanying notes to the Financial Statements are an integral part of this statement.

Dale County Commission  
*Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*As of September 30, 2017*

	Private-Purpose Trust Funds	Agency Funds
ts		
nt Assets		
and Cash Equivalents	334,332.57	125,118.33
stments	315,000.00	100,000.00
ivables	0.00	43,636.89
rest Receivable	0.00	0.00
er Assets	0.00	0.00
tal Current Assets	<u>649,332.57</u>	<u>268,755.22</u>
urrent Assets		
ital Assets, Net	<u>0.00</u>	<u>0.00</u>
tal Noncurrent Assets	<u>0.00</u>	<u>0.00</u>
otal Assets	<u>649,332.57</u>	<u>268,755.22</u>
ilities		
unts Payable	412.74	112,305.09
able to External Parties	0.00	102,750.93
to Other Governments	0.00	53,699.20
erred Revenue	0.00	0.00
er Liabilities	<u>0.00</u>	<u>0.00</u>
tal Liabilities	<u>412.74</u>	<u>268,755.22</u>
osition		
d in Trust for Other Purposes	<u>648,919.83</u>	

Accompanying notes to the Financial Statements are an integral part of this statement.

**Statement of Changes in Fiduciary Net Position**

**Fiduciary Funds**

**For the Year Ended September 30, 2017**

**Private-Purpose**

**Trust Funds**

**tions**

**Contributions from:**

Without Check Service Charge

2,096.71

/ Library Fees

24,130.68

Direct Attorneys Fees

6,372.72

Cellaneous

132,042.43

Interest

1,914.59

Total Additions

166,557.13

**Deductions:**

Administrative Expense

404,413.57

Depreciation

0.00

Cellaneous

0.00

Total Deductions

404,413.57

Changes in Net Position

(237,856.44)

Position - Beginning of Year

886,776.27

Position - End of Year

648,919.83

Accompanying Notes to the Financial Statements are an integral part of this statement.



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## ***Notes to the Financial Statements***

### ***For the Year Ended September 30, 2017***

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#### **Note 1 – Summary of Significant Accounting Policies**

The financial statements of the Dale County Commission (the “Commission”) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

#### **A. Reporting Entity**

The Commission is a general purpose local government governed by separately elected commissioners. Generally accepted accounting principles (GAAP) require that the financial statements present the Commission (the primary government) and its component units. Component units are legally separate entities for which a primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based on the application of these criteria, there are no component units which should be included as part of the financial reporting entity of the Commission.

#### **B. Government-Wide and Fund Financial Statements**

##### **Government-Wide Financial Statements**

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

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Commission and for each function of the Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The Commission does not allocate indirect expenses to the various functions. Program revenues include (a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or program and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.



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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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#### *Fund Financial Statements*

The fund financial statements provide information about the Commission's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds in the Other Governmental Funds' column.

The Commission reports the following major governmental funds:

- ◆ *General Fund* – The general fund is the primary operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund. The Commission primarily received revenues from collections of property taxes and revenues collected by the State of Alabama and shared with the Commission. Also, the fund is used to account for the expenditures of special county property taxes for building and maintaining public buildings, roads and bridges and for the expenditure of federal funds for the operation of a nutrition program.
- ◆ *Gasoline Tax Fund* – This fund is used to account for the activities of the public works/highway department as related to maintenance, development, and resurfacing of roads, bridges, and right-of-ways.
- ◆ *RRR Gasoline Tax Fund* – This fund is used to account for the expenditure of the Commission's share of the following taxes: the 4-cent per gallon gasoline tax, the 2-cent per gallon inspection fee, and the designated portion of truck licenses for the resurfacing, restoration, and rehabilitation of the existing bridges and paved county roads.
- ◆ *Reappraisal Fund* - This fund is used to account for the expenditures of property taxes related to the county's reappraisal program.

The Commission reports the following major enterprise funds:

- ◆ *Inert Landfill Fund* – This fund is used to account for the receipts and expenditures of dumping fees and salary reimbursements for landfill operations.
- ◆ *Residential Garbage Fund* – This fund is used to account for the receipts and expenditures of dumping fees received for solid waste collections.

The Commission reports the following governmental fund types in the Other Governmental Funds' column:

#### *Governmental Fund Types*

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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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- ♦ **Special Revenue Funds** – These funds are used to 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.
- ♦ **Debt Service Funds** – These funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest and for the accumulation of resources for principal and interest payments maturing in future years.

The Commission reports the following fiduciary fund types:

#### **Fiduciary Fund Types**

- ♦ **Private-Purpose Trust Funds** – These funds are used to report all trust agreements under which principal and income benefit individuals, private organizations, or other governments.
- ♦ **Agency Funds** – These funds are used to report assets held by the Commission in a purely custodial capacity. The Commission collects these assets and transfers them to the proper individual, private organizations, or other government.

#### **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 at the time liabilities are incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the Commission gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are charges between the government's solid waste function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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 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 Commission considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. General long-term debt issued and acquisitions under capital leases are



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## ***Notes to the Financial Statements***

### ***For the Year Ended September 30, 2017***

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reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Commission's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

#### **D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position/Fund Balances**

##### **1. Deposits and Investments**

Cash and cash equivalents include cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. For purposes of the statement of cash flows, the proprietary fund type considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

State statutes authorize the County Commission to invest in obligations of the U. S. Treasury and securities of federal agencies and certificates of deposit.

Investments consist of certificates of deposit and are recorded at cost.

##### **2. Receivables**

Millage rates for property taxes are levied at the first regular meeting of the Commission in February of each year. Property taxes are assessed for property as of October 1 of the preceding year based on the millage rates established by the County Commission. Property taxes are due and payable the following October 1 and are delinquent after December 31. Amounts receivable, net of estimated refunds and estimated uncollectible amounts, are recorded for the property taxes levied in the current year. However, since the amounts are not available to fund current year operations, the revenue is deferred and recognized in the subsequent fiscal year when the taxes are both due and collectible and available to fund operations. Property Tax revenue deferred is reported as ad deferred inflow of resources.

Receivables due from other governments include amounts due from grantors for awards issued for specific programs, and revenues collected by the State and shared with the Commission.

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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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Receivables in the enterprise funds consist primarily of amounts due from customers who are charged fees for services provided by the Commission.

Receivables in the fiduciary funds are amounts that are being held in a trustee or agency capacity by the fiduciary funds.

#### 3. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

#### 4. Restricted Assets

Certain general obligation warrants, as well as certain resources set aside for their repayment are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable debt covenants.

#### 5. Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the applicable governmental and business-type activities columns in the government-wide financial statements. Such assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Major outlays of capital assets and improvements are capitalized as projects are constructed.

Depreciation on all assets is provided on the straight-line basis over the assets estimated useful life. Capitalization thresholds (the dollar values above which asset acquisitions are added to the capital asset accounts) and estimated useful lives of capital assets reported in the government-wide statements and proprietary funds are as follows:

	Capitalization Threshold	Estimated Useful Life
Buildings	\$ 50,000	40 years
Equipment, Motor Vehicles and Furniture	\$ 5,000	5 years
Roads	\$250,000	20 years
Bridges	\$ 50,000	40 years

The majority of governmental activities infrastructure assets are roads and bridges. The Association of County Engineers has determined that due to the climate and materials used in road



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## ***Notes to the Financial Statements***

### ***For the Year Ended September 30, 2017***

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construction, the base of the roads in the county will not deteriorate and therefore should not be depreciated. The remaining part of the roads, the surface, will deteriorate and will be depreciated. The entire costs of bridges in the county will be depreciated.

#### **6. Deferred Outflows of Resources**

Deferred outflow of resources is reported in the statement of financial position. Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period. Deferred outflows of resources increase net position, similar to assets.

#### **7. 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 applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

#### **8. Compensated Absences**

The Commission has a standard leave policy for its full-time employees as to sick and annual leave.

##### **Annual Leave**

Each full-time employee is subject to a 6-month probation period. After probation each employee will earn annual leave as follows:

Less than 5 years of service	4 hours per pay period
5-9 years of service	4.5 hours per pay period
10-14 years of service	5 hours per pay period
15-19 years of service	5.5 hours per pay period
20+ years of service	6 hours per pay period

Unused annual leave credits may be accumulated and carried over into successive years by employees up to a maximum of 120 hours.

##### **Sick Leave**

Each full-time employee is subject to a 6-month probation period. After probation each employee is credited 4 hours of sick leave for each bi-weekly pay period of continuous employment. Unused sick leave credits may be accumulated and carried over into successive years by employee up to a maximum of 960 hours. All unused sick leave is forfeited upon separation and is not compensated to the employee.

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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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#### Compensatory Leave

Compensatory leave is provided to permanent full-time employees in accordance with the Fair Labor Standards Act. Employees who earn compensatory time are required to take the time off within thirty days of the end of the pay period in which the time was earned. If the time off is not taken within the thirty day requirement, the employee will be paid for the accrued compensatory time. Upon separation, an employee with accrued compensatory time will be given the time off prior to separation or paid for the accrued compensatory time. Compensatory leave is calculated at one and one-half times the regular hours.

The Commission uses the termination payment method to accrue its sick leave liability. Under this method an accrual for earned sick leave is made only to the extent it is probable that the benefits will result in termination payments, rather than be taken as absences due to illness or other contingencies, such as medical appointments and funerals.

#### 9. Deferred Inflows of Resources

Deferred inflows of resources are reported in the statement of financial statement. Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources decrease net position, similar to liabilities.

#### 10. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, the Employees' Retirement System of Alabama (the plan) financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the Governmental Accounting Standards Board (GASB). Under these requirements, the plan is considered a component unit of the State of Alabama and is included in the State's Comprehensive Annual Financial Report.

#### 11. Net Position/Fund Equity

Net position is reported on the government-wide and proprietary fund financial statements and is required to be classified for accounting and reporting purposes into the following net position categories:

- ◆ Net Investment in Capital Assets – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Any significant unspent related debt proceeds attributable to the unspent amount at year-end related to capital assets are not included in this calculation. Debt



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## ***Notes to the Financial Statements***

### ***For the Year Ended September 30, 2017***

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proceeds at the end of the reporting period should be included in the same net position amount (restricted, unrestricted) as the unspent amount.

- ♦ **Restricted** – Constraints imposed on net position by external creditors, grantors, contributors, laws or regulations of other governments, or law through constitutional provision or enabling legislation.
- ♦ **Unrestricted** – Is the net amount of assets and liabilities that are not included in the determination of net investment in capital assets or the restricted components of net position. Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of the Commission.

Fund balance is reported in the fund financial statements under the following five categories:

- ♦ **Nonspendable** – Nonspendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Examples include inventories and prepaid items.
- ♦ **Restricted** – Restricted fund balances consist of amounts that are subject to externally enforceable legal restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments; or through constitutional provisions or enabling legislation.
- ♦ **Committed** – Committed fund balances consist of amounts that are subject to a specific purpose constraint imposed by formal resolution of the Dale County Commission. Amendments or modifications of the committed fund balance must be approved by formal resolution of the Dale County Commission.
- ♦ **Assigned** – Assigned fund balances consist of amounts that are intended to be used by the Commission for specific purposes. The Commission delegated authority to the Commission Chairman or Chief Administrative Officer to make determination of the assigned amounts of fund balances.
- ♦ **Unassigned** – Unassigned fund balances include all spendable amounts not contained in one of the other classifications. This portion of the total fund balance in the general fund is available to finance operating expenditures.

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the Commission to consider restricted amounts to have been reduced first. When an expenditure is incurred for the purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the Commission that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.



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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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#### Note 2 – Stewardship, Compliance, and Accountability

##### A. Budgets

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds except the capital projects funds, which adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

The present statutory basis for county budgeting operations is the County Financial Control Act of 1935, as amended by Act Number 2007-488, Acts of Alabama. According to the terms of the law, at some meeting in September of each year, but in any event not later than October 1, the Commission must estimate the anticipated revenues, estimated expenditures and appropriations for the respective amounts that are to be used for each of such purposes. The appropriations must not exceed the total revenues available for appropriation plus any balances on hand. Expenditures may not legally exceed appropriations.

Budgets may be adjusted during the fiscal year when approved by the County Commission. Any changes must be within the revenues and reserves estimated to be available.

#### Note 3– Deposits and Investments

The custodial credit risk for deposits is the risk that, in the event of a bank failure, the Commission will not be able to cover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Commission's deposits at year-end were entirely covered by federal depository insurance or by the Security for Alabama Funds Enhancement Program (SAFE Program). The SAFE Program was established by the Alabama Legislature and is governed by the provisions contained in the *Code of Alabama 1975*, Sections 41-14A-1 through 41-14A-14. Under the SAFE Program all public funds are protected through a collateral pool administered by the Alabama State Treasurer's Office. Under this program, financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that financial institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Deposit Insurance Corporation (FDIC). If the securities pledged fail to produce adequate funds, every institution participating in the pool would share the liability for the remaining balance.

All of the Commission's investments were in certificates of deposit. These certificates of deposit are classified as "Deposits" in order to determine insurance and collateralization. However, they are classified as "Investments" on the financial statements.

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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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#### **Note 4 – Receivables**

On September 30, 2017, receivables for the Commission's individual major funds and other governmental funds in the aggregate, are as follows:

	Taxes Receivable	Accounts Receivable	Due from Other Governments	Total
<b><u>Governmental Activities:</u></b>				
General Fund	\$ 96,203.26	\$ 46,436.43	\$ 113,967.76	\$ 256,607.45
Gasoline Tax Fund		480.00	292,327.15	292,807.15
RRR Fund			4,252.44	4,252.44
Other Governmental Funds	3,523.11	480.00	-	4,003.11
Total Governmental Activities	<b>\$ 99,726.37</b>	<b>\$ 47,396.43</b>	<b>\$ 410,547.35</b>	<b>\$ 557,670.15</b>

On September 30, 2017, receivables for the Commission's fiduciary funds are as follows:

	Accounts Receivable	Total
<b><u>Fiduciary Activities:</u></b>		
Agency Fund	\$ 43,636.89	\$ 43,636.89
Total Fiduciary Activities	<b>\$ 43,636.89</b>	<b>\$ 43,636.89</b>

## Notes to the Financial Statements

### For the Year Ended September 30, 2017

#### Note 5 – Capital Assets

Capital asset activity for the year ended September 30, 2017, was as follows:

	Balance 10/1/2016	Additions	Retirements	Balance 9/30/2017
<b>Governmental Activities:</b>				
<b>Capital Assets, Not Being Depreciated:</b>				
Land	\$ 470,650.00	\$ 2,941.00		\$ 473,591.00
Construction in Progress	646,266.94			646,266.94
Total Capital Assets, Not Being Depreciated	\$ 1,116,916.94	\$ 2,941.00	\$ -	\$ 1,119,857.94
<b>Capital Assets Being Depreciated:</b>				
Infrastructure	\$ 1,793,700.17			\$ 1,793,700.17
Buildings	9,051,193.24			\$ 9,051,193.24
Construction Equipment	2,260,158.32		-75,338.00	\$ 2,184,820.32
Office Equipment	55,346.39			\$ 55,346.39
Motor Vehicles	1,547,106.51	218,538.14	-137,793.90	\$ 1,627,850.75
Data Processing Equipment	248,893.59		-19,519.45	\$ 229,374.14
Communication Equipment	265,180.87		-112,596.38	\$ 152,584.49
Other Equipment	888,704.58	170,292.00	-92,914.00	\$ 966,082.58
Total Capital Assets Being Depreciated	\$ 16,110,283.67	\$ 388,830.14	\$ (438,161.73)	\$ 16,060,952.08
<b>Less Accumulated Depreciation for:</b>				
Infrastructure	\$ (522,775.79)	\$ (59,965.85)		\$ (582,741.64)
Buildings	(3,747,304.76)	(203,037.55)		\$ (3,950,342.31)
Construction Equipment	(1,519,417.91)	(180,158.57)	75,338.00	\$ (1,624,238.48)
Office Equipment	(51,363.12)	(3,983.28)		\$ (55,346.40)
Motor Vehicles	(1,164,030.66)	(180,404.29)	129,593.90	\$ (1,214,841.05)
Data Processing Equipment	(227,699.10)	(7,064.83)	19,519.45	\$ (215,244.48)
Communication Equipment	(247,363.67)	(3,521.45)	112,596.38	\$ (138,288.74)
Other Equipment	(675,249.01)	(58,801.35)	72,551.05	(661,499.31)
Total Accumulated Depreciation	\$ (8,155,204.02)	\$ (696,937.17)	\$ 409,598.78	\$ (8,442,542.41)
Total Capital Assets Being Depreciated, Net	\$ 7,955,079.65	\$ (308,107.03)	\$ (28,562.95)	\$ 7,618,409.67
Governmental Activities Capital Assets, Net	\$ 9,071,996.59	\$ (305,166.03)	\$ (28,562.95)	\$ 8,738,267.61
<b>Business-Type Activities:</b>				
<b>Capital Assets, Not Being Depreciated:</b>				
Land	\$ 128,113.00	\$ -	\$ -	\$ 128,113.00
Total Capital Assets, Not Being Depreciated	\$ 128,113.00	\$ -	\$ -	\$ 128,113.00
<b>Capital Assets Being Depreciated:</b>				
Construction Equipment	75,000.00			\$ 75,000.00
Motor Vehicles	42,296.86			\$ 42,296.86
Other Equipment				\$ -
Total Capital Assets Being Depreciated	\$ 117,296.86	\$ -	\$ -	\$ 117,296.86
<b>Less Accumulated Depreciation for:</b>				
Construction Equipment	(75,000.00)			(75,000.00)
Motor Vehicles	(18,213.77)	(8,459.37)		(26,673.14)
Other Equipment				0.00
Total Accumulated Depreciation	\$ (93,213.77)	\$ (8,459.37)	\$ -	\$ (101,673.14)
Total Capital Assets Being Depreciated, Net	\$ 24,083.09	\$ (8,459.37)	\$ -	\$ 15,623.72
Business-Type Activities Capital Assets, Net	\$ 152,196.09	\$ (8,459.37)	\$ -	\$ 143,736.72



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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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

	Depreciation Expense
<u>Governmental Activities:</u>	
General Government	\$ 63,340.14
Public Safety	319,457.01
Highways and Roads	301,640.12
Sanitation	698.00
Welfare	8,818.55
	<hr/>
Total Depreciation Expense – Governmental Activities	\$693,953.82

	Depreciation Expense
<u>Business-Type Activities:</u>	
Residential Garbage	\$8,459.37
Total Depreciation Expense – Business-Type Activities	<hr/> \$8,459.37

#### **Note 6- Defined Benefit Pension Plan**

##### **A. General Information about the Pension Plan**

*Plan description.* The Employees' Retirement System of Alabama, an agency multiple-employer plan, was established October 1, 1945 under the provisions of Act 515 of the Legislature of 1945 for the purpose of providing retirement allowances and other specified benefits for state employees, State Police, and on an elective basis, to all cities, counties, towns and quasi-public organizations. The responsibility for the general administration and operation of ERS is vested in its Board of Control. The ERS Board of Control consists of 13 trustees. The Plan is administered by the Retirement Systems of Alabama (RSA). Title 36-Chapter 27 of the Code of Alabama grants the authority to establish and amend the benefit terms to the ERS Board of Control. The Plan issues a publicly available financial report that can be obtained at [www.rsa-al.gov](http://www.rsa-al.gov).

The ERS Board of Control consists of 13 trustees as follows:

- 1) The Governor, ex officio.
- 2) The State Treasurer, ex officio.
- 3) The State Personnel Director, ex officio.
- 4) The State Director of Finance, ex officio.
- 5) Three vested members of ERS appointed by the Governor for a term of four years, no two of whom are from the same department of state government nor from any department of which an ex officio trustee is the head.
- 6) Six members of ERS who are elected by members from the same category of ERS for a term of four years as follows:
  - a. Two retired members with one from the ranks of retired state employees and one from the ranks of retired employees of a county, county, or a public agency each of whom is an active beneficiary of ERS.

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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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- b. Two vested active state employees.
- c. Two vested active employees of an employer participating in ERS pursuant to § 36-27-6.

#### **Benefits Provided**

State law establishes retirement benefits as well as death and disability benefits and any ad hoc increase in postretirement benefits for the ERS. Benefits for ERS members vest after 10 years of creditable service. State employees who retire after age 60 (52 for State Police) with 10 years or more of creditable service or with 25 years of service (regardless of age) are entitled to an annual retirement benefit, payable monthly for life. Local employees who retire after age 60 with 10 years or more of creditable service or with 25 or 30 years of service (regardless of age), depending on the particular entity's election, are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, members of the ERS (except State Police) are allowed 2.0125% of their average final compensation (highest 3 of the last 10 years) for each year of service. State Police are allowed 2.875% for each year of State Police service in computing the formula method.

Act 377 of the Legislature of 2012 established a new tier of benefits (Tier 2) for members hired on or after January 1, 2013. Tier 2 ERS members are eligible for retirement after age 62 (56 for State Police) with 10 years or more of creditable service and are entitled to an annual retirement benefit, payable monthly for life. Service and disability retirement benefits are based on a guaranteed minimum or a formula method, with the member receiving payment under the method that yields the highest monthly benefit. Under the formula method, Tier 2 members of the ERS (except State Police) are allowed 1.65% of their average final compensation (highest 5 of the last 10 years) for each year of service. State Police are allowed 2.375% for each year of state police service in computing the formula method.

Members are eligible for disability retirement if they have 10 years of credible service, are currently in-service, and determined by the RSA Medical Board to be permanently incapacitated from further performance of duty. Preretirement death benefits are calculated and paid to the beneficiary on the member's age, service credit, employment status and eligibility for retirement.

The ERS serves approximately 846 local participating employers. These participating employers include 287 cities, 65 counties, and 494 other public entities. The ERS membership includes approximately 83,874 participants. As of September 30, 2014, membership consisted of:

Retirees and beneficiaries currently receiving benefits	21,691
Terminated employees entitled to but not yet receiving benefits	1,252



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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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Terminated employees not entitled to a benefit	5,048
Active Members	55,863
Total	84,874

#### **Contributions**

Covered members of the ERS contributed 5% of earnable compensation to the ERS as required by statute until September 30, 2011. From October 1, 2011, to September 30, 2012, covered members of the ERS were required by statute to contribute 7.25% of earnable compensation. Effective October 1, 2012, covered members of the ERS are required by statute to contribute 7.50% of earnable compensation. Certified law enforcement, correctional officers, and firefighters of the ERS contributed 6% of earnable compensation as required by statute until September 30, 2011. From October 1, 2011, to September 30, 2012, certified law enforcement, correctional officers, and firefighters of the ERS were required by statute to contribute 8.25% of earnable compensation. Effective October 1, 2012, certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 8.50% of earnable compensation. State Police of the ERS contribute 10% of earnable compensation. ERS local participating employers are not required by statute to increase contribution rates for their members.

Tier 2 covered members of the ERS contribute 6% of earnable compensation to the ERS as required by statute. Tier 2 certified law enforcement, correctional officers, and firefighters of the ERS are required by statute to contribute 7% of earnable compensation. Tier 2 State Police members of the ERS contribute 10% of earnable compensation. These contributions rates are the same for Tier 2 covered members of ERS local participating employers.

The ERS establishes rates based upon an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amounts to finance any unfunded accrued liability, the pre-retirement death benefit and administrative expenses of the Plan. For the year ended September 30, 2017, the County's active employee contribution rate was 5.48 percent of covered employee payroll, and the County's average contribution rate to fund the normal and accrued liability costs was 10.41 percent of covered employee payroll.

County's contractually required contribution rate for the year ended September 30, 2017 was 11.13% of pensionable pay for Tier 1 employees, and 8.37% of pensionable pay for Tier 2 employees. These required contribution rates are based upon the actuarial valuation dated September 30, 2014, a percent of annual pensionable payroll, and actuarially determined as an amount that, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, with an additional amount to finance any unfunded accrued liability. Total employer contributions to the pension plan from the System were \$390,026.53 for the year ended September 30, 2017.

#### **B. Net Pension Liability**

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Dale County  
Commission

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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

The County's net pension liability was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as September 30, 2014 rolled forward to September 30, 2015 using standard roll-forward techniques as shown in the following table:

	Expected	Actual - 2015 Valuation Assumptions	Actual - 2016 Valuation Assumptions
(a) Total Pension Liability as of September 30, 2015	\$ 13,260,265.00	\$ 13,213,826.00	\$ 13,710,399.00
(b) Discount Rate	8.00%	8.00%	7.75%
(c) Entry Age Normal Cost for the period October 1, 2015 - September 30, 2016	312,973.00	312,973.00	308,398.00
(d) Transfers Among Employers:		(50,381.00)	(50,381.00)
(e) Actual Benefit Payments and Refunds for the period October 1, 2015 - September 30, 2016	(1,016,192.00)	(1,016,192.00)	(1,016,192.00)
(f) Total Pension Liability as of September 30, 2016 = [(a) x (1+(b))] + (c) + (d) + [ (e) x (1 + 0.5*(b))]	\$ 13,577,220	\$ 13,476,684	\$ 13,975,402
(g) Difference between Expected and Actual:		(\$100,536)	
(h) Less Liability Transferred for Immediate Recognition		(50,381)	
(i) Experience (Gain)/Loss = (g) - (h)		(\$50,155)	
(j) Difference between Actual (2015 Assumptions) and Actual (2016 Assumptions): Assumption Change (Gain)/Loss			\$498,718

### Actuarial Assumptions

The total pension liability in the September 30, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.75% - 7.25%
Investment rate of return*	8.00%

\*Net of pension plan investment expense

Mortality rates for ERS were based on the RP-2000 Combined Mortality Table Projected with Scale AA to 2015 set forward three years for males and two years for females. The rates of



## **Notes to the Financial Statements**

### **For the Year Ended September 30, 2017**

mortality for the period after disability retirement are according to the sex distinct RP-2000 Disability Mortality Table.

The actuarial assumptions used in the September 30, 2013 valuation were based on the results of an investigation of the economic and demographic experience for the ERS based upon participant data as of September 30, 2010. The Board of Control accepted and approved these changes on January 27, 2012, which became effective at the beginning of fiscal year 2012.

The long-term expected rate of return on pension plan 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 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 asset allocation and best estimates of geometric real rates of return for each major asset class are as follows:

	Target Allocation	Long-Term Expected Rate Of Return (8)
Fixed Income	25.00%	5.00%
U.S. Large Stocks	34.00%	9.00%
U.S. Mid Stock	8.00%	12.00%
U.S. Small Stocks	3.00%	15.00%
International Developed Market Stocks	15.00%	11.00%
International Emerging Market Stocks	3.00%	16.00%
Real Estate	10.00%	7.5%
Cash	2.00%	1.5%
Total	100.00%	

(\*) Net assumed rate of inflation 2.5%

**Discount rate.** The discount rate used to measure the total pension liability was the long term rate of return, 8%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the employer contributions will be made in accordance with the funding policy adopted by the ERS Board of Control. Based on those assumptions, components of the pension plan's fiduciary net position were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

#### **C. Changes in Net Pension Liability**

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at September 30, 2015	\$13,260,265	\$8,636,363	\$4,623,902
Changes for the year:			
Service Cost	312,973		312,973
Interest	1,020,174		1,020,174
Changes of assumptions	498,718		498,718
Difference between expected and actual experience	(50,155)		(50,155)
Contributions - employer		366,396	(366,396)
<b>Dale County Commission</b>			

## ***Notes to the Financial Statements***

### ***For the Year Ended September 30, 2017***

Contributions - employee		203,469	(203,469)
Net investment Income		854,245	(854,245)
Benefit payments, including refunds of employee contributions	(1,016,192)	(1,016,192)	0
Administrative Expense		0	0
Transfers Among Employers	(50,381)	(50,381)	0
Net changes	715,137	357,537	357,600
Balances at September 30, 2016	<u>\$13,975,402</u>	<u>\$8,993,900</u>	<u>\$4,981,502</u>

#### **Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following table presents the County's net pension liability calculated using the discount rate of 7.75%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.75%) or 1-percentage-point higher (8.75%) than the current rate:

	1% Decrease <u>(6.75%)</u>	Current Rate <u>(7.75%)</u>	1% Increases <u>(8.75%)</u>
County's net pension liability	\$6,462,252	\$4,981,502	\$3,721,586

#### **Pension Plan Fiduciary Net Position**

Detailed information about the pension plan's fiduciary net position is available in the separately issued RSA Comprehensive Annual Report for the fiscal year ended September 30, 2015. The supporting actuarial information is included in the GASB Statement No. 68 Report for the ERS prepared as of September 30, 2015. The auditor's report dated April 5, 2016 on the Schedule of Changes in Fiduciary Net Position by Employer and accompanying notes is also available. The additional financial and actuarial information is available at [www.rsa-al.gov](http://www.rsa-al.gov).

The ERS financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Expenses are recognized when the corresponding liability is incurred, regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the Governmental Accounting Standards Board (GASB). Under these requirements, the Plan is considered a component unit of the State of Alabama and is included in the State's Comprehensive Annual Financial Report.

#### **D. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended September 30, 2017, the County recognized pension expense of \$529,037. At September 30, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions of the following sources:



## ***Notes to the Financial Statements***

### ***For the Year Ended September 30, 2017***

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$0	\$123,460
Changes of assumptions	408,042	0
Net difference between projected and actual earnings on pension plan investments	80,111	0
Employer contributions subsequent to the measurement date	390,027	0
Total	\$878,180	\$123,460

Amounts reported as deferred outflows of resources and deferred inflows of resources to pensions will be recognized in pension expense as follows:

Year ended September 30:	
2018	70,400
2019	70,399
2020	138,199
2021	44,917
2022	40,778
Thereafter	0

#### **Note 7 – Other Postemployment Benefits (OPEB)**

##### **A. Plan Description**

The Dale County Commission contributes to the Local Government Health Insurance Program, an agent multiple-employer defined benefit postemployment healthcare plan administered by the State Insurance Board. The plan provides medical insurance benefits to eligible retirees and their family. The *Code of Alabama 1975*, Sections 11-91-1 through 11-91-8, gives authority to the Commission to establish and amend benefit provisions. The plan does not issue a stand-alone financial report.

##### **B. Funding Policy**

The Commission's contributions were on a pay-as-you-go basis as of September 30, 2017. The Commission does not anticipate setting up a trust fund within the next two years to fund its postemployment medical insurance plan given the annual cost of the plan to the Commission.

For the fiscal year 2017, the Commission contributed \$51,025.50 to cover eight participants. Plan members receiving benefits contribute 100% for family coverage cost and 10% for single coverage costs. For fiscal year 2017, total retired member contributions were \$5,699.50.

The Commission and retirees are required to contribute monthly. The contributions for medical and drug insurance for the months of October 2015 through December 2015 were as follows: The contributions for medical and drug insurance for the months of January 2016 through September 2016 were as follows:

	Commission	Retirees
Individual Coverage – Non-Medicare Eligible	\$774.90	\$86.10
Individual Coverage – Medicare Eligible	\$364.50	\$40.50

Dale County  
Commission



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## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

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#### **C. Annual OPEB Cost**

For fiscal year 2017, the Commission's annual other postemployment benefit (OPEB) cost (expense) for medical insurance was \$118,920.00. The Commission's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2017 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
09/30/2017	\$118,920	43.18%	\$533,066
09/30/2016	\$120,212	39.71%	\$465,499
09/30/2015	\$119,574	30.42%	\$393,022

#### **D. Funded Status and Funding Progress**

The funding status of the plan as of September 30, 2015, the latest actuarial valuation date, was as follows:

Actuarial Accrued Liability (AAL)	\$1,178,954
Actuarial Value of Plan Assets	0
Unfunded Actuarial Accrued Liability (UAAL)	\$1,178,954
Funded Ratio (Actuarial Value of Plan Assets/AAL)	0%
Covered Payroll (Active Plan Members)	\$3,144,697
UAAL as a Percentage of Covered Payroll	37.49%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funding 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, will in future years present multiyear trend information that will show whether the actuarial value of the 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 short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

The actuarial cost method used was the projected unit cost method. The actuarial assumptions included a four percent investment return assumption (or discount rate) and an annual healthcare cost trend rate of five percent level for all years. It was assumed that one hundred percent of all retirees who currently have healthcare coverage would continue with the same coverage and one hundred percent of all actives who currently have healthcare coverage would continue with employee only coverage upon retirement. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open period. The unfunded actuarial accrued liability (UAAL) is being amortized over thirty years.

#### Note 8 – Payables

On September 30, 2017, payables for the Commission's individual major funds and nonmajor funds in the aggregate are as follows:

	Accounts Payable	Deposits Payable	Total
<b>Governmental Activities</b>			
General Fund	49,027.46		\$49,027.46
Gasoline Fund	3,411.21		3,411.21
Reappraisal Fund	235.02		235.02
Other Governmental Funds	0.00		0
Total Governmental Activities	\$52,673.69		\$52,673.69
<b>Business Type Activities</b>			
Residential Garbage Fund	\$ 9,123.73	\$95,599.00	104,722.73
Inert Landfill Fund	0		0
Total Business Type Activities	\$ 9,123.73	\$95,599.00	\$104,722.73

On September 30, 2017, payables for the Commission's fiduciary funds are as follows:

	Accounts Payable	Due to Other Governments	Payable to External Parties	TOTAL
<b>Private Purpose Trust Funds</b>				
740 Law Library Fund	\$ 412.74			\$ 412.74
760 District Attorney Fund	\$ -			\$ -
761 Total Private Purpose Trust Funds	\$ 412.74			\$ 412.74
<b>Agency Funds</b>				
705 Agency Fund		\$ 38,637.30	\$ 108,696.69	\$ 147,333.99
710 Payroll Fund			\$ 10,474.70	\$ 10,474.70
716 Land Redemption Fund	\$ -		\$ 18,670.30	\$ 18,670.30
741 Ozark/Dale Co Sr Citizens			\$ 98,668.06	\$ 98,668.06
745 Solid Waste Tax Offset	\$ 391.12			\$ 391.12
Total Agency Funds	\$ 391.12	\$ 38,637.30	\$ 236,509.75	\$ 275,538.17
Total Fiduciary Activities	\$ 803.86	\$ 38,637.30	\$ 236,509.75	\$ 275,950.91

## *Notes to the Financial Statements*

### *For the Year Ended September 30, 2017*

#### Note 9 – Long-Term Debt

The Commission issues General Obligation Warrants to provide funds for the acquisition, construction, and renovation of major capital facilities. On August 1, 2014, the Commission issued General Obligation Warrants in the amount of \$2,810,000, with various interest rates of 2% to 3.5%, to provide funds for the renovation of the Dale County Courthouse.

The following is a summary of long-term debt transactions for the Commission for the year ended September 30, 2017:

	Debt Outstanding 10/1/2016	Additions	Deletions	Debt Outstanding 9/30/2017	Amounts Due within One Year
<b>Governmental Activities:</b>					
General Obligation Warrants, Series 2014	\$ 2,575,000.00		\$ (120,000.00)	\$ 2,455,000.00	\$ 120,000.00
Notes Payable					
Motorgrader	\$ 19,631.45		\$ (19,631.45)	\$ -	
Mulcher Attachment	\$ 29,206.01		\$ (14,462.94)	\$ 14,743.07	\$ 14,743.07
Sheriff Vehicle-Arton	\$ 33,565.03		\$ (16,671.80)	\$ 16,893.23	\$ 16,893.23
2016 Mack Dump Truck	\$ 36,661.43		\$ (8,926.47)	\$ 27,734.96	\$ 9,083.95
2016 Ford Transit Van	\$ 22,374.50		\$ (5,464.43)	\$ 16,910.07	\$ 5,550.15
Dump Truck, Tractor Truck, Lowboy	\$ 132,270.00		\$ (32,029.95)	\$ 100,240.05	\$ 32,711.92
Sheriff Radio Tower System	\$ 620,150.00		\$ (85,963.46)	\$ 534,186.54	\$ 87,959.37
Total Notes Payable	\$ 893,858.42	\$ -	\$ (183,150.50)	\$ 710,707.92	\$ 166,941.69
<b>Other Liabilities:</b>					
Other Postemployment Benefits	\$ 465,499.00	\$ 67,567.00		\$ 533,066.00	\$ -
Pension Liability	\$ 4,623,902.00	\$ 357,600.00		\$ 4,981,502.00	
Compensated Absences	\$ 149,073.43	\$ 12,095.45		\$ 161,168.88	\$ 16,116.89
Total Other Liabilities	\$ 5,238,474.43	\$ 437,262.45	\$ -	\$ 5,675,736.88	\$ 16,116.89
Total Governmental Activities				\$ -	
Long-Term Activities	\$ 8,707,332.85	\$ 437,262.45	\$ (303,150.50)	\$ 8,841,444.80	\$ 303,058.58

Payments on the warrants payable that pertain to the Commission's governmental activities are made by the Debt Service Funds. The long-term notes payable will be repaid by the Gasoline Tax Fund and the General Fund. (Governmental Activities).

The compensated absences liability attributable to the governmental activities will be liquidated by several of the Commission's governmental funds. Approximately 68% will be paid by the General Fund, 27% by the Gasoline Tax Fund, and 5% by the Reappraisal Fund. The compensated absences liability attributable to the business-type activities will be liquidated by the Residential Garbage Fund.



## ***Notes to the Financial Statements***

### ***For the Year Ended September 30, 2017***

The following is a schedule of debt service requirements to maturity:

Fiscal Year Ended	2014 General Obligation Warrants Payable		Notes Payable		Total Principal and Interest Requirements to Maturity
	Principal	Interest	Principal	Interest	
September 30, 2018	\$120,000.00	\$65,343.76	\$166,941.69	\$21,122.13	\$373,407.58
2019	\$120,000.00	\$64,143.76	\$138,290.48	\$17,628.63	\$340,062.87
2020	\$125,000.00	\$62,463.76	\$141,304.22	\$14,614.88	\$343,382.86
2021	\$125,000.00	\$60,338.76	\$94,228.59	\$11,458.61	\$291,025.96
2022	\$130,000.00	\$57,995.00	\$96,416.39	\$9,270.81	\$293,682.20
2023-					
2027	\$685,000.00	\$244,219.00	\$73,526.55	\$368.06	\$1,003,113.61
2028-					
2032	\$795,000.00	\$142,237.50			\$937,237.50
2033-					
2034	\$355,000.00	\$18,725.00			\$373,725.00
Total	<u>\$2,455,000.00</u>	<u>\$715,466.54</u>	<u>\$710,707.92</u>	<u>\$74,463.12</u>	<u>\$3,955,637.58</u>

#### **Note 10 – Risk Management**

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Commission has general liability insurance through the Association of County Commissions of Alabama (ACCA) Liability Self Insurance Fund, a public entity risk pool. The Fund is self-sustaining through member contributions. The Commission pays an annual premium based on the Commission's individual claims experience and the experience of the Fund as a whole. Coverage is provided up to \$1,000,000 per claim for a maximum total coverage of \$3,000,000 and unlimited defense costs. Employment-related practices damage protection is limited to \$1,000,000 per incident with a \$5,000 deductible and unlimited defense costs. County specific coverages and limits can be added by endorsement.

The Commission has workers' compensation insurance through the Association of County Commissions of Alabama (ACCA) Workers' Compensation Self Insurance Fund, a public entity risk pool. The premium level for the Fund is calculated to adequately cover the anticipated losses and expenses of the Fund. Fund rates are calculated for each job class based on the current NCCI Alabama loss costs and a loss cost modifier to meet the required premiums of the Fund. Member premiums are then calculated on a rate per \$100 of estimated remuneration for each job class, which is adjusted by an experience modifier for the individual county. The Commission may qualify for additional discounts based on losses and premium size. Pool participants are eligible to receive refunds of unused premiums and the related investment earnings.

The Commission has employee health insurance coverage through the Local Government Health Insurance Program, administered by the State Employees' Health Insurance Board (SEHIB). The

## ***Notes to the Financial Statements***

### ***For the Year Ended September 30, 2017***

employees may choose to participate in this plan administered by Blue Cross/Blue Shield which functions as a public entity risk pool. This plan is self-sustaining through member premiums. Monthly premiums are determined annually by the plan's actuary and are based on the pool's claims experience, considering any remaining fund balance on hand available for claims.

The Commission purchases commercial insurance for its other risks of loss, including property and casualty insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

#### **Note 11 – Interfund Transactions**

##### **Due To/From Other Funds**

The amounts due to/from other funds at September 30, 2017, were as follows:

	Due From Other Funds General Fund
<b>Due To Other Funds:</b>	
Gasoline Fund	\$1,154.63
Sub-Total Governmental Activities	1,154.63
 Totals	 \$1,154.63

The \$1,154.63 due to the General Fund from the Gasoline Fund was repaid on October 31, 2017.

##### **Interfund Transfers**

The amounts of interfund transfers during the fiscal year ended September 30, 2017, were as follows:

	RRR Fund	Transfers In Other Governmental Funds	Total
<b>Transfers Out:</b>			
Other Governmental Funds	310,000.00	218,634.38	528,634.38
Totals	310,000.00	218,634.38	528,634.38

The Commission typically used transfers to fund ongoing operating subsidies and to transfer the portion from the Capital Improvements Fund to the Debt Service Fund to service current-year debt requirements for the Series 2014 General Obligation Warrants.

#### **Note 12 – Related Organizations**

A majority of the members of the Board of the organizations listed below are appointed by the Dale County Commission. The Commission, however, is not financially accountable, because it does not impose its will and have a financial benefit or burden relationship for these organizations,

Dale County  
Commission



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***Notes to the Financial Statements***  
***For the Year Ended September 30, 2017***

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and the organizations are not considered part of the Commission's financial reporting entity. The organizations presented below are considered related organizations of the County Commission.

Related Organizations
Dale County Health Care Authority Dale County Water Authority Dale County AgPlex Authority, Inc. Vivian B Adams School Board

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## *Required Supplementary Information*

***Schedule of Changes in the Net Position Liability  
For the Year Ended September 30, 2017***

Exhibit 12

	2016	2016	2015
<b>Total pension liability</b>			
Service Cost	\$312,973	\$317,723	\$331,590
Interest	1,020,174	1,002,498	970,724
Differences between expected and actual experience	-50,155	-139,268	
Changes of assumptions	498,718		
Benefit payments, including refunds of employee contributions	-1,016,192	-903,824	-906,457
Transfers among employers	-50,381		
<b>Net change in total pension liability</b>	<b>715,137</b>	<b>277,129</b>	<b>395,857</b>
<b>Total pension liability - beginning</b>	<b>13,260,265</b>	<b>12,983,136</b>	<b>12,587,279</b>
<b>Total pension liability - ending (a)</b>	<b>\$13,975,402</b>	<b>\$13,260,265</b>	<b>\$12,983,136</b>
<b>Plan fiduciary net position</b>			
Contributions - employer	366,396.00	\$347,671	\$341,429
Contributions - member	203,469.00	190,863	223,752
Net investment income	854,245.00	103,482	974,623
Benefit payments, including refunds of employee contributions	-1,016,192.00	-903,824	-906,457
Transfers among employers	-50,381.00	-14,074	-29,146
<b>Net change in plan fiduciary net position</b>	<b>357,537</b>	<b>-275,882</b>	<b>604,201</b>
<b>Plan net position - beginning</b>	<b>\$8,636,363</b>	<b>8,912,245</b>	<b>8,308,044</b>
<b>Plan net position - ending (b)</b>	<b>\$8,993,900</b>	<b>\$8,636,363</b>	<b>\$8,912,245</b>
<b>Net pension liability (asset) - ending (a) - (b)</b>	<b>\$4,981,502</b>	<b>\$4,623,902</b>	<b>\$4,070,891</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>64.36%</b>	<b>65.13%</b>	<b>68.64%</b>
<b>Covered-employee payroll</b>	<b>3751061</b>	<b>3,555,554</b>	<b>3,653,766</b>
<b>Net position liability (asset) as a percentage of covered employee payroll</b>	<b>132.80%</b>	<b>130.05%</b>	<b>111.42%</b>

**Dale County Commission**  
**Schedule of Employers Contributions**  
**For the Year Ended September 30, 2017**

Exhibit 13

	2017	2016	2015	2014
Actuarially determined contribution	390,027	380,155	359,993.34	354,218.32
Contributions in relation to the actuarially determined contribution	390,027	380,155	359,993.34	354,218.32
Contribution deficiency (excess)	0.00	0.00	0.00	0.00
Covered-employee payroll	3,748,195.83	3,751,060.89	3,555,554.00	3,653,766.27
Contributions as a percentage of covered-employee payroll	10.41%	10.13%	10.12%	9.69%

**Notes to Schedule**

**Valuation Date:**

Actuarially determined contribution rates are calculated as of September 30, two years prior to the end of the fiscal year in which contributions are reported. Contributions for fiscal year 2017 were based on the September 30, 2015 actuarial valuation.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	entry Age
Amortization method	Level percent closed
Remaining amortization period	30 years
Asset valuation method	Five year smoothed market
Inflation	3.00%
Salary increases	3.75 - 7.25%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation

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



## Schedule of Revenues, Expenditures and Changes in Fund Balances

Page A

Budget and Actual - General Fund  
For the Year Ended September 30, 2017

	Budgeted Amounts		Actual Amounts Budgetary Basis	Budget to GAAP Differences	Actual Amounts GAAP Basis
	Original	Final			
<b>Revenues</b>					
Fees	2,887,829.00	2,909,554.00	2,886,298.11	1,239,546.08	4,125,844.19
Licenses and Permits	49,243.00	49,243.00	57,860.24	0.00	57,860.24
Intergovernmental	398,520.00	808,862.72	880,151.53	188,744.31	1,068,895.84
Charges for Services	1,169,872.00	1,100,956.00	1,071,626.88	68,748.00	1,140,374.88
Miscellaneous	79,068.00	84,869.00	122,805.32	5,500.28	128,305.60
Total Revenues	4,584,532.00	4,953,484.72	5,018,742.08	1,502,538.67	6,521,280.75
<b>Expenditures</b>					
General Government	2,280,981.00	2,380,336.00	2,155,652.35	25,065.64	2,180,717.99
Public Safety	3,224,591.00	3,469,356.42	3,608,610.42	10,771.30	3,619,381.72
Highways and Roads	0.00	0.00	0.00	0.00	0.00
Housing	0.00	58,665.30	58,665.30	0.00	58,665.30
Health	129,250.00	131,470.00	115,984.00	0.00	115,984.00
Welfare	107,417.50	109,437.00	103,534.17	0.00	103,534.17
Culture and Recreation	63,100.00	63,100.00	63,100.00	0.00	63,100.00
Education	27,000.00	27,000.00	27,000.00	0.00	27,000.00
Capital Outlay	110,710.00	207,910.00	158,185.74	0.00	158,185.74
Post Service:					
Principal Retirement	0.00	0.00	22,136.23	85,963.46	108,099.69
Interest and Fiscal Charges	0.00	0.00	793.85	26,741.79	27,535.64
Bond Issuance Costs	0.00	0.00	0.00	0.00	0.00
Intergovernmental	0.00	0.00	0.00	0.00	0.00
Total Expenditures	5,943,049.50	6,447,274.72	6,313,662.06	148,542.19	6,462,204.25
Surplus (Deficiency) of Revenues over Expenditures	(1,358,517.50)	(1,493,790.00)	(1,294,919.98)	1,353,996.48	59,076.50
<b>Other Financing Sources (Uses)</b>					
Transfers In	1,432,523.00	1,387,404.00	1,392,971.21	(1,392,971.21)	0.00
Proceeds from Sale of Capital Assets	0.00	0.00	388.50	0.00	388.50
Long-Term Debt Issued	0.00	0.00	0.00	0.00	0.00
Other Financing Sources	0.00	0.00	0.00	0.00	0.00
Transfers Out	(19,012.00)	0.00	0.00	0.00	0.00
Payment to Refunding Escrow Agent	0.00	0.00	0.00	0.00	0.00
Other Fund Uses	0.00	0.00	0.00	0.00	0.00
Total Other Financing Sources (Uses)	1,413,511.00	1,387,404.00	1,393,359.71	(1,392,971.21)	388.50
<b>Net Change in Fund Balances</b>	54,993.50	(106,386.00)	98,439.73	(38,974.73)	59,465.00
Fund Balances - Beginning of Year	279,187.00	117,500.00	451,934.47	678,556.76	1,130,491.23
Fund Balances - End of Year	334,180.50	11,114.00	550,374.20	639,582.03	1,189,956.23

Dale County Commission  
Schedule of Revenues, Expenditures and Changes in Fund Balances  
Budget and Actual - General Fund  
For the Year Ended September 30, 2017

EXHIBIT 14  
Page A

Budgeted Amounts		Actual Amounts Budgetary Basis	Budget to GAAP Differences	Actual Amounts GAAP Basis
Original	Final			

Explanation of differences between Actual Amounts on Budgetary Basis and  
Actual Amounts GAAP Basis:

The Commission budgets revenues as they are collected, rather than  
on the modified accrual basis (GAAP).

16,671.68

These amounts are combined with the General Fund for reporting purposes, but are budgeted separately.

Revenues

Public Buildings, Roads and Bridges Fund	1,238,001.12		
Public Highway and Traffic Fund	179,117.87		
Sheriff's Service of Process Fee Fund	<u>68,748.00</u>	1,485,866.99	

Expenditures

Public Buildings, Roads and Bridges Fund	(25,065.64)		
Sheriff's Service of Process Fee Fund	<u>(123,476.55)</u>	(148,542.19)	

Some Transfers between funds combined with the General Fund are eliminated  
for reporting purposes, but are budgeted separately.

Public Buildings, Roads and Bridges Fund	(1,210,574.00)		
Public Highway and Traffic Fund	(176,830.00)		
Sheriff's Service of Process Fee Fund	<u>(5,567.21)</u>	(1,392,971.21)	

Net Decrease in Fund Balance - Budget to GAAP

(38,974.73)

The amounts reported as "fund balance" on the budgetary basis of accounting derives  
from the basis of accounting used in preparing the Commission's budget. This amount  
differs from the fund balance reported in the Statement of Revenues, Expenditures and  
Changes in Fund Balances because of the cumulative effect of transactions such as  
those described above.

**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Gasoline Tax Fund**  
**For the Year Ended September 30, 2017**

	Budgeted Amounts		Actual Amounts	Budget to GAAP	Actual Amounts
	Original	Final	Budgetary Basis	Differences	GAAP Basis
<b>Revenues</b>					
Taxes	0.00	0.00	0.00	0.00	0.00
Licenses and Permits	0.00	0.00	0.00	0.00	0.00
Intergovernmental	1,212,210.00	1,212,210.00	1,492,214.05	0.00	1,492,214.05
Charges for Services	40,000.00	40,000.00	12,868.19	0.00	12,868.19
Miscellaneous	75,000.00	625,000.00	602,318.48	0.00	602,318.48
<b>Total Revenues</b>	<b>1,327,210.00</b>	<b>1,877,210.00</b>	<b>2,107,400.72</b>	<b>0.00</b>	<b>2,107,400.72</b>
<b>Expenditures</b>					
<b>Current:</b>					
General Government	0.00	0.00	0.00	0.00	0.00
Public Safety	0.00	0.00	0.00	0.00	0.00
Highways and Roads	2,349,070.50	1,903,634.00	1,733,391.06	0.00	1,733,391.06
Sanitation	0.00	0.00	0.00	0.00	0.00
Health	0.00	0.00	0.00	0.00	0.00
Welfare	0.00	0.00	0.00	0.00	0.00
Culture and Recreation	0.00	0.00	0.00	0.00	0.00
Education	0.00	0.00	0.00	0.00	0.00
Capital Outlay	100,000.00	95,450.00	91,602.00	0.00	91,602.00
Debt Service:					
Principal Retirement	0.00	0.00	75,050.81	0.00	75,050.81
Interest and Fiscal Charges	0.00	0.00	4,403.23	0.00	4,403.23
Bond Issuance Costs	0.00	0.00	0.00	0.00	0.00
Intergovernmental	0.00	0.00	0.00	0.00	0.00
<b>Total Expenditures</b>	<b>2,449,070.50</b>	<b>1,999,084.00</b>	<b>1,904,447.10</b>	<b>0.00</b>	<b>1,904,447.10</b>
Excess (Deficiency) of Revenues					
Over Expenditures	(1,121,860.50)	(121,874.00)	202,953.62	0.00	202,953.62
<b>Other Financing Sources (Uses)</b>					
Transfers In	1,000,000.00	0.00	0.00	0.00	0.00
Proceeds from Sale of Capital Assets	40,000.00	40,000.00	37,765.00	0.00	37,765.00
Long-Term Debt Issued	0.00	0.00	0.00	0.00	0.00
Other Financing Sources	0.00	0.00	0.00	0.00	0.00
Transfers Out	0.00	0.00	0.00	0.00	0.00
Payment to Refunding Escrow Agent	0.00	0.00	0.00	0.00	0.00
Other Fund Uses	0.00	0.00	0.00	0.00	0.00
<b>Total Other Financing Sources (Uses)</b>	<b>1,040,000.00</b>	<b>40,000.00</b>	<b>37,765.00</b>	<b>0.00</b>	<b>37,765.00</b>
<b>Net Change in Fund Balances</b>	<b>(81,860.50)</b>	<b>(81,874.00)</b>	<b>240,718.62</b>	<b>0.00</b>	<b>240,718.62</b>
Fund Balances - Beginning of Year	378,200.00	378,200.00	982,859.38	0.00	982,859.38
Fund Balances - End of Year	296,339.50	296,326.00	1,223,578.00	0.00	1,223,578.00

**Explanation of differences:**

The Commission budgets revenues and expenditures to the extent they are expected to be received or paid in the current fiscal period, rather than on the modified accrual basis.

0.00



**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - RRR Gasoline Tax Fund**  
**For the Year Ended September 30, 2017**

	Budgeted Amounts		Actual Amounts	Budget to GAAP	Actual Amounts
	Original	Final	Budgetary Basis	Differences	GAAP Basis
<b>Revenues</b>					
Taxes	0.00	0.00	0.00	0.00	0.00
Licenses and Permits	0.00	0.00	0.00	0.00	0.00
Intergovernmental	970,475.00	970,475.00	1,006,907.95	0.00	1,006,907.95
Charges for Services	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	1,048.46	0.00	1,048.46
Total Revenues	970,475.00	970,475.00	1,007,956.41	0.00	1,007,956.41
<b>Expenditures</b>					
<b>Current:</b>					
General Government	0.00	0.00	0.00	0.00	0.00
Public Safety	0.00	0.00	0.00	0.00	0.00
Highways and Roads	150,000.00	1,491,013.43	1,528,612.88	0.00	1,528,612.88
Sanitation	0.00	0.00	0.00	0.00	0.00
Health	0.00	0.00	0.00	0.00	0.00
Welfare	0.00	0.00	0.00	0.00	0.00
Culture and Recreation	0.00	0.00	0.00	0.00	0.00
Education	0.00	0.00	0.00	0.00	0.00
Capital Outlay	0.00	0.00	0.00	0.00	0.00
<b>Debt Service:</b>					
Principal Retirement	0.00	0.00	0.00	0.00	0.00
Interest and Fiscal Charges	0.00	0.00	0.00	0.00	0.00
Bond Issuance Costs	0.00	0.00	0.00	0.00	0.00
Intergovernmental	0.00	0.00	0.00	0.00	0.00
Total Expenditures	150,000.00	1,491,013.43	1,528,612.88	0.00	1,528,612.88
Excess (Deficiency) of Revenues Over Expenditures	820,475.00	(520,538.43)	(520,656.47)	0.00	(520,656.47)
<b>Other Financing Sources (Uses)</b>					
Transfers In	310,000.00	310,000.00	310,000.00	0.00	310,000.00
Proceeds from Sale of Capital Assets	0.00	0.00	0.00	0.00	0.00
Long-Term Debt Issued	0.00	0.00	0.00	0.00	0.00
Other Financing Sources	0.00	0.00	0.00	0.00	0.00
Transfers Out	(1,000,000.00)	0.00	0.00	0.00	0.00
Payment to Refunding Escrow Agent	0.00	0.00	0.00	0.00	0.00
Other Fund Uses	0.00	0.00	0.00	0.00	0.00
Total Other Financing Sources (Uses)	(690,000.00)	310,000.00	310,000.00	0.00	310,000.00
Net Change in Fund Balances	130,475.00	(210,538.43)	(210,656.47)	0.00	(210,656.47)
Fund Balances - Beginning of Year	31,263.00	300,000.00	436,192.42	0.00	436,192.42
Fund Balances - End of Year	161,738.00	89,461.57	225,535.95	0.00	225,535.95

**Explanation of differences:**

The Commission budgets revenues and expenditures to the extent they are expected to be received or paid in the current fiscal period, rather than on the modified accrual basis.

0.00



## Schedule of Revenues, Expenditures and Changes in Fund Balances

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## Budget and Actual - Reappraisal Fund

For the Year Ended September 30, 2017

	Budgeted Amounts		Actual Amounts Budgetary Basis	Budget to GAAP Differences	Actual Amounts GAAP Basis
	Original	Final			
<b>Revenues</b>					
Fees	214,967.50	867,316.00	406,001.25	0.00	406,001.25
Licenses and Permits	0.00	0.00	0.00	0.00	0.00
Intergovernmental	0.00	0.00	0.00	0.00	0.00
Charges for Services	0.00	0.00	0.00	0.00	0.00
Miscellaneous	0.00	0.00	48.77	0.00	48.77
<b>Total Revenues</b>	<u>214,967.50</u>	<u>867,316.00</u>	<u>406,050.02</u>	<u>0.00</u>	<u>406,050.02</u>
<b>Expenditures</b>					
General Government	406,260.00	481,408.00	406,050.02	0.00	406,050.02
Public Safety	0.00	0.00	0.00	0.00	0.00
Highways and Roads	0.00	0.00	0.00	0.00	0.00
Housing	0.00	0.00	0.00	0.00	0.00
Health	0.00	0.00	0.00	0.00	0.00
Welfare	0.00	0.00	0.00	0.00	0.00
Culture and Recreation	0.00	0.00	0.00	0.00	0.00
Education	0.00	0.00	0.00	0.00	0.00
Capital Outlay	9,800.00	0.00	0.00	0.00	0.00
Debt Service:					
Principal Retirement	0.00	0.00	0.00	0.00	0.00
Interest and Fiscal Charges	0.00	0.00	0.00	0.00	0.00
Bond Issuance Costs	0.00	0.00	0.00	0.00	0.00
Intergovernmental	0.00	0.00	0.00	0.00	0.00
<b>Total Expenditures</b>	<u>416,060.00</u>	<u>481,408.00</u>	<u>406,050.02</u>	<u>0.00</u>	<u>406,050.02</u>
<b>Surplus (Deficiency) of Revenues over Expenditures</b>	<u>(201,092.50)</u>	<u>385,908.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Other Financing Sources (Uses)</b>					
Transfers In	0.00	0.00	0.00	0.00	0.00
Proceeds from Sale of Capital Assets	0.00	0.00	0.00	0.00	0.00
Long-Term Debt Issued	0.00	0.00	0.00	0.00	0.00
Other Financing Sources	0.00	0.00	0.00	0.00	0.00
Transfers Out	0.00	0.00	0.00	0.00	0.00
Payment to Refunding Escrow Agent	0.00	0.00	0.00	0.00	0.00
Other Fund Uses	0.00	0.00	0.00	0.00	0.00
<b>Total Other Financing Sources (Uses)</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Change in Fund Balances</b>	<u>(201,092.50)</u>	<u>385,908.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Fund Balances - Beginning of Year</b>	<u>201,092.50</u>	<u>(385,908.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Fund Balances - End of Year</b>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

## Explanation of differences:

The Commission budgets revenues and expenditures to the extent they are expected to be received or paid in the current fiscal period, rather than on the modified accrual basis.

0.00

*Schedule of Funding Progress  
Other Postemployment Benefits  
For the Year Ended September 30, 2017*

*Exhibit 18*

Actuarial Valuation Date	Actuarial Value of Assets* (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
10/1/2014	\$ -	\$ 1,178,954.00	\$ 1,178,954.00	0.0%	\$ 3,144,697.00	37.49%
10/1/2011	\$ -	\$ 1,376,145.00	\$ 1,376,145.00	0.0%	\$ 3,996,217.00	34.44%

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## *Supplementary Information*

*List of Federal Programs Expenditures  
October 1, 2016 through September 30, 2017*

Exhibit 19

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Assistance Period	Budget		Revenue Recognized	Expenditures
				Total	Federal Share		
U. S. DEPARTMENT OF HUMAN SERVICES Passed through Southeast Alabama Regional Council on Aging	93.044	N A	10/01/2016 - 09/30/2017	\$ 13,000.00	\$ 13,000.00	\$ 13,000.00	\$ 13,000.00
U. S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT (HUD) Passed through Alabama Department of Economic and Community Affairs	14.228	N A	10/01/2016 - 09/30/2017	58,665.30	58,665.30	58,665.30	58,665.30
U. S. DEPARTMENT OF HOMELAND SECURITY Passed through Alabama Law Enforcement Agency		4251-DR-AL-PW559	10/01/2016 - 09/30/2017	162,900.77	162,900.77	162,900.77	162,900.77
		4251-DR-AL-PW560	10/01/2016 - 09/30/2017	39,799.57	39,799.57	39,799.57	39,799.57
		4251-DR-AL-PW561	10/01/2016 - 09/30/2017	77,686.96	77,686.96	77,686.96	77,686.96
U. S. DEPARTMENT OF HOMELAND SECURITY Passed through Alabama Law Enforcement Agency	97.067		10/01/2016 - 09/30/2017	12,591.16	12,591.16	12,591.16	12,591.16
	97.067		10/01/2016 - 09/30/2017	24,887.98	24,887.98	24,887.98	24,887.98
	97.067		10/01/2016 - 09/30/2017	22,438.14	22,438.14	22,438.14	22,438.14
	97.067		10/01/2016 - 09/30/2017	22,438.14	22,438.14	22,438.14	22,438.14
U. S. DEPARTMENT OF AGRICULTURE Direct Program	10.923		10/01/2016 - 09/30/2017	35,663.00	35,663.00	35,663.00	35,663.00
U. S. DEPARTMENT OF AGRICULTURE Passed through Alabama Secretary of State	39.011		10/01/2016 - 09/30/2017	798.00	798.00	798.00	798.00
Total Expenditure of Federal Awards				470,869.02	470,869.02	470,869.02	470,869.02

N A = Not Available or Not Applicable

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.



***Notes to the Schedule of Expenditures  
Of Federal Awards  
For the Year Ended September 30, 2017***

**Note 1 – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the Dale County Commission and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U. S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the Dale County Commission, it is not intended to and does not present the financial position, changes in net position or cash flows of the Dale County Commission.

**Note 2 – Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance* wherein certain types of expenditures are not allowable or are limited as to reimbursement. The Dale County Commission has not elected to use the 10-percent de minimis indirect cost rate as allowed by the *Uniform Guidance*.

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## *Additional Information*

**Dale County Commission  
Commission Members and Administrative Personnel**

<b><u>Commission Members</u></b>		<b><u>Term Expires</u></b>
Hon. Mark Blankenship	Chairman	November 2020
Hon. Chris Carroll District 1	Member	November 2018
Hon. Steve McKinnon District 2	Member	November 2020
Hon. Charles W. Gary District 3	Member	November 2018
Hon. James (Wes) Strickland District 4	Member	November 2016
Hon. Frankie Wilson District 4	Member	November 2020

**Administrative Personnel**

Mrs. Debi DeLoney	Administrator	March 31, 2016
Mr. John Runkle	Administrator	July 20, 2016
Mrs. Raye Ann Calton	Administrator	