

RABUN COUNTY, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2019

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RABUN COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2019

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Independent Auditor's Report

Honorable Chairman and
Members of the Board of Commissioners
Rabun County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rabun County, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Rabun County, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Rabun County Health Department, a component unit of Rabun County, Georgia, which represent 5.8 percent, 11.8 percent, and 25.3 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Rabun County Health Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rabun County, Georgia, as of June 30, 2019, and the respective changes in the financial position and, where applicable, cash flows thereof, and the budgetary comparison of the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information on pages 4 through 9 and 72 through 79, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Rabun County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the state reporting section with the schedule of projects financed with special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the schedule of projects financed with special purpose local option sales tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of projects financed with special purpose local option sales tax are fairly stated in all material respects in relation to the financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, Rabun County, Georgia's basic financial statements for the year ended June 30, 2018, which are not presented with the accompanying financial statements. In our report dated November 6, 2018, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Rabun County's basic financial statements as a whole. The combining and individual fund financial statements and schedules related to the 2018 financial statements are presented for the purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and schedules related to the 2018 financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the 2018 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2018 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2019, on our consideration of Rabun County, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rabun County's internal control over financial reporting and compliance.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 15, 2019

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Rabun County's financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2019. Management's discussion and analysis (MD&A) focuses on current year activities and resulting changes, please read it in conjunction with the County's financial statements.

The following is a presentation of a discussion and analysis of the County's financial condition and performance for the fiscal year ended June 30, 2019.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Rabun County's basic financial statements. Rabun County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. (Pages 10-12) The government-wide financial statements provide a broad overview of Rabun County finances in a manner similar to that of private-sector businesses. The statements include:

Statement of net position presents the County's position and liabilities, with the difference between the two reported as net position. Over time, the change in net position is an indicator of the improvement (an increase) or deterioration (a decrease) in the County's financial condition.

Statement of activities presents the revenues and expenses of the County. The difference between these is the change in net position for the year.

Both of the government-wide financial statements identify the various functions of Rabun County that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Rabun County, Georgia, include general government, judicial, health and welfare, public safety, public works, recreation and culture, and housing and development. The business-type activities of Rabun County, Georgia are its Solid Waste and Recycling operations, a Waste Water Facility, and the Rabun County Golf Club.

Government-wide financial statements. The government-wide financial statements include not only Rabun County, Georgia itself (known as the primary government), but also legally separate component units (Library, Health Department, Economic Development Authority, and Building Authority) for which Rabun County, Georgia is financially accountable. Financial information for these component units is reported separately from financial information presented for the primary government itself.

Fund Financial Statements. (Pages 13-22) A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources, available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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 governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, SPLOST #5 Fund, and SPLOST #6 Fund, all of which are considered to be major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation in the combining statements for governmental funds. Individual fund data for each of these nonmajor governmental funds is provided in the form of other supplementary information elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with its budget.

The basic governmental fund financial statements can be found on pages 13-18 of this report.

Proprietary funds. (Pages 19-21) The County maintains three proprietary funds. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses a proprietary fund to account for its solid waste operation, its waste-water facility, as well as the Golf Course. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Solid Waste Fund, Waste-Water Facility Fund, and Golf Course Fund, which are major funds of the County.

Fiduciary Funds. (Page 22) Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used in the government-wide financial statements.

Notes to the financial statements. (Pages 26-71) The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information. (Pages 72-79) The required supplementary information includes required schedules and information on the County's defined benefit pension plan and OPEB plan.

Other information. Following the basic financial statements is other supplementary information, which includes combining and individual fund statements and schedules that can be found on pages 80-124 of this report. This report also includes two schedules (pages 14 and 16), which reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting).

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Rabun County, on an entity-wide basis, had an increase in net position during FY 2019 of \$3,321,480, of which \$3,347,230 was an increase in governmental activities and \$25,750 was a decrease in business-type activities. At June 30, 2019, the County had \$49,900,963 net investment in capital assets, \$8,291,271 in restricted net position, and (\$11,004,110) in unrestricted net position. The table below shows the split of net position between governmental and business-type activities for both FY 2019 and FY 2018.

RABUN COUNTY, GEORGIA'S NET POSITION June 30, 2019 and 2018

(\$ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current assets	\$ 21,143	\$ 19,698	\$ 600	\$ 858	\$ 21,743	\$ 20,556
Capital assets	49,431	49,378	2,631	2,394	52,062	51,772
Total assets	<u>70,574</u>	<u>69,076</u>	<u>3,231</u>	<u>3,252</u>	<u>73,805</u>	<u>72,328</u>
Deferred outflows of resources	<u>1,338</u>	<u>500</u>	<u>72</u>	<u>7</u>	<u>1,410</u>	<u>507</u>
Current liabilities	4,079	3,726	161	176	4,240	3,902
Noncurrent liabilities	20,707	21,492	2,959	2,924	23,666	24,416
Total liabilities	<u>24,786</u>	<u>25,218</u>	<u>3,120</u>	<u>3,100</u>	<u>27,906</u>	<u>28,318</u>
Deferred inflows of resources	<u>111</u>	<u>377</u>	<u>9</u>	<u>12</u>	<u>120</u>	<u>389</u>
Net position:						
Net Investment in capital assets	47,270	47,761	2,631	2,394	49,901	50,155
Restricted	8,291	5,946	0	0	8,291	5,946
Unrestricted	(8,546)	(9,725)	(2,458)	(2,176)	(11,004)	(11,901)
Total net position	<u>\$ 47,015</u>	<u>\$ 43,982</u>	<u>\$ 173</u>	<u>\$ 218</u>	<u>\$ 47,188</u>	<u>\$ 44,200</u>

RABUN COUNTY GEORGIA'S CHANGES IN NET POSITION
Fiscal Years Ended June 30, 2019 and 2018

(\$ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program revenues						
Charges for services	\$ 2,453	\$ 2,379	\$ 796	\$ 838	\$ 3,249	\$ 3,217
Operating grants and contributions	785	858	0	0	785	858
Capital grants and contributions	652	364	0	0	652	364
General revenues						
Taxes	22,698	20,397	0	0	22,698	20,397
Interest	393	14	2	1	395	15
Other	95	237	0	0	95	237
Total revenues	<u>27,076</u>	<u>24,249</u>	<u>798</u>	<u>839</u>	<u>27,874</u>	<u>25,088</u>
EXPENSES						
Program Expenses:						
General Government	3,017	2,735	0	0	3,017	2,735
Judicial	1,357	1,197	0	0	1,357	1,197
Public Safety	10,460	9,673	0	0	10,460	9,673
Public Works	4,416	3,843	0	0	4,416	3,843
Health and Welfare	1,045	1,091	0	0	1,045	1,091
Culture and Recreation	1,687	1,523	0	0	1,687	1,523
Housing and Development	315	1,131	0	0	315	1,131
Interest on long-term debt	206	257	0	0	206	257
Solid Waste	0	0	1,714	1,400	1,714	1,400
Golf Course	0	0	335	320	335	320
Total expenses	<u>22,503</u>	<u>21,450</u>	<u>2,049</u>	<u>1,720</u>	<u>24,552</u>	<u>23,170</u>
Excess (Deficiency) before transfers	4,573	2,799	(1,251)	(881)	3,322	1,918
Transfers In (Out)	<u>(1,225)</u>	<u>(1,059)</u>	<u>1,225</u>	<u>1,059</u>	<u>0</u>	<u>0</u>
Increase (Decrease) in net position	<u>3,348</u>	<u>1,740</u>	<u>(26)</u>	<u>178</u>	<u>3,322</u>	<u>1,918</u>
Net position, beginning (original)	43,982	42,242	218	40	44,200	42,282
Prior period adjustment	<u>(315)</u>	<u>0</u>	<u>(19)</u>	<u>0</u>	<u>(334)</u>	<u>0</u>
Net position, beginning (restated)	43,667	42,242	199	40	43,866	42,282
Net position, ending	<u>\$ 47,015</u>	<u>\$ 43,982</u>	<u>\$ 173</u>	<u>\$ 218</u>	<u>\$ 47,188</u>	<u>\$ 44,200</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows and outflows of spendable resources. Such information is useful in evaluating a government's near-term financing requirements.

Governmental revenues increased approximately \$2,931,000 from FY 2018. Taxes increased approximately \$2,321,000, intergovernmental increased approximately \$313,000, and interest increased approximately \$423,000.

Tax revenues totaled \$22,713,154, including \$17,595,189 in property taxes (up approximately \$1,968,000 from the PY) and \$3,664,011 (up approximately \$282,000 from the PY) in special purpose local option sales taxes.

Expenditures in the governmental funds totaled \$24,772,879, a \$117,856 increase from FY 2018. Public safety expenditures increased \$555,000 due mostly to increased capital outlay in the Sheriff and Rabun County Jail departments and increased personal services in the Drug Task Force department. Housing and Development expenditures decreased due to reduced payments to the Rabun County Economic Development Authority.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

General Fund Budget Highlights

The original budget for the General Fund was amended by various appropriations approved after the beginning of the fiscal year. In addition, the Board of Commissioners approved several adjustments to prevent budget overruns. The following highlights the differences between the original and final budget amounts:

The budget for total revenues increased \$366,393 and the budget for total expenditures increased \$1,217,090.

The County finished FY 2019 with revenues more than budgeted of \$616,565. However, expenditures came in under budget by \$1,066,911. Taxes were under budget by \$285,078 and intergovernmental revenues were over budget by \$513,624. Sheriff expenditures were under budget by \$223,368, while Fire Department expenditures were under budget by \$146,861, and Roads and Bridges expenditures were under budget by \$132,775.

CAPITAL ASSETS & LONG-TERM LIABILITIES

Capital assets. Rabun County's government-wide investment in capital assets at June 30, 2019 was \$104,797,687, net of \$52,735,377 in accumulated depreciation. The investment, which includes land, buildings, roads, bridges, machinery and equipment, park facilities and vehicles, is discussed in more detail in Note 8 on pages 45-47. Capital asset additions in FY 2019 were approximately \$3,506,000.

Major capital asset activity in FY 2019 was as follows:

The County purchased substantial vehicles and equipment, began or continued construction on the coroner sanitary sewer extension, south Rabun water reclamation facility, Paws for Life pump station, Fire Stations #3, #8, and #10, and continued significant renovations to multiple County buildings.

Long-term liabilities. At June 30, 2019, Rabun County had \$20,547,222 in long-term liabilities, including capital leases, contracts, and bonds payable, compensated absences, and a guarantee obligation; this is a decrease in total of \$2,126,421 from FY 2018. The decrease was due mostly to principal payments during fiscal year 2019. Additional information on the County's long-term liabilities can be found in Notes 9-11 found on pages 48-52.

ECONOMIC FACTORS AND THE 2020 BUDGET

The economy in the County seems to be steady; for example, the un-employment rate in the County is in line with the State average. The County will continue to adhere to strict budget controls for FY 2020.

The County increased fund balance in the General Fund by approximately \$1,500,000 for FY 2019. The County has budgeted to utilize approximately \$116,000 to balance it's FY 2020 budget and will likely utilize additional fund balance to continue the existing projects and begin additional projects.

REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview of Rabun County's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer at 25 Courthouse Square, Suite 201 Clayton, GA 30525.

BASIC FINANCIAL STATEMENTS

RABUN COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2019

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 11,892,805	\$ 553,577	\$ 12,446,382	\$ 3,325,740
Certificates of deposit	8,101,338	0	8,101,338	16,302
Restricted cash and cash equivalents	121,296	0	121,296	86,396
Receivables (net)				
Accounts	320,132	46,147	366,279	74,054
Intergovernmental	94,276	0	94,276	3,186
Taxes	491,965	0	491,965	0
Notes	0	0	0	30,324
Prepays	120,824	0	120,824	1,500
	<u>21,142,636</u>	<u>599,724</u>	<u>21,742,360</u>	<u>3,537,502</u>
Total current assets				
Noncurrent assets				
Capital assets				
Non-depreciable	3,289,591	1,407,888	4,697,479	1,238,965
Depreciable (net)	46,141,461	1,223,370	47,364,831	10,992,893
Other assets				
Notes receivable	0	0	0	139,763
Investment in joint venture	0	0	0	10,001
	<u>49,431,052</u>	<u>2,631,258</u>	<u>52,062,310</u>	<u>12,381,622</u>
Total noncurrent assets				
Total assets	<u>70,573,688</u>	<u>3,230,982</u>	<u>73,804,670</u>	<u>15,919,124</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	1,337,733	71,996	1,409,729	135,034
Deferred outflows of resources - OPEB	0	0	0	85,135
	<u>1,337,733</u>	<u>71,996</u>	<u>1,409,729</u>	<u>220,169</u>
Total deferred outflows of resources				
LIABILITIES				
Current liabilities				
Payables				
Accounts	404,097	34,878	438,975	33,792
Retainages	39,167	0	39,167	0
Interest	9,054	0	9,054	0
Accrued salaries and payroll liabilities	253,803	22,421	276,224	0
Compensated absences	387,355	34,979	422,334	44,600
Guarantee obligation	981,129	0	981,129	0
Capital leases payable	77,006	0	77,006	0
Contracts payable	237,216	0	237,216	0
Bonds payable	1,689,861	0	1,689,861	410,000
Closure/post-closure care	0	69,111	69,111	0
Liabilities payable from restricted assets				
Customer deposits payable	0	0	0	86,385
Interest payable	0	0	0	286,549
	<u>4,078,688</u>	<u>161,389</u>	<u>4,240,077</u>	<u>861,326</u>
Total current liabilities				

RABUN COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2019

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	\$ 0	\$ 0	\$ 0	\$ 21,991
Net pension liability	3,234,940	184,306	3,419,246	526,541
Net OPEB liability	333,012	20,210	353,222	276,476
Guarantee obligation	13,713,382	0	13,713,382	0
Capital leases payable	182,534	0	182,534	0
Contracts payable	3,243,760	0	3,243,760	0
Bonds payable	0	0	0	13,581,019
Closure/post-closure care	0	2,754,506	2,754,506	0
	<u>20,707,628</u>	<u>2,959,022</u>	<u>23,666,650</u>	<u>14,406,027</u>
Total noncurrent liabilities				
	<u>20,707,628</u>	<u>2,959,022</u>	<u>23,666,650</u>	<u>14,406,027</u>
Total liabilities	<u>24,786,316</u>	<u>3,120,411</u>	<u>27,906,727</u>	<u>15,267,353</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	101,717	8,472	110,189	35,327
Deferred inflows of resources - OPEB	8,823	536	9,359	164,311
	<u>110,540</u>	<u>9,008</u>	<u>119,548</u>	<u>199,638</u>
Total deferred inflows of resources				
	<u>110,540</u>	<u>9,008</u>	<u>119,548</u>	<u>199,638</u>
NET POSITION				
Net investment in capital assets	47,269,705	2,631,258	49,900,963	(1,759,161)
Restricted for:				
Judicial	116,659	0	116,659	0
Public safety	325,425	0	325,425	0
Public works	448,793	0	448,793	0
Health and welfare	121,296	0	121,296	4,676
Capital outlay	7,279,098	0	7,279,098	0
Unrestricted	(8,546,411)	(2,457,699)	(11,004,110)	2,426,787
	<u>(8,546,411)</u>	<u>(2,457,699)</u>	<u>(11,004,110)</u>	<u>2,426,787</u>
Total net position	<u>\$ 47,014,565</u>	<u>\$ 173,559</u>	<u>\$ 47,188,124</u>	<u>\$ 672,302</u>

RABUN COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2019

FUNCTIONS/PROGRAMS	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government					
Governmental activities					
General Government	\$ 3,016,995	\$ 73,867	\$ 337,030	\$ 0	\$ (2,606,098)
Judicial	1,357,484	49,705	7,150	0	(1,300,629)
Public Safety	10,460,639	2,007,338	230,601	25,494	(8,197,206)
Public Works	4,415,662	5,165	64,434	177,670	(4,168,393)
Health and Welfare	1,045,233	42,123	146,063	448,793	(408,254)
Culture and Recreation	1,686,817	229,666	0	0	(1,457,151)
Housing and Development	314,857	44,768	0	0	(270,089)
Interest on long-term debt	205,726	0	0	0	(205,726)
Total governmental activities	<u>22,503,413</u>	<u>2,452,632</u>	<u>785,278</u>	<u>651,957</u>	<u>(18,613,546)</u>
Business-type activities					
Solid Waste	1,714,277	590,477	0	0	(1,123,800)
Waste-Water Facility	0	120,000	0	0	120,000
Golf Course	334,809	86,091	0	0	(248,718)
Total business-type activities	<u>2,049,086</u>	<u>796,568</u>	<u>0</u>	<u>0</u>	<u>(1,252,518)</u>
Total primary government	<u>24,552,499</u>	<u>3,249,200</u>	<u>785,278</u>	<u>651,957</u>	<u>(19,866,064)</u>
Component Units					
Rabun County Library					
Culture and Recreation	353,563	24,327	14,492	30,926	(283,818)
Rabun County Health Department					
Health and Welfare	624,258	280,815	345,938	0	2,495
Rabun County Economic Development Authority					
Housing and Development	1,376,022	0	0	0	(1,376,022)
Total component units	<u>2,353,843</u>	<u>305,142</u>	<u>360,430</u>	<u>30,926</u>	<u>(1,657,345)</u>
Primary Government					
	Governmental Activities	Business-Type Activities	Total	Component Units	
Change in net position					
Net (expense) revenue	<u>\$ (18,613,546)</u>	<u>\$ (1,252,518)</u>	<u>\$ (19,866,064)</u>	<u>\$ (1,657,345)</u>	
General revenues					
Taxes					
Property	17,586,058	0	17,586,058	0	
Sales	3,664,011	0	3,664,011	0	
Insurance premium	768,600	0	768,600	0	
Other	679,534	0	679,534	0	
Interest and investment earnings	392,523	2,060	394,583	8,729	
Rental income	0	0	0	1,296,345	
Gain on sale of assets	7,810	0	7,810	0	
Payments from Rabun County	0	0	0	645,198	
Miscellaneous	86,948	0	86,948	25,606	
Transfers	(1,224,708)	1,224,708	0	0	
Total general revenues and transfers	<u>21,960,776</u>	<u>1,226,768</u>	<u>23,187,544</u>	<u>1,975,878</u>	
Change in net position	<u>3,347,230</u>	<u>(25,750)</u>	<u>3,321,480</u>	<u>318,533</u>	
Net position - beginning (original)	43,981,928	218,400	44,200,328	353,769	
Prior period adjustments	(314,593)	(19,091)	(333,684)	0	
Net position - beginning (restated)	<u>43,667,335</u>	<u>199,309</u>	<u>43,866,644</u>	<u>353,769</u>	
Net position - ending	<u>\$ 47,014,565</u>	<u>\$ 173,559</u>	<u>\$ 47,188,124</u>	<u>\$ 672,302</u>	

RABUN COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019

	<u>General</u>	<u>SPLOST #5</u>	<u>SPLOST #6</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
ASSETS					
Cash and cash equivalents	\$ 3,897,827	\$ 0	\$ 7,098,200	\$ 896,778	\$ 11,892,805
Certificates of deposit	8,101,338	0	0	0	8,101,338
Restricted cash and cash equivalents	121,296	0	0	0	121,296
Receivables (net)					
Accounts	286,102	0	0	34,030	320,132
Intergovernmental	85,239	0	0	9,037	94,276
Taxes	84,991	0	350,120	56,854	491,965
Prepays	120,824	0	0	0	120,824
Total assets	<u>\$ 12,697,617</u>	<u>\$ 0</u>	<u>\$ 7,448,320</u>	<u>\$ 996,699</u>	<u>\$ 21,142,636</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 235,481	\$ 0	\$ 162,631	\$ 5,985	\$ 404,097
Retainages payable	32,576	0	6,591	0	39,167
Accrued salaries and payroll liabilities	235,608	0	0	18,195	253,803
Total liabilities	<u>503,665</u>	<u>0</u>	<u>169,222</u>	<u>24,180</u>	<u>697,067</u>
Deferred inflows of resources					
Unavailable revenue - property taxes	27,032	0	0	0	27,032
Fund balances					
Nonspendable prepaids	120,824	0	0	0	120,824
Restricted for:					
Judicial	0	0	0	116,659	116,659
Public safety	0	0	0	325,425	325,425
Public works	448,793	0	0	0	448,793
Health and welfare	121,296	0	0	0	121,296
Capital outlay	0	0	7,279,098	0	7,279,098
Assigned to:					
Public safety	0	0	0	435,841	435,841
Housing and development	0	0	0	94,594	94,594
Subsequent budget	116,835	0	0	0	116,835
Unassigned	11,359,172	0	0	0	11,359,172
Total fund balances	<u>12,166,920</u>	<u>0</u>	<u>7,279,098</u>	<u>972,519</u>	<u>20,418,537</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 12,697,617</u>	<u>\$ 0</u>	<u>\$ 7,448,320</u>	<u>\$ 996,699</u>	<u>\$ 21,142,636</u>

RABUN COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2019

Total fund balance - total governmental funds \$ 20,418,537

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

Some assets are not financial resources and, therefore, are not reported in the funds. These are:

Capital assets, net of accumulated depreciation 49,431,052

Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are deferred in the fund. These are unavailable property taxes. 27,032

Deferred outflows and inflows of resources related to pension and OPEB plans are applicable to future periods and, therefore, are not reported in the funds. These are:

Deferred outflows of resources - pension	\$ 1,337,733	
Deferred inflows of resources - pension	(101,717)	
Deferred inflows of resources - OPEB	<u>(8,823)</u>	1,227,193

Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are:

Compensated absences	(387,355)	
Net pension liability	(3,234,940)	
Net OPEB liability	(333,012)	
Interest payable	(9,054)	
Guarantee obligation	(14,694,511)	
Capital leases payable	(259,540)	
Contracts payable	(3,480,976)	
Bonds payable	<u>(1,689,861)</u>	<u>(24,089,249)</u>

Net position of governmental activities \$ 47,014,565

RABUN COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	General	SPLOST #5	SPLOST #6	Nonmajor Governmental Funds	Totals
REVENUES					
Taxes	\$ 18,865,463	\$ 0	\$ 3,664,011	\$ 183,680	\$ 22,713,154
Licenses and permits	69,113	0	0	0	69,113
Fines, fees and forfeitures	484,553	0	0	146,063	630,616
Charges for services	1,349,379	0	0	397,703	1,747,082
Intergovernmental	1,172,414	0	0	0	1,172,414
Interest	390,395	0	70,003	2,128	462,526
Contributions	54,390	0	0	32,761	87,151
Other	86,948	0	0	0	86,948
Total revenues	22,472,655	0	3,734,014	762,335	26,969,004
EXPENDITURES					
Current					
General Government	3,809,138	0	0	0	3,809,138
Judicial	1,305,906	0	0	36,689	1,342,595
Public Safety	9,098,149	0	0	1,163,061	10,261,210
Public Works	2,324,658	0	0	0	2,324,658
Health and Welfare	938,273	0	0	0	938,273
Culture and Recreation	1,389,178	0	0	0	1,389,178
Housing and Development	567,107	0	0	228,000	795,107
Capital outlay	0	97,419	1,741,137	0	1,838,556
Debt service	396,316	0	1,677,848	0	2,074,164
Total expenditures	19,828,725	97,419	3,418,985	1,427,750	24,772,879
Excess (deficiency) of revenues over (under) expenditures	2,643,930	(97,419)	315,029	(665,415)	2,196,125
Other financing sources (uses)					
Transfers in	120,000	0	0	410,000	530,000
Transfers out	(1,585,000)	0	(169,708)	0	(1,754,708)
Proceeds from sale of assets	11,575	0	0	0	11,575
Proceeds from issuance of capital leases	315,700	0	0	0	315,700
Total other financing sources (uses)	(1,137,725)	0	(169,708)	410,000	(897,433)
Net change in fund balance	1,506,205	(97,419)	145,321	(255,415)	1,298,692
Fund balances, July 1	10,660,715	97,419	7,133,777	1,227,934	19,119,845
Fund balances, June 30	\$ 12,166,920	\$ 0	\$ 7,279,098	\$ 972,519	\$ 20,418,537

RABUN COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2019

Net change in fund balances - total governmental funds \$ 1,298,692

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays	\$ 3,122,721	
Depreciation	<u>(3,066,254)</u>	56,467

In the statement of activities, the gain or loss on the sale or disposal of assets is reported, whereas in the governmental funds the proceeds from the sale increase financial resources.

Cost of assets disposed	(115,871)	
Related accumulated depreciation	<u>112,106</u>	(3,765)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include recognition of unavailable revenue. (9,131)

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as pension expense.

Pension contributions	718,170	
Cost of benefits earned, net of employee contributions	<u>(817,504)</u>	(99,334)

Governmental funds report OPEB contributions as expenditures. However, in the statement of activities, the cost of OPEB benefits earned net of employee contributions is reported as OPEB expense. (27,242)

The proceeds of debt issuance, net of premiums, discounts and issuance costs provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues.

Debt proceeds	(315,700)	
Debt principal payments	1,866,742	
Amortization of bond premiums	107,667	
Net change in guarantee obligation	479,111	
Net change in interest payable	<u>1,696</u>	2,139,516

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

Net change in compensated absences		<u>(7,973)</u>
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Change in net position of governmental activities		<u><u>\$ 3,347,230</u></u>
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RABUN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2019

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 19,096,941	\$ 19,150,541	\$ 18,865,463	\$ (285,078)
Licenses and permits	67,500	67,500	69,113	1,613
Fines, fees and forfeitures	453,500	453,500	484,553	31,053
Charges for services	1,293,400	1,323,240	1,349,379	26,139
Intergovernmental	515,856	658,790	1,172,414	513,624
Interest	45,000	113,886	390,395	276,509
Contributions	7,500	56,438	54,390	(2,048)
Other	10,000	32,195	86,948	54,753
Total revenues	21,489,697	21,856,090	22,472,655	616,565
EXPENDITURES				
Current				
General Government				
General Administration	228,229	224,703	217,789	6,914
Finance	402,824	439,953	439,191	762
Elections	142,371	148,106	140,875	7,231
Board of Commissioners	130,572	218,270	213,574	4,696
Human Resources	398,624	440,733	432,359	8,374
Tax Commissioner	406,898	406,898	378,662	28,236
Tax Assessors	328,634	328,634	319,276	9,358
Buildings and Properties	1,354,004	1,745,950	1,667,412	78,538
Judicial				
Clerk of Court	451,101	451,316	434,176	17,140
Probate Court	308,164	308,164	287,697	20,467
Administration of Justice	348,042	378,351	374,509	3,842
District Attorney	264,982	264,982	209,524	55,458
Public Safety				
Sheriff	2,548,717	2,592,745	2,369,377	223,368
Rabun County Jail	1,962,694	2,056,369	2,054,080	2,289
Coroner	31,219	31,869	18,508	13,361
Emergency Management Agency	117,127	146,706	144,163	2,543
Fire Department	1,400,089	1,516,089	1,369,228	146,861
County Marshal	343,903	344,841	339,601	5,240
E911 Mapping & Addressing	146,584	150,559	145,862	4,697
Drug Task Force	323,334	332,387	251,805	80,582
Emergency Medical Service	2,191,435	2,197,486	2,168,685	28,801
Boggs Mountain Animal Shelter	268,390	268,390	236,840	31,550
Public Works				
Roads and Bridges	2,026,060	2,082,433	1,949,658	132,775
Water and Sewer Authority	380,310	380,310	375,000	5,310
Health and Welfare				
Public Health	65,120	65,120	65,115	5
Public Welfare	51,500	51,500	48,897	2,603
Program on Aging	738,807	743,525	713,261	30,264
Court Appointed Special Advocates	11,000	11,000	11,000	0
F.A.I.T.H.	100,000	100,000	100,000	0

RABUN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2019

	Budget		Actual	Variance with Final Budget
	Original	Final		
Culture and Recreation				
Civic Center	\$ 131,453	\$ 169,444	\$ 164,484	\$ 4,960
Recreation	680,527	687,547	678,562	8,985
Rabun Arena	190,576	208,025	189,462	18,563
Rabun County Library	347,521	351,000	351,000	0
Rabun County Historical Society	5,560	5,670	5,670	0
Housing and Development				
Extension Service	47,523	47,523	42,891	4,632
Planning Commission	89,999	90,199	87,454	2,745
Rabun County Economic Development Authority	365,779	479,900	422,661	57,239
Soil Erosion Control	15,869	15,934	14,101	1,833
Total Current	19,345,541	20,482,631	19,432,409	1,050,222
Debt Service				
Public Safety	0	80,000	63,312	16,688
Public Works	333,005	333,005	333,004	1
Total expenditures	19,678,546	20,895,636	19,828,725	1,066,911
Excess (deficiency) of revenues over (under) expenditures	1,811,151	960,454	2,643,930	1,683,476
Other financing sources (uses)				
Transfers in	0	0	120,000	120,000
Transfers out	(2,209,101)	(1,730,000)	(1,585,000)	145,000
Proceeds from sale of assets	8,500	8,500	11,575	3,075
Proceeds from issuance of capital leases	389,450	425,301	315,700	(109,601)
Total other financing sources (uses)	(1,811,151)	(1,296,199)	(1,137,725)	158,474
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(335,745)	1,506,205	1,841,950
Fund balances, July 1	0	335,745	10,660,715	10,324,970
Fund balances, June 30	\$ 0	\$ 0	\$ 12,166,920	\$ 12,166,920

RABUN COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019

	Business-Type Activities			Totals
	Solid Waste	Waste-Water Facility	Golf Course	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 432,868	\$ 0	\$ 120,709	\$ 553,577
Accounts receivable (net)	46,147	0	0	46,147
Total current assets	479,015	0	120,709	599,724
Noncurrent assets				
Capital assets				
Non-depreciable	1,106,031	0	301,857	1,407,888
Depreciable (net)	1,200,562	0	22,808	1,223,370
Total noncurrent assets	2,306,593	0	324,665	2,631,258
Total assets	2,785,608	0	445,374	3,230,982
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources - pension	46,000	0	25,996	71,996
LIABILITIES				
Current liabilities				
Accounts payable	33,352	0	1,526	34,878
Accrued salaries and payroll liabilities	16,783	0	5,638	22,421
Compensated absences	17,824	0	17,155	34,979
Closure/post-closure care	69,111	0	0	69,111
Total current liabilities	137,070	0	24,319	161,389
Noncurrent liabilities				
Net pension liability	117,071	0	67,235	184,306
Net OPEB liability	13,205	0	7,005	20,210
Closure/post-closure care	2,754,506	0	0	2,754,506
Total noncurrent liabilities	2,884,782	0	74,240	2,959,022
Total liabilities	3,021,852	0	98,559	3,120,411
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources - pension	4,886	0	3,586	8,472
Deferred inflows of resources - OPEB	350	0	186	536
Total deferred inflows of resources	5,236	0	3,772	9,008
NET POSITION				
Investment in capital assets	2,306,593	0	324,665	2,631,258
Unrestricted	(2,502,073)	0	44,374	(2,457,699)
Total net position	\$ (195,480)	\$ 0	\$ 369,039	\$ 173,559

RABUN COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2019

	Business-Type Activities			Totals
	Solid Waste	Waste-Water Facility	Golf Course	
OPERATING REVENUES				
Charges for sales and services	\$ 590,477	\$ 120,000	\$ 86,091	\$ 796,568
Total operating revenues	<u>590,477</u>	<u>120,000</u>	<u>86,091</u>	<u>796,568</u>
OPERATING EXPENSES				
Costs of sales and services	866,327	0	68,339	934,666
Personal services	711,846	0	256,329	968,175
Depreciation	136,104	0	10,141	146,245
Total operating expenses	<u>1,714,277</u>	<u>0</u>	<u>334,809</u>	<u>2,049,086</u>
Operating income (loss)	(1,123,800)	120,000	(248,718)	(1,252,518)
Non-operating revenues (expenses)				
Interest revenue	1,727	0	333	2,060
Net income (loss) before transfers	<u>(1,122,073)</u>	<u>120,000</u>	<u>(248,385)</u>	<u>(1,250,458)</u>
Transfers in (out)				
Transfers in	1,092,183	0	252,525	1,344,708
Transfers out	0	(120,000)	0	(120,000)
Total transfers in (out)	<u>1,092,183</u>	<u>(120,000)</u>	<u>252,525</u>	<u>1,224,708</u>
Change in net position	<u>(29,890)</u>	<u>0</u>	<u>4,140</u>	<u>(25,750)</u>
Net position, July 1 (original)	(153,116)	0	371,516	218,400
Prior period adjustments	(12,474)	0	(6,617)	(19,091)
Net position, July 1 (restated)	<u>(165,590)</u>	<u>0</u>	<u>364,899</u>	<u>199,309</u>
Net position, June 30	<u>\$ (195,480)</u>	<u>\$ 0</u>	<u>\$ 369,039</u>	<u>\$ 173,559</u>

RABUN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2019

	Business-Type Activities			Totals
	Solid Waste	Waste-Water Facility	Golf Course	
Cash flows from operating activities:				
Receipts from customers	\$ 584,591	\$ 120,000	\$ 86,091	\$ 790,682
Payments to suppliers	(870,471)	0	(67,388)	(937,859)
Payments to employees	(708,198)	0	(251,811)	(960,009)
Net cash provided (used) by operating activities	<u>(994,078)</u>	<u>120,000</u>	<u>(233,108)</u>	<u>(1,107,186)</u>
Cash flows from non-capital financing activities:				
Receipts from other funds	990,000	0	185,000	1,175,000
Payments to other funds	0	(120,000)	0	(120,000)
Net cash provided (used) by non-capital financing activities	<u>990,000</u>	<u>(120,000)</u>	<u>185,000</u>	<u>1,055,000</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(316,010)	0	(67,525)	(383,535)
Receipts from other funds	102,183	0	67,525	169,708
Net cash provided (used) by capital and related financing activities	<u>(213,827)</u>	<u>0</u>	<u>0</u>	<u>(213,827)</u>
Cash flows from investing activities:				
Interest received	1,727	0	333	2,060
Net increase (decrease) in cash and cash equivalents	(216,178)	0	(47,775)	(263,953)
Cash and cash equivalents, July 1	649,046	0	168,484	817,530
Cash and cash equivalents, June 30	<u>\$ 432,868</u>	<u>\$ 0</u>	<u>\$ 120,709</u>	<u>\$ 553,577</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (1,123,800)	\$ 120,000	\$ (248,718)	\$ (1,252,518)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	136,104	0	10,141	146,245
Closure/postclosure care costs	(23,170)	0	0	(23,170)
(Increase) decrease in accounts receivable	(5,886)	0	0	(5,886)
(Increase) decrease in deferred outflows of resources - pension	(42,418)	0	(21,938)	(64,356)
(Increase) decrease in deferred outflows of resources - OPEB	770	0	408	1,178
Increase (decrease) in accounts payable	19,026	0	951	19,977
Increase (decrease) in accrued payroll liabilities	(1,371)	0	1,855	484
Increase (decrease) in net pension liability	48,072	0	25,501	73,573
Increase (decrease) in net OPEB liability	(39)	0	(20)	(59)
(Increase) decrease in deferred outflows of resources - pension	(1,716)	0	(1,474)	(3,190)
(Increase) decrease in deferred outflows of resources - OPEB	350	0	186	536
Total adjustments	<u>129,722</u>	<u>0</u>	<u>15,610</u>	<u>145,332</u>
Net cash provided (used) by operating activities	<u>\$ (994,078)</u>	<u>\$ 120,000</u>	<u>\$ (233,108)</u>	<u>\$ (1,107,186)</u>

RABUN COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2019

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 1,110,476
Taxes receivable, net	<u>204,418</u>
Total assets	<u><u>\$ 1,314,894</u></u>
 LIABILITIES	
Due to other agencies	<u><u>\$ 1,314,894</u></u>

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2019

	<u>Rabun County Library</u>	<u>Rabun County Health Department</u>	<u>Rabun County Economic Development Authority</u>	<u>Rabun County Building Authority</u>	<u>Totals</u>
ASSETS					
Current assets					
Cash and cash equivalents	\$ 69,915	\$ 844,926	\$ 2,405,229	\$ 5,670	\$ 3,325,740
Certificates of deposit	16,302	0	0	0	16,302
Restricted cash and cash equivalents	0	0	86,396	0	86,396
Receivables (net)					
Accounts	0	65,846	8,208	0	74,054
Intergovernmental	0	3,186	0	0	3,186
Notes	0	0	30,324	0	30,324
Prepays	1,500	0	0	0	1,500
Total current assets	87,717	913,958	2,530,157	5,670	3,537,502
Noncurrent assets					
Capital assets					
Non-depreciable	0	0	1,238,965	0	1,238,965
Depreciable (net)	209,185	14,573	10,769,135	0	10,992,893
Notes receivable	0	0	139,763	0	139,763
Investment in joint venture	0	0	10,001	0	10,001
Total noncurrent assets	209,185	14,573	12,157,864	0	12,381,622
Total assets	296,902	928,531	14,688,021	5,670	15,919,124
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources - pension	0	135,034	0	0	135,034
Deferred outflows of resources - OPEB	0	85,135	0	0	85,135
Total deferred outflows of resources	0	220,169	0	0	220,169
LIABILITIES					
Current liabilities					
Accounts payable	2,602	0	31,190	0	33,792
Compensated absences	0	44,600	0	0	44,600
Bonds payable	0	0	410,000	0	410,000
Liabilities payable from restricted assets					
Customer deposits payable	0	0	86,385	0	86,385
Interest payable	0	0	286,549	0	286,549
Total current liabilities	2,602	44,600	814,124	0	861,326

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2019

	Rabun County Library	Rabun County Health Department	Rabun County Economic Development Authority	Rabun County Building Authority	Totals
Noncurrent liabilities					
Compensated absences	\$ 0	\$ 21,991	\$ 0	\$ 0	\$ 21,991
Net pension liability	0	526,541	0	0	526,541
Net OPEB liability	0	276,476	0	0	276,476
Bonds payable	0	0	13,581,019	0	13,581,019
	<u>0</u>	<u>825,008</u>	<u>13,581,019</u>	<u>0</u>	<u>14,406,027</u>
Total noncurrent liabilities	0	825,008	13,581,019	0	14,406,027
Total liabilities	2,602	869,608	14,395,143	0	15,267,353
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources - pension	0	35,327	0	0	35,327
Deferred inflows of resources - OPEB	0	164,311	0	0	164,311
Total deferred inflows of resources	0	199,638	0	0	199,638
NET POSITION					
Net investment in capital assets	209,185	14,573	(1,982,919)	0	(1,759,161)
Restricted for health and welfare	0	4,676	0	0	4,676
Unrestricted	85,115	60,205	2,275,797	5,670	2,426,787
Total net position	\$ 294,300	\$ 79,454	\$ 292,878	\$ 5,670	\$ 672,302

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the fiscal year ended June 30, 2019

	Rabun County Library	Rabun County Health Department	Rabun County Economic Development Authority	Rabun County Building Authority	Totals
Expenses					
Health and Welfare	\$ 0	\$ 624,258	\$ 0	\$ 0	\$ 624,258
Culture and Recreation	353,563	0	0	0	353,563
Housing and Development	0	0	1,376,022	0	1,376,022
Total expenses	<u>353,563</u>	<u>624,258</u>	<u>1,376,022</u>	<u>0</u>	<u>2,353,843</u>
Program revenues					
Charges for services	24,327	280,815	0	0	305,142
Operating grants and contributions	14,492	345,938	0	0	360,430
Capital grants and contributions	30,926	0	0	0	30,926
Total program revenues	<u>69,745</u>	<u>626,753</u>	<u>0</u>	<u>0</u>	<u>696,498</u>
Net (expense) revenue	<u>(283,818)</u>	<u>2,495</u>	<u>(1,376,022)</u>	<u>0</u>	<u>(1,657,345)</u>
General revenues					
Interest	40	0	8,673	16	8,729
Rental income	0	0	1,296,345	0	1,296,345
Payments from Rabun County	308,649	50,000	286,549	0	645,198
Miscellaneous	8,150	0	17,456	0	25,606
Total general revenues	<u>316,839</u>	<u>50,000</u>	<u>1,609,023</u>	<u>16</u>	<u>1,975,878</u>
Change in net position	33,021	52,495	233,001	16	318,533
Net position - beginning	<u>261,279</u>	<u>26,959</u>	<u>59,877</u>	<u>5,654</u>	<u>353,769</u>
Net position - ending	<u><u>\$ 294,300</u></u>	<u><u>\$ 79,454</u></u>	<u><u>\$ 292,878</u></u>	<u><u>\$ 5,670</u></u>	<u><u>\$ 672,302</u></u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

1. Description of Government Unit

Rabun County, Georgia (the County) is located in the foothills of the Georgia mountains about seventy-five miles northeast of Atlanta.

The County provides a full range of governmental services, including public safety, health and welfare services, recreational programs, public works, water and sewer services, and solid waste services.

The government is governed by an elected five member commission and five Constitutional Officers; Tax Commissioner, Magistrate Judge, Probate Judge, Sheriff, and Clerk of Superior Court.

2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Rabun County (the primary government) and material component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationship with the County.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the financial statements of component units have been included either as blended or discretely presented component units.

Discretely Presented Component Units – Discretely presented component units are reported in a separate column in the combined financial statements to emphasize they are legally separate from the government

Rabun County Library – The Rabun County Library is a member of the Northeast Georgia Regional Library System which also includes the counties of Rabun, Stephens, and White. The system is governed by the Regional Board of Trustees and each affiliated County has a County Board of Trustees. The Rabun County Library's Board of Trustees are appointed by the Board of Commissioners of Rabun County. Rabun County primarily funds the Library and approves its budgets. Complete financial statements can be obtained from the administrative offices of the Rabun County Library, 73 Jo Dotson Circle, Clayton, GA 30525.

Rabun County Health Department – The Rabun County Health Department was established as a legally separate entity and operates pursuant to the Georgia Health Code 88-2, Georgia Laws 1964. The District Health Director is the Executive Officer of the Rabun County Health Department and is responsible for the overall coordination of the local health activities. The Rabun County Health Department is funded by the State and County under the Grant-in-Aid provisions, and operated under the supervision of the local Board of Health. Complete financial statements can be obtained from the administrative offices of the Rabun County Health Department, 184 South Main Street, Clayton, GA 30525.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Rabun County Economic Development Authority – The Rabun County Development Authority was created by an act of the Georgia Assembly on March 19, 1992. The purpose of the Development Authority is to provide for the economic development of Rabun County; to promote for the public good and general welfare infrastructure, trade, commerce, business, industry, research, training support services, eleemosynary institutions, and employment opportunities. Governing the Authority is a Board in which the majority is appointed by the Rabun County Board of Commissioners. Rabun County funds the operation of the Authority when required. Separate financial statements are not issued.

Rabun County Building Authority – The Rabun County Building Authority was created on March 30, 1994 by an act of the Georgia Assembly (HB No. 2011). The Act authorizes the Building Authority to acquire, construct, and equip self-liquidating projects, including, but not limited to, buildings, sanitary and surface water sewers, streets, roads and public facilities of every nature, type and character, for use by Rabun County for its governmental, proprietary, public and administrative functions. Rabun County is granted the right and power by proper resolution of its governing authority to sell or lease to the Authority lands and buildings owned by it, to borrow money for any of its corporate purposes, to issue revenue bonds payable solely from funds pledged for that purpose and provide for the payment of the same for the rights of the holders thereof, among other provisions of the “Act”. The Authority is governed by a five member Board of Directors all of whom are appointed for three year terms by the Rabun County Board of Commissioners. Separate financial statements are not issued.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation – Government-wide Financial Statements, continued

As discussed earlier, the government has three discretely presented component units. While they are not considered to be major component units, they are nevertheless aggregated and shown in a separate column in the government-wide financial statements.

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

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

General Fund - The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

Special Purpose Local Option Sales Tax #5 Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes.

Special Purpose Local Option Sales Tax #6 Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

The County reports the following major proprietary funds:

Solid Waste Fund – This fund is used to account for the activities of solid waste disposal and recycling programs for Rabun County.

Waste-Water Facility Fund – This fund is used to account for activities connected with the waste water and water treatment facility of Rabun County.

Golf Course Fund – This fund accounts for the operations of the County owned golf facility. Rabun County purchased the Golf Course on July 1, 2009.

Additionally, the County reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital Projects Funds – This fund type is used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Fiduciary Fund Types

Agency Funds – Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the County or for others.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Component Units

The Rabun County Library, Rabun County Health Department, Rabun County Economic Development Authority, and Rabun County Building Authority are accounted for using a current financial resources measurement focus and use the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available).

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

Private-sector standards of accounting and financial reporting issued on or before November 30, 1989, are generally followed in the governmental and business type activities and enterprise fund financial statements to the extent that those standards do no conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option for following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

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

The 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

F. Revenues and Expenditures/Expenses

Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

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

The Board of Commissioners adopts an annual budget for all governmental fund types, prior to July 1, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the Board of Commissioners when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted at a public meeting.

Each year in April, a Budget Committee consisting of the Board of Commissioners, the County Manager, and the Financial Director prepare the proposed budget. Budget requests from the various County departments are presented to this committee for consideration. Public hearings are held to discuss the proposed budget and to obtain input from the citizens of Rabun County.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting, continued

These hearings are publicized in the local newspaper for at least one week before the hearings, and the budget document is made available for public inspection during this time.

The final proposed budget is presented at a Board of Commissioners meeting for final passage prior to July 1.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. Any changes in total departmental expenditures/expenses, personnel benefits, or capital purchases must be approved by the Board of Commissioners.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control which is the department, sub-department, or project level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year end. The County does not use the encumbrance system of accounting.

H. Cash and Investments

Cash and equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents, and investments with an original maturity at three months or less. Investments are reported at fair market value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts.

I. Intergovernmental Receivables

Receivables from state, federal, and local governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

J. Prepaids

Payments made to vendors for services that will benefit periods beyond the current fiscal year are recorded as prepaids. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the County to report and depreciate new infrastructure assets effective with the beginning of the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. Neither their historical costs nor related depreciation had historically been reported in the financial statements. The County has previously implemented the requirements for retroactive reporting of major general infrastructure assets acquired in 1981 forward. The County elected not to report general infrastructure assets placed into service prior to July 1, 1980.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are reported at acquisition value.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Land	N/A	\$ 1
Buildings and improvements	7-40	\$ 5,000
Land Improvements	15	\$ 5,000
Machinery and Equipment	7-10	\$ 5,000
Furniture and Fixtures	7	\$ 5,000
Vehicles	5-10	\$ 5,000
Computer Equipment and Software	3-5	\$ 5,000
Distribution System	50	\$ 5,000
Infrastructure	15-50	\$ 50,000

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

K. Capital Assets, continued

The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County reports deferred outflows of resources for their defined benefit pension plan and OPEB plan.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County also reports deferred inflows of resources related to their defined benefit pension plan and OPEB plan.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

M. Net Position Flow Assumption

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

N. Fund Balance Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

O. Restricted Assets and Restricted Net Position

Restricted assets represent certain resources restricted by funding source or required to be set aside for the repayment of debt. They are maintained in a separate bank account and their use is limited.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds

Rabun County implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable at the end of the current fiscal year by the County are nonspendable in form. The County has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed – includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision making authority. The Board of Commissioners (the County's highest level of authority) has authority to set aside funds for a specific purpose. Any funds set aside as Committed Fund Balance requires the passage of a resolution. The passage of the resolution must take place prior to the end of the applicable fiscal year. If the actual amount of the commitment is not available by the end of the fiscal year, the resolution, must state the process or formula to calculate the actual amount as soon as information is available. Commitments may be changed or lifted only by the Board taking the same formal action that imposed the constraint originally.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds, continued

Assigned – includes amounts that are intended to be used by the County for a specific purpose. Intent can only be expressed by the Board of Commissioners or their designee. An assignment of fund balance requires the majority vote of the Board. However, the Board has authorized the County Manager or designee to automatically assign fund balance in the following situations:

- If upon passage of a budget resolution, any fund balance is used to balance a future budget, the amount used will be automatically recorded as assigned fund balance.
- If any unspent funds for an ongoing capital project or donations for a specific purpose remain at fiscal year end, these funds will be automatically recorded as assigned fund balance until the project is complete or the donation has been spent for its intended purpose.
- If any residual fund balance exists in a special revenue fund, they will be automatically recorded as Assigned Fund Balance.

The County Manager has determined that all equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that should report this category of fund balance.

The County will make every effort to use unassigned funds following purposes (listed in order of priority):

- To address unexpected revenue shortfalls or expenditures encountered in the current fiscal year.
- To fund nonrecurring capital expenditures. Unassigned fund balance will not be used to fund recurring expenditures or to compensate for structural budget deficits.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds, continued

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

Q. Compensation for Future Absences

It is the County's policy to permit employees to accumulate earned but unused vacation benefits which will be paid to the employees upon separation from County service. Accumulated unpaid vacation pay amounts are accrued when incurred by the County in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

R. 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. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

2. Summary of Significant Accounting Policies (continued)

R. Long-Term Obligations

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

S. Pension and OPEB Plans

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

T. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

3. Deposit and Investment Risk

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned. The County has no formal policy, but follows the State of Georgia requirement that all deposits be federally insured or fully collateralized.

Interest Rate Risk

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

3. Deposit and Investment Risk (continued)

Concentration of Credit Risk

The County has no formal policy on the amount the County may invest in any one issuer.

Foreign currency risk

The County has no investments denominated in a foreign currency.

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County has no investment policy that would further limit its investment choices. Investments are reported at fair value.

4. Accounts Receivable

Net accounts receivable at the end of the current fiscal year consist of the following:

Primary Government:

Major Funds

General Fund	\$ 408,377		
Less: Allowance for Uncollectibles	(122,275)	\$	286,102

Enterprise Funds

Solid Waste			46,147
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Nonmajor Funds

Emergency 911 Special Revenue Fund			34,030
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Total primary government		\$	366,279
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Component Units:

Rabun County Health Department		\$	65,846
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Rabun County Economic Development Authority			8,208
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Total component units		\$	74,054
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RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

5. Intergovernmental Receivables

Intergovernmental receivables at the end of the current fiscal year consist of the following:

Primary Government:

Major Funds

General Fund	\$	85,239
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Nonmajor Funds

Jail Special Revenue Fund	\$	8,846
Drug Abuse Treatment		
Education Special Revenue Fund	191	9,037

Total primary government	\$	94,276
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Component Units:

Rabun County Health Department	\$	3,186
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6. Property Taxes

Property tax rates are set by the Board of Commissioners each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for digest year 2018, based upon the assessments of January 1, 2018, were levied on September 13, 2018, billed on September 18, 2018, and due on December 20, 2018. Tax liens may be issued 90 days after the due date.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

7. Interfund Transfers

A summary of interfund transfers for the current fiscal year is as follows:

	<u>Transfers out:</u>			<u>Total</u>
	<u>Major Funds</u>			
	<u>General</u>	<u>SPLOST #6</u>	<u>Waste-Water Facility</u>	
Transfers in:				
Major Funds				
General	\$ 0	\$ 0	\$ 120,000	\$ 120,000
Solid Waste	990,000	102,183	0	1,092,183
Golf Course	185,000	67,525	0	252,525
Nonmajor Funds				
Emergency 911	410,000	0	0	410,000
 Total	 <u>\$ 1,585,000</u>	 <u>\$ 169,708</u>	 <u>\$ 120,000</u>	 <u>\$ 1,874,708</u>

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

8. Capital Assets

Capital asset activity for the primary government for the current fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities				
Non-depreciable assets				
Land	\$ 2,094,458	\$ 90,000	\$ 0	\$ 2,184,458
Construction in progress	2,963,483	1,255,885	(3,114,235)	1,105,133
Total non-depreciable assets	<u>5,057,941</u>	<u>1,345,885</u>	<u>(3,114,235)</u>	<u>3,289,591</u>
Depreciable assets				
Buildings	32,270,739	3,651,635	0	35,922,374
Machinery and equipment	6,913,417	479,473	0	7,392,890
Vehicles	10,018,729	759,963	(115,871)	10,662,821
Infrastructure	43,218,865	0	0	43,218,865
Total depreciable assets	<u>92,421,750</u>	<u>4,891,071</u>	<u>(115,871)</u>	<u>97,196,950</u>
Less accumulated depreciation				
Buildings	(9,277,825)	(743,310)	0	(10,021,135)
Machinery and equipment	(4,417,849)	(501,912)	0	(4,919,761)
Vehicles	(7,467,302)	(797,728)	112,106	(8,152,924)
Infrastructure	(26,938,365)	(1,023,304)	0	(27,961,669)
Total accumulated depreciation	<u>(48,101,341)</u>	<u>(3,066,254)</u>	<u>112,106</u>	<u>(51,055,489)</u>
Total depreciable assets, net	<u>44,320,409</u>	<u>1,824,817</u>	<u>(3,765)</u>	<u>46,141,461</u>
Governmental activities capital assets, net	<u>\$ 49,378,350</u>	<u>\$ 3,170,702</u>	<u>\$ (3,118,000)</u>	<u>\$ 49,431,052</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

8. Capital Assets (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities				
Non-depreciable assets				
Land	\$ 1,125,831	\$ 0	\$ 0	\$ 1,125,831
Construction in progress	214,532	67,525	0	282,057
Total non-depreciable assets	<u>1,340,363</u>	<u>67,525</u>	<u>0</u>	<u>1,407,888</u>
Depreciable assets				
Buildings	697,302	0	0	697,302
Machinery and equipment	1,102,910	316,010	0	1,418,920
Vehicles	485,988	0	0	485,988
Infrastructure	301,048	0	0	301,048
Total depreciable assets	<u>2,587,248</u>	<u>316,010</u>	<u>0</u>	<u>2,903,258</u>
Less accumulated depreciation				
Buildings	(357,574)	(13,982)	0	(371,556)
Machinery and equipment	(828,920)	(97,981)	0	(926,901)
Vehicles	(335,107)	(22,240)	0	(357,347)
Infrastructure	(12,042)	(12,042)	0	(24,084)
Total accumulated depreciation	<u>(1,533,643)</u>	<u>(146,245)</u>	<u>0</u>	<u>(1,679,888)</u>
Total depreciable assets, net	<u>1,053,605</u>	<u>169,765</u>	<u>0</u>	<u>1,223,370</u>
Business-type activities capital assets, net	<u>\$ 2,393,968</u>	<u>\$ 237,290</u>	<u>\$ 0</u>	<u>\$ 2,631,258</u>

Capital asset activity for the discretely presented component units for the current fiscal year was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Rabun County Library				
Depreciable assets				
Furniture and equipment	\$ 192,743	\$ 17,631	\$ (12,195)	\$ 198,179
Books and collections	1,100,883	60,054	(1,745)	1,159,192
Total depreciable assets	<u>1,293,626</u>	<u>77,685</u>	<u>(13,940)</u>	<u>1,357,371</u>
Less accumulated depreciation				
Furniture and equipment	(137,075)	(8,718)	10,491	(135,302)
Books and collections	(961,750)	(52,879)	1,745	(1,012,884)
Total accumulated depreciation	<u>(1,098,825)</u>	<u>(61,597)</u>	<u>12,236</u>	<u>(1,148,186)</u>
Total depreciable assets, net	<u>194,801</u>	<u>16,088</u>	<u>(1,704)</u>	<u>209,185</u>
Rabun County Library capital assets, net	<u>\$ 194,801</u>	<u>\$ 16,088</u>	<u>\$ (1,704)</u>	<u>\$ 209,185</u>
Rabun County Health Department				
Depreciable assets				
Equipment	\$ 5,995	\$ 15,340	\$ 0	\$ 21,335
Less accumulated depreciation				
Equipment	(5,995)	(767)	0	(6,762)
Rabun County Health Department capital assets, net	<u>\$ 0</u>	<u>\$ 14,573</u>	<u>\$ 0</u>	<u>\$ 14,573</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

8. Capital Assets (continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Rabun County Economic Development Authority				
Non-depreciable assets				
Land	\$ 1,238,965	\$ 0	\$ 0	\$ 1,238,965
Total non-depreciable assets	<u>1,238,965</u>	<u>0</u>	<u>0</u>	<u>1,238,965</u>
Depreciable assets				
Buildings	13,010,479	0	0	13,010,479
Furniture and fixtures	61,014	0	0	61,014
Land improvements	94,800	0	0	94,800
Total depreciable assets	<u>13,166,293</u>	<u>0</u>	<u>0</u>	<u>13,166,293</u>
Less accumulated depreciation				
Buildings	(2,005,261)	(325,262)	0	(2,330,523)
Furniture and fixtures	(51,570)	(4,532)	0	(56,102)
Land improvements	(4,213)	(6,320)	0	(10,533)
Total accumulated depreciation	<u>(2,061,044)</u>	<u>(336,114)</u>	<u>0</u>	<u>(2,397,158)</u>
Total depreciable assets, net	<u>11,105,249</u>	<u>(336,114)</u>	<u>0</u>	<u>10,769,135</u>
Rabun County Economic Development Authority capital assets, net	<u>\$ 12,344,214</u>	<u>\$ (336,114)</u>	<u>\$ 0</u>	<u>\$ 12,008,100</u>

Depreciation expense was charged to functions/programs as follows:

Primary Government:

Governmental activities

General Government	\$ 246,594
Judicial	6,751
Public Safety	1,115,166
Public Works	1,255,859
Health and Welfare	96,314
Culture and Recreation	345,570
	<u>345,570</u>

Total depreciation expense for governmental activities \$ 3,066,254

Business-type activities

Solid Waste	\$ 136,104
Golf Course	10,141
	<u>10,141</u>

Total depreciation expense for business-type activities \$ 146,245

Component units:

Rabun County Library	\$ 61,597
Rabun County Health Department	767
Rabun County Economic Development Authority	336,114
	<u>336,114</u>

Total depreciation expense for component units \$ 398,478

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

9. Capital Lease Agreements

The County has entered into a lease agreement to finance the acquisition of certain vehicles. The terms of the agreement meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The lease bears interest at 3.21% and requires quarterly payments through July 2022. The principal balance of the lease at the end of the current fiscal year is \$259,540 for governmental activities. At the end of the current fiscal year, the County had \$314,832 of vehicles, with associated accumulated depreciation of \$15,347, financed under the capital lease. Current fiscal year depreciation expense on the leased assets totaled \$15,347.

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments as of the end of the current fiscal year:

Fiscal Year Ending June 30	Governmental Activities
2020	\$ 84,416
2021	84,416
2022	84,416
2023	21,105
	274,353
Less amounts representing interest	(14,813)
Present value of minimum lease payments	\$ 259,540

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

10. Long-Term Debt

Contracts Payable

Rabun County Water and Sewerage Authority Revenue Refunding Bonds, Series 2017: The County entered into an intergovernmental contract with the Rabun County Water and Sewer Authority (Authority) to pay for the \$4,009,000 in Water and Sewerage Revenue Refunding Bonds, Series 2017. The purpose of the bonds is to retire the outstanding balance of the lending agreement with the Georgia Environmental Finance Authority (GEFA), for the purchase of an existing water supply and wastewater treatment facility located on the former Rabun Apparel manufacturing site. Beginning March 23, 2017, the Series 2017 bonds are due in monthly principal and interest payments with an interest rate of 2.84%.

The annual requirements to amortize contracts payable as of the end of the current fiscal year are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2020	\$ 237,216	\$ 95,788	\$ 333,004
2021	244,042	88,962	333,004
2022	251,064	81,940	333,004
2023	258,287	74,717	333,004
2024	265,719	67,285	333,004
2025-2029	1,447,771	217,250	1,665,021
2030-2032	776,877	27,883	804,760
Totals	<u>\$ 3,480,976</u>	<u>\$ 653,825</u>	<u>\$ 4,134,801</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

10. Long-Term Debt (continued)

General Obligation Bonds

General obligation bonds have been issued for governmental activities to pay, or to be applied or contributed toward, the cost of constructing, improving, expanding and extending public roads, highways, streets and related facilities as well as the construction, improvement and expansion of various municipal buildings.

General obligation bonds of the governmental activities are comprised of the following individual issue at the end of the current fiscal year:

- On September 24, 2013 the County issued \$8,625,000 General Obligation Sales Tax Bonds, Series 2014, with a premium of \$663,945 and issue costs of \$188,945, for net proceeds to the County of \$9,100,000. The bonds are to fund certain 2014 SPLOST projects. The bonds are due in annual principal payments on December 1 beginning in 2016 with semi-annual interest payments (2.00% to 4.00%) due on June 1 and December 1. The bond principal and interest payments are payable first from a one percent sales and use tax (SPLOST) received by the County. To the extent the proceeds from the sales and use tax are insufficient to make such payments, the principal and interest on the bonds are payable from an ad valorem tax, unlimited as to rate or amount, which may be levied upon all taxable property within the territorial limits of the County subject to taxation for general obligation bond purposes.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2020	\$ 1,645,000	\$ 32,900	\$ 1,677,900

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

10. Long-Term Debt (continued)

Revenue Bonds

Revenue bonds have been issued for the Rabun County Economic Development Authority Component Unit and are comprised of the following individual issue at the end of the current fiscal year:

- \$15,975,000 – Development Authority of Rabun County Revenue Bonds – Series 2010A and 2010B bonds due in annual principal payments on July 1 with semi-annual interest payments (2.5% - 4.4%) due on January 1 and July 1. The bonds were issued for the purpose of paying all or a portion of the costs of the acquisition and renovation of an approximately 1,021,294 square-foot manufacturing facility located on approximately 96 acres of land in Rabun County, Georgia and related fixtures and equipment. The bonds will also be used to pay interest on the Series 2010 Bonds and the costs related to issuance of the Series 2010 Bonds. The bonds are secured by a pledge of an intergovernmental contract between the Authority and the County. See Note 22 for additional information regarding the intergovernmental contract. Upon the occurrence and continuance of an event of default, the owners of a majority in aggregate principal outstanding, may declare the principal balance and any accrued interest to be immediately due and payable.

Annual debt service requirements to maturity for revenue bonds of the Rabun County Economic Development Authority are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2020	\$ 410,000	\$ 564,796	\$ 974,796
2021	425,000	547,462	972,462
2022	445,000	528,740	973,740
2023	465,000	509,750	974,750
2024	480,000	490,850	970,850
2025-2029	2,715,000	2,143,350	4,858,350
2030-2034	3,305,000	1,543,150	4,848,150
2035-2039	4,025,000	807,725	4,832,725
2040-2041	1,850,000	77,137	1,927,137
Totals	\$ 14,120,000	\$ 7,212,960	\$ 21,332,960

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

11. Long-Term Liabilities

Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the current fiscal year:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities					
Guarantee obligation	\$ 15,173,622	\$ 0	\$ 479,111	\$ 14,694,511	\$ 981,129
Capital leases payable	0	315,700	56,160	259,540	77,006
Contracts payable	3,711,558	0	230,582	3,480,976	237,216
Bonds payable	3,225,000	0	1,580,000	1,645,000	1,645,000
Bond premium	152,528	0	107,667	44,861	44,861
Compensated absences	379,382	387,355	379,382	387,355	387,355
Total governmental activities	<u>\$ 22,642,090</u>	<u>\$ 703,055</u>	<u>\$ 2,832,902</u>	<u>\$ 20,512,243</u>	<u>\$ 3,372,567</u>
Business-type activities					
Compensated absences	<u>\$ 31,553</u>	<u>\$ 34,979</u>	<u>\$ 31,553</u>	<u>\$ 34,979</u>	<u>\$ 34,979</u>
Component Units					
Rabun County Health Department					
Compensated absences	\$ 72,037	\$ 39,070	\$ 44,516	\$ 66,591	\$ 44,600
Rabun County Economic Development Authority					
Bonds Payable	14,515,000	0	395,000	14,120,000	410,000
Unamortized bond discount	(135,123)	0	(6,142)	(128,981)	0
Total component units	<u>\$ 14,451,914</u>	<u>\$ 39,070</u>	<u>\$ 433,374</u>	<u>\$ 14,057,610</u>	<u>\$ 454,600</u>

In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund. Compensated absences of the Rabun County Health Department are liquidated by the Rabun County Health Department. The total interest incurred and charged to expense for the current fiscal year was \$205,726 for the governmental activities and \$579,239 for the component units.

See Note 22 for additional details on the guarantee obligation.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

12. Landfill Closure and Post-Closure Care Costs

On October 8, 1993, in accordance with the provisions of the Georgia Comprehensive Solid Waste Management Act (OCGA 12-8-20), the County was issued a closure certificate for its landfill. State and federal laws and regulations require the County to perform certain maintenance and monitoring operations at the landfill site for 30 years after official closure; the County has approximately 8 years remaining. The estimated cost of all post closure care activities related to the landfill is \$2,095,231 and is reflected as a long-term liability in the Solid Waste Enterprise Fund. Because of future changes in technology, laws, or regulations, these costs may change.

During the fiscal year ended June 30, 2000, the County opened a new solid waste landfill. State and federal laws and regulations require that the County place a final cover on the landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post-closure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and post-closure care costs has a balance of \$728,386 as of the end of the current fiscal year, which is based on 60.6% usage (filled) of the landfill. It is estimated that an additional \$472,934 will be recognized as closure and post-closure care expense between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2033).

The estimated total current cost of the landfill closure and post-closure care (\$1,201,320) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of the end of the current fiscal year. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

13. Restricted, Committed, and Assigned Fund Balances

The following is a summary of restricted, committed, and assigned fund balances of the governmental funds as of the end of the current fiscal year:

	<u>General</u>	<u>SPLOST #6</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Restricted for:				
Judicial				
Juvenile supervision	\$ 0	\$ 0	\$ 3,959	\$ 3,959
Law library operations	0	0	46,415	46,415
Drug programs	0	0	66,285	66,285
Public Safety				
Sheriff facilities and equipment	0	0	325,425	325,425
Public Works				
LMIG projects	448,793	0	0	448,793
Health and welfare				
Senior services	121,296	0	0	121,296
Capital projects	0	7,279,098	0	7,279,098
	<u>\$ 570,089</u>	<u>\$ 7,279,098</u>	<u>\$ 442,084</u>	<u>\$ 8,291,271</u>
Assigned to:				
Public Safety				
Emergency 911 operations	\$ 0	\$ 0	\$ 435,841	\$ 435,841
Housing and Development				
Promoting trade and tourism	0	0	94,594	94,594
Subsequent budget	116,835	0	0	116,835
	<u>\$ 116,835</u>	<u>\$ 0</u>	<u>\$ 530,435</u>	<u>\$ 647,270</u>

14. Net Investment in Capital Assets

The net investment in capital assets reported on the government-wide statement of net position is calculated as follows as of the end of the current fiscal year:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Cost of capital assets	\$ 100,486,541	\$ 4,311,146
Accumulated depreciation	(51,055,489)	(1,679,888)
Book value	49,431,052	2,631,258
Capital-related accounts payable	(172,779)	0
Retainages payable	(39,167)	0
Capital leases payable	(259,540)	0
Bonds payable	(1,689,861)	0
Net investment in capital assets	<u>\$ 47,269,705</u>	<u>\$ 2,631,258</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

15. Deficit Equity Balances

At the end of the current fiscal year, the Solid Waste Enterprise Fund has a deficit net position of \$195,480. This is due to the payment of services in anticipation of future revenues. The County plans to liquidate this deficit net position through future revenue recognition.

16. Retirement Plans

County Defined Benefit Pension Plan

Plan Description. The Plan provides retirement, disability and death benefits to plan members and beneficiaries. The Plan is affiliated with the Association County Commissioners of Georgia Defined Benefit Plan (the ACCG Plan), an agent multiple-employer defined benefit pension plan administered by the Government Employee Benefits Corporation of Georgia (GEBCorp). The ACCG, in its role as the Plan sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County retains the authority to amend the adoption agreement, which defines the specific operational provisions of the Plan. A separately issued financial report of the Plan may be obtained by writing GEBCORP at 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Control over the operation and administration of the plan is vested with ACCG along with custody of the plan assets. The plan provides that the County has no liability with respect to payments or benefits or otherwise under the plan except to pay over to ACCG such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the County but shall be allocated to employees. All full-time County employees are eligible to participate in the Plan after completing one year of service and having reached their 21st birthday.

There are no loans to any of the County officials or other “party-in-interest,” and there are no prohibited transactions. The plan assets do not include any securities or investments in Rabun County. The funds are managed by independent money managers.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

16. Retirement Plans (continued)

County Defined Benefit Pension Plan, continued

At January 1, 2018, the date of the most recent actuarial valuation, there were 282 participants consisting of the following:

Retirees, beneficiaries and disablees receiving benefits	48
Terminated vested participants entitled to but not yet receiving benefits	73
Active participants	161
Total number of participants	282

Benefits Provided. The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Benefits vest evenly over five years of service. Participants become eligible to retire with unreduced benefits at age 65 with 5 years of plan participation. The amount of monthly retirement benefits to be provided for each participant at their normal retirement date is equal to one percent of the participant's average annual compensation multiplied by the participant's total number of years of service. County Commissioners receive a benefit equal to \$30 per month multiplied by years of service. The Plan also provides benefits in the event of death or disability.

Contributions. Employees make no contributions to the plan. The County is required to contribute the amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law, using the basis described in the annual valuation report. The County's actuarially determined contribution rate for the current fiscal year was \$761,753, or 13.31% of covered payroll of \$5,721,839. The Board of Commissioners provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy. This funding policy, as specified by ordinance, has been the same since the inception of the plan.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

16. Retirement Plans (continued)

County Defined Benefit Pension Plan, continued

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At the end of the current fiscal year, the County reported a net pension liability of \$3,419,246. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. For governmental activities, the net pension liability is liquidated in the General Fund. For the current fiscal year, the County recognized pension expense of \$867,115.

The components of the net pension liability are as follows:

	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability</u>
	<u>(a)</u>	<u>(b)</u>	<u>(a) - (b)</u>
Balances at 12/31/17	\$ 10,176,368	\$ 8,043,050	\$ 2,133,318
Changes for the year:			
Service cost	241,257	0	241,257
Interest	721,492	0	721,492
Liability experience (gain) / loss	336,232	0	336,232
Assumption change	264,399	0	264,399
Employer contributions	0	761,753	(761,753)
Net investment income	0	(383,038)	383,038
Benefit payments	(449,529)	(449,529)	0
Administrative expense	0	(35,154)	35,154
Other changes	0	(66,109)	66,109
Net changes	<u>1,113,851</u>	<u>(172,077)</u>	<u>1,285,928</u>
Balances at 12/31/18	<u>\$ 11,290,219</u>	<u>\$ 7,870,973</u>	<u>\$ 3,419,246</u>

Plan fiduciary net position as a percentage of the total pension liability	69.71%
Covered payroll	\$ 6,388,799
Net pension liability as a percentage of covered payroll	53.52%

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

16. Retirement Plans (continued)

County Defined Benefit Pension Plan, continued

At the end of the current fiscal year, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 350,788	\$ (110,189)
Net difference between projected and actual earnings on pension plan investments	564,386	0
Changes of assumptions	494,555	0
Totals	\$ 1,409,729	\$ (110,189)

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

Fiscal Year Ending June 30		
2020	\$	402,153
2021		310,930
2022		281,409
2023		305,048
Totals	\$	1,299,540

Actuarial Assumptions. The total pension liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation		3.00%
Projected salary increases		4.00% per year with an age based scale
Cost of living adjustments		N/A
Net investment rate of return		7.00%

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

16. Retirement Plans (continued)

County Defined Benefit Pension Plan, continued

Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table projected with Scale AA to 2018. Disabled mortality rates were derived from the 1985 CIDA Table Class 1.

The mortality and economic actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study conducted in February 2019.

The long-term expected rate of return on pension plan investments was determined using a building-block method 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The pension plan's target asset allocation as of December 31, 2018 is summarized in the following table:

	Target Allocation	Range
Fixed Income	30%	25%-35%
Large Cap	30%	25%-35%
Mid Cap	5%	2.5%-10%
Small Cap	5%	2.5%-10%
REIT	5%	2.5%-10%
International	15%	10%-20%
Multi Cap	5%	2.5%-10%
Global Allocation	5%	2.5%-10%

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

16. Retirement Plans (continued)

County Defined Benefit Pension Plan, continued

Discount Rate. The discount rate used to measure the total pension liability was 7.00 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.00 percent) or one percentage-point higher (8.00 percent) than the current rate:

	Discount Rate	Net Pension Liability
1% decrease	6.00%	\$ 4,843,859
Current discount rate	7.00%	3,419,246
1% increase	8.00%	2,232,273

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Association County Commissioners of Georgia Benefit System financial report.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

16. Retirement Plans (continued)

County Defined Contribution Plan

The County approved the adoption of the *Rabun County Matching Thrift Plan, a Defined Contribution Plan*, effective July 1, 1996. The plan is funded exclusively through the purchase of annuity contracts from the Variable Annuity Life Insurance company (VALIC). All employees are eligible for participation in the plan. Eligible employees may enter the plan in the first quarter after completion of one year of service. The plan can be amended by a majority vote of the Rabun County Board of Commissioners. Employee contributions vest when made and employer contributions made before July 1, 2011 vest as follows:

<u>Years of Service</u>	<u>% Vested</u>
1	0%
2	0%
3	100%

Normal retirement age is 60. The plan does not provide for early retirement. During the current fiscal year, plan members made contributions to the plan totaling \$316,606 and the County made contributions to the plan totaling \$101,982. The County has no fiduciary relationship with the plan and plan assets are not available to the County or its general creditors. The Plan assets are held in trust by the administrator for the exclusive benefit of the participants of the Plan. The County Commission provides for the funding policy through a County ordinance and maintains the authority to change the policy. Separate financial statements are not issued for the Plan.

Other Plans

In addition to the plan above, various County employees are covered under the following plans, which are considered to be special funding situations: Georgia Firefighters' Pension Fund, Georgia State Employees' Retirement System (ERS), Peace Officers' Annuity and Benefit Fund of Georgia, Probate Judges' Retirement Fund of Georgia, Sheriffs' Retirement Fund of Georgia, and Superior Court Clerks' Retirement Fund of Georgia. Also, the Rabun County Library (A Component Unit of Rabun County, Georgia) participates in the Teacher's Retirement System of Georgia, which is considered to be a special funding situation. Further information regarding these plans can be obtained from the plans' annual reports. These plans are immaterial to the financial statements.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

16. Retirement Plans (continued)

Rabun County Department of Public Health Retirement Plan

Eligible employees of the Rabun County Department of Public Health participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system. During the current fiscal year, the Department contributed \$93,851. As of the end of the current fiscal year, the Department reported a liability in the amount of \$526,541 for its proportionate share (0.012808%) of the net pension liability. The Department recognized pension expense of \$93,851 for the current fiscal year. Further information regarding the plan can be obtained from Department's annual audit report by contacting the administrative offices of the Rabun County Health Department, 184 South Main Street, Clayton, GA 30525.

17. Other Post-Employment Benefits

County Plan

Plan Description. Rabun County administers a single-employer defined benefit health care plan, the "The Rabun County Other Postemployment Benefits Plan." The OPEB financial statements are included in this report. No stand-alone financial report is issued.

At July 1, 2018, the date of the most recent actuarial valuation, membership consisted of the following:

Inactive employees or beneficiaries currently receiving benefits	2
Inactive members entitled to but not yet receiving benefits	0
Active employees	226
Total membership	228

Benefits Provided. Coverage under the plan includes medical and prescription drug benefits for retirees. A full-time employee is eligible to retire and continue medical coverage at the age of 62 with 20 years of service. When the retiree becomes eligible for Medicare, the coverage will end for the retiree. Retirees will remain on the County's fully-insured Group Health Insurance Plan until age 65. The County will pay 65% of the premium with the retiree paying the remaining portion of the premium. No spousal or dependent coverage is available.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

17. Other Post-Employment Benefits (continued)

County Plan, continued

Contributions. The County has not elected to advance fund the OPEB plan, but rather maintains the OPEB plan on a “pay-as-you-go” basis, in that premiums are paid as they arise, rather than establishing an irrevocable trust to accumulate restricted funds. The Board of Commissioners authorizes participation in the OPEB plan and sets the contribution rates and benefits, and maintains the authority to change the policy.

The cost of coverage is paid in part by the employer and in part by the retiree. For the measurement period ended July 1, 2018, plan members receiving benefits contributed \$5,880 through their required contributions.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB. At the end of the current fiscal year, the County reported a net OPEB liability of \$353,222. The net OPEB liability was measured as of July 1, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined and measured from actuarial valuations using data as of July 1, 2018. For governmental activities, the net OPEB liability is liquidated in the General Fund. During the current fiscal year, the County recognized OPEB expense of \$28,897.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

17. Other Post-Employment Benefits (continued)

County Plan, continued

The components of the net OPEB liability are as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balances at 7/1/2017	\$ 354,268	\$ 0	\$ 354,268
Changes for the year:			
Service cost	18,099	0	18,099
Interest	12,249	0	12,249
Differences between expected and actual experience	(1,280)	0	(1,280)
Contributions-employer	0	10,484	(10,484)
Changes of assumptions or other inputs	(9,530)	0	(9,530)
Benefit payments and implicit subsidy credit	(20,584)	(10,484)	(10,100)
Net changes	(1,046)	0	(1,046)
Balances at 7/1/2018	\$ 353,222	\$ 0	\$ 353,222

Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered-employee payroll	\$ 7,774,789
Plan net OPEB liability as a percentage of covered employee payroll	4.54%

At the end of the current fiscal year, the County reported deferred outflows of resources and deferred inflows of resources related to the OPEB Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 0	\$ (1,108)
Changes of assumptions	0	(8,251)
Totals	\$ 0	\$ (9,359)

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

17. Other Post-Employment Benefits (continued)

County Plan, continued

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

Fiscal Year Ending June 30		
2020	\$	(1,451)
2021		(1,451)
2022		(1,451)
2023		(1,451)
2024		(1,451)
Thereafter		(2,104)
Totals	\$	<u>(9,359)</u>

Actuarial Assumptions. The total OPEB liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%	
Projected salary increases	4.00% per annum, compounded annually, adjusted by age, including inflation	
Actuarial cost method	Entry age normal	
Discount rate	3.87%, 3.56% at prior measurement date	
Healthcare cost trend rates	Pre-Medicare: 7.25% trended down to 4.75% by 2028 Medicare: 5.38% trended down to 4.75% by 2022.	
Mortality rates	Mortality rates were based on the RP-2000 Combined Mortality Scale projected with Scale AA to 2017.	
Amortization method	Closed level dollar for remaining unfunded liability	
Remaining amortization period	Remaining amortization period varies for the bases, with a net effective amortization period of 15 years.	

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

17. Other Post-Employment Benefits (continued)

County Plan, continued

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in the July 1, 2018 actuarial valuation were based on the pension valuation prepared by GEBCorp as of December 31, 2017.

The remaining actuarial assumptions (e.g., initial per capita costs, health care cost trends, etc.) used in the July 1, 2018 actuarial valuation were based on a review of recent plan experience done concurrently with the July 1, 2018 valuation.

Development of Long-Term Rate. Since the County funds this plan on a pay-as-you-go basis, GASB requires the discount rate be based on a yield or index rate for 20-year, tax-exempt municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The Municipal Bond Index Rate used for this purpose is the last week of June Bond Buyer General Obligation 20-year Municipal Bond Index published weekly by The Bond Buyer (www.bondbuyer.com). The Municipal Bond Index Rate as of the measurement date was 3.87%.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate. The following presents what the net OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (2.87%) or one percentage-point higher (4.87%) than the current rate. Also, shown is the net OPEB liability as if it were calculated using healthcare cost trend rates that were one percentage point lower or one percentage point higher than the current healthcare trend rates:

<u>Discount Rate</u>		<u>Net OPEB Liability</u>
1% decrease	2.87%	\$ 385,205
Current discount rate	3.87%	353,222
1% increase	4.87%	324,709
		Net OPEB Liability
<u>Healthcare Cost Trend Rates</u>		<u>Net OPEB Liability</u>
1% decrease		\$ 318,781
Current discount rate		353,222
1% increase		394,043

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

17. Other Post-Employment Benefits (continued)

County Plan, continued

OPEB Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued GASB Statement No. 75 Report for The Rabun County Other Postemployment Benefits Plan.

Rabun County Department of Public Health OPEB Plans

Eligible employees of the Rabun County Department of Public Health are provided OPEB through the State of Georgia OPEB Fund, a cost-sharing multiple-employer defined benefit post-employment healthcare plan and life insurance through the SEAD-OPEB Fund, a cost-sharing multiple-employer defined benefit other post-employment benefit plan. During the current fiscal year, the Department contributed \$65,404. At the end of the current fiscal year, the Department reported a net liability in the amount of \$276,476 for its proportionate share (0.011922% for the State of Georgia OPEB Fund and 0.013063% for the SEAD-OPEB Fund) of the net OPEB liability. The Department recognized OPEB expense of \$65,404 for the current fiscal year. Further information regarding the plans can be obtained from Department's annual audit report by contacting Rabun County Health Department, 184 South Main Street, Clayton, GA 30525.

18. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. Lodging tax receipts totaled \$183,680 for the current fiscal year. Disbursements for trade and tourism totaled \$228,000 for the current fiscal year.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

19. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. During the current fiscal year, the County paid \$14,905 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the GMRC financial statements can be obtained from GMRC, 1310 West Ridge Road, Gainesville, Georgia 30501.

On August 21, 2007, the Rabun County Economic Development Authority formed a joint authority with Rabun and Banks Counties. The initial investment in the joint authority was \$10,000.

20. Risk Financing Activities

Material estimates have been made by management about the historical cost of capital assets and the life of the depreciated capital assets. Management has used a conservative approach on these estimates.

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments. As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agent and attorneys to represent the County in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

20. Risk Financing Activities (continued)

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against the members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

Settled claims in the past three years have not exceeded the coverages.

Management estimates liabilities for unpaid claims based on the probability of losses exceeding the occurrence limits and the reasonableness of estimating those losses. At the end of the current fiscal year, the County has no losses that are probable or estimable and accordingly has not recognized any liability.

21. Contingencies

Rabun County participates in a number of revenue sharing grants. Expenditures financed by revenue sharing grants are subject to a compliance audit by the grantor or its representative. If expenditures are disallowed due to noncompliance with program regulations, the County may be required to reimburse the grantor government. The County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the County.

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

The County has guaranteed debt of the Rabun County Economic Development Authority. See Note 22 for additional details.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

22. Nonexchange Financial Guarantee

On September 1, 2010, the County adopted a resolution authorizing the execution and delivery of an intergovernmental agreement between Rabun County, Georgia and the Rabun County Economic Development Authority, a discretely presented component unit of Rabun County, Georgia. The intergovernmental agreement establishes Rabun County, Georgia as the guarantor of the 30-year, \$12,890,000 Series 2010A Revenue Bond issuance and the \$3,085,000 Series 2010B Revenue Bond issuance of the Rabun County Economic Development Authority. In the event the Rabun County Economic Development Authority is unable to make the required payments of the bond issuance, the intergovernmental agreement requires the County to provide funds, which shall be sufficient to make the required debt service payments through the maturity dates of the bonds with the final maturity date being July 1, 2040. This is the only nonexchange financial guarantee extended by the County.

The Authority issued these bonds for purchase and renovation of an industrial building facility that would then be leased to various businesses. Since completion of the facility, the Authority has been unable to lease then entire facility, which has caused significant cash shortages and therefore the Authority is unable to make the required bond payments. Due to the economic conditions, it is unlikely that the Authority will be able to lease the entire facility at rates sufficient to cover the bond payments within the near future. As a result, in fiscal year 2015, the County began making the required bond payments and believes it is more likely than not that the County will be required to pay the remaining portion of the Authority's debt service payments based on the guarantee. At the end of the current fiscal year, the County recognized a liability in the amount of \$14,694,511 for an amount that is the County's best estimate of the discounted present value of the future outflows the County expects to incur as a result of the guarantee. The details of these bonds are listed previously in Note 10.

During the current fiscal year, the County paid \$286,549 in principal and interest on the guarantee obligation. The following is a summary of changes in the liability recognized for the nonexchange financial guarantee for the current fiscal year:

Beginning Balance	Additions	Deductions	Ending Balance
\$ 15,173,622	\$ 0	\$ 479,111	\$ 14,694,511

The County does not expect to recover any payments it makes on the Authority's guaranteed debt.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
For the fiscal year ended June 30, 2019

23. Changes in Beginning Balances

Governmental Activities

A prior period adjustment has been made to record a net OPEB liability and related deferred outflows/inflows of resources. This adjustment was required with the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This adjustment decreased beginning net position by \$314,593.

Business-Type Activities

Solid Waste Enterprise Fund

A prior period adjustment has been made to record a net OPEB liability and related deferred outflows/inflows of resources. This adjustment was required with the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This adjustment decreased beginning net position by \$12,474.

Golf Course Enterprise Fund

A prior period adjustment has been made to record a net OPEB liability and related deferred outflows/inflows of resources. This adjustment was required with the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This adjustment decreased beginning net position by \$6,617.

The net effect of these adjustments was to decrease beginning net position in the Business-Type Activities by \$19,091.

24. New Accounting Pronouncements

The County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the County's current fiscal year.

The County implemented Governmental Accounting Standards Board Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*. The requirements of this statement are effective for periods beginning after June 15, 2018.

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REQUIRED SUPPLEMENTARY INFORMATION

RABUN COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2019
(Unaudited)

	<u>Fiscal Year End</u>	
	<u>2019</u>	<u>2018</u>
Total pension liability		
Service cost	\$ 241,257	\$ 203,154
Interest	721,492	702,787
Liability experience (gain) / loss	336,232	(202,010)
Assumption change	264,399	20,596
Benefit payments	<u>(449,529)</u>	<u>(483,547)</u>
Net change in total pension liability	1,113,851	240,980
Total pension liability - beginning	<u>10,176,368</u>	<u>9,935,388</u>
Total pension liability - ending (a)	<u><u>\$ 11,290,219</u></u>	<u><u>\$ 10,176,368</u></u>
Plan fiduciary net position		
Employer contributions	\$ 761,753	\$ 633,937
Net investment income	(383,038)	1,080,046
Benefit payments	(449,529)	(483,547)
Administrative expense	(35,154)	(27,567)
Other changes	<u>(66,109)</u>	<u>(77,036)</u>
Net change in plan fiduciary net position	(172,077)	1,125,833
Plan fiduciary net position - beginning	<u>8,043,050</u>	<u>6,917,217</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 7,870,973</u></u>	<u><u>\$ 8,043,050</u></u>
Net pension liability - ending : (a) - (b)	<u><u>\$ 3,419,246</u></u>	<u><u>\$ 2,133,318</u></u>
Plan's fiduciary net position as a percentage of the total pension liability	69.71%	79.04%
Covered payroll	\$ 6,388,799	\$ 5,157,050
Net pension liability as a percentage of covered payroll	53.52%	41.37%

Note: Fiscal year 2015 was the first year of implementation. Therefore, fiscal years prior to 2015 are not reported.

Fiscal Year End		
2017	2016	2015
\$ 176,250	\$ 176,831	\$ 189,083
665,599	603,227	567,575
117,911	67,607	0
298,506	334,999	0
<u>(395,048)</u>	<u>(307,059)</u>	<u>(255,518)</u>
863,218	875,605	501,140
<u>9,072,170</u>	<u>8,196,565</u>	<u>7,695,425</u>
<u>\$ 9,935,388</u>	<u>\$ 9,072,170</u>	<u>\$ 8,196,565</u>
\$ 596,698	\$ 555,879	\$ 574,866
464,247	39,234	407,764
(395,048)	(307,059)	(255,518)
(28,792)	(26,423)	(26,987)
<u>(47,624)</u>	<u>(48,059)</u>	<u>(77,407)</u>
589,481	213,572	622,718
<u>6,327,736</u>	<u>6,114,164</u>	<u>5,491,446</u>
<u>\$ 6,917,217</u>	<u>\$ 6,327,736</u>	<u>\$ 6,114,164</u>
<u>\$ 3,018,171</u>	<u>\$ 2,744,434</u>	<u>\$ 2,082,401</u>
69.62%	69.75%	74.59%
\$ 4,630,206	\$ 4,779,000	\$ 5,108,197
65.18%	57.43%	40.77%

RABUN COUNTY, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2019
(Unaudited)

	Fiscal Year End	
	2019	2018
Actuarially determined contribution	\$ 761,753	\$ 633,937
Contributions in relation to the actuarially determined contribution	(761,753)	(633,937)
Contribution deficiency (excess)	\$ 0	\$ 0
Covered payroll	\$ 5,721,839	\$ 4,996,189
Contributions as a percentage of covered payroll	13.31%	12.69%

Note: Fiscal year 2015 was the first year of implementation. Therefore, fiscal years prior to 2015 are not reported.

Fiscal Year End		
2017	2016	2015
\$ 596,698	\$ 555,879	\$ 574,866
(596,698)	(555,879)	(574,866)
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 4,138,947	\$ 4,535,762	\$ 4,894,851
14.42%	12.26%	11.74%

RABUN COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2019
(Unaudited)

	Fiscal Year End
	2019
Total OPEB liability	
Service cost	\$ 18,099
Interest	12,249
Differences between expected and actual experience	(1,280)
Changes of assumptions or other inputs	(9,530)
Benefit payments and implicit subsidy credit	(20,584)
Net change in total OPEB liability	(1,046)
Total OPEB liability - beginning	354,268
Total OPEB liability - ending (a)	\$ 353,222
Plan fiduciary net position	
Employer contributions	\$ 10,484
Benefit payments	(10,484)
Net change in plan fiduciary net position	0
Plan fiduciary net position - beginning	0
Plan fiduciary net position - ending (b)	\$ 0
Net OPEB liability - ending : (a) - (b)	\$ 353,222
Plan's fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered-employee payroll	\$ 7,774,789
Net OPEB liability as a percentage of covered-employee payroll	4.54%

Note: Fiscal year 2019 was the first year of implementation. Therefore, fiscal years prior to 2019 are not reported.

RABUN COUNTY, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the fiscal year ended June 30, 2019

Pension Plan

1. Valuation Date

The actuarially determined contribution rate was determined as of January 1, 2018, with an interest adjustment to the fiscal year.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Entry age normal

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 15 years

Asset valuation method = Smoothed market value with a 5-year smoothing period

Net investment rate of return = 7.00%

Projected salary increases = 4.00% per year with an age based scale

Cost of living adjustments = N/A

Normal retirement age for inactive vested participants = 65 with 5 years of vesting service

Mortality = Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table. Disabled rates were derived from the 1985 CIDA Table Class I.

RABUN COUNTY, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the fiscal year ended June 30, 2019

Pension Plan (continued)

3. Changes in Benefits

There have been no substantive changes since the last actuarial valuation.

4. Changes of Assumptions

Due to the significant surplus in the Pre-Retirement Death Pool, the 2018 expense for the pre-retirement death benefit has been reduced to zero.

The mortality improvements for the RP-2000 mortality table is projected to 2018 instead of 2017 with Scale AA.

The investment return assumption was decreased from 7.25% to 7.00%.

The turnover table was changed to the Vaughn Select and Ultimate Table through age 54.

The disability table was changed from the 1977 Social Security Table to the 1985 CIDA Table Class 1 through age 59.

The salary increase assumption was revised as follows:

- The adjustment to the base rate was reduced from 1.5% to 1.0% for participants under age 30 and from 1.0% to 0.5% for participants from ages 30 – 39.
- The base salary scale remained at 4.0%.

OPEB Plan

1. Valuation Date

The net OPEB liability was measured as of July 1, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined and measured from actuarial valuations using data as of July 1, 2018.

RABUN COUNTY, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
For the fiscal year ended June 30, 2019

OPEB Plan (continued)

2. Methods and Assumptions Used to Determine Contribution Rates

No assets are accumulated in a trust to pay benefits.

Actuarial cost method = Entry age normal

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 15 years.

Asset valuation method = Market value

Projected salary increases = 4.00% per annum, compounded annually, adjusted by age

Inflation = 3.00%

Discount rate = 3.87%, 3.56% at prior measurement date

Healthcare cost trend rates = Pre-Medicare: 7.25% trended down to 4.75% by 2028; Medicare: 5.38% trended down to 4.75% by 2022

Mortality = Mortality rates were based on the RP-2000 Combined Mortality Scale projected with Scale AA to 2017

3. Changes in Benefits

There have been no benefit changes since GASB Statement No. 75 implementation.

4. Changes of Assumptions

The discount rate changed from 3.56% to 3.87% due to a change in the municipal bond rate.

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COMBINING STATEMENTS
Nonmajor Governmental Funds

RABUN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019

	Special Revenue Funds		
	Confiscated Assets	Jail	Law Library
ASSETS			
Cash and cash equivalents	\$ 24,222	\$ 273,575	\$ 46,415
Receivables (net)			
Accounts	0	0	0
Intergovernmental	0	8,846	0
Taxes	0	0	0
	\$ 24,222	\$ 282,421	\$ 46,415
	\$ 24,222	\$ 282,421	\$ 46,415
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 0	\$ 0	\$ 0
Accrued salaries and payroll liabilities	0	0	0
	0	0	0
	0	0	0
Fund balances			
Restricted for:			
Judicial	0	0	46,415
Public safety	24,222	282,421	0
Assigned to:			
Public safety	0	0	0
Housing and development	0	0	0
	24,222	282,421	46,415
	24,222	282,421	46,415
Total liabilities and fund balances	\$ 24,222	\$ 282,421	\$ 46,415

Special Revenue Funds

<u>Juvenile Case Management</u>	<u>Drug Abuse Treatment Education</u>	<u>Emergency 911</u>	<u>Hotel/Motel Tax</u>	<u>Sheriff Donations</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 3,959	\$ 69,150	\$ 422,935	\$ 37,740	\$ 18,782	\$ 896,778
0	0	34,030	0	0	34,030
0	191	0	0	0	9,037
0	0	0	56,854	0	56,854
<u>\$ 3,959</u>	<u>\$ 69,341</u>	<u>\$ 456,965</u>	<u>\$ 94,594</u>	<u>\$ 18,782</u>	<u>\$ 996,699</u>
\$ 0	\$ 3,056	\$ 2,929	\$ 0	\$ 0	\$ 5,985
0	0	18,195	0	0	18,195
0	3,056	21,124	0	0	24,180
3,959	66,285	0	0	0	116,659
0	0	0	0	18,782	325,425
0	0	435,841	0	0	435,841
0	0	0	94,594	0	94,594
<u>3,959</u>	<u>66,285</u>	<u>435,841</u>	<u>94,594</u>	<u>18,782</u>	<u>972,519</u>
<u>\$ 3,959</u>	<u>\$ 69,341</u>	<u>\$ 456,965</u>	<u>\$ 94,594</u>	<u>\$ 18,782</u>	<u>\$ 996,699</u>

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2019

	<u>Special Revenue Funds</u>		
	<u>Confiscated Assets</u>	<u>Jail</u>	<u>Law Library</u>
REVENUES			
Taxes	\$ 0	\$ 0	\$ 0
Fines, fees, and forfeitures	24,558	94,782	10,784
Charges for services	0	0	0
Interest	2	763	46
Contributions	0	0	0
Total revenues	<u>24,560</u>	<u>95,545</u>	<u>10,830</u>
EXPENDITURES			
Current			
Judicial	0	0	9,859
Public safety	7,051	84,407	0
Housing and development	0	0	0
Total expenditures	<u>7,051</u>	<u>84,407</u>	<u>9,859</u>
Excess (deficiency) of revenues over (under) expenditures	17,509	11,138	971
Other financing sources (uses)			
Transfers in	0	0	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	17,509	11,138	971
Fund balances, July 1	<u>6,713</u>	<u>271,283</u>	<u>45,444</u>
Fund balances, June 30	<u><u>\$ 24,222</u></u>	<u><u>\$ 282,421</u></u>	<u><u>\$ 46,415</u></u>

Special Revenue Funds					Total Nonmajor Governmental Funds
Juvenile Case Management	Drug Abuse Treatment Education	Emergency 911	Hotel/Motel Tax	Sheriff Donations	
\$ 0	\$ 0	\$ 0	\$ 183,680	\$ 0	\$ 183,680
0	15,939	0	0	0	146,063
0	0	397,703	0	0	397,703
11	205	920	181	0	2,128
0	0	0	0	32,761	32,761
<u>11</u>	<u>16,144</u>	<u>398,623</u>	<u>183,861</u>	<u>32,761</u>	<u>762,335</u>
0	26,830	0	0	0	36,689
0	0	1,057,624	0	13,979	1,163,061
0	0	0	228,000	0	228,000
<u>0</u>	<u>26,830</u>	<u>1,057,624</u>	<u>228,000</u>	<u>13,979</u>	<u>1,427,750</u>
11	(10,686)	(659,001)	(44,139)	18,782	(665,415)
<u>0</u>	<u>0</u>	<u>410,000</u>	<u>0</u>	<u>0</u>	<u>410,000</u>
11	(10,686)	(249,001)	(44,139)	18,782	(255,415)
<u>3,948</u>	<u>76,971</u>	<u>684,842</u>	<u>138,733</u>	<u>0</u>	<u>1,227,934</u>
<u>\$ 3,959</u>	<u>\$ 66,285</u>	<u>\$ 435,841</u>	<u>\$ 94,594</u>	<u>\$ 18,782</u>	<u>\$ 972,519</u>

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GENERAL FUND

The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

RABUN COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

ASSETS	2019	2018
	<u> </u>	<u> </u>
Cash and cash equivalents	\$ 3,897,827	\$ 2,215,638
Certificates of deposit	8,101,338	8,172,096
Receivables (net)		
Accounts	286,102	205,226
Intergovernmental	85,239	181,318
Taxes	84,991	89,482
Prepays	120,824	146,959
Restricted cash and cash equivalents	<u>121,296</u>	<u>115,838</u>
Total assets	<u><u>\$ 12,697,617</u></u>	<u><u>\$ 11,126,557</u></u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 235,481	\$ 196,659
Retainages payable	32,576	0
Accrued salaries and payroll liabilities	<u>235,608</u>	<u>233,020</u>
Total liabilities	<u>503,665</u>	<u>429,679</u>
 Deferred inflows of resources		
Unavailable revenue - property taxes	<u>27,032</u>	<u>36,163</u>
 Fund balances		
Nonspendable prepaids	120,824	146,959
Restricted for public works	448,793	0
Restricted for health and welfare	121,296	115,838
Assigned for subsequent budget	116,835	0
Unassigned	<u>11,359,172</u>	<u>10,397,918</u>
Total fund balances	<u>12,166,920</u>	<u>10,660,715</u>
 Total liabilities, deferred inflows of resources, and fund balances	 <u><u>\$ 12,697,617</u></u>	 <u><u>\$ 11,126,557</u></u>

RABUN COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
REVENUES		
Taxes	\$ 18,865,463	\$ 16,811,467
Licenses and permits	69,113	69,997
Fines, fees and forfeitures	484,553	481,409
Charges for services	1,349,379	1,330,785
Intergovernmental	1,172,414	858,977
Interest	390,395	12,405
Contributions	54,390	208,316
Other	86,948	170,172
Total revenues	<u>22,472,655</u>	<u>19,943,528</u>
EXPENDITURES		
Current		
General Government	3,809,138	3,532,790
Judicial	1,305,906	1,172,671
Public Safety	9,098,149	8,542,810
Public Works	2,324,658	2,427,604
Health and Welfare	938,273	994,146
Culture and Recreation	1,389,178	1,277,015
Housing and Development	567,107	1,393,352
Total Current	<u>19,432,409</u>	<u>19,340,388</u>
Debt Service		
Public Safety	63,312	0
Public Works	333,004	333,004
Total expenditures	<u>19,828,725</u>	<u>19,673,392</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,643,930</u>	<u>270,136</u>
Other financing sources (uses)		
Transfers in (out)		
Emergency 911 Fund	(410,000)	(709,209)
Hotel/Motel Tax Fund	0	(56,000)
Special Purpose Local Option Sales Tax #6 Fund	0	(500,000)
Solid Waste Fund	(990,000)	(757,174)
Golf Course Fund	(185,000)	(248,800)
Waste-Water Facility Fund	120,000	120,000
Proceeds from sale of assets	11,575	181,562
Proceeds from issuance of capital leases	315,700	0
Total other financing sources (uses)	<u>(1,137,725)</u>	<u>(1,969,621)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,506,205	(1,699,485)
Fund balances, July 1	<u>10,660,715</u>	<u>12,360,200</u>
Fund balances, June 30	<u><u>\$ 12,166,920</u></u>	<u><u>\$ 10,660,715</u></u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Current and prior year				
levies	\$ 17,372,791	\$ 16,997,263	\$ (375,528)	\$ 15,034,273
Motor vehicle tax	490,000	535,287	45,287	530,287
Mobile home tax	35,000	35,045	45	35,700
Timber tax	0	0	0	130
Cost, penalties, and interest	30,650	27,594	(3,056)	25,930
Total general property taxes	17,928,441	17,595,189	(333,252)	15,626,320
Real estate transfer tax	280,000	329,773	49,773	300,776
Franchise tax	23,000	23,957	957	21,488
Insurance premium tax	768,600	768,600	0	714,484
Alcohol excise tax	95,000	99,700	4,700	96,877
Occupational tax	55,500	48,244	(7,256)	51,522
Total taxes	19,150,541	18,865,463	(285,078)	16,811,467
Licenses and permits				
Alcohol licenses	40,000	40,500	500	40,030
Building permits	25,000	25,111	111	27,431
Other permits	2,500	3,502	1,002	2,536
Total licenses and permits	67,500	69,113	1,613	69,997
Fines, fees and forfeitures	453,500	484,553	31,053	481,409
Charges for Services				
Emergency medical services	925,000	953,234	28,234	955,284
Sheriff services	31,500	34,948	3,448	34,200
Prisoner board	4,000	2,200	(1,800)	3,800
Recreation fees	182,120	182,352	232	177,422
Senior center fees	44,500	42,123	(2,377)	40,591
Civic center fees	63,100	47,314	(15,786)	37,621
Collection commissions	22,000	19,515	(2,485)	22,087
Other charges for services	51,020	67,693	16,673	59,780
Total charges for services	1,323,240	1,349,379	26,139	1,330,785
Intergovernmental	658,790	1,172,414	513,624	858,977
Interest	113,886	390,395	276,509	12,405
Contributions	56,438	54,390	(2,048)	208,316
Other	32,195	86,948	54,753	170,172
Total revenues	<u>\$ 21,856,090</u>	<u>\$ 22,472,655</u>	<u>\$ 616,565</u>	<u>\$ 19,943,528</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
General Administration				
Personal services	\$ 127,414	\$ 128,854	\$ (1,440)	\$ 362,851
Contract services	97,289	88,935	8,354	275,199
Capital outlay	0	0	0	35,232
Total General Administration	<u>224,703</u>	<u>217,789</u>	<u>6,914</u>	<u>673,282</u>
Finance				
Personal services	294,578	266,227	28,351	0
Contract services	141,039	167,982	(26,943)	0
Materials and supplies	4,336	4,982	(646)	0
Total Finance	<u>439,953</u>	<u>439,191</u>	<u>762</u>	<u>0</u>
Elections				
Personal services	124,016	119,183	4,833	92,892
Contract services	19,090	17,022	2,068	17,622
Materials and supplies	5,000	4,670	330	3,684
Total Elections	<u>148,106</u>	<u>140,875</u>	<u>7,231</u>	<u>114,198</u>
Board of Commissioners				
Personal services	47,152	44,363	2,789	379,217
Contract services	171,118	169,211	1,907	71,597
Materials and supplies	0	0	0	5,638
Total Board of Commissioners	<u>218,270</u>	<u>213,574</u>	<u>4,696</u>	<u>456,452</u>
Human Resources				
Personal services	427,683	427,261	422	68,874
Contract services	8,650	2,896	5,754	679
Materials and supplies	4,400	2,202	2,198	0
Total Human Resources	<u>440,733</u>	<u>432,359</u>	<u>8,374</u>	<u>69,553</u>
Tax Commissioner				
Personal services	322,793	310,804	11,989	293,961
Contract services	57,655	55,510	2,145	61,366
Materials and supplies	26,450	3,691	22,759	4,753
Capital outlay	0	8,657	(8,657)	0
Total Tax Commissioner	<u>406,898</u>	<u>378,662</u>	<u>28,236</u>	<u>360,080</u>
Tax Assessors				
Personal services	291,009	287,442	3,567	278,506
Contract services	33,850	27,631	6,219	28,358
Materials and supplies	3,775	4,203	(428)	3,542
Total Tax Assessors	<u>328,634</u>	<u>319,276</u>	<u>9,358</u>	<u>310,406</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
General Government (continued)				
Buildings and Properties				
Personal services	\$ 344,504	\$ 313,387	\$ 31,117	\$ 310,460
Contract services	267,979	165,762	102,217	126,761
Materials and supplies	126,746	143,142	(16,396)	128,667
Capital outlay	1,006,721	1,045,121	(38,400)	982,931
Total Buildings and Properties	<u>1,745,950</u>	<u>1,667,412</u>	<u>78,538</u>	<u>1,548,819</u>
Total General Government	<u>3,953,247</u>	<u>3,809,138</u>	<u>144,109</u>	<u>3,532,790</u>
Judicial				
Clerk of Court				
Personal services	387,901	370,193	17,708	345,063
Contract services	53,020	54,216	(1,196)	50,598
Materials and supplies	10,395	9,767	628	6,005
Total Clerk of Court	<u>451,316</u>	<u>434,176</u>	<u>17,140</u>	<u>401,666</u>
Probate Court				
Personal services	232,721	206,098	26,623	199,690
Contract services	71,747	78,159	(6,412)	67,967
Materials and supplies	3,696	3,440	256	2,338
Total Probate Court	<u>308,164</u>	<u>287,697</u>	<u>20,467</u>	<u>269,995</u>
Administration of Justice				
Personal services	62,662	48,438	14,224	59,058
Contract services	150,569	165,196	(14,627)	146,598
Payments to other agencies	165,120	160,875	4,245	154,264
Total Administration of Justice	<u>378,351</u>	<u>374,509</u>	<u>3,842</u>	<u>359,920</u>
District Attorney				
Personal services	233,907	81,805	152,102	115,042
Contract services	23,320	118,974	(95,654)	19,320
Materials and supplies	7,755	8,745	(990)	6,728
Total District Attorney	<u>264,982</u>	<u>209,524</u>	<u>55,458</u>	<u>141,090</u>
Total Judicial	<u>1,402,813</u>	<u>1,305,906</u>	<u>96,907</u>	<u>1,172,671</u>
Public Safety				
Sheriff				
Personal services	1,775,157	1,638,397	136,760	1,603,591
Contract services	159,158	144,647	14,511	155,853
Materials and supplies	169,700	174,576	(4,876)	166,519
Capital outlay	488,730	411,757	76,973	116,477
Total Sheriff	<u>2,592,745</u>	<u>2,369,377</u>	<u>223,368</u>	<u>2,042,440</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Public Safety (continued)				
Rabun County Jail				
Personal services	\$ 1,260,987	\$ 1,170,616	\$ 90,371	\$ 1,204,320
Contract services	354,698	328,059	26,639	302,434
Materials and supplies	404,190	418,765	(14,575)	396,953
Capital outlay	36,494	136,640	(100,146)	0
Total Rabun County Jail	<u>2,056,369</u>	<u>2,054,080</u>	<u>2,289</u>	<u>1,903,707</u>
Coroner				
Personal services	5,522	5,230	292	5,216
Contract services	23,847	11,617	12,230	10,757
Materials and supplies	2,500	1,661	839	1,447
Total Coroner	<u>31,869</u>	<u>18,508</u>	<u>13,361</u>	<u>17,420</u>
Emergency Management Agency				
Personal services	31,012	29,570	1,442	29,516
Contract services	39,468	36,982	2,486	43,043
Materials and supplies	40,031	41,422	(1,391)	81,460
Capital outlay	36,195	36,189	6	281,756
Total Emergency Management Agency	<u>146,706</u>	<u>144,163</u>	<u>2,543</u>	<u>435,775</u>
Fire Department				
Personal services	501,589	425,921	75,668	370,415
Contract services	321,150	386,868	(65,718)	242,677
Materials and supplies	248,550	242,818	5,732	259,045
Capital outlay	384,800	254,435	130,365	229,513
Payments to other agencies	60,000	59,186	814	0
Total Fire Department	<u>1,516,089</u>	<u>1,369,228</u>	<u>146,861</u>	<u>1,101,650</u>
County Marshal				
Personal services	313,371	308,914	4,457	297,791
Contract services	13,910	13,132	778	12,225
Materials and supplies	8,060	7,759	301	8,043
Payments to other agencies	9,500	9,796	(296)	10,545
Total County Marshal	<u>344,841</u>	<u>339,601</u>	<u>5,240</u>	<u>328,604</u>
E911 Mapping & Addressing				
Personal services	104,684	104,627	57	93,928
Contract services	11,098	10,732	366	30,485
Materials and supplies	34,777	30,503	4,274	31,254
Total E911 Mapping & Addressing	<u>150,559</u>	<u>145,862</u>	<u>4,697</u>	<u>155,667</u>
Drug Task Force				
Personal services	330,522	249,940	80,582	48,765
Contract services	1,865	1,865	0	1,359
Total Drug Task Force	<u>332,387</u>	<u>251,805</u>	<u>80,582</u>	<u>50,124</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Public Safety (continued)				
Emergency Medical Service				
Personal services	\$ 1,896,339	\$ 1,862,318	\$ 34,021	\$ 1,824,490
Contract services	139,100	138,677	423	136,346
Materials and supplies	129,846	135,489	(5,643)	125,297
Capital outlay	32,201	32,201	0	256,176
Total Emergency Medical Service	<u>2,197,486</u>	<u>2,168,685</u>	<u>28,801</u>	<u>2,342,309</u>
Boggs Mountain Animal Shelter				
Personal services	37,550	24,765	12,785	0
Contract services	51,840	33,024	18,816	9,993
Payments to other agencies	179,000	179,051	(51)	155,121
Total Boggs Mountain Animal Shelter	<u>268,390</u>	<u>236,840</u>	<u>31,550</u>	<u>165,114</u>
Total Public Safety	<u>9,637,441</u>	<u>9,098,149</u>	<u>539,292</u>	<u>8,542,810</u>
Public Works				
Roads and Bridges				
Personal services	1,421,804	1,302,455	119,349	1,322,138
Contract services	152,179	164,688	(12,509)	139,276
Materials and supplies	455,450	365,600	89,850	498,594
Capital outlay	53,000	116,915	(63,915)	14,500
Total Roads and Bridges	<u>2,082,433</u>	<u>1,949,658</u>	<u>132,775</u>	<u>1,974,508</u>
Rabun County Water and Sewer Authority				
Payments to other agencies	380,310	375,000	5,310	453,096
Total Public Works	<u>2,462,743</u>	<u>2,324,658</u>	<u>138,085</u>	<u>2,427,604</u>
Health and Welfare				
Public Health				
Contract services	2,870	2,796	74	2,882
Materials and supplies	1,500	1,569	(69)	1,722
Payments to other agencies	60,750	60,750	0	185,778
Total Public Health	<u>65,120</u>	<u>65,115</u>	<u>5</u>	<u>190,382</u>
Public Welfare				
Contract services	1,500	1,500	0	1,450
Payments to other agencies	50,000	47,397	2,603	52,393
Total Public Welfare	<u>51,500</u>	<u>48,897</u>	<u>2,603</u>	<u>53,843</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Health and Welfare (continued)				
Program on Aging				
Personal services	\$ 367,181	\$ 328,081	\$ 39,100	\$ 327,034
Contract services	120,094	122,460	(2,366)	54,399
Materials and supplies	245,250	252,270	(7,020)	247,038
Payments to other agencies	11,000	10,450	550	10,450
Total Program on Aging	<u>743,525</u>	<u>713,261</u>	<u>30,264</u>	<u>638,921</u>
Court Appointed Special Advocates				
Payments to other agencies	11,000	11,000	0	11,000
F.A.I.T.H.				
Payments to other agencies	100,000	100,000	0	100,000
Total Health and Welfare	<u>971,145</u>	<u>938,273</u>	<u>32,872</u>	<u>994,146</u>
Culture and Recreation				
Civic Center				
Personal services	53,085	51,643	1,442	46,677
Contract services	38,679	36,585	2,094	19,798
Materials and supplies	57,680	56,256	1,424	56,616
Capital outlay	20,000	20,000	0	0
Total Civic Center	<u>169,444</u>	<u>164,484</u>	<u>4,960</u>	<u>123,091</u>
Recreation				
Personal services	407,482	381,359	26,123	334,302
Contract services	100,900	103,778	(2,878)	132,999
Materials and supplies	179,165	193,425	(14,260)	164,490
Capital outlay	0	0	0	52,158
Total Recreation	<u>687,547</u>	<u>678,562</u>	<u>8,985</u>	<u>683,949</u>
Rabun Arena				
Personal services	103,930	98,409	5,521	96,123
Contract services	35,745	25,780	9,965	17,120
Materials and supplies	43,350	40,273	3,077	34,991
Capital outlay	25,000	25,000	0	9,176
Total Rabun Arena	<u>208,025</u>	<u>189,462</u>	<u>18,563</u>	<u>157,410</u>
Rabun County Library				
Personal services	38,790	38,790	0	26,700
Contract services	2,415	2,415	0	2,413
Payments to other agencies	309,795	309,795	0	277,881
Total Rabun County Library	<u>351,000</u>	<u>351,000</u>	<u>0</u>	<u>306,994</u>
Rabun County Historical Society				
Payments to other agencies	5,670	5,670	0	5,571
Total Culture and Recreation	<u>1,421,686</u>	<u>1,389,178</u>	<u>32,508</u>	<u>1,277,015</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
Housing and Development				
Extension Service				
Personal services	\$ 31,378	\$ 28,808	\$ 2,570	\$ 28,596
Contract services	11,445	10,120	1,325	9,167
Materials and supplies	4,700	3,963	737	4,146
Total Extension Service	<u>47,523</u>	<u>42,891</u>	<u>4,632</u>	<u>41,909</u>
Planning Commission				
Personal services	71,424	69,529	1,895	67,930
Contract services	17,675	16,813	862	17,184
Materials and supplies	1,100	1,112	(12)	672
Total Planning Commission	<u>90,199</u>	<u>87,454</u>	<u>2,745</u>	<u>85,786</u>
Rabun County Economic Development Authority				
Payments to other agencies	<u>479,900</u>	<u>422,661</u>	<u>57,239</u>	<u>1,251,564</u>
Soil Erosion Control				
Personal services	9,669	7,836	1,833	7,893
Contract services	6,000	6,000	0	6,000
Materials and supplies	265	265	0	200
Total Soil Erosion Control	<u>15,934</u>	<u>14,101</u>	<u>1,833</u>	<u>14,093</u>
Total Housing and Development	<u>633,556</u>	<u>567,107</u>	<u>66,449</u>	<u>1,393,352</u>
Total Current	<u>20,482,631</u>	<u>19,432,409</u>	<u>1,050,222</u>	<u>19,340,388</u>
Debt Service				
Public Safety				
Sheriff	80,000	63,312	16,688	0
Public Works				
Rabun County Water and Sewer Authority	<u>333,005</u>	<u>333,004</u>	<u>1</u>	<u>333,004</u>
Total Debt Service	<u>413,005</u>	<u>396,316</u>	<u>16,689</u>	<u>333,004</u>
Total Expenditures	<u>\$ 20,895,636</u>	<u>\$ 19,828,725</u>	<u>\$ 1,066,911</u>	<u>\$ 19,673,392</u>

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Confiscated Assets Fund – This fund is used to account for the cash or property received from drug confiscations restricted for law enforcement.

Jail Fund – This fund is used to account for fines and fees received restricted for the maintenance of the County Jail.

Law Library Fund – This fund is used to account for fines and fees received restricted for operation of the Rabun County Law Library.

Juvenile Case Management Fund – This fund is used to account for fines and fees received restricted for juvenile supervision.

Drug Abuse Treatment Education Fund – This fund is used to account for fines and fees received restricted for drug treatment and education programs in the County.

Emergency 911 Fund – This fund is used to account for the County's share of telephone fees restricted for the operation of the 911 emergency system.

Hotel/Motel Tax Fund – This fund is used to account for hotel/motel tax collections restricted for trade and tourism in Rabun County.

Sheriff Donations Fund – This fund is used to account for funds restricted for Sheriff facilities and equipment.

RABUN COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

ASSETS	2019	2018
Cash and cash equivalents	\$ 24,222	\$ 6,713
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for public safety	\$ 24,222	\$ 6,713

RABUN COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the fiscal year ended June 30, 2018)

	<u>2019</u>			<u>2018</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Fines, fees, and forfeitures	\$ 7,500	\$ 24,558	\$ 17,058	\$ 5,024
Interest	<u>0</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total revenues	<u>7,500</u>	<u>24,560</u>	<u>17,060</u>	<u>5,026</u>
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	<u>7,500</u>	<u>7,051</u>	<u>449</u>	<u>799</u>
Total expenditures	<u>7,500</u>	<u>7,051</u>	<u>449</u>	<u>799</u>
Excess (deficiency) of revenues over (under) expenditures	0	17,509	17,509	4,227
Fund balances, July 1	<u>0</u>	<u>6,713</u>	<u>6,713</u>	<u>2,486</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 24,222</u></u>	<u><u>\$ 24,222</u></u>	<u><u>\$ 6,713</u></u>

**RABUN COUNTY, GEORGIA
 JAIL SPECIAL REVENUE FUND
 COMPARATIVE BALANCE SHEETS
 June 30, 2019 and 2018**

ASSETS	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 273,575	\$ 264,657
Intergovernmental receivable	<u>8,846</u>	<u>6,626</u>
Total assets	<u><u>\$ 282,421</u></u>	<u><u>\$ 271,283</u></u>
 LIABILITIES AND FUND BALANCES		
 Fund balances		
Restricted for public safety	<u><u>\$ 282,421</u></u>	<u><u>\$ 271,283</u></u>

RABUN COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	\$ 92,500	\$ 94,782	\$ 2,282	\$ 95,870
Interest	0	763	763	316
Total revenues	92,500	95,545	3,045	96,186
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	27,500	20,210	7,290	29,633
Capital outlay	65,000	64,197	803	125,760
Total expenditures	92,500	84,407	8,093	155,393
Excess (deficiency) of revenues over (under) expenditures	0	11,138	11,138	(59,207)
Fund balances, July 1	0	271,283	271,283	330,490
Fund balances, June 30	\$ 0	\$ 282,421	\$ 282,421	\$ 271,283

RABUN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

ASSETS	2019	2018
Cash and cash equivalents	\$ 46,415	\$ 45,444
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for judicial	\$ 46,415	\$ 45,444

RABUN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	\$ 11,000	\$ 10,784	\$ (216)	\$ 10,952
Interest	50	46	(4)	44
Total revenues	<u>11,050</u>	<u>10,830</u>	<u>(220)</u>	<u>10,996</u>
EXPENDITURES				
Current				
Judicial				
Contract services	2,400	2,400	0	2,400
Materials and supplies	8,650	7,459	1,191	6,687
Total expenditures	<u>11,050</u>	<u>9,859</u>	<u>1,191</u>	<u>9,087</u>
Excess (deficiency) of revenues over (under) expenditures	0	971	971	1,909
Fund balances, July 1	0	45,444	45,444	43,535
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 46,415</u>	<u>\$ 46,415</u>	<u>\$ 45,444</u>

RABUN COUNTY, GEORGIA
JUVENILE CASE MANAGEMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

ASSETS	2019	2018
Cash and cash equivalents	\$ 3,959	\$ 3,948
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for judicial	\$ 3,959	\$ 3,948

RABUN COUNTY, GEORGIA
JUVENILE CASE MANAGEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the fiscal year ended June 30, 2018)

	<u>2019</u>			<u>2018</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Intergovernmental	\$ 1,000	\$ 0	\$ (1,000)	\$ 0
Interest	<u>0</u>	<u>11</u>	<u>11</u>	<u>5</u>
Total revenues	<u>1,000</u>	<u>11</u>	<u>(989)</u>	<u>5</u>
EXPENDITURES				
Current				
Judicial				
Contract services	<u>1,000</u>	<u>0</u>	<u>1,000</u>	<u>0</u>
Total expenditures	<u>1,000</u>	<u>0</u>	<u>1,000</u>	<u>0</u>
Excess (deficiency) of revenues over (under) expenditures	0	11	11	5
Fund balances, July 1	<u>0</u>	<u>3,948</u>	<u>3,948</u>	<u>3,943</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 3,959</u></u>	<u><u>\$ 3,959</u></u>	<u><u>\$ 3,948</u></u>

RABUN COUNTY, GEORGIA
DRUG ABUSE TREATMENT EDUCATION SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

ASSETS	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 69,150	\$ 76,914
Intergovernmental receivable	<u>191</u>	<u>281</u>
Total assets	<u><u>\$ 69,341</u></u>	<u><u>\$ 77,195</u></u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 3,056	\$ 224
Fund balances		
Restricted for judicial	<u>66,285</u>	<u>76,971</u>
Total liabilities and fund balances	<u><u>\$ 69,341</u></u>	<u><u>\$ 77,195</u></u>

RABUN COUNTY, GEORGIA
DRUG ABUSE TREATMENT EDUCATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019
(With comparative actual amounts for the fiscal year ended June 30, 2018)

	2019			2018
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	\$ 19,000	\$ 15,939	\$ (3,061)	\$ 15,400
Interest	0	205	205	80
Total revenues	19,000	16,144	(2,856)	15,480
EXPENDITURES				
Current				
Judicial				
Materials and supplies	27,000	26,830	170	11,261
Total expenditures	27,000	26,830	170	11,261
Excess (deficiency) of revenues over (under) expenditures	(8,000)	(10,686)	(2,686)	4,219
Fund balances, July 1	8,000	76,971	68,971	72,752
Fund balances, June 30	\$ 0	\$ 66,285	\$ 66,285	\$ 76,971

RABUN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

ASSETS	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 422,935	\$ 632,049
Accounts receivable (net)	<u>34,030</u>	<u>73,161</u>
Total assets	<u><u>\$ 456,965</u></u>	<u><u>\$ 705,210</u></u>
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 2,929	\$ 4,070
Accrued salaries and payroll liabilities	<u>18,195</u>	<u>16,298</u>
Total liabilities	21,124	20,368
Fund balances		
Assigned to public safety	<u>435,841</u>	<u>684,842</u>
Total liabilities and fund balances	<u><u>\$ 456,965</u></u>	<u><u>\$ 705,210</u></u>

RABUN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL

For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	<u>2019</u>			<u>2018</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Charges for services	\$ 350,000	\$ 397,703	\$ 47,703	\$ 360,028
Interest	0	920	920	647
Total revenues	<u>350,000</u>	<u>398,623</u>	<u>48,623</u>	<u>360,675</u>
EXPENDITURES				
Current				
Public Safety				
Personal Services	795,480	738,889	56,591	715,960
Contract services	254,228	222,786	31,442	231,432
Materials and supplies	17,650	29,329	(11,679)	27,761
Capital outlay	85,336	66,620	18,716	30,535
Total expenditures	<u>1,152,694</u>	<u>1,057,624</u>	<u>95,070</u>	<u>1,005,688</u>
Excess (deficiency) of revenues over (under) expenditures	(802,694)	(659,001)	143,693	(645,013)
Other financing sources (uses)				
Transfers in (out)				
General Fund	767,858	410,000	(357,858)	709,209
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(34,836)	(249,001)	(214,165)	64,196
Fund balances, July 1	<u>34,836</u>	<u>684,842</u>	<u>650,006</u>	<u>620,646</u>
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 435,841</u>	<u>\$ 435,841</u>	<u>\$ 684,842</u>

RABUN COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

ASSETS	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 37,740	\$ 89,226
Taxes receivable	<u>56,854</u>	<u>49,507</u>
Total assets	<u><u>\$ 94,594</u></u>	<u><u>\$ 138,733</u></u>
LIABILITIES AND FUND BALANCES		
Fund balances		
Assigned to housing and development	<u><u>\$ 94,594</u></u>	<u><u>\$ 138,733</u></u>

RABUN COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL

For the fiscal year ended June 30, 2019

(With comparative actual amounts for the fiscal year ended June 30, 2018)

	<u>2019</u>			<u>2018</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Taxes	\$ 203,000	\$ 183,680	\$ (19,320)	\$ 197,930
Interest	0	181	181	78
Total revenues	<u>203,000</u>	<u>183,861</u>	<u>(19,139)</u>	<u>198,008</u>
EXPENDITURES				
Current				
Housing and Development				
Tourism				
Rabun County Convention and Visitors Bureau	228,000	228,000	0	203,000
Total expenditures	<u>228,000</u>	<u>228,000</u>	<u>0</u>	<u>203,000</u>
Excess (deficiency) of revenues over (under) expenditures	(25,000)	(44,139)	(19,139)	(4,992)
Other financing sources (uses)				
Transfers in (out)				
General Fund	0	0	0	56,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(25,000)	(44,139)	(19,139)	51,008
Fund balances, July 1	25,000	138,733	113,733	87,725
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 94,594</u>	<u>\$ 94,594</u>	<u>\$ 138,733</u>

RABUN COUNTY, GEORGIA
SHERIFF DONATIONS SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2019

ASSETS

Cash and cash equivalents	<u>\$ 18,782</u>
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LIABILITIES AND FUND BALANCES

Fund balances

Restricted for public safety	<u>\$ 18,782</u>
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RABUN COUNTY, GEORGIA
SHERIFF DONATIONS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Contributions	\$ 33,000	\$ 32,761	\$ (239)
Total revenues	<u>33,000</u>	<u>32,761</u>	<u>(239)</u>
EXPENDITURES			
Current			
Public Safety			
Materials and supplies	<u>33,000</u>	<u>13,979</u>	<u>19,021</u>
Total expenditures	<u>33,000</u>	<u>13,979</u>	<u>19,021</u>
Excess (deficiency) of revenues over (under) expenditures	0	18,782	18,782
Fund balances, July 1	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 18,782</u></u>	<u><u>\$ 18,782</u></u>

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CAPITAL PROJECTS FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Special Purpose Local Option Sales Tax #5 Fund – This fund is used to account for long-term projects financed by the 2007 passage of a special purpose local option sales tax.

Special Purpose Local Option Sales Tax #6 Fund – This fund is used to account for long-term projects financed by the 2013 passage of a special purpose local option sales tax.

RABUN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #5
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

ASSETS	2019	2018
Cash and cash equivalents	\$ 0	\$ 105,979
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 0	\$ 8,560
 Fund balances		
Restricted for capital outlay	0	97,419
Total liabilities and fund balances	\$ 0	\$ 105,979

RABUN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #5
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2019 and 2018

REVENUES	<u>2019</u>	<u>2018</u>
Interest	\$ 0	\$ 188
Total revenues	<u>0</u>	<u>188</u>
EXPENDITURES		
Capital Outlay		
Public Works		
Roads and Bridges	<u>97,419</u>	<u>145,188</u>
Total expenditures	<u>97,419</u>	<u>145,188</u>
Excess (deficiency) of revenues over (under) expenditures	(97,419)	(145,000)
Fund balances, July 1	<u>97,419</u>	<u>242,419</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 97,419</u></u>

RABUN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2019 and 2018

ASSETS	<u>2019</u>	<u>2018</u>
Cash and cash equivalents	\$ 7,098,200	\$ 5,069,135
Taxes receivable	350,120	342,775
Restricted cash and cash equivalents	<u>0</u>	<u>1,805,193</u>
Total assets	<u>\$ 7,448,320</u>	<u>\$ 7,217,103</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 162,631	\$ 54,350
Retainages payable	<u>6,591</u>	<u>28,976</u>
Total liabilities	169,222	83,326
 Fund balances		
Restricted for capital outlay	<u>7,279,098</u>	<u>7,133,777</u>
Total liabilities and fund balances	<u>\$ 7,448,320</u>	<u>\$ 7,217,103</u>

RABUN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2019 and 2018

REVENUES	<u>2019</u>	<u>2018</u>
Taxes	\$ 3,664,011	\$ 3,381,951
Interest	70,003	25,511
Total revenues	<u>3,734,014</u>	<u>3,407,462</u>
 EXPENDITURES		
Capital Outlay		
Public Safety		
Fire Department	151,007	386,646
Public Works		
Road and Bridges	835,561	0
Water and Sewer	487,551	350,360
Health and Welfare		
Program on Aging	0	10,180
Culture and Recreation		
Recreation	267,018	1,016,656
Debt Service	<u>1,677,848</u>	<u>1,687,373</u>
Total expenditures	<u>3,418,985</u>	<u>3,451,215</u>
Excess (deficiency) of revenues over (under) expenditures	<u>315,029</u>	<u>(43,753)</u>
 Other financing sources (uses)		
Transfers in (out)		
General Fund	0	500,000
Solid Waste Fund	(102,183)	0
Golf Course Fund	<u>(67,525)</u>	<u>(173,532)</u>
Total other financing sources (uses)	<u>(169,708)</u>	<u>326,468</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	145,321	282,715
Fund balances, July 1	<u>7,133,777</u>	<u>6,851,062</u>
Fund balances, June 30	<u><u>\$ 7,279,098</u></u>	<u><u>\$ 7,133,777</u></u>

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ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Solid Waste Fund – This fund is used to account for the activities of solid waste disposal and recycling programs for Rabun County.

Waste-Water Facility Fund – This fund is used to account for activities connected with the waste water and water treatment facility of Rabun County.

Golf Course Fund – This fund is used to account for activities connected with the operations of a public golf course owned by Rabun County.

RABUN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

ASSETS

	2019	2018
Current assets		
Cash and cash equivalents	\$ 432,868	\$ 649,046
Accounts receivable (net)	46,147	40,261
Total current assets	479,015	689,307
Capital assets		
Non-depreciable	1,106,031	1,106,031
Depreciable (net)	1,200,562	1,020,656
Total capital assets (net of accumulated depreciation)	2,306,593	2,126,687
Total assets	2,785,608	2,815,994

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources - pension	46,000	3,582
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LIABILITIES

Current liabilities

Accounts payable	33,352	14,326
Accrued salaries and payroll liabilities	16,783	19,494
Compensated absences	17,824	16,484
Closure/post-closure care	69,111	53,170
Total current liabilities	137,070	103,474

Noncurrent liabilities

Net pension liability	117,071	68,999
Net OPEB liability	13,205	0
Closure/post-closure care	2,754,506	2,793,617
Total noncurrent liabilities	2,884,782	2,862,616

Total liabilities

	3,021,852	2,966,090
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DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources - pension	4,886	6,602
Deferred inflows of resources - OPEB	350	0

Total deferred inflows of resources

	5,236	6,602
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NET POSITION

Investment in capital assets	2,306,593	2,126,687
Unrestricted	(2,502,073)	(2,279,803)

Total net position

	\$ (195,480)	\$ (153,116)
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RABUN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
OPERATING REVENUES		
Charges for sales and services	\$ 590,477	\$ 622,346
Total operating revenues	<u>590,477</u>	<u>622,346</u>
OPERATING EXPENSES		
Costs of sales and services	866,327	565,604
Personal services	711,846	712,680
Depreciation	136,104	121,672
Total operating expenses	<u>1,714,277</u>	<u>1,399,956</u>
Operating income (loss)	(1,123,800)	(777,610)
Non-operating revenues (expenses)		
Interest revenue	<u>1,727</u>	<u>661</u>
Net income (loss) before transfers	<u>(1,122,073)</u>	<u>(776,949)</u>
Transfers in (out)		
General Fund	990,000	757,174
SPLOST #6 Fund	<u>102,183</u>	<u>0</u>
Total transfers in (out)	<u>1,092,183</u>	<u>757,174</u>
Change in net position	<u>(29,890)</u>	<u>(19,775)</u>
Net position, July 1 (original)	(153,116)	(133,341)
Prior period adjustments	<u>(12,474)</u>	<u>0</u>
Net position, July 1 (restated)	<u>(165,590)</u>	<u>(133,341)</u>
Net position, June 30	<u><u>\$ (195,480)</u></u>	<u><u>\$ (153,116)</u></u>

RABUN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Receipts from customers	\$ 584,591	\$ 623,300
Payments to suppliers	(870,471)	(571,807)
Payments to employees	(708,198)	(715,272)
	<u>(994,078)</u>	<u>(663,779)</u>
Cash flows from non-capital financing activities:		
Receipts from other funds	<u>990,000</u>	<u>757,174</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(316,010)	(24,079)
Receipts from other funds	<u>102,183</u>	<u>0</u>
	<u>(213,827)</u>	<u>(24,079)</u>
Cash flows from investing activities:		
Interest received	<u>1,727</u>	<u>661</u>
Net increase (decrease) in cash and cash equivalents	(216,178)	69,977
Cash and cash equivalents, July 1	<u>649,046</u>	<u>579,069</u>
Cash and cash equivalents, June 30	<u><u>\$ 432,868</u></u>	<u><u>\$ 649,046</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	<u>\$ (1,123,800)</u>	<u>\$ (777,610)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	136,104	121,672
Closure/post-closure care costs	(23,170)	13,499
(Increase) decrease in accounts receivable	(5,886)	954
(Increase) decrease in deferred outflows of resources - pension	(42,418)	28,614
(Increase) decrease in deferred outflows of resources - OPEB	770	0
Increase (decrease) in accounts payable	19,026	(19,702)
Increase (decrease) in accrued payroll liabilities	(1,371)	(386)
Increase (decrease) in net pension liability	48,072	(37,422)
Increase (decrease) in net OPEB liability	(39)	0
Increase (decrease) in deferred inflows of resources - pension	(1,716)	6,602
Increase (decrease) in deferred inflows of resources - OPEB	<u>350</u>	<u>0</u>
	<u>129,722</u>	<u>113,831</u>
Total adjustments	<u>129,722</u>	<u>113,831</u>
Net cash provided (used) by operating activities	<u><u>\$ (994,078)</u></u>	<u><u>\$ (663,779)</u></u>

RABUN COUNTY, GEORGIA
WASTE-WATER FACILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
ASSETS	<u>\$ 0</u>	<u>\$ 0</u>
LIABILITIES	<u>0</u>	<u>0</u>
NET POSITION	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

RABUN COUNTY, GEORGIA
WASTE-WATER FACILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
OPERATING REVENUES		
Charges for sales and services	\$ 120,000	\$ 120,000
OPERATING EXPENSES	0	0
Operating income (loss)	120,000	120,000
Transfers in (out)		
General Fund	(120,000)	(120,000)
Change in net position	0	0
Net position, July 1	0	0
Net position, June 30	\$ 0	\$ 0

RABUN COUNTY, GEORGIA
WASTE-WATER FACILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	2019	2018
Cash flows from operating activities:		
Receipts from customers	\$ 120,000	\$ 120,000
Cash flows from non-capital financing activities:		
Payments to other funds	(120,000)	(120,000)
Net increase (decrease) in cash and cash equivalents	0	0
Cash and cash equivalents, July 1	0	0
Cash and cash equivalents, June 30	\$ 0	\$ 0
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ 120,000	\$ 120,000

RABUN COUNTY, GEORGIA
GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2019 and 2018

ASSETS	<u>2019</u>	<u>2018</u>
Current assets		
Cash and cash equivalents	\$ 120,709	\$ 168,484
Capital assets		
Non-depreciable	301,857	234,332
Depreciable (net)	22,808	32,949
Total capital assets (net of accumulated depreciation)	<u>324,665</u>	<u>267,281</u>
Total assets	<u>445,374</u>	<u>435,765</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources - pension	<u>25,996</u>	<u>4,058</u>
 LIABILITIES		
Current liabilities		
Accounts payable	1,526	575
Accrued salaries and payroll liabilities	5,638	5,869
Compensated absences	17,155	15,069
Total current liabilities	<u>24,319</u>	<u>21,513</u>
Noncurrent liabilities		
Net pension liability	67,235	41,734
Net OPEB liability	7,005	0
Total noncurrent liabilities	<u>74,240</u>	<u>41,734</u>
Total liabilities	<u>98,559</u>	<u>63,247</u>
 DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources - pension	3,586	5,060
Deferred inflows of resources - OPEB	186	0
Total deferred inflows of resources	<u>3,772</u>	<u>5,060</u>
 NET POSITION		
Investment in capital assets	324,665	267,281
Unrestricted	44,374	104,235
Total net position	<u>\$ 369,039</u>	<u>\$ 371,516</u>

RABUN COUNTY, GEORGIA
GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
OPERATING REVENUES		
Charges for sales and services	\$ 86,091	\$ 96,251
Total operating revenues	<u>86,091</u>	<u>96,251</u>
OPERATING EXPENSES		
Costs of sales and services	68,339	64,350
Personal services	256,329	245,369
Depreciation	10,141	10,734
Total operating expenses	<u>334,809</u>	<u>320,453</u>
Operating income (loss)	(248,718)	(224,202)
Non-operating revenues (expenses)		
Interest revenue	333	165
Net income (loss) before transfers	<u>(248,385)</u>	<u>(224,037)</u>
Transfer in (out)		
General Fund	185,000	248,800
SPLOST #6 Fund	67,525	173,532
Total transfers in (out)	<u>252,525</u>	<u>422,332</u>
Change in net position	<u>4,140</u>	<u>198,295</u>
Net position, July 1 (original)	371,516	173,221
Prior period adjustments	(6,617)	0
Net position, July 1 (restated)	<u>364,899</u>	<u>173,221</u>
Net position, June 30	<u><u>\$ 369,039</u></u>	<u><u>\$ 371,516</u></u>

RABUN COUNTY, GEORGIA
GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities:		
Receipts from customers	\$ 86,091	\$ 96,251
Payments to suppliers	(67,388)	(64,445)
Payments to employees	(251,811)	(247,758)
	<u>(233,108)</u>	<u>(215,952)</u>
Cash flows from non-capital financing activities:		
Receipts from other funds	<u>185,000</u>	<u>248,800</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(67,525)	(175,582)
Receipts from other funds	<u>67,525</u>	<u>173,532</u>
	<u>0</u>	<u>(2,050)</u>
Cash flows from investing activities:		
Interest received	<u>333</u>	<u>165</u>
Net increase (decrease) in cash and cash equivalents	(47,775)	30,963
Cash and cash equivalents, July 1	<u>168,484</u>	<u>137,521</u>
Cash and cash equivalents, June 30	<u><u>\$ 120,709</u></u>	<u><u>\$ 168,484</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	<u>\$ (248,718)</u>	<u>\$ (224,202)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	10,141	10,734
(Increase) decrease in deferred outflows of resources - pension	(21,938)	18,925
(Increase) decrease in deferred outflows of resources - OPEB	408	0
Increase (decrease) in accounts payable	951	(95)
Increase (decrease) in payroll liabilities	1,855	(888)
Increase (decrease) in net pension liability	25,501	(25,486)
Increase (decrease) in net OPEB liability	(20)	0
Increase (decrease) in deferred inflows of resources - pension	(1,474)	5,060
Increase (decrease) in deferred inflows of resources - OPEB	<u>186</u>	<u>0</u>
	<u>15,610</u>	<u>8,250</u>
Net cash provided (used) by operating activities	<u><u>\$ (233,108)</u></u>	<u><u>\$ (215,952)</u></u>

AGENCY FUNDS

These funds are used to account for assets held by the County as an agent to be expended in accordance with the conditions of its agency capacity.

Tax Commissioner - This fund accounts for assets and related liabilities for the collection of taxes and tag and title fees.

Clerk of Superior Court, Probate Court, and Magistrate Court - These funds account for assets and related liabilities for the collection of court related fees.

Sheriff Department - This fund accounts for deposits held for incarcerated inmates.

RABUN COUNTY, GEORGIA
AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 2019

	<u>Tax Commissioner</u>	<u>Clerk of Superior Court</u>
ASSETS		
Cash	\$ 460,631	\$ 586,688
Taxes receivable, net	<u>204,418</u>	<u>0</u>
 Total assets	 <u>\$ 665,049</u>	 <u>\$ 586,688</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	<u>\$ 665,049</u>	<u>\$ 586,688</u>

Probate Court	Magistrate Court	Sheriff Department	Totals
\$ 43,023	\$ 1,741	\$ 18,393	\$ 1,110,476
0	0	0	204,418
<u>\$ 43,023</u>	<u>\$ 1,741</u>	<u>\$ 18,393</u>	<u>\$ 1,314,894</u>
<u>\$ 43,023</u>	<u>\$ 1,741</u>	<u>\$ 18,393</u>	<u>\$ 1,314,894</u>

RABUN COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2019

	<u>Balance July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30</u>
TAX COMMISSIONER				
ASSETS				
Cash	\$ 500,057	\$ 37,421,940	\$ 37,461,366	\$ 460,631
Taxes receivable, net	224,944	32,922,212	32,942,738	204,418
Total	<u>\$ 725,001</u>	<u>\$ 70,344,152</u>	<u>\$ 70,404,104</u>	<u>\$ 665,049</u>
LIABILITIES				
Due to other agencies	<u>\$ 725,001</u>	<u>\$ 70,344,152</u>	<u>\$ 70,404,104</u>	<u>\$ 665,049</u>
CLERK OF SUPERIOR COURT				
ASSETS				
Cash	<u>\$ 463,953</u>	<u>\$ 1,271,964</u>	<u>\$ 1,149,229</u>	<u>\$ 586,688</u>
LIABILITIES				
Due to other agencies	<u>\$ 463,953</u>	<u>\$ 1,271,964</u>	<u>\$ 1,149,229</u>	<u>\$ 586,688</u>
PROBATE COURT				
ASSETS				
Cash	<u>\$ 51,857</u>	<u>\$ 643,971</u>	<u>\$ 652,805</u>	<u>\$ 43,023</u>
LIABILITIES				
Due to other agencies	<u>\$ 51,857</u>	<u>\$ 643,971</u>	<u>\$ 652,805</u>	<u>\$ 43,023</u>
MAGISTRATE COURT				
ASSETS				
Cash	<u>\$ 2,048</u>	<u>\$ 103,258</u>	<u>\$ 103,565</u>	<u>\$ 1,741</u>
LIABILITIES				
Due to other agencies	<u>\$ 2,048</u>	<u>\$ 103,258</u>	<u>\$ 103,565</u>	<u>\$ 1,741</u>
SHERIFF DEPARTMENT				
ASSETS				
Cash	<u>\$ 23,007</u>	<u>\$ 136,686</u>	<u>\$ 141,300</u>	<u>\$ 18,393</u>
LIABILITIES				
Due to other agencies	<u>\$ 23,007</u>	<u>\$ 136,686</u>	<u>\$ 141,300</u>	<u>\$ 18,393</u>
TOTALS				
ASSETS				
Cash	\$ 1,040,922	\$ 39,577,819	\$ 39,508,265	\$ 1,110,476
Taxes receivable, net	224,944	32,922,212	32,942,738	204,418
Total	<u>\$ 1,265,866</u>	<u>\$ 72,500,031</u>	<u>\$ 72,451,003</u>	<u>\$ 1,314,894</u>
LIABILITIES				
Due to other agencies	<u>\$ 1,265,866</u>	<u>\$ 72,500,031</u>	<u>\$ 72,451,003</u>	<u>\$ 1,314,894</u>

OTHER REPORTING SECTION

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

Honorable Chairman and Members
of the Board of Commissioners
Rabun County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rabun County, Georgia, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Rabun County, Georgia's basic financial statements and have issued our report thereon dated November 15, 2019. Our report includes a reference to other auditors who audited the financial statements of the Rabun County Health Department, as described in our report on Rabun County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that were reported on separately by those auditors.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

2019-001

Condition: During test of disbursements at the Law Library, we noted appropriate segregation of duties does not exist. The Law Library Secretary currently signs checks to herself for her monthly fees.

2019-001, continued

Criteria: Segregation of employees' duties is a common practice in an effective internal control structure. Segregation of duties is when specific employee functions related to important accounting areas (such as cash receipting and cash disbursements) are separated among different individuals to significantly reduce the risk that any one individual could intentionally or unintentionally misappropriate assets.

Effect: Failure to maintain adequate segregation of duties exposes the assets of the County to greater risk of misappropriation.

Cause: The same employee is writing and signing checks in which she is also the payee.

Recommendation: We recommend a member of the Law Library board sign all checks written to the Law Library Secretary. A member of the board should also review and document review of the bank reconciliations and statements on a monthly basis.

Management Response: Management has provided a copy of this finding to the appropriate Elected Officials and Department Heads and they concur with this finding. Action was taken immediately upon receipt of this comment from our auditors.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rabun County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described below:

2019-002

Condition: While performing audit procedures at the Tax Commissioner's office, we noted the monthly payouts of title ad valorem tax were incorrectly calculated.

Criteria: State of Georgia Code provides guidelines regarding the calculation of title ad valorem tax payouts.

Effect: Incorrect payouts of title ad valorem tax will place the County in violation of state law.

Cause: Tax Commissioner's office personnel are not calculating payouts correctly.

Recommendation: The Tax Commissioner's office should review and correct the calculation of title ad valorem tax payouts.

Management Response: Management has provided a copy of this finding to the appropriate Elected Official and they concur with this finding. The appropriate Elected Official will implement the recommendation.

Rabun County, Georgia's Responses to Findings

Rabun County, Georgia's responses to the findings identified in our audit are described above. Rabun County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

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

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia

November 15, 2019

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STATE REPORTING SECTION

RABUN COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2019

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
<u>SPLOST #5</u>					
Roads, Streets and Bridges	\$ 7,541,850	\$ 7,541,850	\$ 6,156,742	\$ 97,419	\$ 6,254,161
Hospital Building	3,500,000	3,500,000	3,876,165	0	3,876,165
Multipurpose Arena	1,500,000	1,500,000	2,962,495	0	2,962,495
Health Department	1,000,000	1,000,000	1,010,430	0	1,010,430
Fire Fighting Equipment	1,000,000	1,000,000	1,340,259	0	1,340,259
Courthouse	900,000	900,000	979,286	0	979,286
City of Clayton	2,058,000	2,058,000	2,058,000	0	2,058,000
City of Dillard	450,000	450,000	450,000	0	450,000
City of Sky Valley	450,000	450,000	450,000	0	450,000
Mountain City	300,000	300,000	300,000	0	300,000
City of Tiger	300,000	300,000	300,000	0	300,000
City of Tallulah Falls	150,000	150,000	150,000	0	150,000
Total	\$ 19,149,850	\$ 19,149,850	\$ 20,033,377	\$ 97,419	\$ 20,130,796

RABUN COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2019

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
<u>SPLOST #6</u>					
Roads, Streets and Bridges	\$ 5,000,000	\$ 5,000,000	\$ 0	\$ 748,142	\$ 748,142
Water and Sewer Improvements	9,100,000	9,100,000	6,939,450	489,106	7,428,556
Parks and Recreation	2,000,000	2,000,000	657,341	312,293	969,634
Solid Waste Mgt Infrastructure	300,000	300,000	0	95,482	95,482
Senior Center	200,000	200,000	198,683	84	198,767
Fire Improvements	1,500,000	1,500,000	474,464	138,393	612,857
City of Dillard	400,000	400,000	400,000	0	400,000
City of Sky Valley	350,000	350,000	350,000	0	350,000
Mountain City	500,000	500,000	500,000	0	500,000
City of Tiger	450,000	450,000	450,000	0	450,000
City of Tallulah Falls	200,000	200,000	200,000	0	200,000
Total	\$ 20,000,000	\$ 20,000,000	\$ 10,169,938	\$ 1,783,500	\$ 11,953,438
Current year SPLOST #6 Expenditures				\$ 1,783,500	
Debt proceeds expended				<u>1,805,193</u>	
Total expenditures and transfers out of the SPLOST #6 Fund				<u>\$ 3,588,693</u>	

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

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