

RABUN COUNTY, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2018

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RABUN COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2018

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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, 2018, 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 6.3 percent, 7.6 percent, and 27.5 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, 2018, 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 65 through 68, 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, 2017, which are not presented with the accompanying financial statements. In our report dated November 15, 2017, 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 2017 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 2017 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 2017 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 2017 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 *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 6, 2018, 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 6, 2018

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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, 2018. 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, 2018.

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 ten 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 seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements 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 26-64) 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 65-68) The required supplementary information includes required schedules and information on the County's defined benefit pension 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 69 - 111 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 2018 of \$1,918,244, of which \$1,739,724 was an increase in governmental activities and \$178,520 was an increase in business-type activities. At June 30, 2018, the County had \$50,154,480 net investment in capital assets, \$5,946,200 in restricted net position, and (\$11,900,352) in unrestricted net position. The table below shows the split of net position between governmental and business-type activities for both FY 2018 and FY 2017.

RABUN COUNTY, GEORGIA'S NET POSITION June 30, 2018 and 2017

(\$ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Current assets	\$ 19,698	\$ 21,243	\$ 858	\$ 758	\$ 20,556	\$ 22,001
Capital assets	49,378	48,529	2,394	2,327	51,772	50,856
Total assets	<u>69,076</u>	<u>69,772</u>	<u>3,252</u>	<u>3,085</u>	<u>72,328</u>	<u>72,857</u>
Deferred outflows of resources	<u>500</u>	<u>897</u>	<u>7</u>	<u>55</u>	<u>507</u>	<u>952</u>
Current liabilities	3,726	125	176	176	3,902	301
Noncurrent liabilities	21,492	2,904	2,924	2,924	24,416	5,828
Total liabilities	<u>25,218</u>	<u>3,029</u>	<u>3,100</u>	<u>3,100</u>	<u>28,318</u>	<u>6,129</u>
Deferred inflows of resources	<u>377</u>	<u>0</u>	<u>12</u>	<u>0</u>	<u>389</u>	<u>0</u>
Net position:						
Net Investment in capital assets	47,761	46,622	2,394	2,327	50,155	48,949
Restricted	5,946	4,413	0	0	5,946	4,413
Unrestricted	(9,725)	(8,793)	(2,176)	(2,287)	(11,901)	(11,080)
Total net position	<u>\$ 43,982</u>	<u>\$ 42,242</u>	<u>\$ 218</u>	<u>\$ 40</u>	<u>\$ 44,200</u>	<u>\$ 42,282</u>

RABUN COUNTY GEORGIA'S CHANGES IN NET POSITION
Fiscal Years Ended June 30, 2018 and 2017

(\$ in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
REVENUES						
Program revenues						
Charges for services	\$ 2,379	\$ 2,384	\$ 838	\$ 877	\$ 3,217	\$ 3,261
Operating grants and contributions	858	709	0	0	858	709
Capital grants and contributions	364	217	0	0	364	217
General revenues						
Taxes	20,397	20,045	0	0	20,397	20,045
Interest	14	24	1	5	15	29
Other	237	78	0	0	237	78
Total revenues	<u>24,249</u>	<u>23,457</u>	<u>839</u>	<u>882</u>	<u>25,088</u>	<u>24,339</u>
EXPENSES						
Program Expenses:						
General Government	2,735	2,584	0	0	2,735	2,584
Judicial	1,197	1,159	0	0	1,197	1,159
Public Safety	9,673	9,516	0	0	9,673	9,516
Public Works	3,843	6,554	0	0	3,843	6,554
Health and Welfare	1,091	1,101	0	0	1,091	1,101
Culture and Recreation	1,523	1,652	0	0	1,523	1,652
Housing and Development	1,131	1,200	0	0	1,131	1,200
Interest on long-term debt	257	194	0	0	257	194
Solid Waste	0	0	1,400	1,287	1,400	1,287
Waste-Water Facility	0	0	0	4,208	0	4,208
Golf Course	0	0	320	313	320	313
Total expenses	<u>21,450</u>	<u>23,960</u>	<u>1,720</u>	<u>5,808</u>	<u>23,170</u>	<u>29,768</u>
Excess (Deficiency) before transfers	2,799	(503)	(881)	(4,926)	1,918	(5,429)
Transfers In (Out)	(1,059)	(6,449)	1,059	6,449	0	0
Increase (Decrease) in net position	<u>1,740</u>	<u>(6,952)</u>	<u>178</u>	<u>1,523</u>	<u>1,918</u>	<u>(5,429)</u>
Net position, beginning (original)	42,242	49,194	40	(1,483)	42,282	47,711
Prior period adjustment	0	0	0	0	0	0
Net position, beginning (restated)	<u>42,242</u>	<u>49,194</u>	<u>40</u>	<u>(1,483)</u>	<u>42,282</u>	<u>47,711</u>
Net position, ending	<u>\$ 43,982</u>	<u>\$ 42,242</u>	<u>\$ 218</u>	<u>\$ 40</u>	<u>\$ 44,200</u>	<u>\$ 42,282</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 \$703,000 from FY 2017. Taxes increased approximately \$321,000, contributions increased approximately \$204,000, and other revenues increased approximately \$125,000.

Tax revenues totaled \$20,391,348, including \$15,626,320 in property taxes and \$3,381,951 in special purpose local option sales taxes.

Expenditures in the governmental funds totaled \$24,655,023, a \$329,217 decrease from FY 2017. The primary cause of the decrease was a decrease in capital outlay expenditures in the SPLOST funds.

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 \$1,169,431 and the budget for total expenditures increased \$2,246,260.

The County finished FY 2018 with revenues less than budgeted of \$935,178. However, expenditures also came in under budget by \$571,460. Taxes were under budget by \$662,773 and interest was under budget by \$167,870. Fire Department expenditures were under budget by \$90,165, while E911 Mapping & Addressing expenditures were under budget by \$57,459, and Emergency Medical Service expenditures were under budget by \$67,389.

CAPITAL ASSETS & LONG-TERM DEBT

Capital Assets. Rabun County's government-wide investment in capital assets at June 30, 2018 was \$101,407,302, net of \$49,634,984 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 2017 were approximately \$4,118,000.

Major capital asset activity in FY 2018 was as follows:

The County purchased substantial vehicles and equipment, began construction on the coroner sanitary sewer extension project, and continued significant renovations to multiple County buildings.

Long-term debt. At June 30, 2018, Rabun County had \$25,109,495 in debt, including contracts and bonds payable, landfill closure/postclosure care costs, and a guarantee obligation; this is a decrease in total of \$2,316,978 from FY 2017. The decrease in debt was due to principal payments of debt during fiscal year 2018. Additional information on the County's long-term debt can be found in Note 9 found on pages 48 - 51.

ECONOMIC FACTORS AND THE 2019 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 2019.

The County utilized approximately \$1,500,000 of fund balance in the General Fund to continue ongoing capital projects 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 Clerk to the Commission at 25 Courthouse Square, Suite 201 Clayton, GA 30525.

BASIC FINANCIAL STATEMENTS

RABUN COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2018

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 8,509,703	\$ 817,530	\$ 9,327,233	\$ 2,444,449
Certificates of deposit	8,172,096	0	8,172,096	16,272
Restricted cash and cash equivalents	1,921,031	0	1,921,031	771,209
Receivables (net)				
Accounts	278,387	40,261	318,648	66,639
Intergovernmental	188,225	0	188,225	2,721
Taxes	481,764	0	481,764	0
Notes	0	0	0	31,653
Prepays	146,959	0	146,959	58,549
Total current assets	19,698,165	857,791	20,555,956	3,391,492
Noncurrent assets				
Capital assets				
Non-depreciable	5,057,941	1,340,363	6,398,304	1,238,965
Depreciable (net)	44,320,409	1,053,605	45,374,014	11,300,050
Other assets				
Notes receivable	0	0	0	167,789
Investment in joint venture	0	0	0	10,001
Total noncurrent assets	49,378,350	2,393,968	51,772,318	12,716,805
Total assets	69,076,515	3,251,759	72,328,274	16,108,297
DEFERRED OUTFLOWS OF RESOURCES				
Pension experience differences	112,127	2,538	114,665	0
Pension investment return differences	0	779	779	0
Pension assumption changes	387,705	4,323	392,028	0
Pension deferred outflows of resources, net	0	0	0	100,669
OPEB deferred outflows of resources, net	0	0	0	61,855
Total deferred outflows of resources	499,832	7,640	507,472	162,524
LIABILITIES				
Current liabilities				
Payables				
Accounts	263,863	14,901	278,764	16,941
Retainages	28,976	0	28,976	0
Interest	10,750	0	10,750	0
Accrued salaries and payroll liabilities	249,318	25,363	274,681	0
Compensated absences	379,382	31,553	410,935	30,000
Guarantee obligation	982,749	0	982,749	0
Contracts payable	230,582	0	230,582	0
Bonds payable	1,580,000	0	1,580,000	395,000
Closure/post-closure care	0	53,170	53,170	0
Liabilities payable from restricted assets				
Customer deposits payable	0	0	0	82,050
Interest payable	0	0	0	294,153
Total current liabilities	3,725,620	124,987	3,850,607	818,144

RABUN COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2018

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	\$ 0	\$ 0	\$ 0	\$ 42,037
Net pension liability	2,022,585	110,733	2,133,318	551,489
Net OPEB liability	0	0	0	435,166
Guarantee obligation	14,190,873	0	14,190,873	0
Contracts payable	3,480,976	0	3,480,976	0
Bonds payable	1,797,528	0	1,797,528	13,984,877
Closure/post-closure care	0	2,793,617	2,793,617	0
Total noncurrent liabilities	21,491,962	2,904,350	24,396,312	15,013,569
Total liabilities	25,217,582	3,029,337	28,246,919	15,831,713
DEFERRED INFLOWS OF RESOURCES				
Pension experience differences	145,001	11,098	156,099	0
Pension investment return differences	231,836	564	232,400	0
Pension deferred inflows of resources, net	0	0	0	12,389
OPEB deferred inflows of resources, net	0	0	0	72,950
Total deferred inflows of resources	376,837	11,662	388,499	85,339
NET POSITION				
Net investment in capital assets	47,760,512	2,393,968	50,154,480	(1,840,862)
Restricted for:				
Judicial	126,363	0	126,363	0
Public safety	277,996	0	277,996	0
Health and welfare	115,838	0	115,838	4,326
Capital outlay	5,426,003	0	5,426,003	0
Debt service	0	0	0	395,006
Unrestricted	(9,724,784)	(2,175,568)	(11,900,352)	1,795,299
Total net position	\$ 43,981,928	\$ 218,400	\$ 44,200,328	\$ 353,769

RABUN COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2018

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	\$ 2,735,304	\$ 74,561	\$ 391,918	\$ 0	\$ (2,268,825)
Judicial	1,197,030	55,915	7,754	0	(1,133,361)
Public Safety	9,672,888	1,937,875	176,668	209,641	(7,348,704)
Public Works	3,842,711	1,695	163,732	133,366	(3,543,918)
Health and Welfare	1,090,627	40,591	117,580	20,853	(911,603)
Culture and Recreation	1,522,561	215,043	0	0	(1,307,518)
Housing and Development	1,130,706	53,181	0	0	(1,077,525)
Interest on long-term debt	257,407	0	0	0	(257,407)
Total governmental activities	21,449,234	2,378,861	857,652	363,860	(17,848,861)
Business-type activities					
Solid Waste	1,399,956	622,346	0	0	(777,610)
Waste-Water Facility	0	120,000	0	0	120,000
Golf Course	320,453	96,251	0	0	(224,202)
Total business-type activities	1,720,409	838,597	0	0	(881,812)
Total primary government	23,169,643	3,217,458	857,652	363,860	(18,730,673)
Component Units					
Rabun County Library					
Culture and Recreation	326,174	21,915	14,645	24,628	(264,986)
Rabun County Health Department					
Health and Welfare	720,149	382,512	260,224	0	(77,413)
Rabun County Economic Development Authority					
Housing and Development	1,343,979	0	0	0	(1,343,979)
Total component units	2,390,302	404,427	274,869	24,628	(1,686,378)
Primary Government					
	Governmental Activities	Business-Type Activities	Total	Component Units	
Change in net position					
Net (expense) revenue	\$ (17,848,861)	\$ (881,812)	\$ (18,730,673)	\$ (1,686,378)	
General revenues					
Taxes					
Property	15,642,178	0	15,642,178	0	
Sales	3,381,952	0	3,381,952	0	
Insurance premium	714,484	0	714,484	0	
Other	659,196	0	659,196	0	
Interest and investment earnings	13,577	826	14,403	7,828	
Rental income	0	0	0	740,866	
Gain on sale of assets	66,532	0	66,532	0	
Payments from Rabun County	0	0	0	1,514,214	
Miscellaneous	170,172	0	170,172	10,571	
Transfers	(1,059,506)	1,059,506	0	0	
Total general revenues and transfers	19,588,585	1,060,332	20,648,917	2,273,479	
Change in net position	1,739,724	178,520	1,918,244	587,101	
Net position - beginning (original)	42,242,204	39,880	42,282,084	267,290	
Prior period adjustments	0	0	0	(500,622)	
Net position - beginning (restated)	42,242,204	39,880	42,282,084	(233,332)	
Net position - ending	\$ 43,981,928	\$ 218,400	\$ 44,200,328	\$ 353,769	

RABUN COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	<u>General</u>	<u>SPLOST #5</u>	<u>SPLOST #6</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
ASSETS					
Cash and cash equivalents	\$ 2,215,638	\$ 105,979	\$ 5,069,135	\$ 1,118,951	\$ 8,509,703
Certificates of deposit	8,172,096	0	0	0	8,172,096
Restricted cash and cash equivalents	115,838	0	1,805,193	0	1,921,031
Receivables (net)					
Accounts	205,226	0	0	73,161	278,387
Intergovernmental	181,318	0	0	6,907	188,225
Taxes	89,482	0	342,775	49,507	481,764
Prepays	146,959	0	0	0	146,959
Total assets	<u>\$ 11,126,557</u>	<u>\$ 105,979</u>	<u>\$ 7,217,103</u>	<u>\$ 1,248,526</u>	<u>\$ 19,698,165</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 196,659	\$ 8,560	\$ 54,350	\$ 4,294	\$ 263,863
Retainages payable	0	0	28,976	0	28,976
Accrued salaries and payroll liabilities	233,020	0	0	16,298	249,318
Total liabilities	<u>429,679</u>	<u>8,560</u>	<u>83,326</u>	<u>20,592</u>	<u>542,157</u>
Deferred inflows of resources					
Unavailable revenue - property taxes	36,163	0	0	0	36,163
Fund balances					
Nonspendable prepaids	146,959	0	0	0	146,959
Restricted for:					
Judicial	0	0	0	126,363	126,363
Public safety	0	0	0	277,996	277,996
Health and welfare	115,838	0	0	0	115,838
Capital outlay	0	97,419	7,133,777	0	7,231,196
Assigned to:					
Public safety	0	0	0	684,842	684,842
Housing and development	0	0	0	138,733	138,733
Unassigned	10,397,918	0	0	0	10,397,918
Total fund balances	<u>10,660,715</u>	<u>97,419</u>	<u>7,133,777</u>	<u>1,227,934</u>	<u>19,119,845</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 11,126,557</u>	<u>\$ 105,979</u>	<u>\$ 7,217,103</u>	<u>\$ 1,248,526</u>	<u>\$ 19,698,165</u>

RABUN COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2018

Total fund balance - total governmental funds	\$ 19,119,845
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets of \$97,479,691 net of accumulated depreciation of (\$48,101,341) are not financial resources and, therefore, are not reported in the funds.	49,378,350
Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are deferred in the fund. These are unavailable property taxes.	36,163
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. These are:	
Deferred outflows of resources:	
Pension experience differences	112,127
Pension assumption changes	387,705
Deferred inflows of resources:	
Pension experience differences	(145,001)
Pension investment return differences	(231,836)
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are:	
Compensated absences	(379,382)
Net pension liability	(2,022,585)
Interest payable	(10,750)
Guarantee obligation	(15,173,622)
Contracts payable	(3,711,558)
Bonds payable	<u>(3,377,528)</u>
Net position of governmental activities	<u>\$ 43,981,928</u>

RABUN COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2018

	<u>General</u>	<u>SPLOST #5</u>	<u>SPLOST #6</u>	<u>Nonmajor Governmental Funds</u>	<u>Totals</u>
REVENUES					
Taxes	\$ 16,811,467	\$ 0	\$ 3,381,951	\$ 197,930	\$ 20,391,348
Licenses and permits	69,997	0	0	0	69,997
Fines, fees and forfeitures	481,409	0	0	127,246	608,655
Charges for services	1,330,785	0	0	360,028	1,690,813
Intergovernmental	858,977	0	0	0	858,977
Interest	12,405	188	25,511	1,172	39,276
Contributions	208,316	0	0	0	208,316
Other	170,172	0	0	0	170,172
Total revenues	<u>19,943,528</u>	<u>188</u>	<u>3,407,462</u>	<u>686,376</u>	<u>24,037,554</u>
EXPENDITURES					
Current					
General Government	3,532,790	0	0	0	3,532,790
Judicial	1,172,671	0	0	20,348	1,193,019
Public Safety	8,542,810	0	0	1,161,880	9,704,690
Public Works	2,427,604	0	0	0	2,427,604
Health and Welfare	994,146	0	0	0	994,146
Culture and Recreation	1,277,015	0	0	0	1,277,015
Housing and Development	1,393,352	0	0	203,000	1,596,352
Capital outlay	0	145,188	1,763,842	0	1,909,030
Debt service	333,004	0	1,687,373	0	2,020,377
Total expenditures	<u>19,673,392</u>	<u>145,188</u>	<u>3,451,215</u>	<u>1,385,228</u>	<u>24,655,023</u>
Excess (deficiency) of revenues over (under) expenditures	<u>270,136</u>	<u>(145,000)</u>	<u>(43,753)</u>	<u>(698,852)</u>	<u>(617,469)</u>
Other financing sources (uses)					
Transfers in	120,000	0	500,000	765,209	1,385,209
Transfers out	(2,271,183)	0	(173,532)	0	(2,444,715)
Proceeds from sale of assets	181,562	0	0	0	181,562
Total other financing sources (uses)	<u>(1,969,621)</u>	<u>0</u>	<u>326,468</u>	<u>765,209</u>	<u>(877,944)</u>
Net change in fund balance	(1,699,485)	(145,000)	282,715	66,357	(1,495,413)
Fund balances, July 1	<u>12,360,200</u>	<u>242,419</u>	<u>6,851,062</u>	<u>1,161,577</u>	<u>20,615,258</u>
Fund balances, June 30	<u><u>\$ 10,660,715</u></u>	<u><u>\$ 97,419</u></u>	<u><u>\$ 7,133,777</u></u>	<u><u>\$ 1,227,934</u></u>	<u><u>\$ 19,119,845</u></u>

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, 2018

Net change in fund balances - total governmental funds \$ (1,495,413)

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. This is the amount by which capital outlays of \$3,918,479 exceeded depreciation expense of (\$2,954,352) in the current period.	964,127
In the statement of activities, the gain or loss on the sale of assets is reported, whereas in the governmental funds the proceeds from the sale increase financial resources. The change in net position differs from the change in fund balance by the cost of the assets sold of (\$372,003), net of related accumulated depreciation of \$256,973.	(115,030)
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.	15,858
The proceeds of debt issuance 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. This is the amount of decrease in guarantee obligation of \$463,677, debt repayments of \$1,759,133, and bond premium amortization of \$107,667.	2,330,477
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. This is the amount by which the pension contributions of \$588,868 exceeded the cost of benefits earned, net of employee contributions of (\$540,440).	48,428
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. These include the net increase in compensated absences of (\$12,560) and the net decrease in interest payable of \$3,837.	<u>(8,723)</u>
Change in net position of governmental activities	<u><u>\$ 1,739,724</u></u>

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, 2018

	Budget		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 17,256,575	\$ 17,474,240	\$ 16,811,467	\$ (662,773)
Licenses and permits	68,600	71,750	69,997	(1,753)
Fines, fees and forfeitures	465,000	504,260	481,409	(22,851)
Charges for services	1,246,100	1,316,575	1,330,785	14,210
Intergovernmental	593,000	819,596	858,977	39,381
Interest	70,000	180,275	12,405	(167,870)
Contributions	5,000	208,542	208,316	(226)
Other	5,000	303,468	170,172	(133,296)
Total revenues	19,709,275	20,878,706	19,943,528	(935,178)
EXPENDITURES				
Current				
General Government				
General Administration	559,986	674,000	673,282	718
Elections	126,548	123,298	114,198	9,100
Board of Commissioners	474,359	471,400	456,452	14,948
Human Resources	69,438	71,813	69,553	2,260
Tax Commissioner	371,344	380,579	360,080	20,499
Tax Assessors	335,451	334,551	310,406	24,145
Buildings and Properties	592,511	1,594,381	1,548,819	45,562
Judicial				
Clerk of Court	414,893	409,958	401,666	8,292
Probate Court	300,440	297,440	269,995	27,445
Administration of Justice	349,332	384,407	359,920	24,487
District Attorney	135,658	146,998	141,090	5,908
Public Safety				
Sheriff	1,944,460	2,064,006	2,042,440	21,566
Rabun County Jail	1,873,076	1,907,301	1,903,707	3,594
Coroner	31,101	26,651	17,420	9,231
Emergency Management Agency	148,824	460,729	435,775	24,954
Fire Department	1,002,067	1,191,815	1,101,650	90,165
County Marshal	330,829	333,454	328,604	4,850
E911 Mapping & Addressing	144,626	213,126	155,667	57,459
Drug Task Force	60,479	51,000	50,124	876
Emergency Medical Service	2,140,207	2,409,698	2,342,309	67,389
Boggs Mountain Animal Shelter	160,500	165,835	165,114	721
Public Works				
Roads and Bridges	1,994,126	1,976,884	1,974,508	2,376
Water and Sewer Authority	458,883	465,603	453,096	12,507
Health and Welfare				
Public Health	195,310	191,700	190,382	1,318
Public Welfare	62,000	62,000	53,843	8,157
Program on Aging	688,795	674,322	638,921	35,401
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, 2018

	Budget		Actual	Variance with Final Budget
	Original	Final		
Culture and Recreation				
Civic Center	\$ 99,620	\$ 123,375	\$ 123,091	\$ 284
Recreation	622,679	713,651	683,949	29,702
Rabun Arena	182,588	167,178	157,410	9,768
Rabun County Library	304,257	307,000	306,994	6
Rabun County Historical Society	5,560	5,685	5,571	114
Housing and Development				
Extension Service	42,075	44,425	41,909	2,516
Planning Commission	77,954	88,720	85,786	2,934
Rabun County Economic Development Authority	1,239,747	1,252,000	1,251,564	436
Soil Erosion Control	14,865	14,865	14,093	772
Total Current	17,665,588	19,910,848	19,340,388	570,460
Debt Service				
Public Works	333,004	334,004	333,004	1,000
Total expenditures	17,998,592	20,244,852	19,673,392	571,460
Excess (deficiency) of revenues over (under) expenditures	1,710,683	633,854	270,136	(363,718)
Other financing sources (uses)				
Transfers in	0	0	120,000	120,000
Transfers out	(1,715,183)	(2,271,183)	(2,271,183)	0
Proceeds from sale of assets	4,500	51,800	181,562	129,762
Total other financing sources (uses)	(1,710,683)	(2,219,383)	(1,969,621)	249,762
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(1,585,529)	(1,699,485)	(113,956)
Fund balances, July 1	0	1,585,529	12,360,200	10,774,671
Fund balances, June 30	\$ 0	\$ 0	\$ 10,660,715	\$ 10,660,715

RABUN COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

	Business-Type Activities			Totals
	Solid Waste	Waste-Water Facility	Golf Course	
ASSETS				
Current assets				
Cash and cash equivalents	\$ 649,046	\$ 0	\$ 168,484	\$ 817,530
Accounts receivable (net)	40,261	0	0	40,261
Total current assets	689,307	0	168,484	857,791
Noncurrent assets				
Capital assets				
Non-depreciable	1,106,031	0	234,332	1,340,363
Depreciable (net)	1,020,656	0	32,949	1,053,605
Total noncurrent assets	2,126,687	0	267,281	2,393,968
Total assets	2,815,994	0	435,765	3,251,759
DEFERRED OUTFLOWS OF RESOURCES				
Pension experience differences	1,115	0	1,423	2,538
Pension investment return differences	779	0	0	779
Pension assumption changes	1,688	0	2,635	4,323
Total deferred outflows of resources	3,582	0	4,058	7,640
LIABILITIES				
Current liabilities				
Accounts payable	14,326	0	575	14,901
Accrued salaries and payroll liabilities	19,494	0	5,869	25,363
Compensated absences	16,484	0	15,069	31,553
Closure/post-closure care	53,170	0	0	53,170
Total current liabilities	103,474	0	21,513	124,987
Noncurrent liabilities				
Net pension liability	68,999	0	41,734	110,733
Closure/post-closure care	2,793,617	0	0	2,793,617
Total noncurrent liabilities	2,862,616	0	41,734	2,904,350
Total liabilities	2,966,090	0	63,247	3,029,337
DEFERRED INFLOWS OF RESOURCES				
Pension experience differences	6,602	0	4,496	11,098
Pension investment return differences	0	0	564	564
Total deferred inflows of resources	6,602	0	5,060	11,662
NET POSITION				
Investment in capital assets	2,126,687	0	267,281	2,393,968
Unrestricted	(2,279,803)	0	104,235	(2,175,568)
Total net position	\$ (153,116)	\$ 0	\$ 371,516	\$ 218,400

RABUN COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	Business-Type Activities			Totals
	Solid Waste	Waste-Water Facility	Golf Course	
OPERATING REVENUES				
Charges for sales and services	\$ 622,346	\$ 120,000	\$ 96,251	\$ 838,597
Total operating revenues	<u>622,346</u>	<u>120,000</u>	<u>96,251</u>	<u>838,597</u>
OPERATING EXPENSES				
Costs of sales and services	565,604	0	64,350	629,954
Personal services	712,680	0	245,369	958,049
Depreciation	121,672	0	10,734	132,406
Total operating expenses	<u>1,399,956</u>	<u>0</u>	<u>320,453</u>	<u>1,720,409</u>
Operating income (loss)	(777,610)	120,000	(224,202)	(881,812)
Non-operating revenues (expenses)				
Interest revenue	661	0	165	826
Net income (loss) before transfers	(776,949)	120,000	(224,037)	(880,986)
Transfers in (out)				
Transfers in	757,174	(120,000)	422,332	1,059,506
Change in net position	(19,775)	0	198,295	178,520
Net position, July 1	(133,341)	0	173,221	39,880
Net position, June 30	<u>\$ (153,116)</u>	<u>\$ 0</u>	<u>\$ 371,516</u>	<u>\$ 218,400</u>

RABUN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	Business-Type Activities			Totals
	Solid Waste	Waste-Water Facility	Golf Course	
Cash flows from operating activities:				
Receipts from customers	\$ 623,300	\$ 120,000	\$ 96,251	\$ 839,551
Payments to suppliers	(571,807)	0	(64,445)	(636,252)
Payments to employees	(715,272)	0	(247,758)	(963,030)
Net cash provided (used) by operating activities	<u>(663,779)</u>	<u>120,000</u>	<u>(215,952)</u>	<u>(759,731)</u>
Cash flows from non-capital financing activities:				
Receipts from other funds	757,174	0	248,800	1,005,974
Payments to other funds	0	(120,000)	0	(120,000)
Net cash provided (used) by non-capital financing activities	<u>757,174</u>	<u>(120,000)</u>	<u>248,800</u>	<u>885,974</u>
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(24,079)	0	(175,582)	(199,661)
Receipts from other funds	0	0	173,532	173,532
Net cash provided (used) by capital and related financing activities	<u>(24,079)</u>	<u>0</u>	<u>(2,050)</u>	<u>(26,129)</u>
Cash flows from investing activities:				
Interest received	661	0	165	826
Net increase (decrease) in cash and cash equivalents	69,977	0	30,963	100,940
Cash and cash equivalents, July 1	579,069	0	137,521	716,590
Cash and cash equivalents, June 30	<u>\$ 649,046</u>	<u>\$ 0</u>	<u>\$ 168,484</u>	<u>\$ 817,530</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	\$ (777,610)	\$ 120,000	\$ (224,202)	\$ (881,812)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	121,672	0	10,734	132,406
Closure/postclosure care costs	13,499	0	0	13,499
(Increase) decrease in accounts receivable	954	0	0	954
(Increase) decrease in pension experience differences	1,271	0	866	2,137
(Increase) decrease in pension investment return differences	23,698	0	15,576	39,274
(Increase) decrease in pension assumption changes	3,645	0	2,483	6,128
Increase (decrease) in accounts payable	(19,702)	0	(95)	(19,797)
Increase (decrease) in accrued payroll liabilities	(386)	0	(888)	(1,274)
Increase (decrease) in net pension liability	(37,422)	0	(25,486)	(62,908)
Increase (decrease) in pension experience differences	6,602	0	4,496	11,098
Increase (decrease) in pension investment return differences	0	0	564	564
Total adjustments	<u>113,831</u>	<u>0</u>	<u>8,250</u>	<u>122,081</u>
Net cash provided (used) by operating activities	<u>\$ (663,779)</u>	<u>\$ 120,000</u>	<u>\$ (215,952)</u>	<u>\$ (759,731)</u>

RABUN COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2018

	Agency Funds
ASSETS	
Cash	\$ 1,040,922
Taxes receivable, net	224,944
Total assets	\$ 1,265,866
 LIABILITIES	
Due to other agencies	\$ 1,265,866

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2018

	<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	\$ 52,309	\$ 944,118	\$ 1,442,368	\$ 5,654	\$ 2,444,449
Certificates of deposit	16,272	0	0	0	16,272
Restricted cash and cash equivalents	0	0	771,209	0	771,209
Receivables (net)					
Accounts	0	61,627	5,012	0	66,639
Intergovernmental	0	2,721	0	0	2,721
Notes	0	0	31,653	0	31,653
Prepays	1,500	0	57,049	0	58,549
Total current assets	<u>70,081</u>	<u>1,008,466</u>	<u>2,307,291</u>	<u>5,654</u>	<u>3,391,492</u>
Noncurrent assets					
Capital assets					
Non-depreciable	0	0	1,238,965	0	1,238,965
Depreciable (net)	194,801	0	11,105,249	0	11,300,050
Notes receivable	0	0	167,789	0	167,789
Investment in joint venture	0	0	10,001	0	10,001
Total noncurrent assets	<u>194,801</u>	<u>0</u>	<u>12,522,004</u>	<u>0</u>	<u>12,716,805</u>
Total assets	<u>264,882</u>	<u>1,008,466</u>	<u>14,829,295</u>	<u>5,654</u>	<u>16,108,297</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources, net					
Pension	0	100,669	0	0	100,669
OPEB	0	61,855	0	0	61,855
Total deferred outflows of resources	<u>0</u>	<u>162,524</u>	<u>0</u>	<u>0</u>	<u>162,524</u>
LIABILITIES					
Current liabilities					
Accounts payable	3,603	0	13,338	0	16,941
Compensated absences	0	30,000	0	0	30,000
Bonds payable	0	0	395,000	0	395,000
Liabilities payable from restricted assets					
Customer deposits payable	0	0	82,050	0	82,050
Interest payable	0	0	294,153	0	294,153
Total current liabilities	<u>3,603</u>	<u>30,000</u>	<u>784,541</u>	<u>0</u>	<u>818,144</u>
Noncurrent liabilities					
Compensated absences	0	42,037	0	0	42,037
Net pension liability	0	551,489	0	0	551,489
Net OPEB liability	0	435,166	0	0	435,166
Bonds payable	0	0	13,984,877	0	13,984,877
Total noncurrent liabilities	<u>0</u>	<u>1,028,692</u>	<u>13,984,877</u>	<u>0</u>	<u>15,013,569</u>
Total liabilities	<u>3,603</u>	<u>1,058,692</u>	<u>14,769,418</u>	<u>0</u>	<u>15,831,713</u>

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2018

	<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>
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources, net					
Pension	\$ 0	\$ 12,389	\$ 0	\$ 0	\$ 12,389
OPEB	0	72,950	0	0	72,950
Total deferred inflows of resources	<u>0</u>	<u>85,339</u>	<u>0</u>	<u>0</u>	<u>85,339</u>
NET POSITION					
Net investment in capital assets	194,801	0	(2,035,663)	0	(1,840,862)
Restricted for:					
Health and welfare	0	4,326	0	0	4,326
Debt service	0	0	395,006	0	395,006
Unrestricted	66,478	22,633	1,700,534	5,654	1,795,299
Total net position	<u>\$ 261,279</u>	<u>\$ 26,959</u>	<u>\$ 59,877</u>	<u>\$ 5,654</u>	<u>\$ 353,769</u>

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the fiscal year ended June 30, 2018

	Rabun County Library	Rabun County Health Department	Rabun County Economic Development Authority	Rabun County Building Authority	Totals
Expenses					
Health and Welfare	\$ 0	\$ 720,149	\$ 0	\$ 0	\$ 720,149
Culture and Recreation	326,174	0	0	0	326,174
Housing and Development	0	0	1,343,979	0	1,343,979
Total expenses	<u>326,174</u>	<u>720,149</u>	<u>1,343,979</u>	<u>0</u>	<u>2,390,302</u>
Program revenues					
Charges for services	21,915	382,512	0	0	404,427
Operating grants and contributions	14,645	260,224	0	0	274,869
Capital grants and contributions	24,628	0	0	0	24,628
Total program revenues	<u>61,188</u>	<u>642,736</u>	<u>0</u>	<u>0</u>	<u>703,924</u>
Net (expense) revenue	<u>(264,986)</u>	<u>(77,413)</u>	<u>(1,343,979)</u>	<u>0</u>	<u>(1,686,378)</u>
General revenues					
Interest	43	0	7,779	6	7,828
Rental income	0	0	740,866	0	740,866
Payments from Rabun County	276,900	174,413	1,062,901	0	1,514,214
Miscellaneous	10,518	0	53	0	10,571
Total general revenues	<u>287,461</u>	<u>174,413</u>	<u>1,811,599</u>	<u>6</u>	<u>2,273,479</u>
Change in net position	<u>22,475</u>	<u>97,000</u>	<u>467,620</u>	<u>6</u>	<u>587,101</u>
Net position - beginning (original)	238,804	430,581	(407,743)	5,648	267,290
Prior period adjustments	<u>0</u>	<u>(500,622)</u>	<u>0</u>	<u>0</u>	<u>(500,622)</u>
Net position - beginning (restated)	<u>238,804</u>	<u>(70,041)</u>	<u>(407,743)</u>	<u>5,648</u>	<u>(233,332)</u>
Net position - ending	<u>\$ 261,279</u>	<u>\$ 26,959</u>	<u>\$ 59,877</u>	<u>\$ 5,654</u>	<u>\$ 353,769</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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.

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
June 30, 2018

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 plans.

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 plans.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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
June 30, 2018

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. 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.

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.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

3. Deposit and Investment Risk (continued)

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	\$ 320,383	
Less: Allowance for Uncollectibles	<u>(115,157)</u>	\$ 205,226

Enterprise Funds

Solid Waste		40,261
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Nonmajor Funds

Emergency 911 Special Revenue Fund		<u>73,161</u>
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Total primary government		<u><u>\$ 318,648</u></u>
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Component Units:

Rabun County Health Department		\$ 61,627
Rabun County Economic Development Authority		<u>5,012</u>

Total component units		<u><u>\$ 66,639</u></u>
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RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

5. Intergovernmental Receivables

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

Primary Government:

Major Funds

General Fund

Georgia Emergency Management Agency	\$ 141,159	
Georgia Department of Transportation	4,068	
Georgia Trauma Commission	3,448	
T & T Transportation	5,252	
Rabun County Board of Education	16,931	
Rabun County Economic Development Authority	3,074	
Rabun County Water and Sewer Authority	1,714	
Macon County, Georgia	100	
Cities and Towns of Rabun County, Georgia	5,572	\$ 181,318

Nonmajor Funds

Jail Special Revenue Fund

Cities and Towns of Rabun County, Georgia	6,626	
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Drug Abuse Treatment Education Special Revenue Fund

Cities and Towns of Rabun County, Georgia	281	
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Total primary government	\$ 188,225	
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Component Units:

Rabun County Health Department

Georgia Department of Public Health	\$ 2,721	
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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 2017, based upon the assessments of January 1, 2017, were levied on August 17, 2017, billed on September 1, 2017, and due on December 20, 2017. Tax liens may be issued 90 days after the due date.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

7. Interfund Transfers

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

	Transfers out:			Total
	Major Funds			
	General	SPLOST #6	Waste-Water Facility	
Transfers in:				
Major Funds				
General	\$ 0	\$ 0	\$ 120,000	\$ 120,000
SPLOST #6	500,000	0	0	500,000
Solid Waste	757,174	0	0	757,174
Golf Course	248,800	173,532	0	422,332
Nonmajor Funds				
Emergency 911	709,209	0	0	709,209
Hotel/Motel Tax	56,000	0	0	56,000
Total	\$ 2,271,183	\$ 173,532	\$ 120,000	\$ 2,564,715

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
June 30, 2018

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	\$ 1,954,458	\$ 140,000	\$ 0	\$ 2,094,458
Construction in progress	624,290	2,606,773	(267,580)	2,963,483
Total non-depreciable assets	<u>2,578,748</u>	<u>2,746,773</u>	<u>(267,580)</u>	<u>5,057,941</u>
Depreciable assets				
Buildings	31,953,793	466,946	(150,000)	32,270,739
Machinery and equipment	6,278,464	634,953	0	6,913,417
Vehicles	9,902,886	327,387	(211,544)	10,018,729
Infrastructure	43,219,324	10,000	(10,459)	43,218,865
Total depreciable assets	<u>91,354,467</u>	<u>1,439,286</u>	<u>(372,003)</u>	<u>92,421,750</u>
Less accumulated depreciation				
Buildings	(8,656,127)	(687,366)	65,668	(9,277,825)
Machinery and equipment	(3,985,185)	(432,664)	0	(4,417,849)
Vehicles	(6,847,588)	(800,560)	180,846	(7,467,302)
Infrastructure	(25,915,062)	(1,033,762)	10,459	(26,938,365)
Total accumulated depreciation	<u>(45,403,962)</u>	<u>(2,954,352)</u>	<u>256,973</u>	<u>(48,101,341)</u>
Total depreciable assets, net	<u>45,950,505</u>	<u>(1,515,066)</u>	<u>(115,030)</u>	<u>44,320,409</u>
Governmental activities capital assets, net	<u>\$ 48,529,253</u>	<u>\$ 1,231,707</u>	<u>\$ (382,610)</u>	<u>\$ 49,378,350</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

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	339,998	175,582	(301,048)	214,532
Total non-depreciable assets	<u>1,465,829</u>	<u>175,582</u>	<u>(301,048)</u>	<u>1,340,363</u>
Depreciable assets				
Buildings	697,302	0	0	697,302
Machinery and equipment	1,078,831	24,079	0	1,102,910
Vehicles	485,988	0	0	485,988
Infrastructure	0	301,048	0	301,048
Total depreciable assets	<u>2,262,121</u>	<u>325,127</u>	<u>0</u>	<u>2,587,248</u>
Less accumulated depreciation				
Buildings	(343,429)	(14,145)	0	(357,574)
Machinery and equipment	(747,790)	(81,130)	0	(828,920)
Vehicles	(310,018)	(25,089)	0	(335,107)
Infrastructure	0	(12,042)	0	(12,042)
Total accumulated depreciation	<u>(1,401,237)</u>	<u>(132,406)</u>	<u>0</u>	<u>(1,533,643)</u>
Total depreciable assets, net	<u>860,884</u>	<u>192,721</u>	<u>0</u>	<u>1,053,605</u>
Business-type activities capital assets, net	<u>\$ 2,326,713</u>	<u>\$ 368,303</u>	<u>\$ (301,048)</u>	<u>\$ 2,393,968</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	\$ 186,991	\$ 5,752	\$ 0	\$ 192,743
Books and collections	1,060,994	50,914	(11,025)	1,100,883
Total depreciable assets	<u>1,247,985</u>	<u>56,666</u>	<u>(11,025)</u>	<u>1,293,626</u>
Less accumulated depreciation				
Furniture and equipment	(129,092)	(7,983)	0	(137,075)
Books and collections	(941,432)	(31,343)	11,025	(961,750)
Total accumulated depreciation	<u>(1,070,524)</u>	<u>(39,326)</u>	<u>11,025</u>	<u>(1,098,825)</u>
Total depreciable assets, net	<u>177,461</u>	<u>17,340</u>	<u>0</u>	<u>194,801</u>
Rabun County Library capital assets, net	<u>\$ 177,461</u>	<u>\$ 17,340</u>	<u>\$ 0</u>	<u>\$ 194,801</u>
Rabun County Health Department				
Depreciable assets				
Equipment	\$ 5,995	\$ 0	\$ 0	\$ 5,995
Less accumulated depreciation				
Equipment	(5,995)	0	0	(5,995)
Rabun County Health Department capital assets, net	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

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	0	94,800	0	94,800
Total depreciable assets	<u>13,071,493</u>	<u>94,800</u>	<u>0</u>	<u>13,166,293</u>
Less accumulated depreciation				
Buildings	(1,679,998)	(325,263)	0	(2,005,261)
Furniture and fixtures	(42,855)	(8,715)	0	(51,570)
Land improvements	0	(4,213)	0	(4,213)
Total accumulated depreciation	<u>(1,722,853)</u>	<u>(338,191)</u>	<u>0</u>	<u>(2,061,044)</u>
Total depreciable assets, net	<u>11,348,640</u>	<u>(243,391)</u>	<u>0</u>	<u>11,105,249</u>
Rabun County Economic Development Authority capital assets, net	<u>\$ 12,587,605</u>	<u>\$ (243,391)</u>	<u>\$ 0</u>	<u>\$ 12,344,214</u>

Depreciation expense was charged to functions/programs as follows:

Primary Government:

Governmental activities

General Government	\$ 225,528
Judicial	7,973
Public Safety	1,029,239
Public Works	1,282,254
Health and Welfare	91,594
Culture and Recreation	317,764
	<u>317,764</u>

Total depreciation expense for governmental activities \$ 2,954,352

Business-type activities

Solid Waste	\$ 121,672
Golf Course	10,734
	<u>10,734</u>

Total depreciation expense for business-type activities \$ 132,406

Component units:

Rabun County Library	\$ 39,326
Rabun County Economic Development Authority	338,191
	<u>338,191</u>

Total depreciation expense for component units \$ 377,517

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

9. 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:

Year Ending June 30	Principal	Interest	Total
2019	\$ 230,582	\$ 102,422	\$ 333,004
2020	237,216	95,788	333,004
2021	244,042	88,962	333,004
2022	251,063	81,941	333,004
2023	258,287	74,717	333,004
2024-2028	1,407,280	257,741	1,665,021
2029-2032	1,083,088	54,678	1,137,766
Totals	<u>\$ 3,711,558</u>	<u>\$ 756,249</u>	<u>\$ 4,467,807</u>

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.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

9. Long-Term Debt (continued)

General Obligation Bonds, continued

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.

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 1,580,000	\$ 97,400	\$ 1,677,400
2020	1,645,000	32,900	1,677,900
Totals	<u>\$ 3,225,000</u>	<u>\$ 130,300</u>	<u>\$ 3,355,300</u>

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 A and B series 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.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

9. Long-Term Debt (continued)

Revenue Bonds, continued

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

Year Ending June 30,	Principal	Interest	Total
2019	\$ 395,000	\$ 580,702	\$ 975,702
2020	410,000	564,795	974,795
2021	425,000	547,462	972,462
2022	445,000	528,740	973,740
2023	465,000	509,750	974,750
2024 - 2028	2,610,000	2,249,850	4,859,850
2029 - 2033	3,175,000	1,672,750	4,847,750
2034 - 2038	3,870,000	968,219	4,838,219
2039 - 2041	2,720,000	171,394	2,891,394
Totals	<u>\$ 14,515,000</u>	<u>\$ 7,793,662</u>	<u>\$ 22,308,662</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

9. Long-Term Debt (continued)

Changes in Long-Term Debt

The following is a summary of changes in long-term debt 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	\$ 15,637,299	\$ 519,628	\$ 983,305	\$ 15,173,622	\$ 982,749
Contracts payable	3,935,691	0	224,133	3,711,558	230,582
Bonds payable	4,760,000	0	1,535,000	3,225,000	1,580,000
Bond premium	260,195	0	107,667	152,528	0
Compensated absences	366,822	379,382	366,822	379,382	379,382
Total governmental activities	<u>\$ 24,960,007</u>	<u>\$ 899,010</u>	<u>\$ 3,216,927</u>	<u>\$ 22,642,090</u>	<u>\$ 3,172,713</u>
Business-type activities					
Landfill closure/post-closure care	\$ 2,833,288	\$ 66,669	\$ 53,170	\$ 2,846,787	\$ 53,170
Compensated absences	35,892	31,553	35,892	31,553	31,553
Total business-type activities	<u>\$ 2,869,180</u>	<u>\$ 98,222</u>	<u>\$ 89,062</u>	<u>\$ 2,878,340</u>	<u>\$ 84,723</u>
Component Units					
Rabun County Health Department					
Compensated absences	\$ 56,509	\$ 40,665	\$ 25,137	\$ 72,037	\$ 30,000
Rabun County Economic Development Authority					
Bonds Payable	14,895,000	0	380,000	14,515,000	395,000
Unamortized bond discount	(141,265)	0	(6,142)	(135,123)	0
Total component units	<u>\$ 14,810,244</u>	<u>\$ 40,665</u>	<u>\$ 398,995</u>	<u>\$ 14,451,914</u>	<u>\$ 425,000</u>

In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund. The landfill post-closure care costs are paid for by the Solid Waste Enterprise 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 \$257,407 for the governmental activities and \$594,447 for the component units.

See Note 21 for additional details on the guarantee obligation.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

10. 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 9 years remaining. The estimated cost of all post closure care activities related to the landfill is \$2,164,341 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 \$682,446 as of the end of the current fiscal year, which is based on 58.1% usage (filled) of the landfill. It is estimated that an additional \$493,014 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 (2026).

The estimated total current cost of the landfill closure and post-closure care (\$1,175,460) 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
June 30, 2018

11. 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 #5</u>	<u>SPLOST #6</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Restricted for:					
Judicial					
Juvenile supervision	\$ 0	\$ 0	\$ 0	\$ 3,948	\$ 3,948
Law library operations	0	0	0	45,444	45,444
Drug programs	0	0	0	76,971	76,971
Public Safety					
Sheriff facilities and equipment	0	0	0	277,996	277,996
Health and welfare					
Senior services	115,838	0	0	0	115,838
Capital projects	0	97,419	7,133,777	0	7,231,196
	<u>\$ 115,838</u>	<u>\$ 97,419</u>	<u>\$ 7,133,777</u>	<u>\$ 404,359</u>	<u>\$ 7,751,393</u>
Assigned to:					
Public Safety					
Emergency 911 operations	\$ 0	\$ 0	\$ 0	\$ 684,842	\$ 684,842
Housing and Development					
Promoting trade and tourism	0	0	0	138,733	138,733
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 823,575</u>	<u>\$ 823,575</u>

12. 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	\$ 97,479,691	\$ 3,927,611
Accumulated depreciation	(48,101,341)	(1,533,643)
Book value	49,378,350	2,393,968
Capital-related accounts payable	(16,527)	0
Retainages payable	(28,976)	0
Bonds payable	(3,377,528)	0
Unspent bond proceeds	1,805,193	0
Net investment in capital assets	<u>\$ 47,760,512</u>	<u>\$ 2,393,968</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

13. Deficit Equity Balances

At the end of the current fiscal year, the Solid Waste Enterprise Fund has a deficit net position of \$153,116. 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.

14. 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
June 30, 2018

14. Pension Plan (continued)

At January 1, 2017, the date of the most recent actuarial valuation, there were 218 participants consisting of the following:

Retirees, beneficiaries and disablees receiving benefits	44
Terminated vested participants entitled to but not yet receiving benefits	82
Active participants	127
Total number of participants	253

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 \$633,937, or 12.69% of covered payroll of \$4,996,189. 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
June 30, 2018

14. 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 \$2,133,318. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017. For the current fiscal year, the County recognized pension expense of \$581,802.

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 12/31/16	\$ 9,935,388	\$ 6,917,217	\$ 3,018,171
Changes for the year:			
Service cost	203,154	0	203,154
Interest	702,787	0	702,787
Liability experience (gain) / loss	(202,010)	0	(202,010)
Assumption change	20,596	0	20,596
Employer contributions	0	633,937	(633,937)
Net investment income	0	1,080,046	(1,080,046)
Benefit payments	(483,547)	(483,547)	0
Administrative expense	0	(27,567)	27,567
Other changes	0	(77,036)	77,036
Net changes	<u>240,980</u>	<u>1,125,833</u>	<u>(884,853)</u>
Balances at 12/31/17	<u>\$ 10,176,368</u>	<u>\$ 8,043,050</u>	<u>\$ 2,133,318</u>
Plan fiduciary net position as a percentage of the total pension liability			79.04%
Covered payroll			\$ 5,157,050
Net pension liability as a percentage of covered payroll			41.37%

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. 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	\$ 114,665	\$ 156,099
Net difference between projected and actual earnings on pension plan investments	779	232,400
Changes of assumptions	392,028	0
Totals	\$ 507,472	\$ 388,499

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

Year Ending June 30			
2019	\$	87,387	
2020		78,909	
2021		(12,314)	
2022		(41,836)	
2023		6,827	
Totals	\$	118,973	

Actuarial Assumptions. The total pension liability in the January 1, 2017 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		7.25%

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. Pension Plan (continued)

Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and on year for females. Disabled mortality rates were based on the male rates from a 1977 Social Security Administration study.

The mortality and economic actuarial assumptions used in the January 1, 2017 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

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.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2017 are summarized in the following table:

<u>Benchmark</u>	<u>Asset Allocation</u>	<u>Average 20 Year Return</u>	<u>Weighted 20 Year Return</u>	<u>Average 30 Year Return</u>	<u>Weighted 30 Year Return</u>
S&P 500	30%	7.91%	2.37%	10.22%	3.07%
Barlay's Agg.	30%	5.60%	1.68%	6.56%	1.97%
MSCI EAFE	15%	4.29%	0.64%	5.73%	0.86%
Citi Non US WEBI	5%	4.66%	0.23%	5.98%	0.30%
NAREIT Equity	5%	10.79%	0.54%	10.44%	0.52%
Russell 2000	5%	8.06%	0.40%	9.33%	0.47%
Russell 3000	5%	8.03%	0.40%	10.14%	0.51%
S&P Mid Cap	5%	11.22%	0.56%	11.53%	0.58%
Weighted Return			<u>6.82%</u>		<u>8.28%</u>

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. Pension Plan (continued)

Discount Rate. The discount rate used to measure the total pension liability was 7.25 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 (6.25 percent) or one percentage-point higher (8.25 percent) than the current rate:

	Discount Rate	Net Pension Liability
1% decrease	6.25%	\$ 3,381,419
Current discount rate	7.25%	2,133,318
1% increase	8.25%	1,089,658

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.

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.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

14. Pension Plan (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 \$79,785. As of the end of the current fiscal year, the Department reported a liability in the amount of \$551,489 for its proportionate share (0.013579%) of the net pension liability. The Department recognized pension expense of \$79,785 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.

15. 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:

Years of Service	% Vested
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 \$333,085 and the County made contributions to the plan totaling \$107,016. 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.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

16. Other Post-Employment Benefits

Rabun County Department of Public Health

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 \$59,796. At the end of the current fiscal year, the Department reported a net liability in the amount of \$435,166 for its proportionate share (0.011798% for the State of Georgia OPEB Fund and 0.017510% for the SEAD-OPEB Fund) of the net OPEB liability. The Department recognized OPEB expense of \$59,796 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.

17. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. Lodging tax receipts totaled \$197,930 for the current fiscal year. Disbursements for trade and tourism totaled \$203,000 for the current fiscal year.

18. 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 \$14,643 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.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

19. 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.

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.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

20. 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 21 for additional details.

21. 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.

RABUN COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2018

21. Nonexchange Financial Guarantee (continued)

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 \$15,173,622 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 9.

During the current fiscal year, the County paid \$983,305 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
\$ 15,637,299	\$ 519,628	\$ 983,305	\$ 15,173,622

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

REQUIRED SUPPLEMENTARY INFORMATION

RABUN COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2018
(Unaudited)

	Fiscal Year End			
	2018	2017	2016	2015
Total pension liability				
Service cost	\$ 203,154	\$ 176,250	\$ 176,831	\$ 189,083
Interest	702,787	665,599	603,227	567,575
Liability experience (gain) / loss	(202,010)	117,911	67,607	0
Assumption change	20,596	298,506	334,999	0
Benefit payments	(483,547)	(395,048)	(307,059)	(255,518)
Net change in total pension liability	240,980	863,218	875,605	501,140
Total pension liability - beginning	9,935,388	9,072,170	8,196,565	7,695,425
Total pension liability - ending (a)	\$ 10,176,368	\$ 9,935,388	\$ 9,072,170	\$ 8,196,565
Plan fiduciary net position				
Employer contributions	\$ 633,937	\$ 596,698	\$ 555,879	\$ 574,866
Net investment income	1,080,046	464,247	39,234	407,764
Benefit payments	(483,547)	(395,048)	(307,059)	(255,518)
Administrative expense	(27,567)	(28,792)	(26,423)	(26,987)
Other changes	(77,036)	(47,624)	(48,059)	(77,407)
Net change in plan fiduciary net position	1,125,833	589,481	213,572	622,718
Plan fiduciary net position - beginning	6,917,217	6,327,736	6,114,164	5,491,446
Plan fiduciary net position - ending (b)	\$ 8,043,050	\$ 6,917,217	\$ 6,327,736	\$ 6,114,164
Net pension liability (asset) - ending : (a) - (b)	\$ 2,133,318	\$ 3,018,171	\$ 2,744,434	\$ 2,082,401
Plan's fiduciary net position as a percentage of the total pension liability	79.04%	69.62%	69.75%	74.59%
Covered payroll	\$ 5,157,050	\$ 4,630,206	\$ 4,779,000	\$ 5,108,197
Net pension liability as a percentage of covered payroll	41.37%	65.18%	57.43%	40.77%

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

RABUN COUNTY, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2018
(Unaudited)

	Fiscal Year End			
	2018	2017	2016	2015
Actuarially determined contribution	\$ 633,937	\$ 596,698	\$ 555,879	\$ 574,866
Contributions in relation to the actuarially determined contribution	<u>(633,937)</u>	<u>(596,698)</u>	<u>(555,879)</u>	<u>(574,866)</u>
Contribution deficiency (excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Covered payroll	\$ 4,996,189	\$ 4,138,947	\$ 4,535,762	\$ 4,894,851
Contributions as a percentage of covered payroll	12.69%	14.42%	12.26%	11.74%

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

RABUN COUNTY, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2018

1. Valuation Date

The actuarially determined contribution rate was determined as of January 1, 2017, 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 = 7.25%

Projected salary increases = 4.00% per year with 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 with sex-distinct rates, set forward two years for males and one year for females. Disabled mortality rates were based on the male rates from a 1977 Social Security Administration study.

RABUN COUNTY, GEORGIA
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2018

3. Changes in Benefits

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

4. Changes of Assumptions

The plan was amended to open eligibility to all eligible employees effective July 1, 2016, for future credited service only and to add an unreduced early retirement benefit at age 62 with 20 years of vesting service.

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COMBINING STATEMENTS
Nonmajor Governmental Funds

RABUN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

	Special Revenue Funds		
	Confiscated Assets	Jail	Law Library
ASSETS			
Cash and cash equivalents	\$ 6,713	\$ 264,657	\$ 45,444
Receivables (net)			
Accounts	0	0	0
Intergovernmental	0	6,626	0
Taxes	0	0	0
Total assets	\$ 6,713	\$ 271,283	\$ 45,444
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 0	\$ 0	\$ 0
Accrued salaries and payroll liabilities	0	0	0
Total liabilities	0	0	0
Fund balances			
Restricted for:			
Judicial	0	0	45,444
Public safety	6,713	271,283	0
Assigned to:			
Public safety	0	0	0
Housing and development	0	0	0
Total fund balances	6,713	271,283	45,444
Total liabilities and fund balances	\$ 6,713	\$ 271,283	\$ 45,444

Special Revenue Funds				
Juvenile Case Management	Drug Abuse Treatment Education	Emergency 911	Hotel/Motel Tax	Total Nonmajor Governmental Funds
\$ 3,948	\$ 76,914	\$ 632,049	\$ 89,226	\$ 1,118,951
0	0	73,161	0	73,161
0	281	0	0	6,907
0	0	0	49,507	49,507
<u>\$ 3,948</u>	<u>\$ 77,195</u>	<u>\$ 705,210</u>	<u>\$ 138,733</u>	<u>\$ 1,248,526</u>
\$ 0	\$ 224	\$ 4,070	\$ 0	\$ 4,294
0	0	16,298	0	16,298
0	224	20,368	0	20,592
3,948	76,971	0	0	126,363
0	0	0	0	277,996
0	0	684,842	0	684,842
0	0	0	138,733	138,733
<u>3,948</u>	<u>76,971</u>	<u>684,842</u>	<u>138,733</u>	<u>1,227,934</u>
<u>\$ 3,948</u>	<u>\$ 77,195</u>	<u>\$ 705,210</u>	<u>\$ 138,733</u>	<u>\$ 1,248,526</u>

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2018

	<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	5,024	95,870	10,952
Charges for services	0	0	0
Interest	2	316	44
	<u>5,026</u>	<u>96,186</u>	<u>10,996</u>
Total revenues			
EXPENDITURES			
Current			
Judicial	0	0	9,087
Public safety	799	155,393	0
Housing and development	0	0	0
	<u>799</u>	<u>155,393</u>	<u>9,087</u>
Total expenditures			
Excess (deficiency) of revenues over (under) expenditures	4,227	(59,207)	1,909
Other financing sources (uses)			
Transfers in	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	4,227	(59,207)	1,909
Fund balances, July 1	2,486	330,490	43,535
	<u>2,486</u>	<u>330,490</u>	<u>43,535</u>
Fund balances, June 30	<u>\$ 6,713</u>	<u>\$ 271,283</u>	<u>\$ 45,444</u>

Special Revenue Funds				Total
Juvenile Case Management	Drug Abuse Treatment Education	Emergency 911	Hotel/Motel Tax	Nonmajor Governmental Funds
\$ 0	\$ 0	\$ 0	\$ 197,930	\$ 197,930
0	15,400	0	0	127,246
0	0	360,028	0	360,028
<u>5</u>	<u>80</u>	<u>647</u>	<u>78</u>	<u>1,172</u>
<u>5</u>	<u>15,480</u>	<u>360,675</u>	<u>198,008</u>	<u>686,376</u>
0	11,261	0	0	20,348
0	0	1,005,688	0	1,161,880
<u>0</u>	<u>0</u>	<u>0</u>	<u>203,000</u>	<u>203,000</u>
<u>0</u>	<u>11,261</u>	<u>1,005,688</u>	<u>203,000</u>	<u>1,385,228</u>
5	4,219	(645,013)	(4,992)	(698,852)
<u>0</u>	<u>0</u>	<u>709,209</u>	<u>56,000</u>	<u>765,209</u>
5	4,219	64,196	51,008	66,357
<u>3,943</u>	<u>72,752</u>	<u>620,646</u>	<u>87,725</u>	<u>1,161,577</u>
<u>\$ 3,948</u>	<u>\$ 76,971</u>	<u>\$ 684,842</u>	<u>\$ 138,733</u>	<u>\$ 1,227,934</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, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 2,215,638	\$ 4,104,378
Certificates of deposit	8,172,096	8,058,515
Receivables (net)		
Accounts	205,226	194,964
Intergovernmental	181,318	50,549
Taxes	89,482	240,113
Prepays	146,959	149,090
Restricted cash and cash equivalents	<u>115,838</u>	<u>109,177</u>
Total assets	<u><u>\$ 11,126,557</u></u>	<u><u>\$ 12,906,786</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 196,659	\$ 290,344
Retainages payable	0	11,186
Accrued salaries and payroll liabilities	<u>233,020</u>	<u>224,751</u>
Total liabilities	<u>429,679</u>	<u>526,281</u>
Deferred inflows of resources		
Unavailable revenue - property taxes	<u>36,163</u>	<u>20,305</u>
Fund balances		
Nonspendable prepaids	146,959	149,090
Restricted for health and welfare	115,838	109,177
Unassigned	<u>10,397,918</u>	<u>12,101,933</u>
Total fund balances	<u>10,660,715</u>	<u>12,360,200</u>
Total liabilities, deferred inflows of resources, and fund balances	<u><u>\$ 11,126,557</u></u>	<u><u>\$ 12,906,786</u></u>

RABUN COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
REVENUES		
Taxes	\$ 16,811,467	\$ 16,682,172
Licenses and permits	69,997	68,612
Fines, fees and forfeitures	481,409	482,804
Charges for services	1,330,785	1,306,591
Intergovernmental	858,977	744,802
Interest	12,405	18,785
Contributions	208,316	4,449
Other	170,172	45,454
Total revenues	<u>19,943,528</u>	<u>19,353,669</u>
EXPENDITURES		
Current		
General Government	3,532,790	2,633,146
Judicial	1,172,671	1,156,619
Public Safety	8,542,810	8,353,948
Public Works	2,427,604	2,528,899
Health and Welfare	994,146	1,055,673
Culture and Recreation	1,277,015	1,579,456
Housing and Development	1,393,352	1,445,867
Total Current	<u>19,340,388</u>	<u>18,753,608</u>
Debt Service		
Public Works	<u>333,004</u>	<u>111,001</u>
Total expenditures	<u>19,673,392</u>	<u>18,864,609</u>
Excess (deficiency) of revenues over (under) expenditures	<u>270,136</u>	<u>489,060</u>
Other financing sources (uses)		
Transfers in (out)		
Emergency 911 Fund	(709,209)	(671,587)
Hotel/Motel Tax Fund	(56,000)	(56,000)
Special Purpose Local Option Sales Tax #6 Fund	(500,000)	0
Solid Waste Fund	(757,174)	(800,000)
Golf Course Fund	(248,800)	(236,476)
Waste-Water Facility Fund	120,000	(3,840,510)
Proceeds from sale of assets	181,562	109,344
Proceeds from issuance of debt	0	4,009,000
Debt issue costs	0	(80,877)
Total other financing sources (uses)	<u>(1,969,621)</u>	<u>(1,567,106)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>(1,699,485)</u>	<u>(1,078,046)</u>
Fund balances, July 1	<u>12,360,200</u>	<u>13,438,246</u>
Fund balances, June 30	<u><u>\$ 10,660,715</u></u>	<u><u>\$ 12,360,200</u></u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Current and prior year				
levies	\$ 15,672,375	\$ 15,034,273	\$ (638,102)	\$ 14,960,017
Motor vehicle tax	528,575	530,287	1,712	519,159
Mobile home tax	38,000	35,700	(2,300)	35,481
Timber tax	0	130	130	0
Cost, penalties, and				
interest	41,850	25,930	(15,920)	29,779
Total general property taxes	16,280,800	15,626,320	(654,480)	15,544,436
Real estate transfer tax	300,000	300,776	776	312,236
Franchise tax	21,000	21,488	488	19,781
Insurance premium tax	715,000	714,484	(516)	667,140
Alcohol excise tax	100,000	96,877	(3,123)	95,901
Occupational tax	57,440	51,522	(5,918)	42,678
Total taxes	17,474,240	16,811,467	(662,773)	16,682,172
Licenses and permits				
Alcohol licenses	41,500	40,030	(1,470)	45,613
Building permits	26,650	27,431	781	22,159
Other permits	3,600	2,536	(1,064)	840
Total licenses and permits	71,750	69,997	(1,753)	68,612
Fines, fees and forfeitures	504,260	481,409	(22,851)	482,804
Charges for Services				
Emergency medical services	930,000	955,284	25,284	949,217
Sheriff services	32,500	34,200	1,700	35,313
Prisoner board	6,000	3,800	(2,200)	6,600
Recreation fees	166,300	177,422	11,122	163,618
Senior center fees	47,000	40,591	(6,409)	39,668
Civic center fees	48,200	37,621	(10,579)	45,117
Collection commissions	23,000	22,087	(913)	19,780
Other charges for services	63,575	59,780	(3,795)	47,278
Total charges for services	1,316,575	1,330,785	14,210	1,306,591
Intergovernmental	819,596	858,977	39,381	744,802
Interest	180,275	12,405	(167,870)	18,785
Contributions	208,542	208,316	(226)	4,449
Other	303,468	170,172	(133,296)	45,454
Total revenues	<u>\$ 20,878,706</u>	<u>\$ 19,943,528</u>	<u>\$ (935,178)</u>	<u>\$ 19,353,669</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
General Administration				
Personal services	\$ 362,900	\$ 362,851	\$ 49	\$ 113,887
Contract services	311,100	275,199	35,901	321,166
Capital outlay	0	35,232	(35,232)	0
Total General Administration	<u>674,000</u>	<u>673,282</u>	<u>718</u>	<u>435,053</u>
Elections				
Personal services	96,028	92,892	3,136	102,885
Contract services	22,685	17,622	5,063	16,195
Materials and supplies	4,585	3,684	901	5,067
Total Elections	<u>123,298</u>	<u>114,198</u>	<u>9,100</u>	<u>124,147</u>
Board of Commissioners				
Personal services	382,685	379,217	3,468	453,511
Contract services	82,215	71,597	10,618	68,574
Materials and supplies	6,500	5,638	862	8,050
Total Board of Commissioners	<u>471,400</u>	<u>456,452</u>	<u>14,948</u>	<u>530,135</u>
Human Resources				
Personal services	69,638	68,874	764	0
Contract services	2,175	679	1,496	0
Total Human Resources	<u>71,813</u>	<u>69,553</u>	<u>2,260</u>	<u>0</u>
Tax Commissioner				
Personal services	306,809	293,961	12,848	287,021
Contract services	68,720	61,366	7,354	49,164
Materials and supplies	5,050	4,753	297	3,210
Total Tax Commissioner	<u>380,579</u>	<u>360,080</u>	<u>20,499</u>	<u>339,395</u>
Tax Assessors				
Personal services	296,576	278,506	18,070	294,445
Contract services	33,625	28,358	5,267	29,799
Materials and supplies	4,350	3,542	808	7,119
Total Tax Assessors	<u>334,551</u>	<u>310,406</u>	<u>24,145</u>	<u>331,363</u>
Buildings and Properties				
Personal services	333,911	310,460	23,451	283,009
Contract services	125,470	126,761	(1,291)	157,750
Materials and supplies	136,050	128,667	7,383	153,318
Capital outlay	998,950	982,931	16,019	278,976
Total Buildings and Properties	<u>1,594,381</u>	<u>1,548,819</u>	<u>45,562</u>	<u>873,053</u>
Total General Government	<u>3,650,022</u>	<u>3,532,790</u>	<u>117,232</u>	<u>2,633,146</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Judicial				
Clerk of Court				
Personal services	\$ 344,678	\$ 345,063	\$ (385)	\$ 313,185
Contract services	59,280	50,598	8,682	53,887
Materials and supplies	6,000	6,005	(5)	6,150
Total Clerk of Court	<u>409,958</u>	<u>401,666</u>	<u>8,292</u>	<u>373,222</u>
Probate Court				
Personal services	222,881	199,690	23,191	212,224
Contract services	72,071	67,967	4,104	64,488
Materials and supplies	2,488	2,338	150	4,018
Total Probate Court	<u>297,440</u>	<u>269,995</u>	<u>27,445</u>	<u>280,730</u>
Administration of Justice				
Personal services	59,562	59,058	504	46,305
Contract services	141,360	146,598	(5,238)	115,954
Payments to other agencies	183,485	154,264	29,221	169,613
Total Administration of Justice	<u>384,407</u>	<u>359,920</u>	<u>24,487</u>	<u>331,872</u>
District Attorney				
Personal services	117,978	115,042	2,936	115,401
Contract services	22,820	19,320	3,500	21,679
Materials and supplies	6,200	6,728	(528)	5,938
Capital outlay	0	0	0	27,777
Total District Attorney	<u>146,998</u>	<u>141,090</u>	<u>5,908</u>	<u>170,795</u>
Total Judicial	<u>1,238,803</u>	<u>1,172,671</u>	<u>66,132</u>	<u>1,156,619</u>
Public Safety				
Sheriff				
Personal services	1,621,965	1,603,591	18,374	1,474,586
Contract services	143,044	155,853	(12,809)	147,086
Materials and supplies	160,431	166,519	(6,088)	156,511
Capital outlay	138,566	116,477	22,089	84,615
Total Sheriff	<u>2,064,006</u>	<u>2,042,440</u>	<u>21,566</u>	<u>1,862,798</u>
Rabun County Jail				
Personal services	1,202,528	1,204,320	(1,792)	1,178,213
Contract services	295,923	302,434	(6,511)	365,306
Materials and supplies	408,850	396,953	11,897	392,018
Total Rabun County Jail	<u>1,907,301</u>	<u>1,903,707</u>	<u>3,594</u>	<u>1,935,537</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Public Safety (continued)				
Coroner				
Personal services	\$ 5,207	\$ 5,216	\$ (9)	\$ 4,234
Contract services	18,644	10,757	7,887	13,385
Materials and supplies	2,800	1,447	1,353	1,179
Capital outlay	0	0	0	26,656
Total Coroner	<u>26,651</u>	<u>17,420</u>	<u>9,231</u>	<u>45,454</u>
Emergency Management Agency				
Personal services	30,059	29,516	543	30,267
Contract services	49,620	43,043	6,577	33,423
Materials and supplies	89,956	81,460	8,496	64,302
Capital outlay	291,094	281,756	9,338	9,604
Total Emergency Management Agency	<u>460,729</u>	<u>435,775</u>	<u>24,954</u>	<u>137,596</u>
Fire Department				
Personal services	411,202	370,415	40,787	345,337
Contract services	309,149	242,677	66,472	253,101
Materials and supplies	263,900	259,045	4,855	267,875
Capital outlay	207,564	229,513	(21,949)	559,124
Total Fire Department	<u>1,191,815</u>	<u>1,101,650</u>	<u>90,165</u>	<u>1,425,437</u>
County Marshal				
Personal services	302,164	297,791	4,373	294,861
Contract services	12,835	12,225	610	8,726
Materials and supplies	8,700	8,043	657	11,024
Capital outlay	0	0	0	35,206
Payments to other agencies	9,755	10,545	(790)	8,933
Total County Marshal	<u>333,454</u>	<u>328,604</u>	<u>4,850</u>	<u>358,750</u>
E911 Mapping & Addressing				
Personal services	101,451	93,928	7,523	95,517
Contract services	35,625	30,485	5,140	5,405
Materials and supplies	37,050	31,254	5,796	63,348
Capital outlay	39,000	0	39,000	35,039
Total E911 Mapping & Addressing	<u>213,126</u>	<u>155,667</u>	<u>57,459</u>	<u>199,309</u>
Drug Task Force				
Personal services	49,640	48,765	875	49,434
Contract services	1,360	1,359	1	1,150
Total Drug Task Force	<u>51,000</u>	<u>50,124</u>	<u>876</u>	<u>50,584</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Public Safety (continued)				
Emergency Medical Service				
Personal services	\$ 1,883,232	\$ 1,824,490	\$ 58,742	\$ 1,796,380
Contract services	138,751	136,346	2,405	135,863
Materials and supplies	131,415	125,297	6,118	123,152
Capital outlay	256,300	256,176	124	146,825
Total Emergency Medical Service	<u>2,409,698</u>	<u>2,342,309</u>	<u>67,389</u>	<u>2,202,220</u>
Boggs Mountain Animal Shelter				
Payments to other agencies	165,835	165,114	721	136,263
Total Public Safety	<u>8,823,615</u>	<u>8,542,810</u>	<u>280,805</u>	<u>8,353,948</u>
Public Works				
Roads and Bridges				
Personal services	1,319,119	1,322,138	(3,019)	1,296,928
Contract services	148,465	139,276	9,189	158,100
Materials and supplies	488,000	498,594	(10,594)	325,981
Capital outlay	21,300	14,500	6,800	259,890
Total Roads and Bridges	<u>1,976,884</u>	<u>1,974,508</u>	<u>2,376</u>	<u>2,040,899</u>
Rabun County Water and Sewer Authority				
Payments to other agencies	465,603	453,096	12,507	488,000
Total Public Works	<u>2,442,487</u>	<u>2,427,604</u>	<u>14,883</u>	<u>2,528,899</u>
Health and Welfare				
Public Health				
Contract services	2,920	2,882	38	6,803
Materials and supplies	1,500	1,722	(222)	1,593
Payments to other agencies	187,280	185,778	1,502	206,620
Total Public Health	<u>191,700</u>	<u>190,382</u>	<u>1,318</u>	<u>215,016</u>
Public Welfare				
Contract services	1,450	1,450	0	1,400
Payments to other agencies	60,550	52,393	8,157	54,591
Total Public Welfare	<u>62,000</u>	<u>53,843</u>	<u>8,157</u>	<u>55,991</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Health and Welfare (continued)				
Program on Aging				
Personal services	\$ 364,385	\$ 327,034	\$ 37,351	\$ 319,699
Contract services	56,665	54,399	2,266	54,192
Materials and supplies	242,822	247,038	(4,216)	248,903
Capital outlay	0	0	0	44,922
Payments to other agencies	10,450	10,450	0	9,450
Total Program on Aging	<u>674,322</u>	<u>638,921</u>	<u>35,401</u>	<u>677,166</u>
Court Appointed Special Advocates				
Payments to other agencies	11,000	11,000	0	7,500
F.A.I.T.H.				
Payments to other agencies	100,000	100,000	0	100,000
Total Health and Welfare	<u>1,039,022</u>	<u>994,146</u>	<u>44,876</u>	<u>1,055,673</u>
Culture and Recreation				
Civic Center				
Personal services	47,970	46,677	1,293	32,604
Contract services	19,250	19,798	(548)	85,610
Materials and supplies	41,655	56,616	(14,961)	34,376
Capital outlay	14,500	0	14,500	24,663
Total Civic Center	<u>123,375</u>	<u>123,091</u>	<u>284</u>	<u>177,253</u>
Recreation				
Personal services	345,869	334,302	11,567	342,752
Contract services	94,000	132,999	(38,999)	108,339
Materials and supplies	170,305	164,490	5,815	171,091
Capital outlay	103,477	52,158	51,319	193,923
Total Recreation	<u>713,651</u>	<u>683,949</u>	<u>29,702</u>	<u>816,105</u>
Rabun Arena				
Personal services	98,043	96,123	1,920	100,265
Contract services	19,135	17,120	2,015	137,641
Materials and supplies	40,824	34,991	5,833	42,519
Capital outlay	9,176	9,176	0	7,895
Total Rabun Arena	<u>167,178</u>	<u>157,410</u>	<u>9,768</u>	<u>288,320</u>
Rabun County Library				
Personal services	26,685	26,700	(15)	21,392
Contract services	2,415	2,413	2	2,200
Payments to other agencies	277,900	277,881	19	268,628
Total Rabun County Library	<u>307,000</u>	<u>306,994</u>	<u>6</u>	<u>292,220</u>
Rabun County Historical Society				
Payments to other agencies	5,685	5,571	114	5,558
Total Culture and Recreation	<u>1,316,889</u>	<u>1,277,015</u>	<u>39,874</u>	<u>1,579,456</u>

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Housing and Development				
Extension Service				
Personal services	\$ 28,980	\$ 28,596	\$ 384	\$ 27,813
Contract services	10,745	9,167	1,578	8,642
Materials and supplies	4,700	4,146	554	3,920
Total Extension Service	<u>44,425</u>	<u>41,909</u>	<u>2,516</u>	<u>40,375</u>
Planning Commission				
Personal services	69,004	67,930	1,074	69,393
Contract services	18,516	17,184	1,332	5,167
Materials and supplies	1,200	672	528	1,975
Total Planning Commission	<u>88,720</u>	<u>85,786</u>	<u>2,934</u>	<u>76,535</u>
Rabun County Economic Development Authority				
Payments to other agencies	<u>1,252,000</u>	<u>1,251,564</u>	<u>436</u>	<u>1,313,473</u>
Soil Erosion Control				
Personal services	8,590	7,893	697	7,787
Contract services	6,075	6,000	75	7,475
Materials and supplies	200	200	0	222
Total Soil Erosion Control	<u>14,865</u>	<u>14,093</u>	<u>772</u>	<u>15,484</u>
Total Housing and Development	<u>1,400,010</u>	<u>1,393,352</u>	<u>6,658</u>	<u>1,445,867</u>
Total Current	<u>19,910,848</u>	<u>19,340,388</u>	<u>570,460</u>	<u>18,753,608</u>
Debt Service				
Public Works				
Rabun County Water and Sewer Authority	<u>334,004</u>	<u>333,004</u>	<u>1,000</u>	<u>111,001</u>
Total Debt Service	<u>334,004</u>	<u>333,004</u>	<u>1,000</u>	<u>111,001</u>
Total Expenditures	<u>\$ 20,244,852</u>	<u>\$ 19,673,392</u>	<u>\$ 571,460</u>	<u>\$ 18,864,609</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.

RABUN COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	2018	2017
Cash and cash equivalents	\$ 6,713	\$ 2,486
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for public safety	\$ 6,713	\$ 2,486

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, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	<u>2018</u>			<u>2017</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Fines, fees, and forfeitures	\$ 1,000	\$ 5,024	\$ 4,024	\$ 2,197
Interest	0	2	2	16
Total revenues	<u>1,000</u>	<u>5,026</u>	<u>4,026</u>	<u>2,213</u>
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	<u>1,000</u>	<u>799</u>	<u>201</u>	<u>3,440</u>
Total expenditures	<u>1,000</u>	<u>799</u>	<u>201</u>	<u>3,440</u>
Excess (deficiency) of revenues over (under) expenditures	0	4,227	4,227	(1,227)
Fund balances, July 1	<u>0</u>	<u>2,486</u>	<u>2,486</u>	<u>3,713</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 6,713</u></u>	<u><u>\$ 6,713</u></u>	<u><u>\$ 2,486</u></u>

**RABUN COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017**

ASSETS	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 264,657	\$ 325,662
Intergovernmental receivable	6,626	5,812
Total assets	<u>\$ 271,283</u>	<u>\$ 331,474</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 0	\$ 984
 Fund balances		
Restricted for public safety	<u>271,283</u>	<u>330,490</u>
Total liabilities and fund balances	<u>\$ 271,283</u>	<u>\$ 331,474</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, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	<u>2018</u>			<u>2017</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Fines, fees, and forfeitures	\$ 106,500	\$ 95,870	\$ (10,630)	\$ 118,243
Interest	0	316	316	1,483
Total revenues	<u>106,500</u>	<u>96,186</u>	<u>(10,314)</u>	<u>119,726</u>
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	166,500	29,633	136,867	16,075
Capital outlay	0	125,760	(125,760)	6,070
Total expenditures	<u>166,500</u>	<u>155,393</u>	<u>11,107</u>	<u>22,145</u>
Excess (deficiency) of revenues over (under) expenditures	(60,000)	(59,207)	793	97,581
Fund balances, July 1	<u>60,000</u>	<u>330,490</u>	<u>270,490</u>	<u>232,909</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 271,283</u></u>	<u><u>\$ 271,283</u></u>	<u><u>\$ 330,490</u></u>

RABUN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	2018	2017
Cash and cash equivalents	\$ 45,444	\$ 43,535
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for judicial	\$ 45,444	\$ 43,535

RABUN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	<u>2018</u>			<u>2017</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Fines, fees, and forfeitures	\$ 11,000	\$ 10,952	\$ (48)	\$ 10,805
Interest	150	44	(106)	41
Total revenues	<u>11,150</u>	<u>10,996</u>	<u>(154)</u>	<u>10,846</u>
EXPENDITURES				
Current				
Judicial				
Contract services	2,400	2,400	0	2,400
Materials and supplies	8,750	6,687	2,063	6,266
Total expenditures	<u>11,150</u>	<u>9,087</u>	<u>2,063</u>	<u>8,666</u>
Excess (deficiency) of revenues over (under) expenditures	0	1,909	1,909	2,180
Fund balances, July 1	<u>0</u>	<u>43,535</u>	<u>43,535</u>	<u>41,355</u>
Fund balances, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 45,444</u></u>	<u><u>\$ 45,444</u></u>	<u><u>\$ 43,535</u></u>

RABUN COUNTY, GEORGIA
JUVENILE CASE MANAGEMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	2018	2017
Cash and cash equivalents	\$ 3,948	\$ 3,943
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for judicial	\$ 3,948	\$ 3,943

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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	\$ 1,000	\$ 0	\$ (1,000)	\$ 0
Interest	0	5	5	21
Total revenues	1,000	5	(995)	21
EXPENDITURES				
Current				
Judicial				
Contract services	1,000	0	1,000	0
Total expenditures	1,000	0	1,000	0
Excess (deficiency) of revenues over (under) expenditures	0	5	5	21
Fund balances, July 1	0	3,943	3,943	3,922
Fund balances, June 30	\$ 0	\$ 3,948	\$ 3,948	\$ 3,943

RABUN COUNTY, GEORGIA
DRUG ABUSE TREATMENT EDUCATION SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 76,914	\$ 73,025
Intergovernmental receivable	<u>281</u>	<u>0</u>
Total assets	<u><u>\$ 77,195</u></u>	<u><u>\$ 73,025</u></u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 224	\$ 273
 Fund balances		
Restricted for judicial	<u>76,971</u>	<u>72,752</u>
Total liabilities and fund balances	<u><u>\$ 77,195</u></u>	<u><u>\$ 73,025</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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	\$ 25,000	\$ 15,400	\$ (9,600)	\$ 21,808
Interest	0	80	80	349
Total revenues	25,000	15,480	(9,520)	22,157
EXPENDITURES				
Current				
Judicial				
Materials and supplies	25,000	11,261	13,739	7,015
Total expenditures	25,000	11,261	13,739	7,015
Excess (deficiency) of revenues over (under) expenditures	0	4,219	4,219	15,142
Fund balances, July 1	0	72,752	72,752	57,610
Fund balances, June 30	\$ 0	\$ 76,971	\$ 76,971	\$ 72,752

RABUN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 632,049	\$ 567,405
Accounts receivable (net)	<u>73,161</u>	<u>72,669</u>
Total assets	<u><u>\$ 705,210</u></u>	<u><u>\$ 640,074</u></u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 4,070	\$ 1,119
Accrued salaries and payroll liabilities	<u>16,298</u>	<u>18,309</u>
Total liabilities	20,368	19,428
 Fund balances		
Assigned to public safety	<u>684,842</u>	<u>620,646</u>
Total liabilities and fund balances	<u><u>\$ 705,210</u></u>	<u><u>\$ 640,074</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, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	<u>2018</u>			<u>2017</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Charges for services	\$ 363,720	\$ 360,028	\$ (3,692)	\$ 364,799
Interest	0	647	647	2,962
Total revenues	<u>363,720</u>	<u>360,675</u>	<u>(3,045)</u>	<u>367,761</u>
EXPENDITURES				
Current				
Public Safety				
Personal Services	772,852	715,960	56,892	735,323
Contract services	243,507	231,432	12,075	204,359
Materials and supplies	39,070	27,761	11,309	19,363
Capital outlay	17,500	30,535	(13,035)	31,917
Total expenditures	<u>1,072,929</u>	<u>1,005,688</u>	<u>67,241</u>	<u>990,962</u>
Excess (deficiency) of revenues over (under) expenditures	(709,209)	(645,013)	64,196	(623,201)
Other financing sources (uses)				
Transfers in (out)				
General Fund	709,209	709,209	0	671,587
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	64,196	64,196	48,386
Fund balances, July 1	0	620,646	620,646	572,260
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 684,842</u>	<u>\$ 684,842</u>	<u>\$ 620,646</u>

RABUN COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	<u>2018</u>	<u>2017</u>
Cash and cash equivalents	\$ 89,226	\$ 54,807
Taxes receivable	<u>49,507</u>	<u>32,918</u>
Total assets	<u><u>\$ 138,733</u></u>	<u><u>\$ 87,725</u></u>
 LIABILITIES AND FUND BALANCES		
 Fund balances		
Assigned to housing and development	<u><u>\$ 138,733</u></u>	<u><u>\$ 87,725</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, 2018

(With comparative actual amounts for the fiscal year ended June 30, 2017)

	<u>2018</u>			<u>2017</u>
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
REVENUES				
Taxes	\$ 203,000	\$ 197,930	\$ (5,070)	\$ 146,094
Interest	0	78	78	265
Total revenues	<u>203,000</u>	<u>198,008</u>	<u>(4,992)</u>	<u>146,359</u>
EXPENDITURES				
Current				
Housing and Development				
Tourism				
Rabun County Convention and Visitors Bureau	203,000	203,000	0	201,802
Total expenditures	<u>203,000</u>	<u>203,000</u>	<u>0</u>	<u>201,802</u>
Excess (deficiency) of revenues over (under) expenditures	0	(4,992)	(4,992)	(55,443)
Other financing sources (uses)				
Transfers in (out)				
General Fund	0	56,000	56,000	56,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	51,008	51,008	557
Fund balances, July 1	0	87,725	87,725	87,168
Fund balances, June 30	<u>\$ 0</u>	<u>\$ 138,733</u>	<u>\$ 138,733</u>	<u>\$ 87,725</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, 2018 and 2017

ASSETS	2018	2017
Cash and cash equivalents	\$ 105,979	\$ 242,419
 LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 8,560	\$ 0
 Fund balances		
Restricted for capital outlay	97,419	242,419
Total liabilities and fund balances	\$ 105,979	\$ 242,419

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, 2018 and 2017

REVENUES	<u>2018</u>	<u>2017</u>
Interest	\$ 188	\$ 4,921
Total revenues	<u>188</u>	<u>4,921</u>
 EXPENDITURES		
Capital Outlay		
Public Works		
Roads and Bridges	145,188	1,271,811
Total expenditures	<u>145,188</u>	<u>1,271,811</u>
Excess (deficiency) of revenues over (under) expenditures	(145,000)	(1,266,890)
Fund balances, July 1	<u>242,419</u>	<u>1,509,309</u>
Fund balances, June 30	<u><u>\$ 97,419</u></u>	<u><u>\$ 242,419</u></u>

RABUN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	2018	2017
Cash and cash equivalents	\$ 5,069,135	\$ 3,359,211
Taxes receivable	342,775	309,855
Restricted cash and cash equivalents	1,805,193	3,242,567
Total assets	\$ 7,217,103	\$ 6,911,633
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 54,350	\$ 60,571
Retainages payable	28,976	0
Total liabilities	83,326	60,571
Fund balances		
Restricted for capital outlay	7,133,777	6,851,062
Total liabilities and fund balances	\$ 7,217,103	\$ 6,911,633

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, 2018 and 2017

REVENUES	<u>2018</u>	<u>2017</u>
Taxes	\$ 3,381,951	\$ 3,242,433
Interest	25,511	64,294
Total revenues	<u>3,407,462</u>	<u>3,306,727</u>
 EXPENDITURES		
Capital Outlay		
Public Safety		
Fire Department	386,646	130,023
Public Works		
Water and Sewer	350,360	1,576,803
Health and Welfare		
Program on Aging	10,180	189,652
Culture and Recreation		
Recreation	1,016,656	29,600
Debt Service	<u>1,687,373</u>	<u>1,687,712</u>
Total expenditures	<u>3,451,215</u>	<u>3,613,790</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(43,753)</u>	<u>(307,063)</u>
 Other financing sources (uses)		
Transfers in (out)		
General Fund	500,000	0
Waste-Water Facility Fund	0	(1,556,305)
Golf Course Fund	<u>(173,532)</u>	<u>(15,450)</u>
Total other financing sources (uses)	<u>326,468</u>	<u>(1,571,755)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	282,715	(1,878,818)
Fund balances, July 1	<u>6,851,062</u>	<u>8,729,880</u>
Fund balances, June 30	<u><u>\$ 7,133,777</u></u>	<u><u>\$ 6,851,062</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, 2018 and 2017

ASSETS

	2018	2017
Current assets		
Cash and cash equivalents	\$ 649,046	\$ 579,069
Accounts receivable (net)	40,261	41,215
Total current assets	689,307	620,284
Capital assets		
Non-depreciable	1,106,031	1,407,079
Depreciable (net)	1,020,656	817,201
Total capital assets (net of accumulated depreciation)	2,126,687	2,224,280
Total assets	2,815,994	2,844,564

DEFERRED OUTFLOWS OF RESOURCES

Pension experience differences	1,115	2,386
Pension investment return differences	779	24,477
Pension assumption changes	1,688	5,333
Total deferred outflows of resources	3,582	32,196

LIABILITIES

Current liabilities

Accounts payable	14,326	34,028
Accrued salaries and payroll liabilities	19,494	16,913
Compensated absences	16,484	19,451
Closure/post-closure care	53,170	83,249
Total current liabilities	103,474	153,641

Noncurrent liabilities

Net pension liability	68,999	106,421
Closure/post-closure care	2,793,617	2,750,039
Total noncurrent liabilities	2,862,616	2,856,460

Total liabilities

2,966,090	3,010,101
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DEFERRED INFLOWS OF RESOURCES

Pension experience differences	6,602	0
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NET POSITION

Investment in capital assets	2,126,687	2,224,280
Unrestricted	(2,279,803)	(2,357,621)

Total net position

\$ (153,116)	\$ (133,341)
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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, 2018 and 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Charges for sales and services	\$ 622,346	\$ 625,008
Total operating revenues	<u>622,346</u>	<u>625,008</u>
OPERATING EXPENSES		
Costs of sales and services	565,604	509,066
Personal services	712,680	682,537
Depreciation	<u>121,672</u>	<u>95,095</u>
Total operating expenses	<u>1,399,956</u>	<u>1,286,698</u>
Operating income (loss)	(777,610)	(661,690)
Non-operating revenues (expenses)		
Interest revenue	<u>661</u>	<u>3,076</u>
Net income (loss) before transfers	(776,949)	(658,614)
Transfers in (out)		
General fund	<u>757,174</u>	<u>800,000</u>
Change in net position	(19,775)	141,386
Net position, July 1	<u>(133,341)</u>	<u>(274,727)</u>
Net position, June 30	<u><u>\$ (153,116)</u></u>	<u><u>\$ (133,341)</u></u>

RABUN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Receipts from customers	\$ 623,300	\$ 641,780
Payments to suppliers	(571,807)	(549,447)
Payments to employees	<u>(715,272)</u>	<u>(677,302)</u>
Net cash provided (used) by operating activities	<u>(663,779)</u>	<u>(584,969)</u>
Cash flows from non-capital financing activities:		
Receipts from other funds	<u>757,174</u>	<u>800,000</u>
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(24,079)	(112,566)
Payment of capital related accounts payable	<u>0</u>	<u>(35,046)</u>
Net cash provided (used) by capital and related financing activities	<u>(24,079)</u>	<u>(147,612)</u>
Cash flows from investing activities:		
Interest received	<u>661</u>	<u>3,076</u>
Net increase (decrease) in cash and cash equivalents	69,977	70,495
Cash and cash equivalents, July 1	<u>579,069</u>	<u>508,574</u>
Cash and cash equivalents, June 30	<u><u>\$ 649,046</u></u>	<u><u>\$ 579,069</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	<u>\$ (777,610)</u>	<u>\$ (661,690)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	121,672	95,095
Closure/post-closure care costs	13,499	(49,898)
(Increase) decrease in accounts receivable	954	16,772
(Increase) decrease in pension experience differences	1,271	(347)
(Increase) decrease in pension investment return differences	23,698	(10,472)
(Increase) decrease in pension assumption changes	3,645	4,772
Increase (decrease) in accounts payable	(19,702)	9,517
Increase (decrease) in accrued payroll liabilities	(386)	3,848
Increase (decrease) in net pension liability	(37,422)	7,434
Increase (decrease) in pension experience differences	<u>6,602</u>	<u>0</u>
Total adjustments	<u>113,831</u>	<u>76,721</u>
Net cash provided (used) by operating activities	<u><u>\$ (663,779)</u></u>	<u><u>\$ (584,969)</u></u>

RABUN COUNTY, GEORGIA
WASTE-WATER FACILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2018 and 2017

	<u>2018</u>	<u>2017</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, 2018 and 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Charges for sales and services	\$ 120,000	\$ 145,352
Total operating revenues	<u>120,000</u>	<u>145,352</u>
OPERATING EXPENSES		
Personal services	<u>0</u>	<u>23,504</u>
Total operating expenses	<u>0</u>	<u>23,504</u>
Operating income (loss)	<u>120,000</u>	<u>121,848</u>
Non-operating revenues (expenses)		
Interest revenue	0	1,344
Interest expense	0	(105,094)
Distributions of capital assets	<u>0</u>	<u>(4,079,367)</u>
Total non-operating revenues (expenses)	<u>0</u>	<u>(4,183,117)</u>
Net income (loss) before transfers	<u>120,000</u>	<u>(4,061,269)</u>
Transfers in (out)		
General Fund	(120,000)	3,840,510
SPLOST #6 Fund	<u>0</u>	<u>1,556,305</u>
Total transfers in (out)	<u>(120,000)</u>	<u>5,396,815</u>
Change in net position	0	1,335,546
Net position, July 1	<u>0</u>	<u>(1,335,546)</u>
Net position, June 30	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

RABUN COUNTY, GEORGIA
WASTE-WATER FACILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Receipts from customers	\$ 120,000	\$ 145,739
Payments to suppliers	0	(4,744)
Payments to employees	0	(23,504)
	120,000	117,491
Cash flows from non-capital financing activities:		
Receipts from other funds	0	3,840,510
Payments to other funds	(120,000)	0
	(120,000)	3,840,510
Cash flows from capital and related financing activities:		
Acquisition of capital assets	0	(1,556,305)
Receipts from other funds	0	1,556,305
Interest payments	0	(118,867)
Principal payments - notes payable	0	(4,031,077)
	0	(4,149,944)
Cash flows from investing activities:		
Interest received	0	1,344
	0	1,344
Net increase (decrease) in cash and cash equivalents	0	(190,599)
Cash and cash equivalents, July 1	0	190,599
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	\$ 121,848
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
(Increase) decrease in accounts receivable	0	387
Increase (decrease) in accounts payable	0	(4,744)
	0	(4,357)
Total adjustments	0	(4,357)
Net cash provided (used) by operating activities	\$ 120,000	\$ 117,491

Noncash capital and related financing activities:

Distributions of capital assets to other governments totaled \$0 and \$4,079,367, with related accumulated depreciation totaling \$0 and \$0 for the fiscal years ended June 30, 2018 and 2017, respectively.

RABUN COUNTY, GEORGIA
GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2018 and 2017

ASSETS

	2018	2017
Current assets		
Cash and cash equivalents	\$ 168,484	\$ 137,521
Capital assets		
Non-depreciable	234,332	58,750
Depreciable (net)	32,949	43,683
Total capital assets (net of accumulated depreciation)	267,281	102,433
Total assets	435,765	239,954

DEFERRED OUTFLOWS OF RESOURCES

Pension experience differences	1,423	2,289
Pension investment return differences	0	15,576
Pension assumption changes	2,635	5,118
Total deferred outflows of resources	4,058	22,983

LIABILITIES

Current liabilities

Accounts payable	575	670
Accrued salaries and payroll liabilities	5,869	5,385
Compensated absences	15,069	16,441
Total current liabilities	21,513	22,496

Noncurrent liabilities

Net pension liability	41,734	67,220
Total liabilities	63,247	89,716

DEFERRED INFLOWS OF RESOURCES

Pension experience differences	4,496	0
Pension investment return differences	564	0
Total deferred inflows of resources	5,060	0

NET POSITION

Investment in capital assets	267,281	102,433
Unrestricted	104,235	70,788
Total net position	\$ 371,516	\$ 173,221

RABUN COUNTY, GEORGIA
GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
Charges for sales and services	\$ 96,251	\$ 106,869
Total operating revenues	<u>96,251</u>	<u>106,869</u>
OPERATING EXPENSES		
Costs of sales and services	64,350	60,767
Personal services	245,369	240,299
Depreciation	10,734	12,618
Total operating expenses	<u>320,453</u>	<u>313,684</u>
Operating income (loss)	(224,202)	(206,815)
Non-operating revenues (expenses)		
Interest revenue	165	724
Net income (loss) before transfers	<u>(224,037)</u>	<u>(206,091)</u>
Transfer in (out)		
General Fund	248,800	236,476
SPLOST #6 Fund	173,532	15,450
Total transfers in (out)	<u>422,332</u>	<u>251,926</u>
Change in net position	198,295	45,835
Net position, July 1	<u>173,221</u>	<u>127,386</u>
Net position, June 30	<u><u>\$ 371,516</u></u>	<u><u>\$ 173,221</u></u>

RABUN COUNTY, GEORGIA
GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Receipts from customers	\$ 96,251	\$ 106,869
Payments to suppliers	(64,445)	(60,492)
Payments to employees	(247,758)	(237,290)
	(215,952)	(190,913)
Cash flows from non-capital financing activities:		
Receipts from other funds	248,800	236,476
	248,800	236,476
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(175,582)	(53,700)
Receipts from other funds	173,532	15,450
	(2,050)	(38,250)
Cash flows from investing activities:		
Interest received	165	724
	165	724
Net increase (decrease) in cash and cash equivalents	30,963	8,037
Cash and cash equivalents, July 1	137,521	129,484
	137,521	129,484
Cash and cash equivalents, June 30	\$ 168,484	\$ 137,521
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (224,202)	\$ (206,815)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	10,734	12,618
(Increase) decrease in pension experience differences	866	(942)
(Increase) decrease in pension investment return differences	15,576	(6,415)
(Increase) decrease in pension assumption changes	2,483	1,555
Increase (decrease) in accounts payable	(95)	275
Increase (decrease) in payroll liabilities	(888)	1,677
Increase (decrease) in net pension liability	(25,486)	7,134
Increase (decrease) in pension experience differences	4,496	0
Increase (decrease) in pension investment return differences	564	0
	8,250	15,902
Total adjustments	8,250	15,902
Net cash provided (used) by operating activities	\$ (215,952)	\$ (190,913)

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, 2018

	<u>Tax Commissioner</u>	<u>Clerk of Superior Court</u>
ASSETS		
Cash	\$ 500,057	\$ 463,953
Taxes receivable, net	<u>224,944</u>	<u>0</u>
 Total assets	 <u>\$ 725,001</u>	 <u>\$ 463,953</u>
 LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	<u>\$ 725,001</u>	<u>\$ 463,953</u>

<u>Probate Court</u>	<u>Magistrate Court</u>	<u>Sheriff Department</u>	<u>Totals</u>
\$ 51,857	\$ 2,048	\$ 23,007	\$ 1,040,922
<u>0</u>	<u>0</u>	<u>0</u>	<u>224,944</u>
<u>\$ 51,857</u>	<u>\$ 2,048</u>	<u>\$ 23,007</u>	<u>\$ 1,265,866</u>
<u>\$ 51,857</u>	<u>\$ 2,048</u>	<u>\$ 23,007</u>	<u>\$ 1,265,866</u>

RABUN COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2018

	<u>Balance July 1</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30</u>
TAX COMMISSIONER				
ASSETS				
Cash	\$ 565,946	\$ 35,795,360	\$ 35,861,249	\$ 500,057
Taxes receivable, net	206,524	31,043,220	31,024,800	224,944
Total	<u>\$ 772,470</u>	<u>\$ 66,838,580</u>	<u>\$ 66,886,049</u>	<u>\$ 725,001</u>
LIABILITIES				
Due to other agencies	<u>\$ 772,470</u>	<u>\$ 66,838,580</u>	<u>\$ 66,886,049</u>	<u>\$ 725,001</u>
CLERK OF SUPERIOR COURT				
ASSETS				
Cash	<u>\$ 542,016</u>	<u>\$ 1,234,454</u>	<u>\$ 1,312,517</u>	<u>\$ 463,953</u>
LIABILITIES				
Due to other agencies	<u>\$ 542,016</u>	<u>\$ 1,234,454</u>	<u>\$ 1,312,517</u>	<u>\$ 463,953</u>
PROBATE COURT				
ASSETS				
Cash	<u>\$ 44,209</u>	<u>\$ 597,127</u>	<u>\$ 589,479</u>	<u>\$ 51,857</u>
LIABILITIES				
Due to other agencies	<u>\$ 44,209</u>	<u>\$ 597,127</u>	<u>\$ 589,479</u>	<u>\$ 51,857</u>
MAGISTRATE COURT				
ASSETS				
Cash	<u>\$ 6,490</u>	<u>\$ 104,123</u>	<u>\$ 108,565</u>	<u>\$ 2,048</u>
LIABILITIES				
Due to other agencies	<u>\$ 6,490</u>	<u>\$ 104,123</u>	<u>\$ 108,565</u>	<u>\$ 2,048</u>
SHERIFF DEPARTMENT				
ASSETS				
Cash	<u>\$ 24,170</u>	<u>\$ 137,049</u>	<u>\$ 138,212</u>	<u>\$ 23,007</u>
LIABILITIES				
Due to other agencies	<u>\$ 24,170</u>	<u>\$ 137,049</u>	<u>\$ 138,212</u>	<u>\$ 23,007</u>
TOTALS				
ASSETS				
Cash	\$ 1,182,831	\$ 37,868,113	\$ 38,010,022	\$ 1,040,922
Taxes receivable, net	206,524	31,043,220	31,024,800	224,944
Total	<u>\$ 1,389,355</u>	<u>\$ 68,911,333</u>	<u>\$ 69,034,822</u>	<u>\$ 1,265,866</u>
LIABILITIES				
Due to other agencies	<u>\$ 1,389,355</u>	<u>\$ 68,911,333</u>	<u>\$ 69,034,822</u>	<u>\$ 1,265,866</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, 2018, 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 6, 2018. 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. However, material weaknesses may exist that have not been identified. We did identify the following deficiencies in internal control that we consider to be significant deficiencies:

2018-001

Condition: Due to the limited number of staff in various offices, appropriate segregation of duties does not exist in various funds maintained by the County. The Law Library Secretary currently signs checks to herself for her monthly fees. The Human Resource Officer performs payroll and also has the ability to add employees and change rates of pay.

2018-001, 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.

Recommendation: We recommend that each County office review its policies and procedures to determine where it can adequately segregate duties to alleviate the segregation of duties issues.

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.

2018-002

Condition: County personnel may require additional training in the application of generally accepted accounting principles and the preparation of financial statements. Currently, the County relies on the external auditors for technical assistance in applying generally accepted accounting principles and the preparation of the financial statements. This is common for governments of similar size and structure to the County. Under current auditing standards, providing technical assistance does not impair the independence of the external auditor. However, future changes to auditing standards by standards setting boards could state that providing technical assistance would impair the independence of the external auditor. This does not indicate that the County Clerk/CFO is not trained to perform the daily accounting functions, but that the County has elected as a cost benefit to outsource this expertise to their auditors. As required, we have indicated this as a significant deficiency in our letter on Internal Control and Compliance.

Criteria: Effective internal control requires that the County accept responsibility and understanding of the audited financial report.

Effect: Failure to understand the vast amount of requirements for reporting in financial statements may lead to material misstatements.

Recommendation: County personnel should continue to receive training in the identification and application of generally accepted accounting principles and the preparation of the County's financial statements.

Management Response: Management agrees with this finding and understands the requirement to issue this statement as a Significant Deficiency. All employees of the Board of Commissioners Finance Office will continue to seek training in the application of generally accepted accounting principles and in the preparation of the County's financial statements. Until such time it is financially feasible for the County finance staff to prepare the County's financial statements, the Finance Office will continue to rely on an independent auditor to prepare them.

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:

2018-003

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.

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 6, 2018

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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, 2018

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	\$ 6,011,554	\$ 145,188	\$ 6,156,742
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	\$ 19,888,189	\$ 145,188	\$ 20,033,377

RABUN COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2018

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST #6					
Roads, Streets and Bridges	\$ 5,000,000	\$ 5,000,000	\$ 0	\$ 0	\$ 0
Water and Sewer Improvements	9,100,000	9,100,000	6,216,407	723,043	6,939,450
Parks and Recreation	2,000,000	2,000,000	45,050	612,291	657,341
Solid Waste Mgt Infrastructure	300,000	300,000	0	0	0
Senior Center	200,000	200,000	189,652	9,031	198,683
Fire Improvements	1,500,000	1,500,000	131,456	343,008	474,464
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	\$ 8,482,565	\$ 1,687,373	\$ 10,169,938

Current year SPLOST #6 Expenditures	\$ 1,687,373
Debt proceeds expended	1,437,374
Expenditures financed with tranfers from other funds	<u>500,000</u>
Total expenditures and transfers out of the SPLOST #6 Fund	<u>\$ 3,624,747</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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