

BRYAN COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2017

TABLE OF CONTENTS

| | Page |
|---|------|
| FINANCIAL SECTION | |
| Independent Auditor's Report | 4 |
| Management's Discussion and Analysis (Unaudited) | 6 |
| Basic Financial Statements: | |
| Government-wide Financial Statements: | |
| Statement of Net Position | 13 |
| Statement of Activities | 14 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds | 15 |
| Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position | 16 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 17 |
| Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities | 18 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund | 19 |
| Statement of Net Position - Proprietary Funds | 21 |
| Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds | 22 |
| Statement of Cash Flows - Proprietary Funds | 23 |
| Comparative Statement of Fiduciary Assets and Liabilities - Agency Funds | 24 |
| Notes to the Financial Statements | 25 |
| Required Supplementary Information: | |
| Schedule of Changes in the Net Pension Liability and Related Ratios | 51 |
| Schedule of Contributions | 52 |
| Supplementary Information: | |
| Major Governmental Funds: | |
| General Fund: | |
| Comparative Balance Sheets | 53 |
| Comparative Statements of Revenues, Expenditures and Changes in Fund Balance | 54 |

| | |
|--|----|
| SPLOST VI Capital Projects Fund: | |
| Comparative Balance Sheets | 55 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual | 56 |
| Combining, and Individual Fund Statements and Schedules: | |
| Combining Balance Sheet - By Fund Type - Nonmajor Governmental Funds | 57 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds | 58 |
| Non-Major Funds: | |
| Nonmajor Special Revenue Funds: | |
| Combining Balance Sheet | 59 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balances | 61 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Emergency Telephone Fund | 63 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Jail Fund | 64 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Sheriff Forfeiture Fund | 65 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Law Library Fund | 66 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Curbside Solid Waste Fund | 67 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Inmate Telephone Commission Fund | 68 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - NPDES Permit Fees Fund | 69 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Recreation Fund | 70 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Jail Commissary Fund | 71 |
| Schedule of Revenues, Expenditures, and Changes in Fund Budget and Actual - Superior Court General Purpose Fund | 72 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Drug Abuse Treatment and Education Fund | 73 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Juvenile Supplemental Services Fund | 74 |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Fire Protection Fund | 75 |
| Nonmajor Debt Service Funds: | |
| Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Belfast Subdivision Special Service District | 76 |

| | |
|--|----|
| Major Enterprise Funds: | |
| Water and Sewer Enterprise Fund: | |
| Comparative Statement of Net Position | 77 |
| Comparative Statement of Revenues, Expenses, and Changes in Net Position | 78 |
| | |
| Fiduciary Funds - Agency Funds: | |
| Combining Statement of Fiduciary Assets and Liabilities | 79 |
| Combining Statement of Changes in Assets and Liabilities | 80 |
| | |
| Schedule of Projects Paid with Special Purpose Local Option Sales Tax Proceeds | 81 |
| | |
| 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 <i>Government Auditing Standards</i> | 82 |

LANIER, DEAL & PROCTOR

CERTIFIED PUBLIC ACCOUNTANTS
201 SOUTH ZETTEROWER AVENUE
P.O. BOX 505
STATESBORO, GEORGIA 30459
PHONE (912) 489-8756
FAX (912) 489-1243

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
GEORGIA SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

WILLIAM RUSSELL LANIER, CPA
RICHARD N. DEAL, CPA, CGMA
KAY S. PROCTOR, CPA, CFE, CGMA
WILLIAM BLAKE BLOSER, CPA
TIFFANY D. JENKINS, CPA, CGMA
RICHARD N. DEAL II, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Bryan 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 Bryan County, Georgia, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Bryan County Board of Health, a discretely presented component unit, which represents 0.4% of the assets, 0.3% of the net position, and 2.3% of the revenues of Bryan County, Georgia.

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 the Bryan County Board of Health, a discretely presented component unit, which represents 0.4% of the assets, 0.3% of the net position, and 2.3% of the revenues of Bryan County, Georgia. Those financial 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 the Bryan County Board of Health, 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, 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 Bryan County, Georgia, as of December 31, 2017, and, the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 12 and other required supplementary information, as listed in the table of contents, 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 Bryan County, Georgia's basic financial statements. The combining and individual major and nonmajor fund financial statements and schedules and schedule of projects paid with SPLOST proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual major and nonmajor fund financial statements and schedules, and schedule of projects paid with SPLOST proceeds 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 major and nonmajor fund financial statements and schedules, and schedule of projects paid with SPLOST proceeds are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2018, on our consideration of Bryan County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bryan County, Georgia's internal control over financial reporting and compliance.

Lanier, Dahl & Proctor

Statesboro, GA
June 29, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Bryan County, Georgia (the County) annual financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the fiscal year ended December 31, 2017. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. The discussion focuses on the County's primary government and, unless otherwise noted, component units reported separately from the primary government are not included.

Financial Highlights

- The County's assets exceeded its liabilities by \$77,222,894 (net position) for the fiscal year reported.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$55,022,449 includes property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$5,599,912 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position of \$16,600,533 represents the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of \$25,291,291 this year. This compares to the prior year ending fund balance of \$24,879,871 showing an increase of \$411,420 or 2% during the current year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$19,852,063 or 98% of total General Fund expenditures.
- Overall, the County continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by fees, charges for services, grants, and property taxes from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The major governmental activities include general government, judicial, public safety, public works, health and welfare, libraries and recreation, and housing and development. Business-type activities include the water and sewer enterprise fund. The County's fiduciary activities simply hold resources temporarily for others and are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and, additionally, organizations for which the County is accountable (component units). These component units operate independently or provide services directly to the citizens, though the County remains accountable for their activities. These component units are governed by a board of directors that the County Commission has appointed. These organizations, such as the Bryan County Board of Health and the Development Authority of Bryan County, are reported separately from the primary government though included in the County's overall reporting entity.

The government-wide financial statements are presented on pages 13 & 14 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The County has three kinds of funds:

1. *Governmental funds* are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 15 - 20 of this report.

Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

2. *Proprietary funds* are reported in the fund financial statements and generally report services for which the County charges customers a fee. The County's proprietary fund is classified as an enterprise fund. This enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization for water and sewer services.

The basic enterprise fund financial statements are presented on pages 21-23 of this report.

3. *Fiduciary funds* (i.e., the agency funds) are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs.

The basic fiduciary fund financial statement is presented on page 24 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 25 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying note disclosures, this report also presents certain required supplementary information concerning the County's budget presentations. The budgetary comparison statement is included as a basic financial statement for the general fund. Budgetary comparison schedules for all other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget.

As discussed, the County reports major funds and component units in the basic financial statements. Combining and individual statements and schedules for major and non-major funds are presented in this section of this report beginning on page 53.

Financial Analysis of the County as a Whole

The County's net position at fiscal year-end is \$77,222,894. The following table provides a summary of the County's net position:

Summary of Net Position

| | Governmental Activities | | Business-type Activities | | Total | | Percentage of Total | |
|--|-------------------------|---------------------|--------------------------|--------------------|---------------------|---------------------|---------------------|-------------|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Assets: | | | | | | | | |
| Current assets | \$27,599,623 | \$26,957,505 | \$1,364,107 | \$ 850,823 | \$28,963,730 | \$27,808,328 | 32% | 31% |
| Capital assets | 51,058,348 | 51,649,263 | 10,688,919 | 10,353,441 | 61,747,267 | 62,002,704 | 67% | 69% |
| Other noncurrent assets | - | - | 670,718 | 670,718 | 670,718 | 670,718 | 1% | 1% |
| Total assets | 78,657,971 | 78,606,768 | 12,723,744 | 11,874,982 | 91,381,715 | 90,481,750 | 100% | 100% |
| Deferred Outflows of Resources: | | | | | | | | |
| Resources related to pensions | 2,129,695 | 1,951,777 | - | - | 2,129,695 | 1,951,777 | 100% | 100% |
| Liabilities: | | | | | | | | |
| Current liabilities | 1,912,654 | 2,273,505 | 515,897 | 703,132 | 2,428,551 | 2,976,637 | 15% | 19% |
| Long-term liabilities | 9,200,896 | 8,307,552 | 4,388,127 | 4,767,838 | 13,589,023 | 13,075,390 | 85% | 81% |
| Total liabilities | 11,113,550 | 10,581,057 | 4,904,024 | 5,470,970 | 16,017,574 | 16,052,027 | 100% | 100% |
| Deferred Inflows of Resources: | | | | | | | | |
| Resources related to pensions | 270,942 | - | - | - | 270,942 | - | 100% | 100% |
| Net position: | | | | | | | | |
| Net investment in capital assets | 49,101,368 | 49,794,408 | 5,921,081 | 4,981,027 | 55,022,449 | 54,775,435 | 71% | 72% |
| Restricted | 5,299,912 | 5,994,781 | 300,000 | 300,000 | 5,599,912 | 6,294,781 | 7% | 8% |
| Unrestricted | 15,001,894 | 14,188,299 | 1,598,639 | 1,122,985 | 16,600,533 | 15,311,284 | 21% | 20% |
| Total net position | \$69,403,174 | \$69,977,488 | \$7,819,720 | \$6,404,012 | \$77,222,894 | \$76,381,500 | 100% | 100% |

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. For 2017 and 2016, the current ratio was 11.9 and 9.3, respectively.

Note that approximately 71% of the County's net position is invested in capital assets. The County uses these capital assets to provide services to its citizens.

The following table provides a summary of the changes in net position, with comparative data for both 2017 and 2016.

Summary of Changes in Net Position

| | Governmental Activities | | Business-type Activities | | Total | | Percentage of Total | |
|--------------------------------------|----------------------------|--------------|-----------------------------|-------------|--------------|--------------|------------------------|------|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Revenues: | | | | | | | | |
| Program: | | | | | | | | |
| Fees, fines and charges for services | \$ 4,679,551 | \$ 4,699,646 | \$ 978,290 | \$ 806,037 | \$ 5,657,841 | \$ 5,505,683 | 17% | 17% |
| Operating grants and contributions | 626,522 | 788,122 | - | - | 626,522 | 788,122 | 2% | 3% |
| Capital grants and contributions | 490,772 | 432,512 | 1,286,671 | 1,189,285 | 1,777,443 | 1,621,797 | 5% | 5% |
| General: | | | | | | | | |
| Property taxes | 15,137,508 | 14,012,821 | - | - | 15,137,508 | 14,012,821 | 44% | 44% |
| Sales taxes | 8,891,061 | 7,934,509 | - | - | 8,891,061 | 7,934,509 | 26% | 25% |
| Insurance premium tax | 1,113,626 | 1,046,089 | - | - | 1,113,626 | 1,046,089 | 3% | 3% |
| Other taxes | 642,988 | 610,405 | - | - | 642,988 | 610,405 | 2% | 2% |
| Interest | 52,350 | 44,916 | - | - | 52,350 | 44,916 | - | - |
| Gain on sale of capital assets | - | 8,611 | - | - | - | 8,611 | - | - |
| Other | 262,258 | 307,182 | - | - | 262,258 | 307,182 | 1% | 1% |
| Total revenues | 31,896,636 | 29,884,813 | 2,264,961 | 1,995,322 | 34,161,597 | 31,880,135 | 100% | 100% |
| Program Expenses: | | | | | | | | |
| General government | 3,658,930 | 3,499,425 | - | - | 3,658,930 | 3,499,425 | 11% | 11% |
| Public safety | 11,813,772 | 10,499,452 | - | - | 11,813,772 | 10,499,452 | 35% | 34% |
| Judicial | 1,949,519 | 1,817,158 | - | - | 1,949,519 | 1,817,158 | 6% | 6% |
| Public works | 8,335,796 | 7,866,965 | - | - | 8,335,796 | 7,866,965 | 25% | 26% |
| Health and welfare | 1,029,069 | 1,034,968 | - | - | 1,029,069 | 1,034,968 | 3% | 3% |
| Libraries and recreation | 2,545,564 | 2,498,489 | - | - | 2,545,564 | 2,498,489 | 8% | 8% |
| Housing and development | 2,555,372 | 2,492,185 | - | - | 2,555,372 | 2,492,185 | 8% | 8% |
| Interest | 47,329 | 70,501 | - | - | 47,329 | 70,501 | - | - |
| Water and Sewer | - | - | 1,384,852 | 1,197,395 | 1,384,852 | 1,197,395 | 4% | 4% |
| Total expenses | 31,935,351 | 29,779,143 | 1,384,852 | 1,197,395 | 33,320,203 | 30,976,538 | 100% | 100% |
| Excess (deficiency) | (38,715) | 105,670 | 880,109 | 797,927 | 841,394 | 903,597 | | |
| Transfers | (535,599) | (84,793) | 535,599 | 84,793 | - | - | | |
| Change in net position | (574,314) | 20,877 | 1,415,708 | 882,720 | 841,394 | 903,597 | | |
| Beginning net position | 69,977,488 | 69,956,611 | 6,404,012 | 5,521,292 | 76,381,500 | 75,477,903 | | |
| Ending net position | \$69,403,174 | \$69,977,488 | \$7,819,720 | \$6,404,012 | \$77,222,894 | \$76,381,500 | | |

Total revenues increased by \$2,281,462 or 7% from the previous year. Property taxes and sales taxes provided 70% of the County's total revenues. Governmental program revenues cover 18% of governmental operating expenses. Property taxes increased by 8% from the prior year and sales taxes increased by 12%.

Operating grants for governmental activities included \$422,301 in emergency funds received as a result of damages from recent hurricanes.

Total expenses increased by \$2,343,665 or 8% over the previous year. Total expenses for business-type activities increased by \$187,457 or 16% from the prior year. The public safety function comprises 35% of the County's total expenses. Public works costs represent 25% of the total expenses. Of the total \$33,320,203 in County expenses, \$4,477,953 or 13% consists of depreciation.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$25,291,291, compared to \$24,879,871 in 2016. Of this year-end total, \$19,833,485 is unassigned indicating availability for continuing County service requirements.

The total ending fund balances of governmental funds show an increase of \$411,420 or 2% from the prior year. In fiscal year 2016, the total ending fund balances of governmental funds increased by \$1,215,459 or 5%.

Major Governmental Funds

The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$1,071,289 or 6%. In fiscal year 2016, the fund balance increased by \$1,199,059 or 7%.

The General Fund revenues increased by \$1,111,796 or 5%. Taxes increased \$1,255,549 or 8%. Licenses and permits increased \$102,137 or 20%. Intergovernmental revenue decreased \$99,533 or 8%. Fines and forfeitures decreased \$121,752 or 9%.

The General Fund expenditures increased by \$1,327,079 or 7%. General government expenditures decreased \$146,275 or 4%. Public works expenditures increased \$209,950 or 8% primarily because of road projects and costs associated with Hurricane Matthew and Irma. Public safety expenditures increased \$1,033,643 or 15% primarily because of the increase in EMS operating expenditures and the purchase of equipment for EMS.

The General Fund's ending fund balance is considered very adequate, representing the equivalent of 94% of annual expenditures and transfers out.

In the SPLOST VI capital projects fund, the County recognized \$5,663,095 in sales tax revenue. Total SPLOST revenue increased by \$608,007 or 12%. Total expenditures for capital projects and debt service within the SPLOST VI capital projects fund totaled \$6,097,131 for 2017, an increase of \$1,133,513 or 23%.

The SPLOST VI capital projects fund's ending fund balance decreased \$480,073 or 13.5%.

General Fund Budgetary Highlights

Total revenues for the General Fund were \$1,449,236 over the amount budgeted. Total expenditures for the General Fund were \$240,620 under budget. The total favorable variance for 2017 compared to budget was \$2,020,096.

Capital Assets and Debt Administration

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2017, was \$51,058,348 and \$10,688,919 respectively, for a total of \$61,747,267. Net capital assets for governmental activities decreased \$590,915 and net capital assets for business-type activities increased \$335,478 from the prior year. Major capital asset additions during the current fiscal year were as follows:

1. Road projects totaling \$1,023,761
2. Completion of the Henderson Park tennis courts in the amount of \$264,340
3. Purchase of land and construction for fire stations totaling \$636,762
4. Purchase of fire truck and fire equipment totaling \$614,366
5. Purchase of EMS ambulance and other EMS equipment totaling \$372,025

| | Capital Assets | | | | | |
|-----------------------------------|-------------------------|---------------|--------------------------|---------------|---------------|---------------|
| | Governmental Activities | | Business-type Activities | | Total | |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Non-depreciable assets: | | | | | | |
| Land | \$ 1,901,675 | \$ 1,646,776 | \$ 644,151 | \$ 644,151 | \$ 2,545,826 | \$ 2,290,927 |
| Construction in progress | 650,115 | 1,035,047 | - | - | 650,115 | 1,035,047 |
| Total non-depreciable | 2,551,790 | 2,681,823 | 644,151 | 644,151 | 3,195,941 | 3,325,974 |
| Depreciable assets: | | | | | | |
| Buildings | 20,176,210 | 20,094,502 | - | - | 20,176,210 | 20,094,502 |
| Improvements other than buildings | 12,881,236 | 11,887,899 | 12,626,388 | 12,010,712 | 25,507,624 | 23,898,611 |
| Machinery and equipment | 22,261,408 | 20,652,006 | 176,918 | 43,075 | 22,438,326 | 20,695,081 |
| Infrastructure | 93,108,922 | 92,190,339 | - | - | 93,108,922 | 92,190,339 |
| Total depreciable assets | 148,427,776 | 144,824,746 | 12,803,306 | 12,053,787 | 161,231,082 | 156,878,533 |
| Less accumulated depreciation | 99,921,218 | 95,857,306 | 2,758,538 | 2,344,497 | 102,679,756 | 98,201,803 |
| Book value - depreciable assets | 48,506,558 | 48,967,440 | 10,044,768 | 9,709,290 | 58,551,326 | 58,676,730 |
| Percentage depreciated | 67% | 66% | 22% | 19% | 64% | 63% |
| Total book value | \$ 51,058,348 | \$ 51,649,263 | \$ 10,688,919 | \$ 10,353,441 | \$ 61,747,267 | \$ 62,002,704 |

See Note 6 for additional information about changes in capital assets during the fiscal year.

Long-term Debt

The County's governmental activities reported capital leases of \$399,485 and notes payable of \$1,557,495. Total long-term debt for governmental activities increased by \$475,974 or 10% from the prior year primarily from the financing of a new fire truck for \$486,590.

Total long-term debt outstanding for business-type activities decreased by \$604,576 or 11% from the prior year.

| | Outstanding Debt | | | | | |
|---|-------------------------|--------------|--------------------------|--------------|---------------|---------------|
| | Governmental Activities | | Business - type Activity | | Totals | |
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Capital leases | \$ 399,485 | \$ 904,014 | - | - | \$ 399,485 | \$ 904,014 |
| Notes payable | 1,557,495 | 950,841 | - | - | 1,557,495 | 950,841 |
| Bonds payable | - | - | \$ 4,767,838 | \$ 5,372,414 | 4,767,838 | 5,372,414 |
| Accrued landfill post-closure care costs | 275,000 | 300,000 | - | - | 275,000 | 300,000 |
| Net other postemployment benefit obligation | 1,985,746 | 1,775,329 | - | - | 1,985,746 | 1,775,329 |
| Compensated absences | 1,028,471 | 840,039 | - | - | 1,028,471 | 840,039 |
| Total | \$ 5,246,197 | \$ 4,770,223 | \$ 4,767,838 | \$ 5,372,414 | \$ 10,014,035 | \$ 10,142,637 |

See Notes 7, 8, 9, 10, and 11 for additional information about the County's long-term debt.

Economic Factors and Next Year's Budget

The General Fund budget for 2018 reflects a \$2,099,350 increase in operational expenditures or a 10% increase from the 2017 original budget.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Bryan County Board of Commissioners at P.O. Box 430, Pembroke, Georgia, 31321, or at (912) 653-3819.

BRYAN COUNTY, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2017

| | Primary Government | | | Component Units | |
|---|----------------------------|-----------------------------|----------------------|---------------------------------|--|
| | Governmental Activities | Business-type Activities | Total | Bryan County Board of Health | Development Authority of Bryan County |
| ASSETS | | | | | |
| Current Assets: | | | | | |
| Cash | \$ 19,477,107 | \$ 1,345,569 | \$ 20,822,676 | \$ 326,863 | \$ 3,485,825 |
| Certificates of deposit | 4,392,832 | - | 4,392,832 | - | - |
| Receivables: | | | | | |
| Taxes | 1,209,515 | - | 1,209,515 | - | - |
| Intergovernmental | 2,182,507 | - | 2,182,507 | 19,889 | - |
| Notes | - | - | - | - | 16,040 |
| Other | 159,020 | 18,538 | 177,558 | 13,120 | 2,403 |
| Internal balances | - | - | - | - | - |
| Prepaid items | 158,474 | - | 158,474 | - | - |
| Inventories | 20,168 | - | 20,168 | - | - |
| Noncurrent Assets: | | | | | |
| Restricted cash | - | 670,718 | 670,718 | - | 172,004 |
| Notes receivable | - | - | - | - | 147,188 |
| Capital Assets: | | | | | |
| Nondepreciable capital assets | 2,551,790 | 644,151 | 3,195,941 | - | 15,004,829 |
| Depreciable capital assets, net | 48,506,558 | 10,044,768 | 58,551,326 | 11,190 | 2,165,267 |
| Total Assets | 78,657,971 | 12,723,744 | 91,381,715 | 371,062 | 20,993,556 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Resources related to pensions | 2,129,695 | - | 2,129,695 | 156,835 | - |
| LIABILITIES | | | | | |
| Current Liabilities: | | | | | |
| Accounts payable | 1,184,892 | 75,640 | 1,260,532 | 17,298 | 114,402 |
| Accrued interest payable | 4,077 | 37,346 | 41,423 | - | 14,299 |
| Accrued payroll | 282,026 | - | 282,026 | - | - |
| Customer deposits | - | 23,200 | 23,200 | - | - |
| Compensated absences payable | 205,694 | - | 205,694 | 9,423 | - |
| Notes payable | 160,401 | - | 160,401 | - | 763,499 |
| Capital leases payable | 50,564 | - | 50,564 | - | - |
| Bonds payable | - | 379,711 | 379,711 | - | - |
| Landfill post-closure care costs | 25,000 | - | 25,000 | - | - |
| Long-Term Liabilities: | | | | | |
| Compensated absences payable (net of current portion) | 822,777 | - | 822,777 | 37,692 | - |
| Net pension obligation | 4,396,358 | - | 4,396,358 | 659,977 | - |
| Net other postemployment benefit obligation | 1,985,746 | - | 1,985,746 | - | - |
| Notes payable (net of current portion) | 1,397,094 | - | 1,397,094 | - | 8,721,567 |
| Capital leases payable (net of current portion) | 348,921 | - | 348,921 | - | - |
| Bonds payable (net of current portion) | - | 4,388,127 | 4,388,127 | - | - |
| Landfill post-closure care costs (net of current portion) | 250,000 | - | 250,000 | - | - |
| Total Liabilities | 11,113,550 | 4,904,024 | 16,017,574 | 724,390 | 9,613,767 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Resources related to pensions | 270,942 | - | 270,942 | 38,683 | - |
| NET POSITION | | | | | |
| Net investment in capital assets | 49,101,368 | 5,921,081 | 55,022,449 | 11,190 | 7,848,258 |
| Restricted for: | | | | | |
| Capital projects | 3,147,547 | 50,000 | 3,197,547 | - | - |
| Debt service | - | 250,000 | 250,000 | - | - |
| Other purposes | 2,152,365 | - | 2,152,365 | 120,000 | - |
| Unrestricted | 15,001,894 | 1,598,639 | 16,600,533 | (366,366) | 3,531,531 |
| Total Net Position | \$ 69,403,174 | \$ 7,819,720 | \$ 77,222,894 | \$ (235,176) | \$ 11,379,789 |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

| Program/Function | Program Revenues | | | | Net (Expense) Revenue and Changes in Net Position | | | Component Units | |
|---|----------------------|--|---------------------------------------|-------------------------------------|--|-----------------------------|----------------------|---------------------|-----------------------|
| | Expenses | Fees, Fines, and Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Primary Government | | Total | Bryan County | Development Authority |
| | | | | | Governmental Activities | Business-Type Activities | | Board of Health | of Bryan County |
| Primary Government | | | | | | | | | |
| Governmental Activities | | | | | | | | | |
| General government | \$ 3,658,930 | \$ 873,062 | - | - | \$ (2,785,868) | - | \$ (2,785,868) | | |
| Judicial | 1,949,519 | 169,296 | \$ 7,145 | - | (1,773,078) | - | (1,773,078) | | |
| Public safety | 11,813,772 | 2,867,848 | 16,313 | \$ 3,584 | (8,926,027) | - | (8,926,027) | | |
| Public works | 8,335,796 | 6,478 | 422,301 | 487,188 | (7,419,829) | - | (7,419,829) | | |
| Health and welfare | 1,029,069 | 7,367 | 180,763 | - | (840,939) | - | (840,939) | | |
| Libraries and recreation | 2,545,564 | 290,400 | - | - | (2,255,164) | - | (2,255,164) | | |
| Housing and development | 2,555,372 | 465,100 | - | - | (2,090,272) | - | (2,090,272) | | |
| Interest | 47,329 | - | - | - | (47,329) | - | (47,329) | | |
| Total governmental activities | <u>31,935,351</u> | <u>4,679,551</u> | <u>626,522</u> | <u>490,772</u> | <u>(26,138,506)</u> | <u>-</u> | <u>(26,138,506)</u> | | |
| Business-Type Activities | | | | | | | | | |
| Water and Sewer | 1,384,852 | 978,290 | - | 1,286,671 | - | \$ 880,109 | 880,109 | | |
| Total - Primary Government | <u>\$ 33,320,203</u> | <u>\$ 5,657,841</u> | <u>\$ 626,522</u> | <u>\$ 1,777,443</u> | <u>(26,138,506)</u> | <u>880,109</u> | <u>(25,258,397)</u> | | |
| Component Units: | | | | | | | | | |
| Bryan County Board of Health | \$ 732,330 | \$ 265,253 | \$ 371,366 | - | | | \$ (95,711) | | |
| Development Authority of Bryan County | 786,407 | 172,005 | 1,537,650 | \$ 750,000 | | | - | \$ 1,673,248 | |
| Total Component Units | <u>\$ 1,518,737</u> | <u>\$ 437,258</u> | <u>\$ 1,909,016</u> | <u>750,000</u> | | | <u>(95,711)</u> | <u>1,673,248</u> | |
| General Revenues | | | | | | | | | |
| Property taxes levied for: | | | | | | | | | |
| General purposes | | | | | 12,551,995 | - | 12,551,995 | - | - |
| Fire protection | | | | | 1,267,246 | - | 1,267,246 | - | - |
| Solid waste collection | | | | | 1,317,486 | - | 1,317,486 | - | - |
| Debt service for special service districts | | | | | 781 | - | 781 | - | - |
| Sales taxes | | | | | 8,891,061 | - | 8,891,061 | - | - |
| Insurance premium tax | | | | | 1,113,626 | - | 1,113,626 | - | - |
| Other taxes | | | | | 642,988 | - | 642,988 | - | - |
| Interest earned | | | | | 52,350 | - | 52,350 | - | 7,759 |
| Gain on sale of capital assets | | | | | - | - | - | - | 1,509,641 |
| Miscellaneous | | | | | 262,258 | - | 262,258 | 144,017 | - |
| Total General Revenues | | | | | <u>26,099,791</u> | <u>-</u> | <u>26,099,791</u> | <u>144,017</u> | <u>1,517,400</u> |
| Transfers | | | | | (535,599) | 535,599 | - | - | - |
| Total General Revenues and Transfers | | | | | <u>25,564,192</u> | <u>535,599</u> | <u>26,099,791</u> | <u>144,017</u> | <u>1,517,400</u> |
| Change in Net Position | | | | | (574,314) | 1,415,708 | 841,394 | 48,306 | 3,190,648 |
| Net Position Beginning of Year | | | | | <u>69,977,488</u> | <u>6,404,012</u> | <u>76,381,500</u> | <u>(283,482)</u> | <u>8,189,141</u> |
| Net Position End of Year | | | | | <u>\$ 69,403,174</u> | <u>\$ 7,819,720</u> | <u>\$ 77,222,894</u> | <u>\$ (235,176)</u> | <u>\$ 11,379,789</u> |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017

| | General | SPLOST VI | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------|--------------------------------|--------------------------------|
| ASSETS | | | | |
| Cash | \$ 14,308,873 | \$ 2,800,900 | \$ 2,259,915 | \$ 19,369,688 |
| Certificates of deposit | 4,392,832 | - | - | 4,392,832 |
| Receivables: | | | | |
| Taxes | 928,342 | - | 281,173 | 1,209,515 |
| Intergovernmental | 1,155,033 | 1,026,120 | 1,354 | 2,182,507 |
| Other | 37,877 | - | 121,143 | 159,020 |
| Due from other funds | 331,441 | - | - | 331,441 |
| Prepaid items | 119,148 | - | 39,326 | 158,474 |
| Inventories | 20,168 | - | - | 20,168 |
| TOTAL ASSETS | \$ 21,293,714 | \$ 3,827,020 | \$ 2,702,911 | \$ 27,823,645 |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | \$ 402,007 | \$ 619,221 | \$ 163,664 | \$ 1,184,892 |
| Accrued payroll | 282,026 | - | - | 282,026 |
| Due to other funds | - | 135,252 | 190,930 | 326,182 |
| TOTAL LIABILITIES | 684,033 | 754,473 | 354,594 | 1,793,100 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Unavailable revenue - property taxes | 543,302 | - | 195,952 | 739,254 |
| FUND BALANCES | | | | |
| Nonspendable | 139,316 | - | 39,326 | 178,642 |
| Restricted | 75,000 | 3,072,547 | 2,131,617 | 5,279,164 |
| Unassigned | 19,852,063 | - | (18,578) | 19,833,485 |
| TOTAL FUND BALANCES | 20,066,379 | 3,072,547 | 2,152,365 | 25,291,291 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 21,293,714 | \$ 3,827,020 | \$ 2,702,911 | \$ 27,823,645 |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2017

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

| | | |
|---|---------------------|-----------------------------|
| Total Governmental Fund Balances | | \$ 25,291,291 |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds: | | |
| Cost | \$ 150,979,566 | |
| Less accumulated depreciation | <u>(99,921,218)</u> | 51,058,348 |
| Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable in the funds: | | |
| Property taxes | | 739,254 |
| The internal service fund is used by management to charge the costs of the County's employee health reimbursement plan to individual funds. Certain assets and liabilities of the internal service funds are included in the governmental activities column of the statement of net position. | | 102,160 |
| Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net position: | | |
| Interfund receivables | \$ 331,441 | |
| Interfund payables | <u>(331,441)</u> | - |
| Deferred outflows and deferred inflows related to pensions is not reported in the governmental funds | | 1,858,753 |
| The County's net pension obligation is not reported in the governmental funds but is in the statement of net position | | (4,396,358) |
| Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds but are reported on the statement of net position: | | |
| Accrued interest payable | \$ (4,077) | |
| Capital leases payable | (399,485) | |
| Notes payable | (1,557,495) | |
| Landfill postclosure care costs | (275,000) | |
| Net other postemployment benefit obligation | (1,985,746) | |
| Compensated absences | <u>(1,028,471)</u> | <u>(5,250,274)</u> |
| Net Position Of Governmental Activities | | <u><u>\$ 69,403,174</u></u> |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | General | SPLOST VI | Other Governmental Funds | Total Governmental Funds |
|--|----------------------|---------------------|--------------------------------|--------------------------------|
| REVENUES | | | | |
| Taxes | \$ 17,252,688 | \$ 5,663,095 | \$ 2,585,513 | \$ 25,501,296 |
| Licenses and permits | 613,721 | - | 7,180 | 620,901 |
| Charges for services | 1,653,042 | - | 1,043,668 | 2,696,710 |
| Fines and forfeitures | 1,242,439 | - | 119,501 | 1,361,940 |
| Intergovernmental | 1,110,149 | - | 7,145 | 1,117,294 |
| Interest | 48,754 | 2,972 | 502 | 52,228 |
| Other | 250,893 | - | 11,365 | 262,258 |
| Total revenues | <u>22,171,686</u> | <u>5,666,067</u> | <u>3,774,874</u> | <u>31,612,627</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | 3,173,704 | - | - | 3,173,704 |
| Judicial | 1,868,609 | - | 19,977 | 1,888,586 |
| Public safety | 8,000,176 | - | 2,922,048 | 10,922,224 |
| Public works | 2,837,211 | - | 1,449,611 | 4,286,822 |
| Health and welfare | 1,060,093 | - | - | 1,060,093 |
| Libraries and recreation | 1,661,122 | - | 284,893 | 1,946,015 |
| Housing and development | 1,596,656 | - | - | 1,596,656 |
| Capital outlay | - | 3,277,786 | 133,169 | 3,410,955 |
| Intergovernmental | - | 2,436,829 | - | 2,436,829 |
| Debt service: | | | | |
| Principal | 90,656 | 365,525 | 163,817 | 619,998 |
| Interest | 28,047 | 16,991 | 811 | 45,849 |
| Total expenditures | <u>20,316,274</u> | <u>6,097,131</u> | <u>4,974,326</u> | <u>31,387,731</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>1,855,412</u> | <u>(431,064)</u> | <u>(1,199,452)</u> | <u>224,896</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Proceeds from notes payable | 235,533 | 486,590 | - | 722,123 |
| Transfers in | - | - | 1,019,656 | 1,019,656 |
| Transfers out | (1,019,656) | (535,599) | - | (1,555,255) |
| Total other financing sources (uses) | <u>(784,123)</u> | <u>(49,009)</u> | <u>1,019,656</u> | <u>186,524</u> |
| NET CHANGE IN FUND BALANCES | 1,071,289 | (480,073) | (179,796) | 411,420 |
| FUND BALANCES, JANUARY 1, 2017 | <u>18,995,090</u> | <u>3,552,620</u> | <u>2,332,161</u> | <u>24,879,871</u> |
| FUND BALANCES, DECEMBER 31, 2017 | <u>\$ 20,066,379</u> | <u>\$ 3,072,547</u> | <u>\$ 2,152,365</u> | <u>\$ 25,291,291</u> |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

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

| | | |
|---|----------------------|---------------------|
| Net Changes In Fund Balances - Total Governmental Funds | | \$ 411,420 |
| <p>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 as depreciation expense. This is the amount by which depreciation expense exceeded capitalized capital outlay in the current period.</p> | | |
| | Depreciation expense | \$ (4,063,912) |
| | Capital outlay | <u>3,472,997</u> |
| | | (590,915) |
| <p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.</p> | | |
| | Property taxes: | |
| | Deferred @ 12/31/17 | \$ 739,254 |
| | Deferred @ 12/31/16 | <u>(455,366)</u> |
| | | 283,888 |
| <p>Elimination of transfers between governmental funds:</p> | | |
| | Transfers in | \$ 1,019,656 |
| | Transfers out | <u>(1,019,656)</u> |
| | | - |
| <p>Governmental funds do not report the cost of disposed capital assets but the cost is reported on the statement of activities.</p> | | |
| | | - |
| <p>The internal service fund used by management to charge the costs of the employee health reimbursement plan to individual funds is not reported in the government-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated.</p> | | |
| | | (28,427) |
| <p>Other financing sources for proceeds from capital leases and notes payable are reported on the fund level operating statement but are reported as a liability on the government-wide financial statements.</p> | | |
| | | (722,123) |
| <p>The change in the net pension obligation and pension related deferred outflows and deferred inflows is reported on the government-wide statement of activities but not in the governmental funds.</p> | | |
| | | (172,826) |
| <p>Repayment of bonds, notes and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.</p> | | |
| | | 619,998 |
| <p>Some expenses reported in the statement of activities, such as compensated absences, accrued interest payable, landfill post-closure care costs, and other postemployment benefit obligation costs do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p> | | |
| | | <u>(375,329)</u> |
| Change In Net Position of Governmental Activities | | <u>\$ (574,314)</u> |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|---------------------------------|--------------------|-------------------|-------------------|------------------------------------|
| REVENUES | | | | |
| Taxes: | | | | |
| Property | \$ 11,879,500 | \$ 11,879,500 | \$ 12,268,108 | \$ 388,608 |
| Local option sales tax | 3,200,000 | 3,200,000 | 3,227,966 | 27,966 |
| Insurance premium tax | 970,000 | 970,000 | 1,113,626 | 143,626 |
| Alcoholic beverage | 190,000 | 190,000 | 195,219 | 5,219 |
| Other | 375,200 | 375,200 | 447,769 | 72,569 |
| Licenses and permits | 495,400 | 495,400 | 613,721 | 118,321 |
| Charges for services | 1,606,050 | 1,606,050 | 1,653,042 | 46,992 |
| Fines and forfeitures | 1,202,200 | 1,202,200 | 1,242,439 | 40,239 |
| Intergovernmental | 539,500 | 539,500 | 1,110,149 | 570,649 |
| Interest | 26,000 | 26,000 | 48,754 | 22,754 |
| Other | 238,600 | 238,600 | 250,893 | 12,293 |
| Total revenues | 20,722,450 | 20,722,450 | 22,171,686 | 1,449,236 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government: | | | | |
| County government | 1,473,400 | 1,483,775 | 1,455,557 | 28,218 |
| Tax commissioner | 649,680 | 654,594 | 654,221 | 373 |
| Elections | 284,600 | 286,784 | 248,997 | 37,787 |
| County buildings maintenance | 246,780 | 249,510 | 223,538 | 25,972 |
| Tax assessor | 529,345 | 592,713 | 591,391 | 1,322 |
| Total general government | 3,183,805 | 3,267,376 | 3,173,704 | 93,672 |
| Judicial: | | | | |
| Superior Court | 371,730 | 371,730 | 308,337 | 63,393 |
| State Court | 428,440 | 436,398 | 429,426 | 6,972 |
| Clerk of Courts | 564,700 | 570,161 | 538,523 | 31,638 |
| Probate Court | 240,200 | 280,030 | 280,912 | (882) |
| Magistrate Court | 126,300 | 127,119 | 116,458 | 10,661 |
| Juvenile Court | 82,300 | 181,300 | 181,146 | 154 |
| Juvenile Justice | 24,500 | 24,500 | 13,807 | 10,693 |
| Total judicial | 1,838,170 | 1,991,238 | 1,868,609 | 122,629 |
| Public safety: | | | | |
| Sheriff | 4,594,200 | 4,780,425 | 4,776,420 | 4,005 |
| Emergency medical service | 2,528,160 | 2,548,912 | 2,832,902 | (283,990) |
| Coroner | 33,400 | 34,493 | 31,926 | 2,567 |
| Emergency management | 140,550 | 158,050 | 147,901 | 10,149 |
| Animal control | 243,780 | 246,237 | 211,027 | 35,210 |
| Total public safety | 7,540,090 | 7,768,117 | 8,000,176 | (232,059) |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) |
|--|--------------------|---------------------|----------------------|------------------------------------|
| EXPENDITURES (Continued) | | | | |
| Public works: | | | | |
| Roads | \$ 2,032,990 | \$ 2,374,315 | \$ 2,523,061 | \$ (148,746) |
| Maintenance shop | 250,400 | 261,730 | 280,344 | (18,614) |
| Solid waste | 35,000 | 35,000 | 33,806 | 1,194 |
| Total public works | <u>2,318,390</u> | <u>2,671,045</u> | <u>2,837,211</u> | <u>(166,166)</u> |
| Health and welfare: | | | | |
| Health department | 191,950 | 192,550 | 190,378 | 2,172 |
| Family connections | 186,150 | 187,788 | 161,982 | 25,806 |
| Family and children services | 36,350 | 36,350 | 29,608 | 6,742 |
| Aging services | 18,500 | 21,500 | 21,423 | 77 |
| Senior citizens program | 591,900 | 595,995 | 531,768 | 64,227 |
| Summer lunch program | 117,550 | 117,550 | 84,538 | 33,012 |
| Mosquito control | 69,000 | 69,000 | 40,396 | 28,604 |
| Total health and welfare | <u>1,211,400</u> | <u>1,220,733</u> | <u>1,060,093</u> | <u>160,640</u> |
| Libraries and recreation: | | | | |
| Recreation | 1,442,325 | 1,450,790 | 1,308,572 | 142,218 |
| Libraries | 350,000 | 352,600 | 352,550 | 50 |
| Total libraries and recreation | <u>1,792,325</u> | <u>1,803,390</u> | <u>1,661,122</u> | <u>142,268</u> |
| Housing and development: | | | | |
| Extension service | 121,400 | 121,400 | 115,649 | 5,751 |
| Forestry commission | 52,000 | 52,546 | 46,498 | 6,048 |
| Planning and zoning | 573,650 | 576,926 | 520,544 | 56,382 |
| Engineering and inspections | 322,950 | 335,134 | 334,936 | 198 |
| Economic development | 577,650 | 580,889 | 579,029 | 1,860 |
| Total housing and development | <u>1,647,650</u> | <u>1,666,895</u> | <u>1,596,656</u> | <u>70,239</u> |
| Debt service: | | | | |
| Principal | 107,700 | 107,700 | 90,656 | 17,044 |
| Interest | 60,400 | 60,400 | 28,047 | 32,353 |
| Total debt service | <u>168,100</u> | <u>168,100</u> | <u>118,703</u> | <u>49,397</u> |
| Total expenditures | <u>19,699,930</u> | <u>20,556,894</u> | <u>20,316,274</u> | <u>240,620</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>1,022,520</u> | <u>165,556</u> | <u>1,855,412</u> | <u>1,689,856</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sale of capital assets | 1,000 | 1,000 | - | (1,000) |
| Proceeds from capital leases | - | - | 235,533 | 235,533 |
| Transfers in | - | - | - | - |
| Transfers out | <u>(1,023,520)</u> | <u>(1,115,363)</u> | <u>(1,019,656)</u> | <u>95,707</u> |
| Total other financing sources (uses) | <u>(1,022,520)</u> | <u>(1,114,363)</u> | <u>(784,123)</u> | <u>330,240</u> |
| NET CHANGE IN FUND BALANCE | <u>\$ -</u> | <u>\$ (948,807)</u> | <u>1,071,289</u> | <u>\$ 2,020,096</u> |
| FUND BALANCE, BEGINNING OF YEAR | | | <u>18,995,090</u> | |
| FUND BALANCE, END OF YEAR | | | <u>\$ 20,066,379</u> | |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2017

| | Business Type Activities - Enterprise - Fund Water and Sewer Fund | Governmental Activities - Internal Service Fund Employee Health Reimbursement Fund |
|--------------------------------------|---|---|
| ASSETS | | |
| Current Assets | | |
| Cash | \$ 1,345,569 | \$ 107,419 |
| Accounts receivable | 18,538 | - |
| Total Current Assets | <u>1,364,107</u> | <u>107,419</u> |
| Noncurrent Assets | | |
| Restricted cash | <u>670,718</u> | - |
| Capital Assets | | |
| Land | 644,151 | - |
| Water and sewer system | 12,626,388 | - |
| Equipment | 176,918 | - |
| Less accumulated depreciation | (2,758,538) | - |
| Total Capital Assets | <u>10,688,919</u> | - |
| Total Noncurrent Assets | <u>11,359,637</u> | - |
| Total Assets | <u>12,723,744</u> | <u>107,419</u> |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts payable | 75,640 | - |
| Accrued interest payable | 37,346 | - |
| Customer deposits | 23,200 | - |
| Current portion of bonds payable | 379,711 | - |
| Due to other funds | - | 5,259 |
| Total Current Liabilities | <u>515,897</u> | <u>5,259</u> |
| Long Term Liabilities | | |
| Bonds payable, less current portion | <u>4,388,127</u> | - |
| Total Liabilities | <u>4,904,024</u> | <u>5,259</u> |
| NET POSITION | | |
| Net investment in capital assets | 5,921,081 | - |
| Restricted for debt service | 250,000 | - |
| Restricted for renewal and extension | 50,000 | - |
| Unrestricted | 1,598,639 | 102,160 |
| Total Net Position | <u>\$ 7,819,720</u> | <u>\$ 102,160</u> |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Business Type Activities - Enterprise Fund <u>Water and Sewer Fund</u> | Governmental Activities - Internal Service Fund <u>Employee Health Reimbursement Fund</u> |
|---|---|--|
| OPERATING REVENUES | | |
| Water and sewer sales | \$ 784,290 | - |
| Tap and connection fees | 194,000 | - |
| Total operating revenues | <u>978,290</u> | <u>-</u> |
| OPERATING EXPENSES | | |
| Depreciation | 414,041 | - |
| Personnel services | 48,328 | - |
| Purchased services | 586,937 | - |
| Materials and supplies | 182,122 | - |
| Claims | - | \$ 28,549 |
| Total operating expenses | <u>1,231,428</u> | <u>28,549</u> |
| OPERATING INCOME (LOSS) | <u>(253,138)</u> | <u>(28,549)</u> |
| NONOPERATING REVENUE (EXPENSE) | | |
| Interest income | - | 122 |
| Interest expense | (153,424) | - |
| Total nonoperating revenue (expense) | <u>(153,424)</u> | <u>122</u> |
| INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS | (406,562) | (28,427) |
| Capital contributions/Cost recovery fees | 1,286,671 | - |
| Transfers in | 535,599 | - |
| CHANGE IN NET POSITION | 1,415,708 | (28,427) |
| NET POSITION, JANUARY 1, 2017 | <u>6,404,012</u> | <u>130,587</u> |
| NET POSITION, DECEMBER 31, 2017 | <u>\$ 7,819,720</u> | <u>\$ 102,160</u> |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Business Type Activities - Enterprise Fund | Governmental Activities - Internal Service Fund |
|--|--|---|
| | Water and Sewer Fund | Employee Health Reimbursement Fund |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Cash received from customers and others | \$ 1,018,036 | - |
| Cash payments to employees for salaries and benefits | (48,328) | - |
| Cash payments for goods and services | (746,785) | - |
| Cash payments for claims | - | \$ (28,549) |
| Net cash provided (used) by operating activities | <u>222,923</u> | <u>(28,549)</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Transfers in | 535,599 | - |
| Advances from (to) general fund | - | - |
| Capital contributions/Cost recovery fees | 1,286,671 | - |
| Interest paid | (157,268) | - |
| Acquisition and construction of capital assets | (749,519) | - |
| Payments on bonds payable | (604,576) | - |
| Net cash provided by capital and related financing activities | <u>310,907</u> | <u>-</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest received | - | 122 |
| NET INCREASE (DECREASE) IN CASH | 533,830 | (28,427) |
| CASH, JANUARY 1, 2017 | <u>1,482,457</u> | <u>135,846</u> |
| CASH, DECEMBER 31, 2017 | <u>\$ 2,016,287</u> | <u>\$ 107,419</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | | |
| Operating income (loss) | \$ (253,138) | \$ (28,549) |
| Adjustments: | | |
| Depreciation | 414,041 | - |
| (Increase) decrease in accounts receivable | 20,546 | - |
| Increase (decrease) in customer deposits | 19,200 | - |
| Increase (decrease) in accounts payable | 22,274 | - |
| Net cash provided (used) by operating activities | <u>\$ 222,923</u> | <u>\$ (28,549)</u> |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
COMPARATIVE STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2017 AND 2016

| | <u>2017</u> | <u>2016</u> |
|---------------------------------------|----------------------------|----------------------------|
| ASSETS | | |
| Cash | <u>\$ 2,091,345</u> | <u>\$ 1,910,058</u> |
| TOTAL ASSETS | <u><u>\$ 2,091,345</u></u> | <u><u>\$ 1,910,058</u></u> |
| LIABILITIES | | |
| Due to other entities and individuals | <u>\$ 2,091,345</u> | <u>\$ 1,910,058</u> |
| TOTAL LIABILITIES | <u><u>\$ 2,091,345</u></u> | <u><u>\$ 1,910,058</u></u> |

See accompanying notes to the basic financial statements.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

Bryan County, Georgia (the “County”) operates under a Commissioner – County Administrator form of Government. The County is governed by a board of six commissioners elected by the voters of the County.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise funds at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

The most significant of the County’s accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization’s governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization’s resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes, or issues their debt.

The component unit columns included on the government-wide financial statements identify the financial data of the County’s discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

A brief description of the County’s discretely presented component units follows:

Development Authority of Bryan County (the Authority) – The Development Authority of Bryan County was created on July 12, 2005 to promote industry, trade, and economic growth in the County. The County appoints the members of the authority’s board and assists with its funding. The Bryan County-Pembroke Development Authority and Coastal Bryan Development Authority were dissolved as of July 12, 2005 and their net position was transferred to the newly created Development Authority of Bryan County. Complete financial statements for the Authority can be obtained at the Authority’s administrative office at:

Development Authority of Bryan County
116 Lanier Street
Pembroke, Georgia

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bryan County Board of Health (Health Department) – The Health Department provides health care services and health education to residents of Bryan County. The Health Department receives financial support from Bryan County, Georgia, the State of Georgia and the Federal Government. The County Commission appoints a majority of the Board of Directors. The Health Department issued separately audited financial statements with a fiscal year ended June 30, 2017. Copies of these financial statements may be obtained from their administrative office at:

Bryan County Board of Health
430 Ledford Street
Pembroke, Georgia

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements – The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Fiduciary activities are not included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes, grants and the County's general revenues, from business-type activities, generally financed in whole or part with service charges to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the County and its discretely presented component units at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements – During the year, the county segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

Major individual governmental funds are reported in separate columns with composite columns for non-major funds. Fiduciary funds are reported by type.

Fund Accounting – The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County only uses three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

SPLOST VI Capital Projects Fund – This fund accounts for the special purpose local option sales tax collected pursuant to a referendum for various capital improvements within the County.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary funds are classified as enterprise funds and internal service funds. The following are the County's proprietary funds:

Water and Sewer Fund – This fund accounts for the activities associated with the operation of the water and sewer system at the County's industrial development park and for water and sewer systems in South Bryan County.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Health Reimbursement Fund – This internal service fund accounts for the County’s employee health reimbursement plan.

Fiduciary Funds – The County’s fiduciary funds are agency funds. These agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Constitutional officers use these funds to temporarily hold assets.

1-C. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements – All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

Revenue – Non-exchange Transactions – Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

Cash, Cash Equivalents, and Investments

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

Investments are stated at fair value based on quoted market prices.

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the United States Government or United States Government agency
- Obligations of any corporation of the United States Government
- Prime bankers’ acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “due from/to other funds.” These amounts are eliminated in the governmental and business-type activities columns on the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances on this statement. These amounts are ultimately eliminated from the total column on the statement of net position.

Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

Restricted Assets

Restricted cash represents amounts restricted for debt service, renewal and extension, and construction required by the refunding revenue bonds within the water and sewer enterprise fund.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the County fund financial statements. Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide statement of net position and in proprietary funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County's infrastructure consists of roads and bridges. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by enterprise funds is capitalized.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County’s historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

| <u>Description</u> | <u>Estimated Lives</u> |
|-----------------------------------|------------------------|
| Buildings | 15-40 years |
| Improvements other than buildings | 15-40 years |
| Machinery and equipment | 5-15 years |
| Infrastructure | 15-50 years |

At the inception of capital leases at the governmental fund reporting level, expenditures and an “other financing source” of an equal amount are reported at the net present value of future minimum lease payments.

Compensated Absences

Personal leave benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only “*when due.*”

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Bonds, notes payable, and capital leases are recognized as a liability in the governmental fund financial statements when due.

Debt Premiums, Discounts and Issuance Costs

On the government-wide statement of net position and the proprietary fund type statements of net position, debt premiums and discounts are netted against the debt payable. On the government-wide and proprietary fund type statement of activities, debt premiums and discounts are amortized over the life of the debt using the effective interest method and debt issuance costs are expensed in the current period.

At the governmental fund reporting level, debt premiums and discounts are reported as other financing sources and uses, separately from the face amount of the debt issued. Debt issuance costs are reported as debt service expenditures.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 only has one item that qualifies for reporting in this category. It is resources related to pensions reported at the government-wide level for governmental activities.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has an item, which 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. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The County also has deferred inflows of resources related to its pension plan reported at the government-wide level for governmental activities.

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e. items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed– Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution. Only the Board of Commissioners also may modify or rescind the commitment.

Assigned– Fund balances are reported as assigned when amounts are constrained by the Board of Commissioners’ intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County Administrator or Finance Director to assign fund balances.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Unassigned– Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

The County’s policy is to maintain an adequate general fund unassigned fund balance to provide liquidity in the event of an economic downturn or natural disaster. Through resolution, the Board of Commissioners has adopted a financial standard to maintain an average general fund minimum unassigned fund balance equivalent to 25% of annual budgeted expenditures.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County’s policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Net Position – Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water and sewer. Operating expenses are necessary costs incurred to provide the goods or service that are the primary activity of each fund and include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the nonoperating revenues/expenses section in proprietary funds. Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated. Transfers between governmental and business-type activities are eliminated from the total column.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The County adopts an annual operating budget for the general fund, each special revenue fund, debt service fund and capital projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. The County Administrator may approve budget transfers within departments. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

During the year, the Board of Commissioners approved budget revisions.

All unexpended annual appropriations lapse at year-end.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations for the year ended December 31, 2017 in the following departments for the general fund:

| | <u>General Fund</u> |
|---------------------------|---------------------|
| Current: | |
| Probate Court | \$ 882 |
| Emergency medical service | 283,990 |
| Roads | 148,746 |
| Maintenance shop | 18,614 |

The overexpenditures in these areas were funded by under expenditures in other departments.

Expenditures exceeded appropriations in the following funds and these overexpenditures were funded by additional revenues over amounts budgeted and/or by available fund balance.

| | <u>Overexpenditures</u> |
|--|-------------------------|
| Special Revenue Funds: | |
| Sheriff Forfeiture Fund | \$ 24,648 |
| Superior Court General Purpose | 8,751 |
| Debt Service Fund: | |
| Belfast Subdivision Special Service District | 66 |

NOTE 3 – DEPOSITS

Custodial credit risk is the risk that, in the event of a bank failure, the County’s deposits may not be returned to it. The County has a policy to reduce its exposure to this risk by requiring deposits to be collateralized in accordance with State law.

At December 31, 2017, the carrying amount of the County’s deposits (checking and certificates of deposit) was \$27,977,571 and the bank balance was \$28,667,339. Of the bank balance, \$1,502,189 was covered by federal depository insurance and \$27,165,150 was collateralized with securities held by the pledging financial institution’s trust department or agent in the County’s name.

Discretely Presented Component Units

At December 31, 2017, the carrying amount of deposits for the Development Authority of Bryan County was \$3,657,829 and the bank balance was \$3,722,292. Of the bank balance, \$744,520 was covered by federal depository insurance and \$2,977,772 was collateralized with securities held by the pledging financial institution’s trust department or agent in the Authority’s name.

At June 30, 2017, the carrying amount of the Bryan County Board of Health’s bank deposits was \$326,663 and the bank balance was \$327,926. The Board of Health did not have any balances exposed to custodial credit risk as uninsured and uncollateralized.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 4 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2017, is as follows:

| <u>Receivable Fund</u> | <u>Payable Fund</u> | <u>Amount</u> |
|------------------------|-------------------------------|-------------------|
| General | Fire Protection | \$ 59,188 |
| | Emergency Telephone | 131,742 |
| | Employee Health Reimbursement | 5,259 |
| | SPLOST VI | 135,252 |
| | | <u>\$ 331,441</u> |

Interfund balances at December 31, 2017 represent reimbursable expenses and temporary loans. The County expects to repay all interfund balances within one year.

Interfund transfers for the year ended December 31, 2017 consisted of \$718,451 in transfers from the general fund to the Emergency Telephone special revenue fund to help fund its deficit. The general fund also transferred \$300,306 to help fund the operating deficit for the Fire Protection special revenue fund. The general fund also transferred \$899 to help fund the operating deficit for the Belfast Subdivision Special Service District debt fund. The SPLOST VI capital projects fund transferred \$535,599 to the water and sewer enterprise fund for construction costs.

NOTE 5 – PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are billed on or about October 20th of each year and are payable within sixty days. The County bills and collects its own property taxes and also collects property taxes for the Bryan County Board of Education, the Cities of Pembroke and Richmond Hill, and the State of Georgia. Collection of the County’s taxes and for the other government agencies is the responsibility of the Tax Commissioner’s Office, which is accounted for in an Agency Fund.

County property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days). For 2017, property taxes were levied on August 25, 2017 and were due November 15, 2017.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017 was as follows:

| | Balance 1/1/17 | Additions | Deductions | Balance 12/31/2017 |
|---|----------------------|-------------------|-------------------|-----------------------|
| Governmental Activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 1,646,776 | \$ 254,899 | - | \$ 1,901,675 |
| Construction in progress | 1,035,047 | 601,615 | \$ 986,547 | 650,115 |
| Total capital assets not being depreciated | <u>2,681,823</u> | <u>856,514</u> | <u>986,547</u> | <u>2,551,790</u> |
| Capital assets being depreciated: | | | | |
| Buildings | 20,094,502 | 81,708 | - | 20,176,210 |
| Improvements other than buildings | 11,887,899 | 993,337 | - | 12,881,236 |
| Machinery and equipment | 20,652,006 | 1,609,402 | - | 22,261,408 |
| Infrastructure | 92,190,339 | 918,583 | - | 93,108,922 |
| Total capital assets being depreciated | <u>144,824,746</u> | <u>3,603,030</u> | <u>-</u> | <u>148,427,776</u> |
| Total capital assets | <u>147,506,569</u> | <u>4,459,544</u> | <u>986,547</u> | <u>150,979,566</u> |
| Accumulated depreciation: | | | | |
| Buildings | 8,199,355 | 462,482 | - | 8,661,837 |
| Improvements other than buildings | 4,133,181 | 507,506 | - | 4,640,687 |
| Machinery and equipment | 17,160,493 | 1,019,426 | - | 18,179,919 |
| Infrastructure | 66,364,277 | 2,074,498 | - | 68,438,775 |
| Total accumulated depreciation | <u>95,857,306</u> | <u>4,063,912</u> | <u>-</u> | <u>99,921,218</u> |
| Governmental activities capital assets, net | <u>\$ 51,649,263</u> | <u>\$ 395,632</u> | <u>\$ 986,547</u> | <u>\$ 51,058,348</u> |

Governmental activities depreciation expense:

| | |
|--|---------------------|
| General government | \$ 274,441 |
| Judicial | 444 |
| Public safety | 872,806 |
| Public works | 2,266,968 |
| Health and welfare | 49,915 |
| Libraries and recreation | 577,965 |
| Housing and development | 21,373 |
| Total governmental activities depreciation expense | <u>\$ 4,063,912</u> |

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 6 – CAPITAL ASSETS (Continued)

Capital asset activity for the year ended December 31, 2017 for the County’s enterprise fund was as follows:

| | Balance 1/1/2017 | Additions | Deductions | Balance 12/31/2017 |
|--|---------------------|------------|------------|-----------------------|
| Business-type activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 644,151 | - | \$ - | \$ 644,151 |
| Total capital assets not being depreciated | 644,151 | - | - | 644,151 |
| Capital assets being depreciated: | | | | |
| Water and sewer system | 12,010,712 | \$ 615,676 | - | 12,626,388 |
| Machinery and equipment | 43,075 | 133,843 | - | 176,918 |
| Total capital assets being depreciated | 12,053,787 | 749,519 | - | 12,803,306 |
| Total capital assets | 12,697,938 | 749,519 | - | 13,447,457 |
| Accumulated depreciation: | | | | |
| Water and sewer system | 2,333,508 | 402,544 | - | 2,736,052 |
| Machinery and equipment | 10,989 | 11,497 | - | 22,486 |
| Total accumulated depreciation | 2,344,497 | 414,041 | - | 2,758,538 |
| Business-type activities capital assets, net | \$ 10,353,441 | \$ 335,478 | \$ - | \$ 10,688,919 |

Capital asset activity for the year ended December 31, 2017 for the County’s component units was as follows:

| | Balance 1/1/17 | Additions | Deductions | Balance 12/31/17 |
|--|-------------------|------------|------------|---------------------|
| Component units: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 9,843,707 | - | \$ 348,668 | \$ 9,495,039 |
| Industrial park improvements | 5,687,097 | \$ 223,370 | 400,677 | 5,509,790 |
| Total capital assets not being depreciated | 15,530,804 | 223,370 | 749,345 | 15,004,829 |
| Other capital assets being depreciated: | | | | |
| Buildings | 1,494,904 | 752,321 | - | 2,247,225 |
| Improvements other than buildings | 339,068 | - | - | 339,068 |
| Machinery and equipment | 86,936 | 67,052 | 33,971 | 120,017 |
| Total other capital assets being depreciated | 1,920,908 | 819,373 | 33,971 | 2,706,310 |
| Total capital assets | 17,451,712 | 1,042,743 | 783,316 | 17,711,139 |
| Accumulated depreciation: | | | | |
| Buildings | 199,659 | 59,796 | - | 259,455 |
| Machinery and equipment | 80,110 | 17,597 | 33,971 | 63,736 |
| Improvements other than buildings | 190,591 | 16,071 | - | 206,662 |
| Total accumulated depreciation | 470,360 | 93,464 | 33,971 | 529,853 |
| Component units capital assets, net | \$ 16,981,352 | \$ 949,279 | \$ 749,345 | \$ 17,181,286 |

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 7 – ACCRUED LANDFILL POSTCLOSURE CARE COSTS

State and federal laws and regulations required the County to place a final cover on its two closed landfill sites and to perform certain maintenance and monitoring functions at the sites for five to thirty years after closure. The County reports a liability for these postclosure care costs in its government-wide statement of net position. The accrued landfill postclosure care costs at December 31, 2017, are based on what it would cost to perform all postclosure care in 2017. Actual costs may be higher due to inflation, unexpected mitigation requirements, changes in technology, or changes in regulations.

NOTE 8 – NOTES PAYABLE

Notes payable at December 31, 2017 consisted of the following:

Governmental activities:

\$235,533 Note payable to Zoll Corporation for the financing of cardiac monitors for the various buildings through the county, payable in monthly installments of \$3,926 at 0% interest through June 24, 2022. \$ 211,977

\$486,590 Note payable to South State Bank for the financing of a fire truck, payable in quarterly installments of \$13,858 including interest at 2.57% through July 20, 2027. 475,893

\$1,142,000 Note payable to Ameris Bank for the refinancing of the Bryan County Department of Family and Children Services building, secured by real estate, payable in 180 monthly installments of \$7,960 including interest at 3.09% through September 20, 2028. 869,625

\$ 1,557,495

As of December 31, 2017, annual debt service requirements to maturity for notes payable are as follows:

| Year ending December 31 | Governmental Activities | | |
|----------------------------|-------------------------|-------------------|---------------------|
| | Principal | Interest | Total |
| 2018 | \$ 160,401 | \$ 37,670 | \$ 198,071 |
| 2019 | 163,719 | 34,352 | 198,071 |
| 2020 | 167,135 | 30,936 | 198,071 |
| 2021 | 170,652 | 27,419 | 198,071 |
| 2022 | 150,689 | 23,798 | 174,487 |
| 2023-2027 | 679,171 | 60,832 | 740,003 |
| 2028 | 65,728 | 277 | 66,005 |
| | <u>\$ 1,557,495</u> | <u>\$ 215,284</u> | <u>\$ 1,772,779</u> |

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 9 – CAPITAL LEASES

The County has entered into lease agreements as lessee for the acquisition of various equipment costing \$586,300. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception. Amortization of the cost of these capital assets is included in depreciation expense in the government-wide financial statements and accumulated depreciation was \$253,589 at December 31, 2017.

The following is a schedule of future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at December 31, 2017:

| <u>Year ending December 31</u> | |
|--|--------------------------|
| 2018 | \$ 58,628 |
| 2019 | 255,875 |
| 2020 | <u>102,110</u> |
| Total minimum lease payments | 416,613 |
| Less amount representing interest | <u>17,128</u> |
| Present value of future minimum lease payments | <u><u>\$ 399,485</u></u> |

NOTE 10– BONDS PAYABLE

In September 2013, the County issued \$7,532,000 in refunding revenue bonds to pay off outstanding Water and Sewer Fund note obligations. Bonds were issued in three series. Series 2013A bonds were issued for \$1,749,000 with an interest rate of 3.0 percent and a maturity date of July 1, 2028. Series 2013B bonds were issued for \$1,233,000 with an interest rate of 1.59 percent and matured July 1, 2017. Series 2013C bonds were issued for \$4,550,000 with an interest rate of 3.09 percent and a maturity date of July 1, 2028. The bonds require quarterly principal and interest payments from the Water and Sewer Fund as follows:

| | |
|--------------------------|--------------------------|
| Series 2013A | \$ 36,175 |
| Series 2013C | 94,694 |
| Total quarterly payments | <u><u>\$ 130,869</u></u> |

As of December 31, 2017, debt service requirements to maturity are as follows:

| <u>Year ending December 31</u> | <u>Business-Type Activities</u> | | |
|------------------------------------|---------------------------------|--------------------------|----------------------------|
| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
| 2018 | \$ 379,711 | \$ 143,765 | \$ 523,476 |
| 2019 | 391,649 | 131,827 | 523,476 |
| 2020 | 403,625 | 119,851 | 523,476 |
| 2021 | 416,652 | 106,824 | 523,476 |
| 2022 | 429,751 | 93,725 | 523,476 |
| 2023-2027 | 2,359,920 | 257,461 | 2,617,381 |
| 2028 | 386,530 | 6,078 | 392,608 |
| | <u><u>\$ 4,767,838</u></u> | <u><u>\$ 859,531</u></u> | <u><u>\$ 5,627,369</u></u> |

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 11 – CHANGES IN LONG-TERM DEBT

| | Balance January 1, 2017 | Additions | Reductions | Balance December 31, 2017 | Amounts Due In One Year |
|---|-------------------------------|---------------------|-------------------|---------------------------------|-------------------------------|
| Governmental Activities: | | | | | |
| Compensated absences payable | \$ 840,039 | \$ 199,983 | \$ 11,551 | \$ 1,028,471 | \$ 205,694 |
| Accrued landfill postclosure care costs | 300,000 | - | 25,000 | 275,000 | 25,000 |
| Capital leases payable | 904,014 | - | 504,529 | 399,485 | 50,564 |
| Notes payable | 950,841 | 722,123 | 115,469 | 1,557,495 | 160,401 |
| Net other postemployment benefit obligation | 1,775,329 | 210,417 | | 1,985,746 | - |
| | <u>\$ 4,770,223</u> | <u>\$ 1,132,523</u> | <u>\$ 656,549</u> | <u>\$ 5,246,197</u> | <u>\$ 441,659</u> |
| Business-type Activities: | | | | | |
| Bonds payable | <u>\$ 5,372,414</u> | <u>\$ -</u> | <u>\$ 604,576</u> | <u>\$ 4,767,838</u> | <u>\$ 379,711</u> |

The accrued landfill postclosure care costs will be paid from the General Fund. The compensated absences liability will be paid from the governmental fund from which the employees' salaries are paid which is primarily the General Fund. The capital lease obligations will be paid from the SPLOST VI Capital Projects Fund. The notes payable will be paid from the General Fund and the SPLOST VI Capital Projects Fund. The bonds payable for business-type activities will be paid from the Water and Sewer Enterprise Fund.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 12 – FUND BALANCES – GOVERNMENTAL FUNDS

As of December 31, 2017, governmental fund balances are composed of the following:

| | General | SPLOST VI | Other Governmental Funds | Total Governmental Funds |
|-----------------------------|--------------|-------------|--------------------------------|--------------------------------|
| Nonspendable: | | | | |
| Prepaid items/ inventories | \$ 139,316 | - | \$ 39,326 | \$ 178,642 |
| Restricted: | | | | |
| Capital projects | - | \$3,072,547 | - | 3,072,547 |
| Roads | 75,000 | - | - | 75,000 |
| Sheriff | - | - | 115,543 | 115,543 |
| Law library | - | - | 162,633 | 162,633 |
| Clerk of courts | - | - | 725 | 725 |
| Drug education | - | - | 253,859 | 253,859 |
| Jail | - | - | 384,082 | 384,082 |
| Engineering and inspections | - | - | 11,571 | 11,571 |
| Juvenile services | - | - | 14,295 | 14,295 |
| Sanitation | - | - | 671,635 | 671,635 |
| Recreation | - | - | 517,274 | 517,274 |
| Total restricted | 75,000 | 3,072,547 | 2,131,617 | 5,279,164 |
| Unassigned | 19,852,063 | - | (18,578) | 19,833,485 |
| Total fund balances | \$20,066,379 | \$3,072,547 | \$ 2,152,365 | \$25,291,291 |

NOTE 13 – EMPLOYEE RETIREMENT PLANS

Plan Description

The County’s defined benefit pension plan, the Bryan County Defined Benefit Plan (the “Plan”), provides retirement, disability, and death benefits to plan members and beneficiaries. The Plan is affiliated with the Association County Commissioners of Georgia (ACCG) Defined Benefit Plan (the “Plan”), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The specific benefit provisions of the County’s plan were established by an adoption agreement executed by the Bryan County Board of Commissioners. The ACCG issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to GEBCorp, 191 Peachtree Street NE, Suite 700, Atlanta, Georgia 30303.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 13 – EMPLOYEE RETIREMENT PLANS (Continued)

Benefits Provided

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 with three years of participation in the plan. At that time, an employee is entitled to a lifetime pension equal to 1.00% of average annual compensation up to \$6,600 plus 1.50% of average annual compensation in excess of \$6,600 plus \$54 multiplied by the years of service.

Compensation is averaged over a five-year period prior to retirement or termination. The plan also provides benefits in the event of death or disability. These benefit provisions and all other requirements, including amendments or termination, are established by an adoption agreement executed by the Bryan County Board of Commissioners.

Employees Covered by Benefit Terms

| | |
|---|---------------------|
| Retirees and beneficiaries receiving benefits | 64 |
| Deferred vested (former employees) | 112 |
| Active participants | <u>151</u> |
| Total plan participants | <u>327</u> |
| Covered Compensation | <u>\$ 5,458,515</u> |

Contributions

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in section 47-20 of the Georgia Code. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The County's annual required contribution to the Plan for the year ended December 31, 2017 was \$831,955 and the actual amount contributed was \$831,798 (99.9%).

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time the contribution rates for the County and its plan participants.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 13 – EMPLOYEE RETIREMENT PLANS (Continued)

Actuarial Assumptions

The total pension liability in the January 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|--|
| Investment rate of return | 7.25% per year |
| Future salary increases | 4.50% plus an aged base scale ranging from -1.0% to 1.5% |
| Mortality | RP-2000, Combined |
| Future payroll growth | 5.50% per year |
| Inflation | 3.00% |

The actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2010 to December 31, 2014.

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and incremental changes in the cash value of pre-retirement life insurance policies owned by the trust. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market price. The trust fund is invested approximately 70% in equities and 30% in fixed income securities on a cost basis.

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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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 County contributions will be made at rates equal to the actuarially determined contribution rates. Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 13 – EMPLOYEE RETIREMENT PLANS (Continued)

Changes in the Net Pension Liability

| | Total Pension Liability (a) | Plan Fiduciary Net Position (b) | Net Pension Liability (c) = (a)-(b) |
|---|-----------------------------------|---------------------------------------|---|
| Balance, January 1, 2016 | \$ 13,584,324 | \$ 9,267,768 | \$ 4,316,556 |
| Changes for the year: | | | |
| Service cost | 335,194 | - | 335,194 |
| Interest on the total pension liability | 998,032 | - | 998,032 |
| Liability experience (gain) loss | (338,678) | - | (338,678) |
| Assumption change | 437,905 | - | 437,905 |
| Contributions from the employer | - | 831,798 | (831,798) |
| Net investment income | - | 655,899 | (655,899) |
| Administrative expenses | - | (32,711) | 32,711 |
| Benefit payments | (554,441) | (554,441) | - |
| Other changes | - | (102,335) | 102,335 |
| Net Changes | 878,012 | 798,210 | 79,802 |
| Balance, December 31, 2016 | \$ 14,462,336 | \$ 10,065,978 | \$ 4,396,358 |

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the County, calculated using the discounted rate of 7.25 percent, as well as what the County's 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 - 1% (6.25%) | Current Discount Rate (7.25%) | Discount Rate + 1% (8.25%) |
|--------------------------------|-------------------------------|----------------------------------|-------------------------------|
| County's net pension liability | \$ 6,358,220 | \$ 4,396,358 | \$ 2,754,373 |

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

For the year ended December 31, 2017, the County recognized pension expense of \$1,047,127. At December 31, 2017, the County reported deferred outflows and inflows of resources from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|-----------------------------------|----------------------------------|
| Net differences between projected and actual net investment income | \$ 483,224 | - |
| Experience gains/losses | 158,408 | \$ 270,942 |
| Changes of assumptions | 613,762 | - |
| Employer contributions after measurement date | 874,301 | - |
| | \$ 2,129,695 | \$ 270,942 |

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 13 – EMPLOYEE RETIREMENT PLANS (Continued)

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

| Year ending December 31 | |
|----------------------------|---------------------|
| 2018 | \$ 1,187,151 |
| 2019 | 312,850 |
| 2020 | 296,920 |
| 2021 | 61,832 |
| | <u>\$ 1,858,753</u> |

Judges of the Probate Courts Retirement Fund of Georgia

The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Clerk of Superior Court Retirement Fund

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Sheriff's Retirement Fund/Peace Officers' Annuity and Benefit Fund

The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Magistrate Court and Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

Magistrates Retirement Fund of Georgia

The Magistrate Judge is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the state sponsored pension plan.

Georgia Judicial Retirement System

This system provides retirement benefits for Superior Court Judges, District Attorneys, State Court Judges, Solicitors-General of the State Courts, and Juvenile Court Judges.

Employee's Retirement System of Georgia

Bryan County tax officials are covered under this retirement plan.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 13 – EMPLOYEE RETIREMENT PLANS (Continued)

Bryan County Board of Health (component unit)

The employees of the Bryan County Board of Health participate in the Georgia State Employees Retirement System (ERS). The plan is administered by the State of Georgia. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov. The retirement contributions for the year ended June 30, 2017 were \$84,144. Contributions are fully vested to employees after 10 years of continuous service.

At June 30, 2017, the Board of Health reported \$659,977 for its proportionate share of the net pension liabilities. For the year ended June 30, 2017, the Board of Health recognized pension expense of \$58,015.

NOTE 14 – OTHER POST-EMPLOYMENT BENEFITS

Plan Description. The County sponsors a single-employer post-retirement medical plan. The plan provides medical, prescription, and death benefits to eligible retirees and their spouses. Since the plan has no assets, reporting an other employee benefit trust fund in the accompanying financial statements is not required nor was a separate or stand-alone report issued.

Funding Policy. The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners. Plan members are not required to contribute; however, plan members receiving healthcare benefits pay for 20% of the health care insurance premium for individual and family coverage if the employee had 10 years of service at retirement.

For the year ended December 31, 2017, the County made no contributions and instead elected to continue funding on a *pay-as-you-go* basis, which amounted to \$88,014 for 2017. The County is currently developing its policy of funding OPEB liabilities beyond the *pay-as-you-go* basis and may pre-fund any unfunded annual required contribution as determined under GASB Statement 45; accordingly, liabilities have been discounted at a blended rate between a fully pre-funded approach and a simple *pay-as-you-go* approach.

Annual OPEB Cost and Net OPEB Obligation. The County's annual other post-retirement benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB Obligation.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 14 – OTHER POST-EMPLOYMENT BENEFITS (Continued)

| | |
|--|----------------------------|
| Annual required contribution | \$ 286,459 |
| Interest on net OPEB obligation | 79,986 |
| Adjustment to annual required contribution | <u>(68,014)</u> |
| Annual OPEB cost (expense) | 298,431 |
| Contributions made | <u>(88,014)</u> |
| Increase in net obligation | 210,417 |
| Net OPEB obligation (BOY) | <u>1,775,329</u> |
| Net OPEB obligation (EOY) | <u><u>\$ 1,985,746</u></u> |

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation is as follows:

| <u>Fiscal Year</u> <u>Ended</u> | <u>Annual</u> <u>OPEB Cost</u> | <u>OPEB Cost</u> <u>Contributed</u> | <u>Net OPEB</u> <u>Obligation</u> |
|------------------------------------|-----------------------------------|--|--------------------------------------|
| 12/31/17 | \$ 298,431 | 29.5% | \$ 1,985,746 |
| 12/31/16 | 298,431 | 28.9% | 1,775,329 |
| 12/31/15 | 298,431 | 22.9% | 1,536,163 |

Funded Status and Funding Progress. As of January 1, 2015, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was \$2,530,192 and the actuarial value of assets was \$0 resulting in an unfunded actuarial accrued liability (UAAL) of \$2,530,192. The covered payroll (annual payroll of active employees covered by the plan) was \$5,631,450 and the ratio of the UAAL to the covered payroll was 44.9%.

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

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

In the January 1, 2015 actuarial valuation, the projected unit credit actuarial cost method was used. The actuarial assumptions included a 6.0% investment rate of return (net of administrative expenses), and an annual healthcare cost trend rate of 8% initially, reduced by decrements to an ultimate rate of 5% after ten years. The actuarial value of assets was determined using a standard balanced portfolio expectation for retirement plan asset returns. The UAAL is being amortized as a level percentage of payroll on an open basis. The remaining amortization period at January 1, 2015 was 30 years.

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 15 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Association of County Commissioners of Georgia (ACCG) Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia (ACCG) Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management 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 agents 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 members in any legal proceeding defended by the members, all interest accruing after entry of judgement, and all expenses incurred for investigation, negotiation or defense.

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

NOTE 16 – CONTINGENCIES

The County is a defendant in various other lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County attorney, the resolution of these matters probably will not have a material adverse effect on the financial condition of the County.

NOTE 17 – JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the ten county Southeast Georgia areas, is a member of the Coastal Regional Commission of Georgia (RC) and is required to pay annual dues thereto. During its year ended December 31, 2017, the County paid \$24,383 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-33 which provides for the organizational structure of the RC in Georgia. The RC Regional Council membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Coastal Regional Commission of Georgia
1181 Coastal Drive SW
Darien, Georgia 31305

BRYAN COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS

NOTE 18 – TAX ABATEMENTS

The Development Authority of Bryan County (the “Authority”) can enter into agreements for industrial projects to encourage the creation of jobs and new capital investment through an “Investment Assistance Program.” Georgia case law and statutory provisions, including the Development Authorities Law (Title 36 Chapter 62 of the Georgia Code Annotated), provide the Authority with the power to enter into such agreements with companies.

The Authority may accept title to real property (land and building) and personal property (machinery and equipment) assets from a company in return for job creation and/or capital investment and provide a tax benefit to the company through a lease agreement with the Authority. Agreements with respect to taxation of such assets under the lease provide the terms and conditions of any tax abatement. In general, failure to create jobs and/or investments as set forth in the agreements would result in a reduction (or claw back) of any tax abatements. The Authority monitors compliance with performance and accountability agreements to ensure the companies meet their commitments.

For Bryan County’s fiscal year ending December 31, 2017, the cumulative property tax not collected by Bryan County due to incentive agreements was \$563,209. Such agreements in effect for Bryan County resulted in an estimated \$260,000,000 in capital investment and approximately 525 jobs.

NOTE 19 – SUBSEQUENT EVENTS

The County evaluated subsequent events through June 29, 2018, the date which the financial statements were available to be issued.

BRYAN COUNTY BOARD OF COMMISSIONERS
REQUIRED SUPPLEMENTARY INFORMATION
BRYAN COUNTY DEFINED BENEFIT PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | <u>2017 (1)</u> | <u>2016 (1)</u> | <u>2015 (1)</u> |
|---|-----------------------------|-----------------------------|-----------------------------|
| Total pension liability | | | |
| Service cost | \$ 335,194 | \$ 311,647 | \$ 317,967 |
| Interest | 998,032 | 893,162 | 838,487 |
| Liability Experience (Gain)/Loss | (338,678) | 257,412 | - |
| Assumption change | 437,905 | 428,088 | - |
| Benefit payments | (554,441) | (429,632) | (425,275) |
| Net change in total pension liability | <u>878,012</u> | <u>1,460,677</u> | <u>731,179</u> |
| Total pension liability-beginning | <u>13,584,324</u> | <u>12,123,647</u> | <u>11,392,468</u> |
| Total pension liability-ending (a) | <u><u>\$ 14,462,336</u></u> | <u><u>\$ 13,584,324</u></u> | <u><u>\$ 12,123,647</u></u> |
| Plan fiduciary net position | | | |
| Contributions-employer | \$ 831,798 | \$ 819,004 | \$ 796,173 |
| Net investment income | 655,899 | 74,425 | 580,839 |
| Benefit payments | (554,441) | (429,632) | (425,275) |
| Administrative expense | (32,711) | (30,204) | (29,342) |
| Other | (102,335) | (110,675) | (104,032) |
| Net change in plan fiduciary net position | <u>798,210</u> | <u>322,918</u> | <u>818,363</u> |
| Plan fiduciary net position-beginning | <u>9,267,768</u> | <u>8,944,850</u> | <u>8,126,487</u> |
| Plan fiduciary net position-ending (b) | <u><u>\$ 10,065,978</u></u> | <u><u>\$ 9,267,768</u></u> | <u><u>\$ 8,944,850</u></u> |
| Net pension liability-ending (a)-(b) | <u><u>\$ 4,396,358</u></u> | <u><u>\$ 4,316,556</u></u> | <u><u>\$ 3,178,797</u></u> |
| Plan fiduciary net position as a percentage of the total pension liability | 69.60% | 68.22% | 73.78% |
| Covered-employee payroll | 5,458,515 | 5,541,240 | 5,361,450 |
| Net pension liability as a percentage of covered-employee payroll | 80.54% | 77.90% | 59.29% |

(1) Only fiscal years 2017, 2016, and 2015 were available. The County will continue to present information for years available until a full 10-year trend is compiled.

BRYAN COUNTY BOARD OF COMMISSIONERS
REQUIRED SUPPLEMENTARY INFORMATION
BRYAN COUNTY DEFINED BENEFIT PLAN
SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|--|-------------|-------------|--------------|
| Actuarially determined contribution | * | \$ 831,955 | \$ 822,367 |
| Contributions in relation to the actuarially determined contribution | * | (831,798) | (819,004) |
| Contribution deficiency (excess) | * | \$ 157 | \$ 3,363 |
| Covered-employee payroll | | 5,541,240 | \$ 5,361,450 |
| Contributions as a percentage of covered-employee payroll | | 15.01% | 15.28% |

*2017 information will be determined after fiscal year end and will be included in the 2017 valuation report

Notes to Schedule:

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 | N/A |
| Asset Valuation Method | Smoothed market value with a 5-year smoothing period |
| Actuarial Assumptions: | |
| Net Investment Rate of Return | 7.25% |
| Projected Salary Increases | 4.50% plus an aged base scale ranging from -1.0% to 1.5% |
| Cost of Living Adjustments | N/A |
| Retirement Age | Probability of retirement calculated as 10% at age 55 to 60, 20% at age 61 to 64, 30% at age 65 to 69, and 100% at age 70 |
| Mortality | RP-2000 Combined |

BRYAN COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS

| | DECEMBER 31, 2017 | DECEMBER 31, 2016 |
|---|-----------------------------|-----------------------------|
| ASSETS | | |
| Cash | \$ 14,308,873 | \$ 13,442,015 |
| Certificates of deposit | 4,392,832 | 4,369,633 |
| Receivables: | | |
| Taxes | 928,342 | 572,055 |
| Intergovernmental | 1,155,033 | 1,230,013 |
| Other | 37,877 | 36,164 |
| Due from other funds | 331,441 | 164,018 |
| Prepaid items | 119,148 | 108,796 |
| Inventories | 20,168 | 20,168 |
| | <u>20,168</u> | <u>20,168</u> |
| TOTAL ASSETS | <u><u>\$ 21,293,714</u></u> | <u><u>\$ 19,942,862</u></u> |
| LIABILITIES | | |
| Accounts payable | \$ 402,007 | \$ 411,842 |
| Accrued payroll | 282,026 | 211,865 |
| Due to other funds | - | 1,582 |
| | <u>684,033</u> | <u>625,289</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| Unavailable revenue - property taxes | <u>543,302</u> | <u>322,483</u> |
| FUND BALANCE | | |
| Nonspendable | 139,316 | 128,964 |
| Restricted | 75,000 | 110,000 |
| Unassigned | 19,852,063 | 18,756,126 |
| | <u>20,066,379</u> | <u>18,995,090</u> |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE | <u><u>\$ 21,293,714</u></u> | <u><u>\$ 19,942,862</u></u> |

BRYAN COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

| | YEAR ENDED | |
|---|----------------------|----------------------|
| | DECEMBER 31, 2017 | DECEMBER 31, 2016 |
| REVENUES | | |
| Taxes | \$ 17,252,688 | \$ 15,997,139 |
| Licenses and permits | 613,721 | 511,584 |
| Charges for services | 1,653,042 | 1,630,076 |
| Fines and forfeitures | 1,242,439 | 1,364,191 |
| Intergovernmental | 1,110,149 | 1,209,682 |
| Interest | 48,754 | 40,036 |
| Other | 250,893 | 307,182 |
| Total revenues | <u>22,171,686</u> | <u>21,059,890</u> |
| EXPENDITURES | | |
| Current: | | |
| General government | 3,173,704 | 3,319,979 |
| Judicial | 1,868,609 | 1,770,331 |
| Public safety | 8,000,176 | 6,966,533 |
| Public works | 2,837,211 | 2,627,261 |
| Health and welfare | 1,060,093 | 990,358 |
| Libraries and recreation | 1,661,122 | 1,707,251 |
| Housing and development | 1,596,656 | 1,511,957 |
| Debt service: | | |
| Principal | 90,656 | 66,148 |
| Interest | 28,047 | 29,377 |
| Total expenditures | <u>20,316,274</u> | <u>18,989,195</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | <u>1,855,412</u> | <u>2,070,695</u> |
| OTHER FINANCING SOURCES (USES) | | |
| Sale of capital assets | - | 8,611 |
| Proceeds from note payable | 235,533 | - |
| Transfers in | - | 794 |
| Transfers out | (1,019,656) | (881,041) |
| Total other financing sources (uses) | <u>(784,123)</u> | <u>(871,636)</u> |
| NET CHANGE IN FUND BALANCES | 1,071,289 | 1,199,059 |
| FUND BALANCES, BEGINNING OF YEAR | <u>18,995,090</u> | <u>17,796,031</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 20,066,379</u> | <u>\$ 18,995,090</u> |

BRYAN COUNTY, GEORGIA
SPLOST VI CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS

ASSETS

| | <u>DECEMBER 31,</u> 2017 | <u>DECEMBER 31,</u> 2016 |
|------------------------------|-----------------------------|-----------------------------|
| ASSETS | | |
| Cash | \$ 2,800,900 | \$ 3,356,942 |
| Intergovernmental receivable | 1,026,120 | 910,816 |
| Due from other funds | <u>-</u> | <u>1,582</u> |
| TOTAL ASSETS | <u>\$ 3,827,020</u> | <u>\$ 4,269,340</u> |

LIABILITIES AND
FUND BALANCE

| | | |
|---------------------------------------|---------------------|---------------------|
| LIABILITIES | | |
| Accounts payable | \$ 619,221 | \$ 716,720 |
| Due to other funds | <u>135,252</u> | <u>-</u> |
| Total Liabilities | 754,473 | 716,720 |
| FUND BALANCE | | |
| Restricted | <u>3,072,547</u> | <u>3,552,620</u> |
| TOTAL LIABILITIES AND FUND BALANCE | <u>\$ 3,827,020</u> | <u>\$ 4,269,340</u> |

BRYAN COUNTY, GEORGIA
SPLOST VI CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2016

| | YEAR ENDED | |
|--|----------------------|----------------------|
| | DECEMBER 31, 2017 | DECEMBER 31, 2016 |
| REVENUES | | |
| Sales taxes | \$ 5,663,095 | \$ 5,053,830 |
| Interest | 2,972 | 4,230 |
| Total revenues | <u>5,666,067</u> | <u>5,058,060</u> |
| EXPENDITURES | | |
| Capital outlay: | | |
| General government | 133,591 | 52,548 |
| Public safety | 1,535,184 | 310,995 |
| Roads | 329,430 | 168,152 |
| Culture and recreation | 319,581 | 711,792 |
| Housing and development | 960,000 | 960,000 |
| Intergovernmental | 2,436,829 | 2,174,663 |
| Debt service: | | |
| Principal | 365,525 | 563,359 |
| Interest | 16,991 | 22,109 |
| Total expenditures | <u>6,097,131</u> | <u>4,963,618</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(431,064)</u> | <u>94,442</u> |
| OTHER FINANCING SOURCES (USES) | | |
| Proceeds from note payable | 486,590 | - |
| Transfers out | (535,599) | (84,793) |
| Total other financing sources (uses) | <u>(49,009)</u> | <u>(84,793)</u> |
| NET CHANGE IN FUND BALANCES | (480,073) | 9,649 |
| FUND BALANCES, BEGINNING OF YEAR | <u>3,552,620</u> | <u>3,542,971</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 3,072,547</u> | <u>\$ 3,552,620</u> |

BRYAN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund - Belfast Subdivision Special Service District | Total Nonmajor Governmental Funds |
|--|---|--|--|
| ASSETS | | | |
| Cash | \$ 2,259,915 | \$ - | \$ 2,259,915 |
| Receivables: | | | |
| Taxes | 281,173 | - | 281,173 |
| Intergovernmental | 1,354 | - | 1,354 |
| Other | 121,143 | - | 121,143 |
| Prepaid items | 39,326 | - | 39,326 |
| TOTAL ASSETS | \$ 2,702,911 | \$ - | \$ 2,702,911 |
| LIABILITIES | | | |
| Liabilities: | | | |
| Accounts payable | \$ 163,664 | \$ - | \$ 163,664 |
| Due to other funds | 190,930 | - | 190,930 |
| Total liabilities | 354,594 | - | 354,594 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Unavailable revenue - property taxes | 195,952 | - | 195,952 |
| FUND BALANCES | | | |
| Nonspendable | 39,326 | - | 39,326 |
| Restricted | 2,131,617 | - | 2,131,617 |
| Unassigned | (18,578) | - | (18,578) |
| Total fund balances | 2,152,365 | - | 2,152,365 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 2,702,911 | \$ - | \$ 2,702,911 |

BRYAN COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Nonmajor Special Revenue Funds | Nonmajor Debt Service Fund - Belfast Subdivision Special Service District | Total Nonmajor Governmental Funds |
|--|---|--|--|
| REVENUES | | | |
| Taxes | \$ 2,584,732 | \$ 781 | \$ 2,585,513 |
| Licenses and permits | 7,180 | - | 7,180 |
| Charges for services | 1,043,668 | - | 1,043,668 |
| Fines and forfeitures | 119,501 | - | 119,501 |
| Intergovernmental | 7,145 | - | 7,145 |
| Interest | 502 | - | 502 |
| Other | 11,365 | - | 11,365 |
| Total revenues | <u>3,774,093</u> | <u>781</u> | <u>3,774,874</u> |
| EXPENDITURES | | | |
| Current: | | | |
| Judicial | 19,977 | - | 19,977 |
| Public safety | 2,922,048 | - | 2,922,048 |
| Public works | 1,449,611 | - | 1,449,611 |
| Recreation | 284,893 | - | 284,893 |
| Capital outlay: | | | |
| Public safety | 133,169 | - | 133,169 |
| Debt service: | | | |
| Principal | 149,701 | 14,116 | 163,817 |
| Interest | - | 811 | 811 |
| Total expenditures | <u>4,959,399</u> | <u>14,927</u> | <u>4,974,326</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(1,185,306)</u> | <u>(14,146)</u> | <u>(1,199,452)</u> |
| OTHER FINANCING SOURCES (USES) | | | |
| Transfers in | <u>1,018,757</u> | <u>899</u> | <u>1,019,656</u> |
| Total financing sources (uses) | <u>1,018,757</u> | <u>899</u> | <u>1,019,656</u> |
| NET CHANGE IN FUND BALANCES | (166,549) | (13,247) | (179,796) |
| FUND BALANCES, BEGINNING OF YEAR | <u>2,318,914</u> | <u>13,247</u> | <u>2,332,161</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 2,152,365</u> | <u>\$ -</u> | <u>\$ 2,152,365</u> |

BRYAN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017

| | Emergency Telephone | Jail Fund | Sheriff Forfeiture Fund | Law Library | Curbside Solid Waste Fund | Inmate Telephone Commission Fund | NPDES Permit Fees Fund |
|--|------------------------|-------------------|-------------------------------|-------------------|---------------------------------|---|------------------------------|
| ASSETS | | | | | | | |
| Cash | - | \$ 304,389 | \$ 115,543 | \$ 162,833 | \$ 750,914 | \$ 17,995 | \$ 11,571 |
| Receivables: | | | | | | | |
| Taxes | - | - | - | - | 143,901 | - | - |
| Intergovernmental | - | - | - | - | - | - | - |
| Other | \$ 121,143 | - | - | - | - | - | - |
| Prepaid items | 37,193 | 2,133 | - | - | - | - | - |
| TOTAL ASSETS | \$ 158,336 | \$ 306,522 | \$ 115,543 | \$ 162,833 | \$ 894,815 | \$ 17,995 | \$ 11,571 |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ 7,979 | \$ 2,086 | - | \$ 200 | \$ 123,048 | - | - |
| Due to other funds | 131,742 | - | - | - | - | - | - |
| Total liabilities | 139,721 | 2,086 | - | 200 | 123,048 | - | - |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable revenue - property taxes | - | - | - | - | 100,132 | - | - |
| FUND BALANCES | | | | | | | |
| Nonspendable | 37,193 | 2,133 | - | - | - | - | - |
| Restricted | - | 302,303 | \$ 115,543 | 162,633 | 671,635 | \$ 17,995 | \$ 11,571 |
| Unassigned | (18,578) | - | - | - | - | - | - |
| Total fund balances | 18,615 | 304,436 | 115,543 | 162,633 | 671,635 | 17,995 | 11,571 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 158,336 | \$ 306,522 | \$ 115,543 | \$ 162,833 | \$ 894,815 | \$ 17,995 | \$ 11,571 |

BRYAN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2017

| | Recreation Fund | Jail Commissary Fund | Superior Court General Purpose Fund | Drug Abuse Treatment and Education Fund | Juvenile Supplemental Services Fund | Fire Protection Fund | Total Nonmajor Special Revenue Funds |
|--|--------------------|----------------------------|---|---|---|----------------------------|--|
| ASSETS | | | | | | | |
| Cash | \$ 519,680 | \$ 66,760 | \$ 725 | \$ 252,505 | \$ 14,295 | \$ 42,705 | \$ 2,259,915 |
| Receivables: | | | | | | | |
| Taxes | - | - | - | - | - | 137,272 | 281,173 |
| Intergovernmental | - | - | - | 1,354 | - | - | 1,354 |
| Other | - | - | - | - | - | - | 121,143 |
| Prepaid items | - | - | - | - | - | - | 39,326 |
| TOTAL ASSETS | \$ 519,680 | \$ 66,760 | \$ 725 | \$ 253,859 | \$ 14,295 | \$ 179,977 | \$ 2,702,911 |
| LIABILITIES | | | | | | | |
| Accounts payable | \$ 2,406 | \$ 2,976 | - | - | - | \$ 24,969 | \$ 163,664 |
| Due to other funds | - | - | - | - | - | 59,188 | 190,930 |
| Total liabilities | 2,406 | 2,976 | - | - | - | 84,157 | 354,594 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | | |
| Unavailable revenue - property taxes | - | - | - | - | - | 95,820 | 195,952 |
| FUND BALANCES | | | | | | | |
| Nonspendable | - | - | - | - | - | - | 39,326 |
| Restricted | 517,274 | 63,784 | \$ 725 | \$ 253,859 | \$ 14,295 | - | 2,131,617 |
| Unassigned | - | - | - | - | - | - | (18,578) |
| Total fund balances | 517,274 | 63,784 | 725 | 253,859 | 14,295 | - | 2,152,365 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 519,680 | \$ 66,760 | \$ 725 | \$ 253,859 | \$ 14,295 | \$ 179,977 | \$ 2,702,911 |

BRYAN COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Emergency Telephone | Jail Fund | Sheriff Forfeiture Fund | Law Library | Curbside Solid Waste Fund | Inmate Telephone Commission Fund | NPDES Permit Fees Fund |
|--|------------------------|-------------------|-------------------------------|-------------------|---------------------------------|---|------------------------------|
| REVENUES | | | | | | | |
| Taxes | - | - | - | - | \$ 1,317,486 | - | - |
| Licenses and permits | - | - | - | - | - | - | \$ 7,180 |
| Charges for services | \$ 714,964 | - | - | - | - | - | - |
| Fines and forfeitures | - | \$ 49,474 | - | \$ 19,637 | - | - | - |
| Intergovernmental | - | - | - | - | - | - | - |
| Interest | - | - | \$ 250 | 153 | - | \$ 15 | - |
| Other | 3,370 | - | 600 | - | - | 7,355 | - |
| Total revenues | <u>718,334</u> | <u>49,474</u> | <u>850</u> | <u>19,790</u> | <u>1,317,486</u> | <u>7,370</u> | <u>7,180</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| Judicial | - | - | - | 4,716 | - | - | - |
| Public safety | 1,283,675 | 73,456 | 3,551 | - | - | 1,542 | - |
| Public works | - | - | - | - | 1,449,611 | - | - |
| Capital outlay: | | | | | | | |
| Public safety | 9,095 | 637 | 31,597 | - | - | - | - |
| Debt service: | | | | | | | |
| Principal | 149,701 | - | - | - | - | - | - |
| Total expenditures | <u>1,442,471</u> | <u>74,093</u> | <u>35,148</u> | <u>4,716</u> | <u>1,449,611</u> | <u>1,542</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(724,137)</u> | <u>(24,619)</u> | <u>(34,298)</u> | <u>15,074</u> | <u>(132,125)</u> | <u>5,828</u> | <u>7,180</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | 718,451 | - | - | - | - | - | - |
| Total other financing sources (uses) | <u>718,451</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | (5,686) | (24,619) | (34,298) | 15,074 | (132,125) | 5,828 | 7,180 |
| FUND BALANCES, BEGINNING OF YEAR | <u>24,301</u> | <u>329,055</u> | <u>149,841</u> | <u>147,559</u> | <u>803,760</u> | <u>12,167</u> | <u>4,391</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 18,615</u> | <u>\$ 304,436</u> | <u>\$ 115,543</u> | <u>\$ 162,633</u> | <u>\$ 671,635</u> | <u>\$ 17,995</u> | <u>\$ 11,571</u> |

BRYAN COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Recreation Fund | Jail Commissary Fund | Superior Court General Purpose Fund | Drug Abuse Treatment and Education Fund | Juvenile Supplemental Services Fund | Fire Protection Fund | Total Nonmajor Special Revenue Funds |
|--|--------------------|----------------------------|---|---|---|----------------------------|---|
| REVENUES | | | | | | | |
| Taxes | - | - | - | - | - | \$ 1,267,246 | \$ 2,584,732 |
| Licenses and permits | - | - | - | - | - | - | 7,180 |
| Charges for services | \$ 290,400 | \$ 38,304 | - | - | - | - | 1,043,668 |
| Fines and forfeitures | - | - | - | \$ 49,925 | \$ 465 | - | 119,501 |
| Intergovernmental | - | - | \$ 7,145 | - | - | - | 7,145 |
| Interest | - | 75 | 9 | - | - | - | 502 |
| Other | 40 | - | - | - | - | - | 11,365 |
| Total revenues | <u>290,440</u> | <u>38,379</u> | <u>7,154</u> | <u>49,925</u> | <u>465</u> | <u>1,267,246</u> | <u>3,774,093</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| Judicial | - | - | 15,261 | - | - | - | 19,977 |
| Public safety | - | 36,159 | - | 21,498 | - | 1,502,167 | 2,922,048 |
| Public works | - | - | - | - | - | - | 1,449,611 |
| Recreation | 284,893 | - | - | - | - | - | 284,893 |
| Capital outlay: | | | | | | | |
| Public safety | - | - | - | - | - | 91,840 | 133,169 |
| Debt service: | | | | | | | |
| Principal | - | - | - | - | - | - | 149,701 |
| Total expenditures | <u>284,893</u> | <u>36,159</u> | <u>15,261</u> | <u>21,498</u> | <u>-</u> | <u>1,594,007</u> | <u>4,959,399</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>5,547</u> | <u>2,220</u> | <u>(8,107)</u> | <u>28,427</u> | <u>465</u> | <u>(326,761)</u> | <u>(1,185,306)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers in | - | - | - | - | - | 300,306 | 1,018,757 |
| Total other financing sources (uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>300,306</u> | <u>1,018,757</u> |
| NET CHANGE IN FUND BALANCES | 5,547 | 2,220 | (8,107) | 28,427 | 465 | (26,455) | (166,549) |
| FUND BALANCES, BEGINNING OF YEAR | <u>511,727</u> | <u>61,564</u> | <u>8,832</u> | <u>225,432</u> | <u>13,830</u> | <u>26,455</u> | <u>2,318,914</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 517,274</u> | <u>\$ 63,784</u> | <u>\$ 725</u> | <u>\$ 253,859</u> | <u>\$ 14,295</u> | <u>\$ -</u> | <u>\$ 2,152,365</u> |

BRYAN COUNTY, GEORGIA
EMERGENCY TELEPHONE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|---|--------------------|------------------|------------------|------------------------------------|------------------|
| REVENUES | | | | | |
| Charges for services | \$ 700,000 | \$ 700,000 | \$ 714,964 | \$ 14,964 | \$ 702,779 |
| Interest | 500 | 500 | - | (500) | - |
| Other | 1,000 | 1,000 | 3,370 | 2,370 | 4,313 |
| Total revenues | <u>701,500</u> | <u>701,500</u> | <u>718,334</u> | <u>16,834</u> | <u>707,092</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Public safety | 1,324,562 | 1,332,480 | 1,283,675 | 40,887 | 1,185,514 |
| Capital outlay: | | | | | |
| Public safety | 2,000 | 2,000 | 9,095 | (7,095) | 5,783 |
| Debt service: | | | | | |
| Principal | 135,943 | 135,943 | 149,701 | (13,758) | 126,929 |
| Interest | 9,655 | 9,655 | - | 9,655 | 18,668 |
| Total expenditures | <u>1,472,160</u> | <u>1,480,078</u> | <u>1,442,471</u> | <u>29,689</u> | <u>1,336,894</u> |
| DEFICIENCY OF REVENUES UNDER EXPENDITURES | (770,660) | (778,578) | (724,137) | 46,523 | (629,802) |
| OTHER FINANCING SOURCES | | | | | |
| Transfers in | <u>770,660</u> | <u>778,578</u> | <u>718,451</u> | <u>(52,209)</u> | <u>654,103</u> |
| NET CHANGE IN FUND BALANCES | - | - | (5,686) | (5,686) | 24,301 |
| FUND BALANCES, BEGINNING OF YEAR | <u>24,301</u> | <u>24,301</u> | <u>24,301</u> | <u>-</u> | <u>-</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 24,301</u> | <u>\$ 24,301</u> | <u>\$ 18,615</u> | <u>\$ (5,686)</u> | <u>\$ 24,301</u> |

BRYAN COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|---------------------------------|-------------------|------------------------------------|-------------------|
| REVENUES | | | | |
| Fines and forfeitures | \$ 97,500 | \$ 49,474 | \$ (48,026) | \$ 75,565 |
| Interest | 500 | - | (500) | - |
| Total revenues | <u>98,000</u> | <u>49,474</u> | <u>(48,526)</u> | <u>75,565</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 88,000 | 73,456 | 14,544 | 58,822 |
| Capital outlay: | | | | |
| Public safety | 10,000 | 637 | 9,363 | 11,164 |
| Total expenditures | <u>98,000</u> | <u>74,093</u> | <u>23,907</u> | <u>69,986</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | (24,619) | (24,619) | 5,579 |
| FUND BALANCES, BEGINNING OF YEAR | <u>329,055</u> | <u>329,055</u> | - | <u>323,476</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 329,055</u> | <u>\$ 304,436</u> | <u>\$ (24,619)</u> | <u>\$ 329,055</u> |

BRYAN COUNTY, GEORGIA
SHERIFF FORFEITURE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|------------------------------|-------------------|------------------------------------|-------------------|
| REVENUES | | | | |
| Fines and forfeitures | \$ 10,000 | - | \$ (10,000) | - |
| Charges for services | - | - | - | \$ 1,710 |
| Other | - | \$ 600 | 600 | 439 |
| Interest | 500 | 250 | (250) | 260 |
| Total revenues | <u>10,500</u> | <u>850</u> | <u>(9,650)</u> | <u>2,409</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 10,500 | 3,551 | 6,949 | 22,690 |
| Capital: | | | | |
| Public safety | - | 31,597 | (31,597) | - |
| Total expenditures | <u>10,500</u> | <u>35,148</u> | <u>(24,648)</u> | <u>22,690</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | (34,298) | (34,298) | (20,281) |
| FUND BALANCES, BEGINNING OF YEAR | <u>149,841</u> | <u>149,841</u> | - | <u>170,122</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 149,841</u> | <u>\$ 115,543</u> | <u>\$ (34,298)</u> | <u>\$ 149,841</u> |

BRYAN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|---|------------------------------|-------------------|------------------------------------|-------------------|
| REVENUES | | | | |
| Fines and forfeitures | \$ 29,000 | \$ 19,637 | \$ (9,363) | \$ 22,979 |
| Interest | 200 | 153 | (47) | 137 |
| Total revenues | <u>29,200</u> | <u>19,790</u> | <u>(9,410)</u> | <u>23,116</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Judicial | <u>29,200</u> | <u>4,716</u> | <u>24,484</u> | <u>4,475</u> |
| NET CHANGE IN FUND BALANCES | - | 15,074 | 15,074 | 18,641 |
| FUND BALANCES, BEGINNING OF YEAR | <u>147,559</u> | <u>147,559</u> | - | <u>128,918</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 147,559</u> | <u>\$ 162,633</u> | <u>\$ 15,074</u> | <u>\$ 147,559</u> |

BRYAN COUNTY, GEORGIA
CURBSIDE SOLID WASTE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|--------------------|-------------------|-------------------|------------------------------------|-------------------|
| REVENUES | | | | | |
| Taxes | \$ 1,155,000 | \$ 1,155,000 | \$ 1,317,486 | \$ 162,486 | \$ 1,269,529 |
| Interest | 1,000 | 1,000 | - | (1,000) | - |
| Total revenues | <u>1,156,000</u> | <u>1,156,000</u> | <u>1,317,486</u> | <u>161,486</u> | <u>1,269,529</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Solid waste | <u>1,156,000</u> | <u>1,450,000</u> | <u>1,449,611</u> | <u>389</u> | <u>1,365,365</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | (294,000) | (132,125) | 161,875 | (95,836) |
| FUND BALANCES, BEGINNING OF YEAR | <u>803,760</u> | <u>803,760</u> | <u>803,760</u> | <u>-</u> | <u>899,596</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 803,760</u> | <u>\$ 509,760</u> | <u>\$ 671,635</u> | <u>\$ 161,875</u> | <u>\$ 803,760</u> |

BRYAN COUNTY, GEORGIA
INMATE TELEPHONE COMMISSION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|------------------------------|------------------|------------------------------------|------------------|
| REVENUES | | | | |
| Interest | \$ 10 | \$ 15 | \$ 5 | \$ 10 |
| Telephone commissions | 8,500 | 7,355 | (1,145) | 7,406 |
| Total revenues | <u>8,510</u> | <u>7,370</u> | <u>(1,140)</u> | <u>7,416</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | <u>8,510</u> | <u>1,542</u> | <u>6,968</u> | <u>3,654</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | 5,828 | 5,828 | 3,762 |
| FUND BALANCES, BEGINNING OF YEAR | <u>12,167</u> | <u>12,167</u> | - | <u>8,405</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 12,167</u> | <u>\$ 17,995</u> | <u>\$ 5,828</u> | <u>\$ 12,167</u> |

BRYAN COUNTY, GEORGIA
NPDES PERMIT FEES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|---------------------------------|------------------|------------------------------------|-----------------|
| REVENUES | | | | |
| Permit fees | \$ 3,000 | \$ 7,180 | \$ 4,180 | \$ 4,232 |
| Interest | - | - | - | - |
| Total revenues | <u>3,000</u> | <u>7,180</u> | <u>4,180</u> | <u>4,232</u> |
| EXPENDITURES | | | | |
| Capital outlay: | | | | |
| Housing and development | <u>3,000</u> | <u>-</u> | <u>3,000</u> | <u>10,000</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | 7,180 | 7,180 | (5,768) |
| FUND BALANCES, BEGINNING OF YEAR | <u>4,391</u> | <u>4,391</u> | <u>-</u> | <u>10,159</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 4,391</u> | <u>\$ 11,571</u> | <u>\$ 7,180</u> | <u>\$ 4,391</u> |

BRYAN COUNTY, GEORGIA
RECREATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|---------------------------------|-------------------|------------------------------------|-------------------|
| REVENUES | | | | |
| Charges for services | \$ 362,600 | \$ 290,400 | \$ (72,200) | \$ 281,369 |
| Interest | 213 | - | (213) | - |
| Other | 6,400 | 40 | (6,360) | 125 |
| | <u>369,213</u> | <u>290,440</u> | <u>(78,773)</u> | <u>281,494</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Recreation | <u>356,595</u> | <u>284,893</u> | <u>71,702</u> | <u>276,533</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 12,618 | 5,547 | (7,071) | 4,961 |
| FUND BALANCES, BEGINNING OF YEAR | <u>511,727</u> | <u>511,727</u> | <u>-</u> | <u>506,766</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 524,345</u> | <u>\$ 517,274</u> | <u>\$ (7,071)</u> | <u>\$ 511,727</u> |

BRYAN COUNTY, GEORGIA
JAIL COMMISSARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|---|------------------------------|------------------|------------------------------------|------------------|
| REVENUES | | | | |
| Commissary sales | \$ 38,000 | \$ 38,304 | \$ 304 | \$ 30,436 |
| Interest | 100 | 75 | (25) | 72 |
| Total revenues | <u>38,100</u> | <u>38,379</u> | <u>279</u> | <u>30,508</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | <u>38,100</u> | <u>36,159</u> | <u>1,941</u> | <u>28,378</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | - | 2,220 | 2,220 | 2,130 |
| FUND BALANCES, BEGINNING OF YEAR | <u>61,564</u> | <u>61,564</u> | - | <u>59,434</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 61,564</u> | <u>\$ 63,784</u> | <u>\$ 2,220</u> | <u>\$ 61,564</u> |

BRYAN COUNTY, GEORGIA
SUPERIOR COURT GENERAL PURPOSE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|------------------------------|----------------------|------------------------------------|------------------------|
| REVENUES | | | | |
| Intergovernmental | \$ 6,500 | \$ 7,145 | \$ 645 | \$ 10,952 |
| Interest | 10 | 9 | (1) | 12 |
| Total revenues | <u>6,510</u> | <u>7,154</u> | <u>644</u> | <u>10,964</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Judicial | <u>6,510</u> | <u>15,261</u> | <u>(8,751)</u> | <u>14,988</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | (8,107) | (8,107) | (4,024) |
| FUND BALANCES, BEGINNING OF YEAR | <u>8,832</u> | <u>8,832</u> | <u>-</u> | <u>12,856</u> |
| FUND BALANCES, END OF YEAR | <u><u>\$ 8,832</u></u> | <u><u>\$ 725</u></u> | <u><u>\$ (8,107)</u></u> | <u><u>\$ 8,832</u></u> |

BRYAN COUNTY, GEORGIA
DRUG ABUSE TREATMENT AND EDUCATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|---------------------------------|-------------------|------------------------------------|-------------------|
| REVENUES | | | | |
| Fines and forfeitures | \$ 62,000 | \$ 49,925 | \$ (12,075) | \$ 61,439 |
| Interest | - | - | - | - |
| Total revenues | <u>62,000</u> | <u>49,925</u> | <u>(12,075)</u> | <u>61,439</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 62,000 | 21,498 | 40,502 | 9,355 |
| Total expenditures | <u>62,000</u> | <u>21,498</u> | <u>40,502</u> | <u>9,355</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | 28,427 | 28,427 | 52,084 |
| FUND BALANCES, BEGINNING OF YEAR | <u>225,432</u> | <u>225,432</u> | <u>-</u> | <u>173,348</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 225,432</u> | <u>\$ 253,859</u> | <u>\$ 28,427</u> | <u>\$ 225,432</u> |

BRYAN COUNTY, GEORGIA
JUVENILE SUPPLEMENTAL SERVICES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|---------------------------------|-----------|------------------------------------|----------------|
| REVENUES | | | | |
| Fines and forfeitures | \$ 1,500 | \$ 465 | \$ (1,035) | \$ 1,004 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 1,500 | - | 1,500 | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | 465 | 465 | 1,004 |
| FUND BALANCES, BEGINNING OF YEAR | 13,830 | 13,830 | - | 12,826 |
| FUND BALANCES, END OF YEAR | \$ 13,830 | \$ 14,295 | \$ 465 | \$ 13,830 |

BRYAN COUNTY, GEORGIA
FIRE PROTECTION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original Budget | Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|--------------------|------------------|------------------|------------------------------------|------------------|
| REVENUES | | | | | |
| Taxes | \$ 1,200,000 | \$ 1,263,000 | \$ 1,267,246 | \$ 4,246 | \$ 1,220,877 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Public safety | 1,377,860 | 1,515,985 | 1,502,167 | 13,818 | 1,385,226 |
| Capital outlay: | | | | | |
| Public safety | 75,000 | 83,800 | 91,840 | (8,040) | 36,624 |
| Total expenditures | <u>1,452,860</u> | <u>1,599,785</u> | <u>1,594,007</u> | <u>5,778</u> | <u>1,421,850</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(252,860)</u> | <u>(336,785)</u> | <u>(326,761)</u> | <u>10,024</u> | <u>(200,973)</u> |
| OTHER FINANCING SOURCES | | | | | |
| Transfers in | 252,860 | 336,785 | 300,306 | (36,479) | 226,938 |
| Total other financing sources | <u>252,860</u> | <u>336,785</u> | <u>300,306</u> | <u>(36,479)</u> | <u>226,938</u> |
| NET CHANGE IN FUND BALANCES | - | - | (26,455) | (26,455) | 25,965 |
| FUND BALANCES, BEGINNING OF YEAR | <u>26,455</u> | <u>26,455</u> | <u>26,455</u> | <u>-</u> | <u>490</u> |
| FUND BALANCES, END OF YEAR | <u>\$ 26,455</u> | <u>\$ 26,455</u> | <u>\$ -</u> | <u>\$ (26,455)</u> | <u>\$ 26,455</u> |

BRYAN COUNTY, GEORGIA
BELFAST SUBDIVISION SPECIAL SERVICE DISTRICT DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Original and Final Budget | Actual | Variance Positive (Negative) | 2016 Actual |
|--|------------------------------|----------|------------------------------------|----------------|
| REVENUES | | | | |
| Taxes | \$ 14,861 | \$ 781 | \$ (14,080) | \$ 14,119 |
| EXPENDITURES | | | | |
| Debt service: | | | | |
| Principal | 10,965 | 14,116 | (3,151) | 13,164 |
| Interest | 3,896 | 811 | 3,085 | 1,697 |
| Total expenditures | 14,861 | 14,927 | (66) | 14,861 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | (14,146) | (14,146) | (742) |
| OTHER FINANCING SOURCES | | | | |
| Transfers in | - | 899 | 899 | - |
| NET CHANGE IN FUND BALANCES | - | (13,247) | (13,247) | (742) |
| FUND BALANCES, BEGINNING OF YEAR | 13,247 | 13,247 | - | 13,989 |
| FUND BALANCES, END OF YEAR | \$ 13,247 | \$ - | \$ (13,247) | \$ 13,247 |

BRYAN COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENT OF NET POSITION

| | <u>DECEMBER 31,</u> 2017 | <u>DECEMBER 31,</u> 2016 |
|--------------------------------------|-----------------------------|-----------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash | \$ 1,345,569 | \$ 811,739 |
| Accounts receivable | 18,538 | 39,084 |
| Total Current Assets | <u>1,364,107</u> | <u>850,823</u> |
| Noncurrent Assets | | |
| Restricted cash | <u>670,718</u> | <u>670,718</u> |
| Capital Assets | | |
| Land | 644,151 | 644,151 |
| Water and sewer system | 12,626,388 | 12,010,712 |
| Equipment | 176,918 | 43,075 |
| Less accumulated depreciation | <u>(2,758,538)</u> | <u>(2,344,497)</u> |
| Total Capital Assets | <u>10,688,919</u> | <u>10,353,441</u> |
| Total Noncurrent Assets | <u>11,359,637</u> | <u>11,024,159</u> |
| TOTAL ASSETS | <u>12,723,744</u> | <u>11,874,982</u> |
| LIABILITIES | | |
| Current Liabilities | | |
| Accounts payable | 75,640 | 53,366 |
| Accrued interest payable | 37,346 | 41,190 |
| Customer deposits | 23,200 | 4,000 |
| Current portion of bonds payable | <u>379,711</u> | <u>604,576</u> |
| Total Current Liabilities | 515,897 | 703,132 |
| Long Term Liabilities | | |
| Bonds payable, less current portion | <u>4,388,127</u> | <u>4,767,838</u> |
| Total Liabilities | <u>4,904,024</u> | <u>5,470,970</u> |
| NET POSITION | | |
| Net investment in capital assets | 5,921,081 | 5,010,177 |
| Restricted for debt service | 250,000 | 250,000 |
| Restricted for renewal and extension | 50,000 | 50,000 |
| Unrestricted | <u>1,598,639</u> | <u>211,115</u> |
| | <u>\$ 7,819,720</u> | <u>\$ 5,521,292</u> |

BRYAN COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION

| | YEAR ENDED | |
|--|----------------------|----------------------|
| | DECEMBER 31, 2017 | DECEMBER 31, 2016 |
| OPERATING REVENUES | | |
| Water and sewer sales | \$ 784,290 | \$ 571,718 |
| Tap and connection fees | 194,000 | 234,319 |
| Total operating revenues | <u>978,290</u> | <u>806,037</u> |
| OPERATING EXPENSES | | |
| Depreciation | 414,041 | 402,025 |
| Personnel services | 48,328 | - |
| Purchased services | 586,937 | 467,586 |
| Materials and supplies | 182,122 | 157,857 |
| Total operating expenses | <u>1,231,428</u> | <u>1,027,468</u> |
| OPERATING LOSS | (253,138) | (221,431) |
| NONOPERATING REVENUE (EXPENSE) | | |
| Interest expense | <u>(153,424)</u> | <u>(169,927)</u> |
| LOSS BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS | (406,562) | (391,358) |
| Capital contributions/Cost recovery fees | 1,286,671 | 1,189,285 |
| Transfers in | <u>535,599</u> | <u>84,793</u> |
| CHANGE IN NET POSITION | 1,415,708 | 882,720 |
| NET POSITION, JANUARY 1 | <u>6,404,012</u> | <u>5,521,292</u> |
| NET POSITION, DECEMBER 31 | <u>\$ 7,819,720</u> | <u>\$ 6,404,012</u> |

BRYAN COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
DECEMBER 31, 2017

| | Tax Commissioner | Probate Court | Clerk of Courts | Magistrate Court | Sheriff | Victims Assistance Fund | Totals | |
|---------------------------------------|---------------------|------------------|--------------------|---------------------|-------------------|-------------------------------|---------------------|---------------------|
| | | | | | | | 2017 | 2016 |
| ASSETS | | | | | | | | |
| Cash | \$ 923,674 | \$ 6,671 | \$ 939,682 | \$ 9,056 | \$ 203,202 | \$ 9,060 | \$ 2,091,345 | \$ 1,910,058 |
| TOTAL ASSETS | <u>\$ 923,674</u> | <u>\$ 6,671</u> | <u>\$ 939,682</u> | <u>\$ 9,056</u> | <u>\$ 203,202</u> | <u>\$ 9,060</u> | <u>\$ 2,091,345</u> | <u>\$ 1,910,058</u> |
| LIABILITIES | | | | | | | | |
| Due to other entities and individuals | \$ 923,674 | \$ 6,671 | \$ 939,682 | \$ 9,056 | \$ 203,202 | \$ 9,060 | \$ 2,091,345 | \$ 1,910,058 |
| TOTAL LIABILITIES | <u>\$ 923,674</u> | <u>\$ 6,671</u> | <u>\$ 939,682</u> | <u>\$ 9,056</u> | <u>\$ 203,202</u> | <u>\$ 9,060</u> | <u>\$ 2,091,345</u> | <u>\$ 1,910,058</u> |

BRYAN COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017

| | Balance December 31, 2016 | Additions | Deductions | Balance December 31, 2017 |
|---------------------------------------|------------------------------|---------------|---------------|------------------------------|
| Tax Commissioner | | | | |
| Assets | | | | |
| Cash | \$ 1,034,764 | \$ 46,468,575 | \$ 46,579,665 | \$ 923,674 |
| Liabilities | | | | |
| Due to other entities and individuals | \$ 1,034,764 | \$ 46,468,575 | \$ 46,579,665 | \$ 923,674 |
| Probate Court | | | | |
| Assets | | | | |
| Cash | \$ 9,517 | \$ 213,129 | \$ 215,975 | \$ 6,671 |
| Liabilities | | | | |
| Due to other entities and individuals | \$ 9,517 | \$ 213,129 | \$ 215,975 | \$ 6,671 |
| Clerk of Courts | | | | |
| Assets | | | | |
| Cash | \$ 636,259 | \$ 2,478,563 | \$ 2,175,140 | \$ 939,682 |
| Liabilities | | | | |
| Due to other entities and individuals | \$ 636,259 | \$ 2,478,563 | \$ 2,175,140 | \$ 939,682 |
| Magistrate Court | | | | |
| Assets | | | | |
| Cash | \$ 9,148 | \$ 138,890 | \$ 138,982 | \$ 9,056 |
| Liabilities | | | | |
| Due to other entities and individuals | \$ 9,148 | \$ 138,890 | \$ 138,982 | \$ 9,056 |
| Sheriff | | | | |
| Assets | | | | |
| Cash | \$ 204,821 | \$ 86,414 | \$ 88,033 | \$ 203,202 |
| Liabilities | | | | |
| Due to other entities and individuals | \$ 204,821 | \$ 86,414 | \$ 88,033 | \$ 203,202 |
| Victims Assistance Fund | | | | |
| Assets | | | | |
| Cash | \$ 15,549 | \$ 56,657 | \$ 63,146 | \$ 9,060 |
| Liabilities | | | | |
| Due to other entities and individuals | \$ 15,549 | \$ 56,657 | \$ 63,146 | \$ 9,060 |
| Total Agency Funds | | | | |
| Assets | | | | |
| Cash | \$ 1,910,058 | \$ 49,442,228 | \$ 49,260,941 | \$ 2,091,345 |
| Liabilities | | | | |
| Due to other entities and individuals | \$ 1,910,058 | \$ 49,442,228 | \$ 49,260,941 | \$ 2,091,345 |

BRYAN COUNTY, GEORGIA
SCHEDULE OF PROJECTS PAID WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2017

SPLOST VI

| Project | Original Estimated Cost | Current Estimated Cost | Expenditures | | Total | Estimated Percentage of Completion |
|--|-------------------------------|------------------------------|----------------------|---------------------|----------------------|---|
| | | | Prior Years | Current Year | | |
| Library | \$ 1,500,000 | \$ 1,500,000 | \$ 48,500 | - | \$ 48,500 | 3% |
| Recreation projects | 5,105,000 | 5,105,000 | 4,415,408 | \$ 626,965 | 5,042,373 | 99% |
| Building renovations | 1,185,000 | 1,185,000 | 100,614 | 133,591 | 234,205 | 20% |
| 911 upgrades (debt servicing) | 1,000,000 | 1,000,000 | 920,903 | - | 920,903 | 92% |
| Emergency services equipment/Firehouse | 800,000 | 1,461,439 | 628,007 | 833,432 | 1,461,439 | 100% |
| Roads, streets, and bridges | 2,500,000 | 2,504,729 | 2,304,170 | 200,559 | 2,504,729 | 100% |
| Water and sewer | 2,500,000 | 2,523,110 | 1,987,511 | 535,599 | 2,523,110 | 100% |
| Public works equipment | 300,000 | 542,965 | 355,569 | 187,396 | 542,965 | 100% |
| Development Authority | 3,300,000 | 3,300,000 | 1,940,000 | 960,000 | 2,900,000 | 88% |
| Public safety (Sheriff vehicles) | 360,000 | 360,000 | 176,579 | 138,120 | 314,699 | 87% |
| Animal control | 250,000 | 250,000 | 44,117 | 93,649 | 137,766 | 55% |
| City of Richmond Hill | 11,000,000 | 11,000,000 | 8,273,115 | 1,887,509 | 10,160,624 | 92% |
| City of Pembroke | 3,200,000 | 3,200,000 | 2,408,016 | 549,320 | 2,957,336 | 92% |
| | <u>\$ 33,000,000</u> | <u>\$ 33,932,243</u> | <u>\$ 23,602,509</u> | <u>\$ 6,146,140</u> | <u>\$ 29,748,649</u> | <u>88%</u> |

Reconciliation of current year expenditures to Statement of Revenues, Expenditures and Changes in Fund Balances:

| | |
|--|---------------------|
| Total SPLOST VI fund expenditures per Statement of Revenues, Expenditures and Changes in Fund Balances | \$ 6,097,131 |
| Proceeds from note payable | (486,590) |
| Transfers to other funds | 535,599 |
| Total current year expenditures per above | <u>\$ 6,146,140</u> |

LANIER, DEAL & PROCTOR

CERTIFIED PUBLIC ACCOUNTANTS
201 SOUTH ZETTEROWER AVENUE
P.O. BOX 505
STATESBORO, GEORGIA 30459
PHONE (912) 489-8756
FAX (912) 489-1243

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
GEORGIA SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

WILLIAM RUSSELL LANIER, CPA
RICHARD N. DEAL, CPA, CGMA
KAY S. PROCTOR, CPA, CFE, CGMA
WILLIAM BLAKE BLOSER, CPA
TIFFANY D. JENKINS, CPA, CGMA
RICHARD N. DEAL II, CPA

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*

To the Board of Commissioners
Bryan County, Georgia

We have audited, 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, 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 Bryan County, Georgia, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Bryan County's basic financial statements and have issued our report thereon dated June 29, 2018. Our report includes a reference to other auditors who audited the financial statements of the Bryan County Board of Health, a component unit, as described in our report on Bryan 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 are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Lanier, Dahl & Proctor

Statesboro, Georgia
June 29, 2018