



Barrow County, Georgia

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2018





BARROW COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Prepared by: DEPARTMENT OF FINANCE
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Chief Financial Officer



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Introductory Section

- Letter of Transmittal
- Certificate of Achievement for Excellence in Financial Reporting
- Principal Officials
- Organizational Chart



Barrow County Board of Commissioners

30 North Broad Street, Winder, Georgia 30680

December 27, 2018

Citizens of Barrow County
and the Board of Commissioners
Barrow County, Georgia

The Comprehensive Annual Financial Report of Barrow County, Georgia (the "County") for the fiscal year ended June 30, 2018, is submitted in accordance with the Official Code of Georgia 36-81-7. This Code requires that the County publish, within six months of the close of each fiscal year, a complete set of audited financial statements. Responsibility for the accuracy, completeness, and fairness of the presented data, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects. This form of presentation is designed to facilitate a better understanding of the financial operations of Barrow County. In developing and refining the County's accounting system, consideration is given to the adequacy of internal accounting controls. Because the cost of controls should not exceed the benefits to be derived, the objective is to provide reasonable, rather than absolute assurance, that the financial statements are free of any material misstatements. We have achieved the goals of sound internal accounting controls through a combination of written procedures, implementation of working checks and balances, sound information systems, periodic reviews of systems and results, and special reviews of new and emerging issues.

The County has prepared the financial statements to meet the current applicable requirements of the Governmental Accounting Standards Board (GASB). The basic financial statements in this report have been audited by Mauldin & Jenkins, LLC. Based on their audit, Mauldin & Jenkins, LLC has concluded that there is a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with Generally Accepted Accounting Principles (GAAP). The independent auditor's report is presented as the first part of the Financial Section of this report.

The Comprehensive Annual Financial Report (CAFR) has three main sections: (1) Introduction – this includes the transmittal letter, principal officials, and the organizational chart. The letter of transmittal is designed to complement the management's discussion and analysis (MD&A) and should be read in conjunction with the audit; (2) Financial – this contains the independent auditor's report, MD&A, the basic financial statements with notes, individual and combining statements and schedules for individual funds, and the required supplementary information (RSI). The MD&A should be read in conjunction with this letter of transmittal and the financial statements; and (3) Statistical – this includes selected financial and demographic information presented mostly in multi-year form.

As required by Generally Accepted Accounting Principles (GAAP), this report includes all the funds of Barrow County (the primary government) and its component units. Component units are legally separate entities for which the primary government is financially accountable. The County reports the following entities as discretely presented component units: the Health Department and the Barrow County Airport Authority. Additional information about the County as a reporting entity is provided in the Notes to the Financial Statements.

PROFILE OF BARROW COUNTY GOVERNMENT

Barrow County was created in 1914 out of portions of Gwinnett, Jackson, and Walton counties and is located in the northeast portion of the State of Georgia. Barrow County ranks 152nd in size and claims 162.8 square miles within its boundaries. Barrow County has six municipalities contained within its borders. The City of Auburn and the Town of Carl are located on the western end; the Town of Bethlehem is located on the southern end; the City of Statham is located on the eastern end; the City of Winder is located in the center of the County; and the Town of Braselton is located on the northwest side of the County. Barrow County is empowered to levy a property tax on real property located within its boundaries. The County has operated under the county manager form of government since 2013. The governing authority of the County is composed of six commissioners elected by districts and a chairperson elected at-large, all for four year staggered terms. Policy making and legislative authority are vested in the governing authority. On November 8, 2011, the citizens of Barrow County voted to create a new position of County Manager to supervise, direct, and control the day-to-day activities and business operations of the County government. This position took effect on January 1, 2013. As a result of the vote, the Chairperson of the Board converted from a full-time chairperson to a part-time chairperson. Additional information about current activities of the County can be obtained at the County's web site, www.barrowga.org.

The County provides a full range of public services including: Emergency Services (Fire, EMS, EMA, and 911); Senior Citizens Center; Parks & Recreation; Amphitheater; Elections; Animal Control and Shelter; Economic & Community Development (building permits and inspections; business and alcohol licenses; Planning & Zoning); Geographic Information Systems (GIS); Roads, Bridge and Streetlights Maintenance; Water Services and Wastewater Services; Storm Water Services; Tax Assessments and Tax Collections; Public Safety (Sheriff Office, Detention Center, and Coroner); and Court Services (Probate Court, Magistrate Court, Superior Court, Juvenile Court, and Drug Court, Public Defender and District Attorney).

THE BUDGET PROCESS

In accordance with State law, Barrow County adopts an annual operating and capital budget consistent with generally accepted accounting principles. The County is required to adopt an initial budget for the fiscal year no later than June 30, preceding the beginning of the fiscal year on July 1. This budget serves as the foundation for the County's financial planning and control for management in carrying out the daily operations of the County's various services that it provides. The budget is developed on a line item basis with the focus on the cost of services. The County's budget is adopted by the Board of Commissioners after a State required public hearing and two public notices. The legal level of budgetary control is at the departmental level. The departments are permitted to transfer appropriations within the department. Budgetary amendments require the approval of the Board of Commissioners. Budgetary control is maintained using an encumbrance system and through management's monthly financial statement review and analysis.

BARROW COUNTY'S ECONOMIC CONDITION AND OUTLOOK

Barrow County is located within Georgia's Innovation Crescent region which is a coalition of more than 15 counties and economic development entities that are focused on life sciences and technology growth. The region starts in Atlanta, home to the world's busiest airport, and ends in Athens-Clarke, home of the University of Georgia. This coalition is attracting attention from the life sciences and technology firms' community wishing to establish in Georgia.

Barrow County has seen significant growth in population and new development, both residential and non-residential. The County's population, according to the 2010 National Census, was 69,367 which was a 50.33% increase over the previous 10 year period. Barrow County continues to grow with an estimated population as of July 1, 2017 of 79,061 according to the US Census. Barrow County's unemployment rate was 3.6% while the State's unemployment rate was 4.2%, in June 2018 according to the US Bureau of Labor Statistics. New development in both residential and commercial properties continues as the County rebounds from the great recession.

Local businesses and industries have expanded and invested in Barrow County in 2018. Ft. Yargo State Park, consistently one of the top five most visited parks in the State, has adopted the first new Master Plan in the State park system that will be used as a model for future State park master plans and will ensure a steady stream of tourism dollars for the community. The Plan includes facilities for increased day use and overnight stays, improved access, conference space, recreational facilities and connection to Downtown Winder. The Park has received \$2.9 million in funding through the State Legislature for construction of the first phase of the Master Plan and a new entrance way and Visitor Center is under construction. Schuetz Container Systems has added \$4 million in new equipment in 2017 with plans to add another processing line in 2018 to increase productivity. Progress Container, after acquiring additional acreage around their existing facility, have completed the design/permitting phase of a new 170,000 square foot addition and have bid construction for completion in 2018.

By leveraging over \$1.2 million in State and Federal funds, Barrow County has invested over \$1.5 million in the new Park 53 Industrial & Technology Complex along University Parkway/Highway 316. These dollars have been used for the Georgia Ready for Accelerated Development (GRAD) process through the State of Georgia's Department of Economic Development, the construction of a new entrance road and associated infrastructure, all to promote new industrial development and job creation. As a result of additional State and Federal grant funding received in fiscal year 2018 of \$350,000 the main access road into Park 53 South will be extended an additional 800 feet. Lanier Technical College and the Barrow County Sims Academy for Innovation and Technology opened their doors to the new Barrow County Workforce Development Campus adjacent to Park 53 Industrial & Technology Complex in 2015. Lanier Technical College's enrollment continues to climb following the 2015 completion of the \$18.4 million, 67,000 square foot, state-of-the-art facility in concert with the \$12 million Barrow County Sims Academy for Innovation and Technology. Both of these institutions will provide excellent workforce development and training for new and existing industries.

The Georgia Department of Economic Development and Site Selector Firms have provided over eighteen requests for information associated with prospective industries that are looking for new locations within the state. As of June 2018 there were four prospect site visits conducted. These requests reflect interest in the community by domestic companies and those located overseas. The industry types are advanced manufacturing, automotive suppliers, pharmaceuticals, food manufactures, data centers and medical devices. Many of the interested companies consist of foreign direct investment (FDI) from countries such as South Korea, China, Japan, Germany, and Switzerland.

As of June 2018, new single family home permits in the unincorporated area numbered 436 which represents a 156% increase from 2017. Four commercial building permits were issued in fiscal year 2018 with a value of \$1.63 million. Values for land and single family homes have continued to rise year over after year. Over 61,000 square feet of commercial buildings was added during the 2017 digest year illustrating the considerable and continued commercial interests the community has generated along University Parkway/Highway 316 connecting Atlanta to Athens

Funding for the operations of the County comes from the following primary sources: taxes, licenses and permits, fines and forfeitures, charges for services and state and federal grants. During the past five years, revenue from taxes have increased by \$8,211,491 (\$36,865,888 in fiscal year 2014 as compared to \$45,077,379 in fiscal year 2018. Most of the increases have been in property taxes, insurance premium taxes and motor and vehicle taxes.

Public Safety expenditures were 43.52% of the total expenditures for governmental funds for fiscal year 2018.

LONG TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

On December 8, 2015, the Board of Commissioners voted to change the County's fiscal year from October 1, through September 30, to July 1, through June 30, starting with fiscal year 2017, to better lineup with the State of Georgia's fiscal year. So, fiscal year 2018 was the first full twelve (12) months fiscal year that started on July 1, 2017 and ended June 30, 2018.

On March 15th, 2011, Barrow County citizens voted to extend the current SPLOST for another six years beginning July 1, 2012 to fund an additional \$60 million of capital improvements and debt payments. As of June, 30, 2018, the County had collected \$56,988,056. The 2012 SPLOST program is designated to fund the following projects: 2005 general obligation bonds, Bear Creek Reservoir debt payments, purchase of various equipment, road, bridge, and sidewalk improvements, parks and recreation projects, water and sewer system projects, and allocations to each cities for their capital projects.

On November 7th, 2017, Barrow County citizens voted to extend the current SPLOST for another five years beginning July 1, 2018 to fund an additional \$56 million of capital improvements. The 2018 SPLOST program is designated to fund the following projects: purchase of various equipment, roads, bridges, and sidewalks improvements, parks and recreation projects, water and sewer system projects, and allocations to each city for their capital projects.

On June 20th, 2018, the Board revised the unassigned fund balance policy from a minimum of 2 months (16.67) and a maximum of 3 months (25%) of General Fund expenditures to a minimum of 25% of General Fund expenditures and transfers. Unassigned fund balance in the General Fund at the end of fiscal year 2018 represented 4.62 months or 38.54% of General Fund expenditures and transfers. The fiscal year 2018 amount is within the minimum target set by the policy guidelines.

The fiscal year 2019 budget was prepared in accordance with section 36-81-(1-6) of the Official Code of Georgia Annotated. In addition, while developing the budget the following priorities were taken into consideration: Continue to minimize the financial impact of county operations on its citizens through conservative budgeting practices that focus on achieving enhanced efficiency and effectiveness throughout the organization; Continue the Pay for Performance system across all County departments with the exception of the Sheriff's Office and Detention Center; Provide funding for a salary and compression adjustment within the Sheriff's Office and Detention Center in order to address ongoing staffing shortages and the resulting increased overtime expense; to update the Capital Improvement Plan every year; Movement of Planning & Community Development and the Streetlight Program from the General Fund to the Special Revenue Fund Continue to provide outstanding government services at adequate levels; and continue to Maintain a healthy reserve fund balance in accordance with the Revised GASB 54 Fund Balance Policy as adopted by the Board of Commissioners.

The County has strong and improving General Fund reserve levels, resulting directly from a long tradition of conservatively sound financial and management practices. The strong financial position provides the opportunity to continue to implement needed infrastructure improvements with proper strategic planning and guidance as to appropriate revenue sources.

The County's tax digest and sales tax revenue are anticipated to continue to increase as well as residential and retail/commercial building activity. County programs and services are expected to remain constant in an effort to keep the cost of government as low as possible. Looking towards fiscal year 2020 and beyond, the County will have challenges, however they are good challenges, which are a direct result of our success as a vibrant, growing, and diverse community. The County need to be prepared for the demands of an expanding region and be prepared for the demands of public services in the areas of recreation, transportation, and sewer infrastructure expansions. The Capital Improvement Program is analogous to a roadmap, setting the course to being prepared to meet future growth.

In addition, the implementation of the fiscal year 2020- fiscal year 2024 Capital Improvement Program will be addressed, including an emphasis on critical infrastructure projects such as roadway maintenance, sewer and water system improvements, and buildings and facilities. The programmed replacement of essential vehicles and equipment, is also critically important to ensure the County continues to provide outstanding service to the community

Fiscal year 2019 Budget (\$83,691,668) included \$19,052,938 in its Capital Improvements Program (CIP). Fiscal year 2019 CIP include \$863,000 for the purchase of eighteen (18) vehicles for various departments, \$3,047,450 for road work, \$7,600,000 for parks and recreation projects, \$395,110 for upgrade and replacement of the computer and telephone system infrastructure and equipment, \$497,000 for a rescue

pumper for a rescue pumper, \$276,965 for various equipment, \$928,413 for Parks 53 Industrial Complex project, \$35,00 for building maintenance and repairs, \$1,750,000 the purchase of property and construction of a fire station, and \$3,660,000 for various water and sewer projects.

During the fiscal year 2018, the County purchased eighteen (18) vehicles for the following departments: ten vehicles for the Sheriff's office at \$375,979; two vehicles for Animal Control at \$143,492; one vehicle for Water Retail at \$24,311; a Transit T-350 Van for Cooperative Extension for 29,280; a Ford Econoline E-350 Bus for Senior Center at \$58,217; a 2016 Chevrolet HD3500 Ambulance for Emergency Services (EMS) at \$144,671; and a 2018 Ford E-450 Super Duty Cutaway for EMS at \$113,150.

The County also purchased various equipment for various departments as follows: Toro Z Master 3000 Mower for Parks & Recreation at \$7,946; Milnor 40 pound Capacity Washer for Fire-EMS at \$7,935; an American Fireman's Turnout Gear Dryer for Fire -EMS at \$6,667; Kennel Cages for Animal Control at \$15,450; 323E Compact Tractor for Roads and Bridges at \$50,500; Two Bush Hog Tractors for Roads and Bridges at \$75,354.

Computers and various software for various departments were purchased follows: Payroll Kronos Time Clocks (20) at \$59,215; Mobile Data Entry License for Fire-EMS at \$20,268; Mobile Data Entry Hardware for Fire-EMS at \$20,993; E911; MDT Mobile Data Terminal for EMS at \$40,157; E911 Telephone System at \$250,823; and Web Security Appliances/Web Content at \$7,900.

Buildings and Grounds department completed the roof replacement project for the Old Historic Court House, total cost of the project was \$126,350; Replaced the roof of the Museum Building at \$20,800; Replaced the roof of Fire Station #5 at \$11,965; Completed the Roof Walkway to access HVAC at the new Courthouse project, total cost at \$116,091; Replaced the Jail Kitchen floor, total cost at \$106,565; Completed Jail Roof Repair at \$24,500.

Roads and Bridges department completed several projects such as LMIG/Non LMIG, costing \$1,769,180. This included Roadway Patching & Resurfacing on eight (8) County roads totaling 7.14 miles. The department also graded and paved 0.40 mile of Jim Johnson Road at \$39,206. Roads & Bridges Department also completed Additional LMIG for Safety Projects at a total cost of \$287,503. The work included Replacing a guardrail at bridge on Smith Mill Road over Marbury Creek; Completing Traffic Line Re-Striping & Pavement Markings on (14) county roads; Installing rumble strips & new signs for the intersection of Bowman Mill Road at Pleasant Hill Church Road. Intersection Improvement for Ed Hogan Road at SR 8, CSX Railroad & Bankhead Highway was completed, total spent in FY2018 was \$428,129.

Roads and Bridges department also continued with the West Winder By-Pass using SPLOST Funds, Georgia Department of Transportation (GDOT) will fund the additional engineering for Phase III. Right of way acquisition for Phases 1 & 2 was completed, and design work for Phase 3 Continues. Total spent in FY2018 \$753,022 out of which \$595,883 was from GDOT grant.

Roads & Bridges department also completed a Traffic Sign Reflectivity Plan; started an American with Disability Act (A.D.A) Transition Plan; and Completed a Road/Street Management System data base including pavement conditions and Inventory addressing preventative maintenance, rehabilitation and reconstruction of paved roadways.

The Barrow County Emergency Services (BCES), was able to accomplish many goals and objectives in fiscal year 2018. BCES had established goals and objectives to replace aging fleet, extrication tools & equipment, and E911 upgrades following the Next Generation 911 plan. BCES also completed several internal objectives, such as the Rules & Regulations manual, completion of the burn building (phase II), GA Trauma Grant, multiple EMA grants, and completion of the Barrow County Emergency Service Annual Report. With the approval of the Board of Commissioners, BCES was able to order an E-One Rescue/Pumper. This state of the art apparatus is scheduled to replace Engine #7. BCES also purchased one (1) new medical apparatus and remounted one (1) medical apparatus. One Med unit replaced the current apparatus at station #7 and the other replaced the apparatus at station #6. In addition to the above, BCES also has on order one (1) administrative/command vehicle.

BCES applied for and received the Assistance to Firefighters Grant in the amount of \$415,728 to replace the aging extrication equipment that is over ten years old. This equipment includes the newest technology available to include battery operated tools which allows for increased mobility. These tools are lighter than our previous sets which will reduce firefighter injury. BCES completed phase II of the burn building project. This facility has proven to enhance the staff on firefighter techniques, officer development, and firefighter survival.

BCES also received the GA Trauma Grant that was used to purchase stair chairs and upgraded the cot mount system in two (2) medical apparatus. In addition to these, BCES implemented the new Rules and Regulations manual which ties all division together under one umbrella. BCES applied for and received several grants regarding Hurricane Irma, with a total cost recovery for the county of over \$104,000. The department applied for and received approval to begin the Hazard Mitigation Plan update which has to be completed every five (5) years.

For the Emergency Communications Division (E911) and as a part of the Next Generation 911, the County converted from the analog telephone system to a new digital telephone system to be in compliance with Next Generation 911 standards. The Board of Commissioners have also approved the GIS Point Layer project which should be completed in the fall of 2018.

The Barrow County Sheriff's office continued to provide safety for our citizens in a professional manner. They were awarded the State Certification for the 3rd time. One Major was awarded "State Jail Administrator of the Year" at the annual Jail Conference. The Sheriff's office joined forces with Winder Police Department to provide for 40 kids at Christmas with our Shop with a Cop program. The department also sponsored 12 youth to participate in the "Participating in the Lives of Area Youth"(PLAY) Program.

The Tax Assessors Department continued to work on the Personal Property audits in an effort to make sure all accounts are taxed fairly and equitably throughout the county. The department worked 543 new Single Family Residence permits for the 2017 Digest, over 8 times as many as the 2012 Digest, generating over \$72.3 million in value added to the 2017 digest. There were 1051 Accessory permits worth over \$7.2 million and 49 Commercial/Industrial permits generating \$19.2 million in value. Also the 2017 Digest was a County wide value update year in an effort to maintain the taxable values closer to sales on the open market as directed by the Georgia Department of Revenue. The update and new construction added over \$660 Million in value to the County digest.

Department of Economic and Community Development had a number of accomplishments during fiscal year 2018. Some of the accomplishments are: Completion of configuration and staff training for the Tyler Technologies Customer Self Service module, which will allow customers to complete business renewal applications and some permits online; secured an Engineering and Design agreement for the design of the Phase II road segment in Park 53 (construction slated for fiscal year 2019); There were 18 Industry Prospect Requests for Information (RFI) and 4 industry prospect site visits. There were 2 Great American Clean-Up Events conducted in the spring and fall, at which 151,000 pounds of scrap metal was collected, 2663 gallons of paint, 500 scrap tires, and 22 roll off dumpsters were used. Four (4) Commercial Building Permits were issued, 436 Single Family Building Permits were issued and Single Family Building Permits Value was approximately \$60,583,070.

The Senior Center purchased a new shuttle bus for seniors' transportation, replacing a 2005 shuttle bus. The department also replaced landscaping in front of senior center to improve visibility and sightlines. It constructed a new outdoor Pickleball court adjacent to the Senior Center. Then Center hosted the Northeast Georgia Area Agency on aging summer picnic with over 500 seniors attending from twelve county senior centers in the region.

Leisure Services accomplishments included: The seven under (7U) football team won the first ever Super Bowl by a Barrow County team in the North Georgia Youth Football Association. The Girls & Boys Track Teams both finished as the GRPA District 7 Champions and North Georgia Youth Track League Champions, along with two state champion athletes. The Girls Softball program was reinstated into the Tri-County Softball League, competing against teams from Gwinnett and Walton counties. The eight under

(8U) & ten under (10U) Boys Basketball Teams won their district tournaments and competed in the state tournament. The County partnered with the City of Auburn and the Winder Lions to form the Barrow Baseball League, to provide youth baseball games with much shorter travel distances for players and parents. The six under (6U) Boys Baseball Team won their district tournament and competed in the state tournament. New sport Youth Cross County was added, and competed in the North Georgia Youth Cross Country League.

Stormwater department repaired Box Culvert at Jackson Trail Road at a cost of \$34,253. Among the other things the department handled were: Completed 456 work orders; Completed 6894 stormwater structure inspections; Completed 2 education events at local elementary schools; Replaced 1006 ft. of culvert pipe; Cut 171 Detention Ponds; Completed maintenance on 5 Watershed Dams; Completed water sampling for Watershed Assessment; Complete Stormwater Management Plan for years 2018-2022; and Completed engineer inspections for the two Category One Dams.

The Water and Sewer Department has a 2% growth in water customers. It has a collection of 98% of the billings. The Department completed the construction of the Tom Miller Road Pump Station Improvements. Total cost of the project was \$687,897. SR 316/81 12" Gravity Sewer Relocation project was completed at a total cost of \$272,532. The Tanner Wastewater Facility Expansion was also completed at \$18,400. The department updated sewer ordinance and re-establish reservation agreements. It also initiated engineering services for the new Tanners Bridge Water Reclamation Facility. The Department also developed multi-tiered water rates based on customer type and also it finalized multiple Inter-Governmental Agreement's with Oconee County for water and wastewater services.

Animal Control department installed ten (10) new double sided dog kennels; expanded the current foster program; and added a part-time kennel technician to the staff.

The Board of Elections successfully held the Barrow County SPLOST Election in November 2017, in conjunction with the City of Winder and the Town of Carl General Elections. The department also successfully held the 2018 General Primary Election on May 22nd, 2018.

The County has continued the Service Delivery Strategy update process with all six cities. The County also assists in funding other public agencies including: Library Services; Health Department; Cooperative Extension Service; Social Services including Department of Family and Child Services (DFCS); Advantage Behavioral; Adult Literacy; Georgia Soil and Water Conservation Commission and Georgia Forestry Commission.

REGIONAL COMMISSION CENTER

Under Georgia law, the County, in conjunction with other counties and cities in the area, is a member of the Northeast Georgia Regional Commission ("RC") and is required to pay annual dues thereto. Membership in a RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia.

The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA Section 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC.

CERTIFICATE OF ACHIEVEMENT AWARD

Barrow County was awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA) for the fiscal year 2017. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting. This program was established by GFOA to promote education and recognition of excellence in governmental accounting and financial reporting. To be awarded a Certificate of Achievement, a Governmental unit must publish an easily readable and efficiently organized, comprehensive annual financial report, with content conforming to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe this

report meets the requirements of the Certificate of Achievement Program, and we are submitting it to GFOA for review.

ACKNOWLEDGMENTS

The preparation of this report would not have been accomplished without the effective and dedicated services of the entire staff of the Department of Finance. We express our appreciation to all Barrow County officials and employees who assisted and contributed to the operations of the County during fiscal year 2018, and the preparation of this report. We also thank Mauldin & Jenkins, LLC for their assistance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael Renshaw", enclosed in a thin black rectangular border.

Michael Renshaw
County Manager

A handwritten signature in black ink, appearing to read "Rose K. Kisaalita", enclosed in a thin black rectangular border.

Rose K. Kisaalita, CPA
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Barrow County
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morrell

Executive Director/CEO

**BARROW COUNTY, GEORGIA
PRINCIPAL OFFICIALS
June 30, 2018**

CHAIRMAN AND COMMISSIONERS

Pat Graham	Chairman
Joe Goodman	Commissioner
William Brown	Commissioner
James R. Wehunt	Commissioner
Isaiah Berry	Commissioner
Billy Parks	Commissioner
Ben Hendrix	Commissioner

ELECTED OFFICIALS

Brad Smith	District Attorney
Currie Mingledorff	Judge, Superior Court
David Crosby	Coroner
Wayne McLocklin	Judge, Superior Court
David Motes	Judge, Superior Court
Penn McWhorter	Judge, Superior Court
Joseph Booth	Judge, Superior Court
Jud Smith	Sheriff
Caroline Evans	Judge, Magistrate Court
Melinda Williams	Tax Commissioner
Regina McIntyre	Clerk of Superior Court
Tammy Brown	Judge, Probate Court

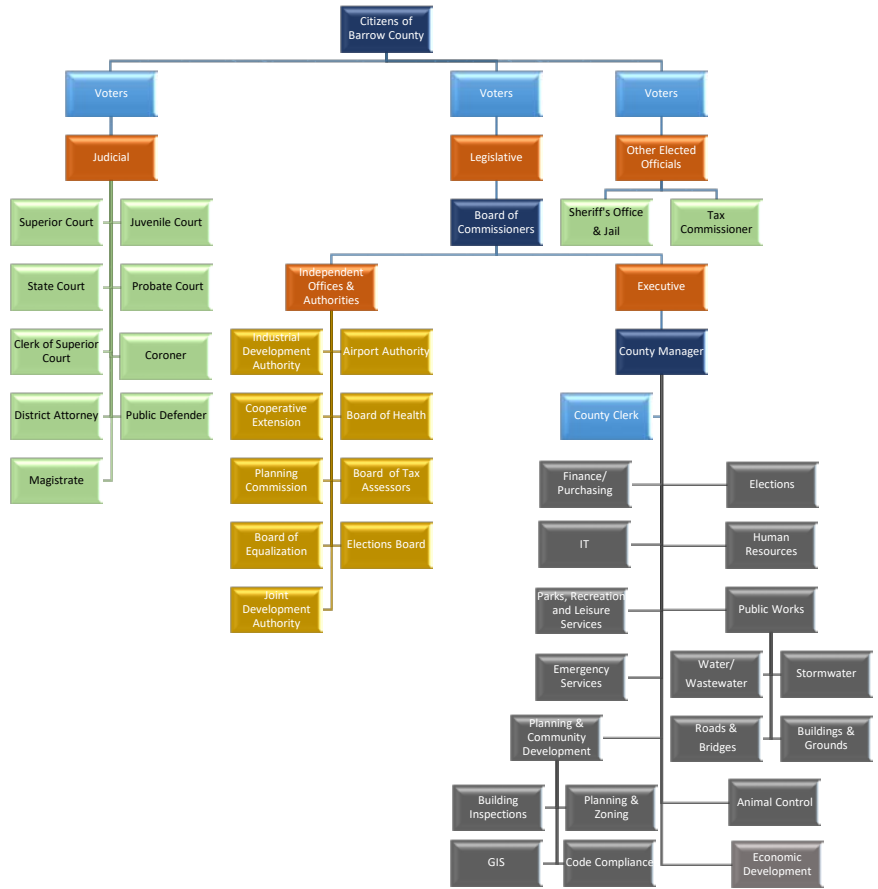
APPOINTED OFFICIALS

Angie Davis	Attorney
Kevin Guidry	Juvenile Judge (Judges appointment)
Michael Renshaw	County Manager
Danielle Austin	Clerk of Commission

DIRECTORS/SUPERVISORS

Vacant	Human Resources Director
Rose Kisaalita	Chief Financial Officer
Vacant	Economics and Community Development Director
Vacant	Public Works Director
John Skinner	Chief of Emergency Services
Don Elrod	Chief Appraiser
Monica Franklin	Director of Elections and Registration
Dan Magee	Director of Leisure Services
Wanda McLocklin	County Extension Coordinator and 4-H Agent
Jaclyn Nguyen	Animal Control Director

BARROW COUNTY ORGANIZATIONAL CHART - JUNE 30, 2018





Financial Section

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
 - Government-wide Financial Statements
 - Fund Financial Statements
- Required Supplementary Information
- Combining, Individual Fund Statements and Schedules



INDEPENDENT AUDITORS' REPORT

To the Chairman and Members
of the Board of Commissioners
Barrow 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 **Barrow County, Georgia** (the "County"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Barrow County, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Barrow County Health Department, which represents 17%, a reduction of 1%, and 70%, respectively, of the assets and deferred outflows of resources, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Barrow County Health Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 Barrow County, Georgia, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparisons for the General Fund and the Fire Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in notes 15 and 16, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Post Employment Benefits Other Than Pensions*, as of July 1, 2017. This standard significantly changed the accounting for the County's other postemployment benefits (OPEB) liability and the related disclosures. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in the County's Net Pension Liability and Related Ratios, the Schedule of County Pension Contributions, the Schedule of Employer's Proportionate Share of the Net Pension Liability – Component Unit, the Schedule of Employer's Pension Contributions – Component Unit, the Schedule of Changes in the County Total OPEB Liability and Related Ratios, the Schedule of Employer's Proportionate Share of the Net OPEB Liability – Component Unit, and the Schedule of Employer's OPEB Contributions – Component Unit as presented 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 and other auditors 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 the County's basic financial statements. The combining statements and schedules, including the schedules of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining statements and schedules, including the schedules of expenditures of special purpose local option sales tax 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 by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining statements and schedules including the schedules of expenditures of special purpose local option sales tax proceeds, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2018 on our consideration of the County'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 solely 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 the effectiveness of the County's 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 the County's internal control over financial reporting and compliance.



Atlanta, Georgia
December 27, 2018

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

This section of the Barrow County, Georgia, annual financial report presents a narrative overview and an analysis of the financial activities of the Barrow County Board of Commissioners for fiscal year ended June 30, 2018. Management encourages readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

- The financial position of the County improved during fiscal year ended June 30, 2018. The total net position for the governmental activities increased by \$9,738,823 from \$99,259,093, as restated, for the nine month period ended June 30, 2017 to \$108,997,916 for fiscal year ended June 30, 2018. Unrestricted net position increased by \$2,074,805 from \$11,930,585 as restated in the nine month period ended June 30, 2017 to \$14,005,390 in fiscal year 2018. Total net position increased for the business-type activities by \$3,228,501 from \$50,819,460 for the nine month period ended June 30, 2017 to \$54,047,961 in fiscal year 2018. Total net position for the primary government increased by \$12,967,324.
- The assets and deferred outflows of resources of Barrow County's governmental activities exceeded its liabilities and deferred inflows of resources in fiscal year 2018 by \$108,997,916 (net position). Of this amount, \$14,005,390 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- As of the end of fiscal year 2018, Barrow County's governmental funds reported combined ending fund balances of \$33,058,210 an increase of \$3,612,325 or 12.27% from the nine month period ended June 30, 2017. Some of the contributing factors for the \$3,612,325 increase are: growth in the property tax digest; steady economy - Title Ad Valorem Tax increased by \$973,516 in fiscal year 2018 (\$2,694,632) compared to nine month period ended June 30, 2017 (\$1,721,116); Local Option Sales tax increased by \$1,960,752; insurance premium tax increased by \$172,665, and alcoholic beverage excise tax increased by \$107,663. Revenue from Licenses and building permits increased by \$259,711. Total revenue from charges for services increased by \$1,468,314, the majority of which was from ambulance fees, which increased by \$515,338. Revenue from the telephone companies for the E-911 services increased by \$619,244, from \$843,851 in the nine month period ended June 30, 2017 to \$1,463,098 for fiscal year 2018. Revenue from Special Option Sales Tax increased by \$3,160,088 in fiscal year 2018 from \$7,554,173 for the nine months period ended June 30, 2017 compared to \$10,714,261 for fiscal year 2018. Total operating budget for the General fund was \$40,567,136 compared to actual expenditures of \$39,231,576; a savings of \$1,335,560. This includes the \$1,510,796 budgeted for use of fund balance.
- The General Fund reported an unassigned fund balance of \$15,119,077 or 43.92% of total General Fund expenditures (and 38.54% of total General Fund expenditures and transfers out). Based on fiscal year 2018 General Fund expenditures, the County's unassigned fund balance will cover 5.27 months of General Fund annualized expenditures (4.62 months of General Fund annualized expenditures and transfers out). The net change in fund balance for the General Fund for fiscal year 2018 is an increase of \$1,134,059 or 6.89%.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. These basic statements consist of three sections: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other information supplementary to the basic financial statements themselves.

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Government-wide Financial Statements

The government-wide financial statements provide both long-term and short-term information about the County's overall financial status. These statements use a format similar to a private-sector business. They include a Statement of Net Position and a Statement of Activities, which appear on pages 30 and 31 of this report.

The Statement of Net Position presents information on the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net Position, the difference between these assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, is a useful way to measure the County's financial health or financial position. Over time, increases or decreases in the County's net position are indicators of whether its financial health is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during this current fiscal year. All of the current fiscal year's revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid. This statement separates program revenue (charges for services, grants, and contributions) from general revenue (including taxes) which shows the extent each program must rely on taxes for funding.

The Statement of Net Position and the Statement of Activities distinguish functions of the County that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through fees and charges. These financial statements also contain discretely component units for which the County is financially accountable for.

- **Governmental Activities** – These activities are comprised of functions of the County which are primarily financed by taxes and intergovernmental revenues. Examples include judicial, public safety, public works, health and welfare, culture and recreation, housing and development and general government.
- **Business-Type Activities** – The County charges fees to cover the services it provides. These activities include stormwater and water and sewer services.

The government-wide statements can be found on pages 30 and 31 of this report.

- **Component Units** – The County's statements include two component units for which the County is financially responsible: the Board of Health and the Airport Authority. These component units are separately identified within the statements to show they are legally separate from the County.

The governmental component units' statements can be found on pages 30 and 31 and 122 and 123 of this report. The proprietary component unit statements can be found on pages 30 and 31 and on pages 124 through 127 of this report.

Fund Financial Statements

Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. A fund is a grouping of related accounts used to maintain control over resources which have been segregated for specific activities or objectives. Barrow County, like other states and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of Barrow County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, this set of financial statements focuses on events which produce near term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year. The fund statements also have a narrower focus than the government-wide financial statements.

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

By comparing functions between the two sets of statements for governmental funds and governmental activities, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison.

Barrow County maintains eighteen (18) individual governmental funds. The five (5) major funds, the General Fund, Fire Fund, 2005 Capital Projects Special Local Option Sales Tax (SPLOST) Fund, the 2012 SPLOST Fund, and the Capital Project Fund are presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances. Data for the nonmajor funds: Law Library, Confiscated Assets, Emergency 911, Drug Abuse and Education, Drug Court Participation Fee, Special Programs, Supplemental Juvenile Services, Jail, Inmate Commissary, Multiple Grants, Industrial Building Authority, Joint Development Authority, and 700 MHTZ Radio System Maintenance are combined into a single aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of Combining Statements and Individual Fund Statements and Schedules located in the supplementary information section following the notes to the financial statements. Data for the nonmajor capital projects fund is also in the schedules located in the supplementary section.

Barrow County adopted an annual appropriated budget for the General Fund and for each special revenue fund. A budgetary comparison statement is provided in order to present budgetary compliance. Major fund comparison statements can be found in the basic financial statements, while all nonmajor fund variances follow the notes to the financial statements. The basic governmental fund statements can be found on pages 32 through 40 of this report.

Proprietary funds – The financial statements of Barrow County include the Water and Sewerage Authority Fund and the Stormwater Fund as major funds. Proprietary fund statements follow the governmental fund statements in this report. The County prepares budgetary estimates for the enterprise funds. The budgetary estimates, upon which such budgets are adopted, are retained in memorandum form for budget control purpose and are utilized in the preparation of comparative operating statements. Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail, since both apply the full accrual basis of accounting. The basic proprietary fund financial statements are found on pages 41 through 43 of this report.

Agency funds – Agency funds are used to account for resources held for the benefit of parties outside the County. Agency funds are not reported in the governmental-wide statements. The basic agency fund financial statements are found on page 44 of this report.

Component Units – The County's statements include two component units for which the County is financially responsible: The component units are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. The basic component unit financial statements are found on pages 121 through 127.

Notes to the financial statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements are found on pages 45 through 93 of this report.

Other information – In addition to the basic financial statements and notes, this report also includes required supplementary information concerning the County's progress funding its obligation to provide pension and OPEB benefits to its employees. This information can be found on pages 94 through 101.

Combining statements and schedules referred to earlier, which present more detailed views, are found on pages 102 through 120 of this report.

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Government-wide Financial Analysis

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>		<u>Percentage of Total</u>	
	<u>2018</u>	<u>2017 (Restated)</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017 (Restated)</u>	<u>2018</u>	<u>2017 (Restated)</u>
Assets:								
Current and other assets	\$ 36,560,823	\$ 32,227,164	\$ 14,984,950	\$ 10,788,555	\$ 51,545,773	\$ 43,015,719	20%	17%
Capital assets	<u>140,499,240</u>	<u>137,532,025</u>	<u>68,433,709</u>	<u>68,808,404</u>	<u>208,932,949</u>	<u>206,340,429</u>	<u>80%</u>	<u>83%</u>
Total assets	<u>177,060,063</u>	<u>169,759,189</u>	<u>83,418,659</u>	<u>79,596,959</u>	<u>260,478,722</u>	<u>249,356,148</u>	<u>100%</u>	<u>100%</u>
Total deferred outflows of resources								
	<u>4,836,819</u>	<u>6,870,320</u>	<u>61,100</u>	<u>108,215</u>	<u>4,897,919</u>	<u>6,978,535</u>	<u>100%</u>	<u>100%</u>
Liabilities:								
Current liabilities	2,808,980	1,961,501	3,451,662	614,166	6,260,642	2,575,667	6%	2%
Long-term liabilities	<u>69,191,753</u>	<u>75,272,294</u>	<u>25,431,516</u>	<u>27,646,308</u>	<u>94,623,269</u>	<u>102,918,602</u>	<u>94%</u>	<u>98%</u>
Total liabilities	<u>72,000,733</u>	<u>77,233,795</u>	<u>28,883,178</u>	<u>28,260,474</u>	<u>100,883,911</u>	<u>105,494,269</u>	<u>100%</u>	<u>100%</u>
Total deferred inflows of resources								
	<u>898,233</u>	<u>136,621</u>	<u>548,620</u>	<u>625,240</u>	<u>1,446,853</u>	<u>761,861</u>	<u>100%</u>	<u>100%</u>
Net position:								
Net investment in capital assets	84,972,640	78,097,339	42,776,267	40,855,051	127,748,907	118,952,390	78%	79%
Restricted	10,019,886	9,231,169	1,755,635	996,442	11,775,521	10,227,611	7%	7%
Unrestricted	<u>14,005,390</u>	<u>11,930,585</u>	<u>9,516,059</u>	<u>8,967,967</u>	<u>23,521,449</u>	<u>20,898,552</u>	<u>14%</u>	<u>14%</u>
Total net position	<u>\$ 108,997,916</u>	<u>\$ 99,259,093</u>	<u>\$ 54,047,961</u>	<u>\$ 50,819,460</u>	<u>\$ 163,045,877</u>	<u>\$ 150,078,553</u>	<u>100%</u>	<u>100%</u>

Barrow County's Net Position

As noted earlier, the net position over time can be a useful indicator of a government's financial position. As illustrated in the above table, as of June 30, 2018, the County's assets and deferred outflows of resources for governmental activities exceeded liabilities and deferred inflows of resources by \$108,997,916 and the County's assets and deferred outflows of resources for business-type activities exceeded liabilities and deferred inflows of resources by \$54,047,961 bringing the total primary government net position to \$163,045,877.

Of the \$163,045,877 in net position, Barrow County's net investment in capital assets (e.g., land, buildings, machinery and equipment less any outstanding related debt used to acquire the assets and accumulated depreciation), equals 78.35% of net position. The County uses these capital assets to provide services to

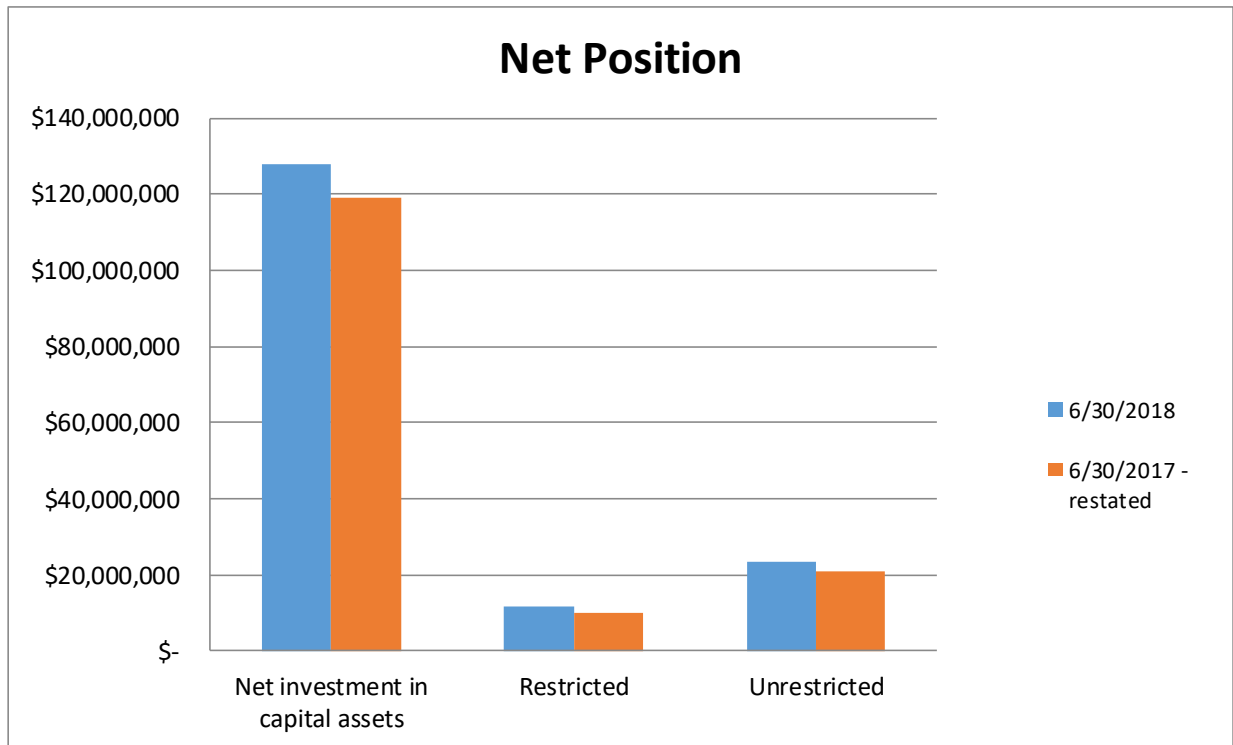
**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

citizens and consequently these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the assets themselves cannot be used to liquidate these liabilities. Barrow County's net position also includes restricted net position in the amount of \$11,775,521 out of which \$594,158 is restricted for public safety, \$137,619 is restricted for the law library, \$761,624 is restricted for roads and streets, \$8,526,485 is restricted for capital improvements, and \$1,755,635 is restricted for debt service. Restricted net position accounts for 7.22% of total net position. Finally, unrestricted net position of \$23,521,449 or 14.43% of total net position, may be used to meet the County's ongoing obligations to citizens and creditors. At the end of fiscal year 2018, Barrow County reported positive balances in all categories of net position.

Barrow County's Net Position

Fiscal year ending June 30, 2018 and nine months period ending June 30, 2017

	<u>6/30/2018</u>	<u>6/30/2017 - restated</u>
Net investment in capital assets	\$ 127,748,907	\$ 118,952,390
Restricted	11,775,521	10,227,611
Unrestricted	<u>23,521,449</u>	<u>20,898,552</u>
	<u>\$ 163,045,877</u>	<u>\$ 150,078,553</u>



**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

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Barrow County's Changes in Net Position

	<u>Governmental Activities 2018</u>	<u>Governmental Activities 2017 (Restated)</u>	<u>Business-type Activities 2018</u>	<u>Business-type Activities 2017</u>	<u>Total 2018</u>	<u>Total 2017 (Restated)</u>
Revenues:						
Program revenues						
Charges for services	\$ 10,418,657	\$ 8,005,701	6,956,218	\$ 4,125,483	\$ 17,374,875	\$ 12,131,184
Operating Grants and contributions	826,046	488,309	-	-	826,046	488,309
Capital Grants and contributions	2,252,715	2,526,974	1,343,806	205,795	3,596,521	2,732,769
General revenues:						
Taxes:						
Property taxes	23,145,923	22,463,771	-	-	23,145,923	22,463,771
Alcoholic beverages taxes	377,293	269,630	-	-	377,293	269,630
Insurance premium taxes	2,616,704	2,444,039	-	-	2,616,704	2,444,039
Franchise taxes	461,908	330,655	-	-	461,908	330,655
Sales taxes	17,357,139	12,236,299	-	-	17,357,139	12,236,299
Other taxes	961,580	383,482	-	-	961,580	383,482
Interest	268,842	79,305	118,998	40,780	387,840	120,085
Gain on sale of capital assets	41,755	-	-	5,900	41,755	5,900
Other revenues	618,163	710,081	14,726	11,345	632,889	721,426
Total revenues	<u>59,346,725</u>	<u>49,938,246</u>	<u>8,433,748</u>	<u>4,389,303</u>	<u>67,780,473</u>	<u>54,327,549</u>
Expenses:						
General government	8,894,027	6,618,120	-	-	8,894,027	6,618,120
Judicial	4,074,049	2,923,471	-	-	4,074,049	2,923,471
Public safety	26,803,319	21,333,446	-	-	26,803,319	21,333,446
Public works	3,425,815	2,764,205	-	-	3,425,815	2,764,205
Health and welfare	664,807	517,523	-	-	664,807	517,523
Culture and recreation	2,198,804	967,869	-	-	2,198,804	967,869
Housing and community development	827,501	642,999	-	-	827,501	642,999
Interest on long-term debt	1,525,288	1,208,207	-	-	1,525,288	1,208,207
Water & sewerage authority	-	-	5,616,249	4,660,408	5,616,249	4,660,408
Stormwater	-	-	783,290	629,817	783,290	629,817
Total expenses	<u>48,413,610</u>	<u>36,975,840</u>	<u>6,399,539</u>	<u>5,290,225</u>	<u>54,813,149</u>	<u>42,266,065</u>
Increase (decrease) in net position before transfers	10,933,115	12,962,406	2,034,209	(900,922)	12,967,324	12,061,484
Transfers	<u>(1,194,292)</u>	<u>(8,856,290)</u>	<u>1,194,292</u>	<u>8,856,290</u>	<u>-</u>	<u>-</u>
Change in net position	9,738,823	4,106,116	3,228,501	7,955,368	12,967,324	12,061,484
Net position -beginning,	99,259,093	93,372,420	50,819,460	42,864,092	150,078,553	136,236,512
Prior Period Adjustment	-	1,780,557	-	-	-	1,780,557
Net position, end of fiscal year	<u>\$ 108,997,916</u>	<u>\$ 99,259,093</u>	<u>\$ 54,047,961</u>	<u>\$ 50,819,460</u>	<u>\$ 163,045,877</u>	<u>\$ 150,078,553</u>

The table above is included for the purpose of comparing government wide financial statements of activities for fiscal year 2018 with the nine months period that ended June 30, 2017.

For governmental activities, capital grants and contributions were \$2,252,715 for fiscal year 2018 compared to \$2,526,974 in the nine month period that ended June 30, 2017, a difference of \$274,259. \$821,424 of the capital grants in fiscal year 2018 were from the Georgia Department of Transportation for the Local

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Maintenance and Road Improvement Program and other road improvements. \$896,879 was from Georgia Transportation and Georgia Transportation Infrastructure Bank/State Road & Tollway Authority for the West-Winder Bypass road projects. \$534,412 was capital contribution donated roads from developers. Operating grants and contributions totaled \$826,046; out of which \$263,549 was from the Criminal Justice Coordinating Council (CJCC).

Property taxes increased by \$682,152. Sales tax increased by \$5,120,840 as the County collected sales tax for twelve (12) months fiscal year as compared to the nine month period that ended June 30, 2017. The County received \$172,665 more insurance premium taxes in fiscal year 2018 compared to 2017, this is a onetime payment. Charges for services was \$2,412,956 more in fiscal year 2018 compared to the nine month period that ended on June 30, 2017. The County received \$1,699,671 from ambulance fees (\$515,338 more in fiscal year 2018) and \$1,008,477 from tax collection commissions (\$112,850 more in fiscal year 2018 than in the nine month period that ended June 30, 2017). The County received \$691,678 from building and equipment permits compared to \$450,000 that was budgeted for, and \$264,452 more that was received in the nine month period ending June 30, 2017. Alcohol license renewals go out September 1st with a deadline for payment without a penalty of November 1st. Business license payments are due by January 15th so the nine month period ended June 30, 2017 did not have an impact on this. Interest earning were \$189,537 more in fiscal year 2018 compared to the nine months period that ended June 30, 2017.

For governmental activities, total expense were \$11,437,770 more in fiscal year 2018 compared to the nine month period ended June 30, 2017.

Business-type activities revenue - The total revenues were \$4,044,445 more in fiscal year 2018 than in the nine month period that ended June 30, 2017. Capital contribution from developers was \$665,226 for sewer lines and \$578,580 for stormwater infrastructure.

Business-type activities expenses - Total expenses were \$1,109,314 more in fiscal year 2018 than in the nine month period that ended June 30, 2017.

Financial Analysis of Governmental Funds:

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

Governmental Funds: The focus of the governmental funds is to provide information on near-term inflows and balances of spendable resources. The unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose.

As of June 30, 2018, the County's governmental funds reported a combined fund balance of \$33,058,210, an increase of \$3,612,325 compared to the nine month period that ended June 30, 2017. Approximately 45.59% of this amount, (\$15,070,385), constitutes unassigned fund balance of the General Fund. Out of the remainder of the fund balance, 2.81% (\$928,221) is nonspendable, 30.29% (\$10,014,187) is restricted, 21.13% (\$6,986,413) is committed, and 0.18% (\$59,004) is assigned for a particular purpose.

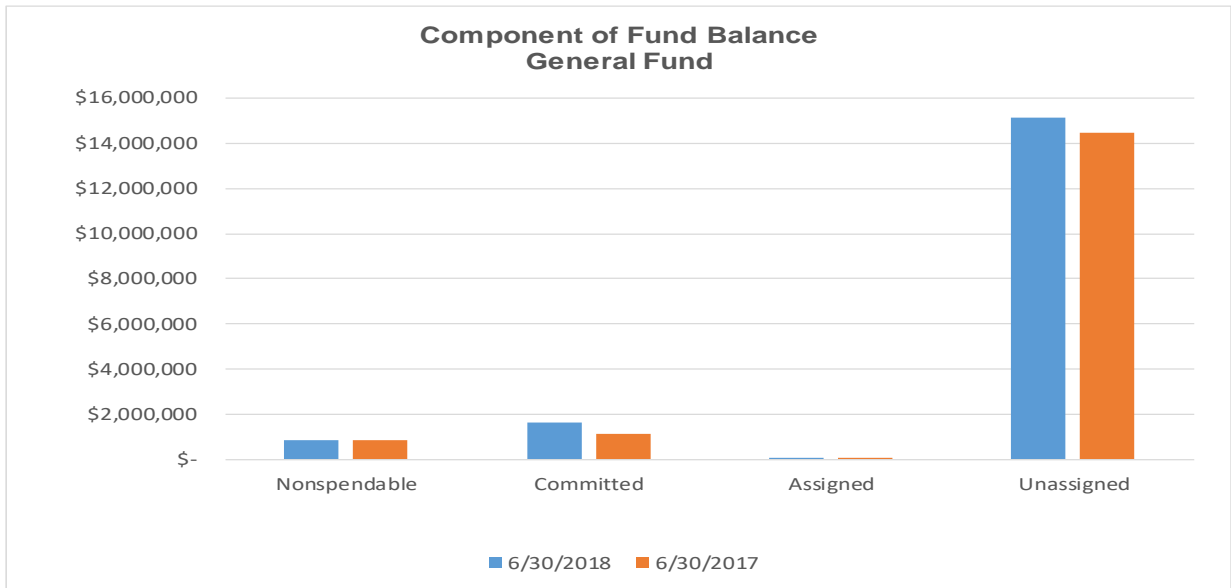
During fiscal year 2018, out of the \$6,986,413 committed funds, \$46,000 was used for property tax audits, \$88,042 was used for attorney fees for strategy delivery service negotiations with the cities; \$20,800 was used for roof replacement of the museum, \$555,000 was used for road improvements, \$91,641 was used for jail renovations, \$11,115 for Industrial Building Authority activities, \$1,012 for Joint Development Authority activities, and \$10,593 for the maintenance of the radio system.

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Barrow County General Fund Highlights

**General Fund
Components of Fund Balance
Fiscal year 2018 and Nine months period ended June 30, 2017
Fiscal**

Fund balances:	6/30/2018	6/30/2017
Nonspendable	\$ 822,582	\$ 838,698
Committed	1,619,778	1,131,402
Assigned	32,974	29,613
Unassigned	<u>15,119,077</u>	<u>14,460,639</u>
Total	<u>\$ 17,594,411</u>	<u>\$ 16,460,352</u>



The General Fund is the chief operating fund for the County. At the end of the fiscal year 2018, General Fund's total fund balance was \$17,594,411 of which \$15,119,077 was unassigned fund balance. As a measure of liquidity of the General Fund, it is useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 5.27 months or 43.92% of total General Fund expenditures (and total fund balance represents approximately 51.11% of that same amount). Unassigned fund balance represents 4.62 months or 38.54% of total General Fund expenditures and transfers out (and total fund balance represents approximately 44.85% of that same amount).

As mentioned earlier, fund balance increased by \$1,134,059 in fiscal year 2018 compared to the nine month period that ended June 30, 2017. The departments within the General fund (including transfers out) spent \$1,335,560 less than the fiscal year 2018 balanced.

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

General Fund Revenue Highlights

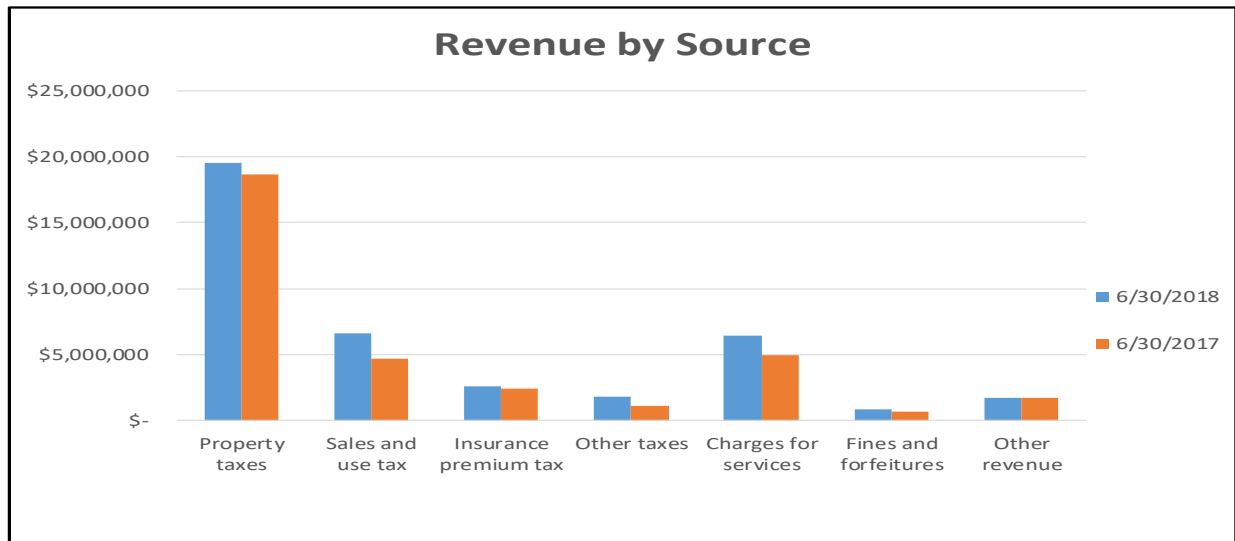
Barrow County's General Fund revenues totaled \$39,638,063 which represents an increase of \$5,375,759 over the previous short nine month period.

The major revenue sources are listed in the chart below. Sales and use tax collections accounted for \$6,642,878 or 16.76% of total General Fund revenues. Property tax collections accounted for \$19,510,666 or 49.22% of General Fund revenues. Other revenue sources included charges for services, other taxes, fines and forfeitures, license and permits, earnings on investments, intergovernmental revenues and miscellaneous income.

Revenue by sources:

Fiscal year 2018 and Nine months period ended June 30, 2017

	<u>6/30/2018</u>	<u>6/30/2017</u>
Property taxes	\$ 19,510,666	\$ 18,660,107
Sales and use tax	6,642,878	4,682,126
Insurance premium tax	2,616,704	2,444,039
Other taxes	1,800,781	1,095,609
Charges for services	6,438,820	4,970,506
Fines and forfeitures	886,917	697,925
Other revenue	1,741,297	1,711,992
Total	<u>\$ 39,638,063</u>	<u>\$ 34,262,304</u>



Total taxes collected by Barrow County and reported in the General Fund were \$30,571,029. This amount was \$944,630 or 3.19% higher than the fiscal year 2018 revised budget for the General Fund. Local Option Sales Tax (LOST) revenues was \$6,642,878. The County collected \$527,878 more than anticipated in fiscal year 2018. Insurance premium tax revenue increased by \$172,665 or 7.06% from the previous nine month period for the General Fund.

In fiscal year 2018, the County permits revenues were \$1,123,586 which represented an increase of \$259,712 from revenues in the nine months period ending June 30, 2017. Intergovernmental revenues is local government revenue received from surrounding counties. Federal and state grant revenues are not

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

included. Intergovernmental revenues for fiscal year 2018 was \$128,384 compared to \$85,858 for the nine month period ended June 30, 2017 for the General Fund. Charges for services were under the revised budget by \$49,450 for the General Fund. Fines and forfeitures in the General Fund were \$228,596 lower than the revised budget. Investment income in the General Fund was higher than the final budget by \$187,727. Interest rates have started going up. Included in the General Fund other financing sources for fiscal year 2018 is \$693,854 capital lease proceeds.

General Fund Expenditure Highlights

Barrow County's General Fund expenditures totaled \$34,427,728 compared to \$24,417,711 of the nine months period that ended June 30, 2017, a difference of \$10,010,017. The majority of the expenditures, \$18,610,012 or 54.06% of total expenditure was related to public safety.

Overall, expenditures for the general government were \$6,557,113. Total general government expenditures came in under the revised budget by \$296,933 and over the original budget by \$428,070.

Judicial expenditures were \$3,584,377. This was \$62,155 below the revised budget and \$9,946 over the original budget.

Public safety expenditures totaled \$18,610,012 for the current fiscal year. The expenditures were under the final budget by \$430,782 and under the original budget by \$411,697. All public safety departments, except Animal Control, came in under the revised budget.

Public works expenditures were \$2,375,780. This amount was below the revised budget by \$97,484.

Health and welfare expenditures were \$373,428, which was \$88,258 under the final budget.

Culture and recreation expenditures were \$2,008,140, a positive variance from the final budget of \$34,597.

A new department, Amphitheater, was created in fiscal year 2018. Total revised budget was \$1,020,093. Total expenditure for the Amphitheater was \$985,496 which was \$285,496 over the original budget and \$34,597 under the revised budget.

Housing and Development expenditures were \$776,699, which was \$36,588 less than the final budget.

Intergovernmental payments to joint and other governmental agencies expenditures were \$98,663. These are excise tax payments to the municipalities.

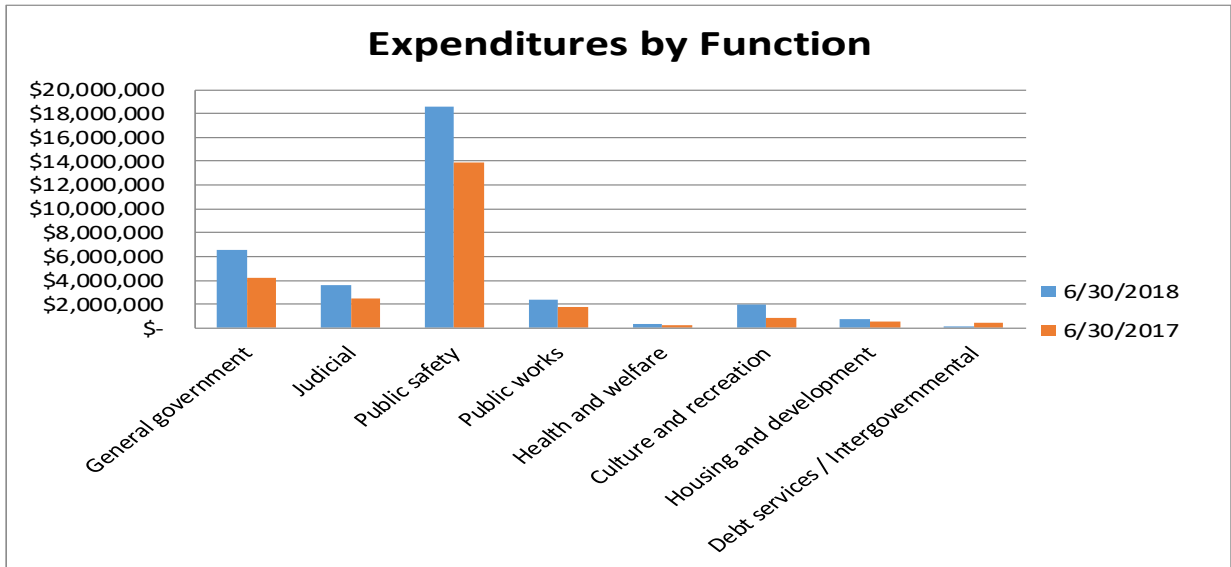
In fiscal year 2013, a Capital Projects Fund was created to separately account for capital projects primarily funded with General Fund revenues. Included in the fiscal year 2018 revised budget was \$2,116,085 to be transferred out from the General Fund to the Capital Projects Fund.

General Fund Expenditures by Function:

**Fiscal Year 2018 Expenditures compared to
Nine months ended June 30, 2017 by Function**

	<u>6/30/2018</u>	<u>6/30/2017</u>
General government	\$ 6,557,113	\$ 4,181,245
Judicial	3,584,377	2,517,483
Public safety	18,610,012	13,898,159
Public works	2,375,780	1,800,711
Health and welfare	373,428	263,357
Culture and recreation	2,008,140	802,779
Housing and development	776,699	489,832
Debt services / Intergovernmental	142,179	464,145
	<u>\$34,427,728</u>	<u>\$ 24,417,711</u>

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

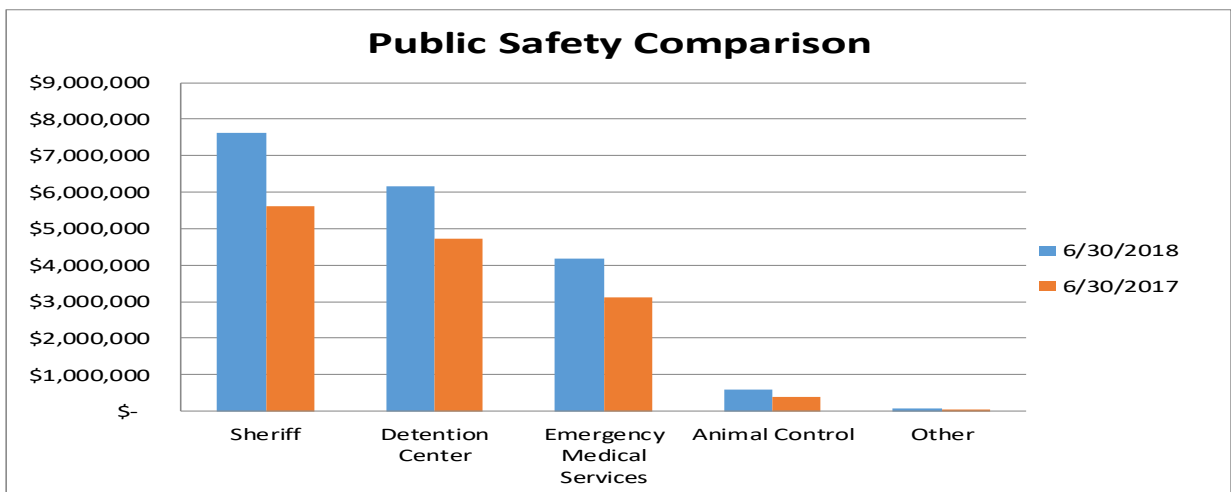


As illustrated above, fiscal year 2018 represent \$10,010,017 or a 40.99% increase compared to the nine month period that ended June 30, 2017. Fiscal year 2018 expenditures totaled \$34,427,728 compared to \$24,417,711 for the nine month period that ended June 30, 2017.

The following data includes the breakdown of the public safety expenditures which represents over 54.06% of the total General Fund expenditures.

Public Safety Comparison:

	<u>6/30/2018</u>	<u>6/30/2017</u>
Sheriff	\$ 7,622,018	\$ 5,619,991
Detention Center	6,152,940	4,712,684
Emergency Medical Services	4,177,850	3,119,728
Animal Control	582,464	390,103
Other	74,740	55,653
Total	<u>\$ 18,610,012</u>	<u>\$ 13,898,159</u>



**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

General Fund Budgetary Highlights

Differences between the General Fund's original expenditure budget (including transfers out) of \$39,480,213 and the final amended budget of \$40,567,136 amounted to \$1,086,923 or a 2.75% increase. During fiscal year 2018, the Board approved to use the contingency funds as follows: \$92,481 to be transferred from the General fund to the 700MHTZ Radio System Maintenance fund to pay for the radio system upgrade agreement professional services. \$14,108 was approved by the Board to be transferred to the 700MHTZ Radio System to pay for supplies. The Board also approved \$24,800 to be transferred to Buildings and Grounds department to replace a retaining wall and \$19,086 transferred from contingency funds to Animal Control department to pay for costs associated with a legal settlement. The Board also voted to approve the use of \$320,093 from the unassigned fund balance to increase the Amphitheater's budget.

The original budget for revenues (including transfer in, capital lease proceeds and proceeds from sale of capital assets) was \$38,362,486 and \$39,056,340 for the revised budget a difference of \$693,854. Fiscal year 2018 budget included \$1,117,727 use of reserve to balance the budget. The difference of \$693,854 between the original and the revised budget is the capital lease proceeds.

General Fund Position Highlights

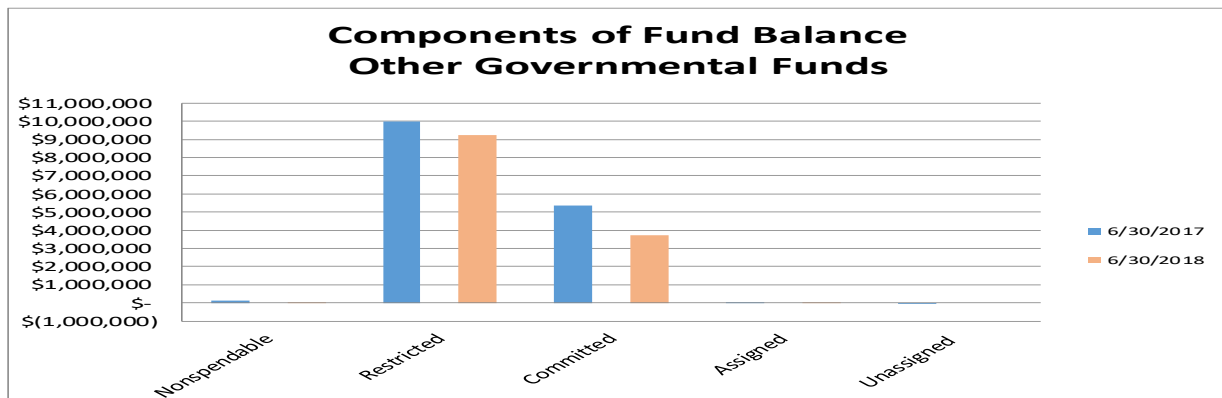
Fiscal year 2018 budget included 444 full-time positions. Per the Budget Ordinance, this represented the maximum employment level for such departments and agencies and could not be increased without the Chairman and Commission. The fiscal year 2018 budget included a pay for performance pay raise of at least 1.5% for all full-time employees. The Sheriff's Office, Detention Center and the elected officials were not included in the pay for performance raises. The Sheriff's Office and Detention Center got a Cost of Living Adjustment (COLA) of 3%.

Financial Analysis of the Other County's Funds

**Other Governmental Funds
Components of Fund Balance**

Fiscal year 2018 and Nine months period ending June 30, 2017

Fund balances:	6/30/2018	6/30/2017
Nonspendable	\$ 105,639	\$ 5,732
Restricted	10,014,187	9,231,169
Committed	5,366,635	3,731,184
Assigned	26,030	17,448
Unassigned	(48,692)	-
Total	\$ 15,463,799	\$ 12,985,533



**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

The Fire Fund - Had \$2,465,033 fund balance at the end of fiscal year 2018. The Fire Fund is funded solely by property taxes.

2005 SPLOST Capital Project Fund - Had \$161,620 fund balance at the end of fiscal year 2018. Various road repairs and improvements were done during this fiscal year. For the 2005 SPLOST Capital Project Fund, most of its projects are done.

2012 Capital Project SPLOST Fund - In July 2012, the County started collecting revenue for the 2012 SPLOST program. Total tax revenue collected in fiscal year 2018 was \$10,714,261. At the end of fiscal year 2018, this fund had \$8,364,865, in fund balance. The major 2012 SPLOST projects in fiscal year 2018 were: purchase of equipment, sewer projects, road improvements, and debt payments.

Capital Projects Fund - This fund was created in fiscal year 2013 to separately account for capital projects funded with the General Fund revenue sources. In fiscal year 2018, \$2,406,074 was transferred to this fund from the General Fund. The major projects in fiscal year 2018 were for the purchase of equipment, road work, and building repairs.

Nonmajor Governmental Funds - As of the end of fiscal year 2018, Barrow County's nonmajor governmental funds reported combined ending fund balance of \$2,612,048, of which \$62,862 is nonspendable, \$1,487,702 is restricted, \$1,084,146 is committed, \$26,030 is assigned, and (\$48,692) is unassigned fund balance.

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

Water and Sewerage Authority Fund - The Water & Sewerage Fund had operating revenues of \$6,514,646 and operating expenses of \$4,883,582. Sewer capacity fees collected in fiscal year 2018 was \$1,746,500 compared to \$260,000 collected in the nine month period that ended June 30, 2017, a difference of \$1,486,500. Revenue from water sales was \$2,665,450 in fiscal year 2018 compared to \$1,948,628 that was collected in the nine month period that ended June 30, 20107, a difference of \$716,822. Transfers-in from the Capital Projects 2012 SPLOST Fund of \$1,208,848 were used for the debt payment obligation on the Bear Creek Reservoir as allotted under the 2012 SPLOST referendum.

Stormwater Fund – Had an operating revenue of \$456,298, an operating expenses of \$783,290, and \$246,588 increase in net position during fiscal year 2018.

Capital Assets and Debt Administration

**BARROW COUNTY'S SUMMARY OF CAPITAL ASSETS
(net of depreciation)
For Fiscal Year 2018 and Nine Months Period Ended June 30, 2017**

	Governmental activities		Business-type activities		Total Primary Government	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Land	\$ 25,623,593	\$ 25,623,593	\$ 1,216,542	\$ 1,216,542	\$ 26,840,135	\$ 26,840,135
Construction in progress	10,589,786	11,642,356	334,239	520,409	10,924,025	12,162,765
Buildings and system	57,082,493	58,208,689	7,445,422	7,669,055	64,527,915	65,877,744
Improvements other than buildings	1,369,410	1,528,060	40,117	48,045	1,409,527	1,576,105
Machinery and equipment	7,390,049	6,504,391	455,189	131,848	7,845,238	6,636,239
Infrastructure and intangible assets	38,443,909	34,024,936	58,942,200	59,222,505	97,386,109	93,247,441
Total	<u>\$ 140,499,240</u>	<u>\$ 137,532,025</u>	<u>\$ 68,433,709</u>	<u>\$ 68,808,404</u>	<u>\$ 208,932,949</u>	<u>\$ 206,340,429</u>

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Capital Assets – Barrow County's investment in capital assets as of end of fiscal year 2018, for the primary government amounts to \$208,932,949, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, vehicles, machinery and equipment, and infrastructure. Total increase in capital assets for the current fiscal year was approximately 1.26%. Major capital asset related events during the current fiscal year included the following:

- Vehicles
- LMG Road Patching
- Ed Hogan at SR8 and Cedar Creek
- West Winder Bypass
- Various equipment
- Park Improvements
- Tanner's Bridge retrofit
- Fire Training Center

Additional information regarding the County's capital assets can be found in Note 5 of the Basic Financial Statements.

**BARROW COUNTY'S SUMMARY OF OUTSTANDING DEBT
General Obligation and Revenue Bonds
Fiscal Year 2018 and For Nine Months Period Ended June 30, 2017**

	Governmental activities		Business-type activities		Total Primary Government	
	2018	2017 (restated)	2018	2017	2018	2017
Contracts payable	\$ -	\$ -	\$ 16,307,231	\$ 17,490,790	\$ 16,307,231	\$ 17,490,790
General obligation bonds	37,040,000	40,650,000	-	-	37,040,000	40,650,000
Revenue bonds	20,750,759	22,286,191	6,260,000	7,100,000	27,010,759	29,386,191
Capital leases	663,626	-	-	-	663,626	-
Compensated absences	1,271,838	1,219,483	65,250	57,899	1,337,088	1,277,382
Net pension liabilities	6,816,443	8,457,945	233,807	286,259	7,050,250	8,744,204
Total OPEB liabilities	2,649,087	2,658,675	-	-	2,649,087	2,658,675
Notes payable	-	-	2,565,228	2,711,360	2,565,228	2,711,360
Total	\$ 69,191,753	\$ 75,272,294	\$ 25,431,516	\$ 27,646,308	\$ 94,623,269	\$ 102,918,602

Long-Term Debt – In fiscal year 2012, the County issued general obligation bonds to refinance previously outstanding general obligation bonds reported in governmental activities. This refinancing was done to take advantage of the favorable interest rates. The result was a decrease in future debt service payments of \$2,600,770. At the end of the current fiscal year, Barrow County (excluding component units) had a total general obligation bonded debt outstanding of \$37,040,000. In fiscal year 2015, the County refinanced the 2006 and 2010 revenue bonds to take advantage of the favorable interest rates. The result was a decrease in future debt service payments of \$2,512,933. In fiscal year 2016, the County refinanced the water and sewer contracts and the 2005 Revenue Bonds to take advantage of the favorable rates. The result was a decrease in the future debt service payments of \$658,385. In the nine month period ended June 30, 2017, the County refinanced the two GEFA loans. The result was a decrease in future debt service payments of \$197,047. In fiscal year 2018, the County obtained a capital lease for \$693,854 to fund an energy savings project. Additional County debt includes the following:

**BARROW COUNTY, GEORGIA
MANAGEMENT'S DISCUSSION ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

- Compensated Absences - \$1,337,088.
- Contracts Payable – Bear Creek Reservoir and City of Winder \$16,307,231.
- Notes Payable \$2,565,228.
- Revenue Bonds \$27,010,759.

The above debt does not include any long-term debt related to the component units listed on the Barrow County Government-wide Financial Statements.

Additional information on the County's debt can be found in Note 6 to the Basic Financial Statements.

Economic Factors and Next Fiscal Year's Budgets and Rates

The following factors are expected to have a significant effect on the County's financial position or results of operations and were taken into account in developing the fiscal year 2019 budget.

- The fiscal year 2019 General Fund Appropriation Budget was \$39,415,788; some of the new projects in the fiscal year 2019 budget are: \$135,000 for Service Delivery Strategy Legal expense; \$42,025 for cell tower accounts audit, \$271,856 for pay-for-performance, and \$1,894,027 transfer from the General fund to Capital Projects fund. \$18,000 for a risk management program, \$40,033 for salaries and benefits for one new full time position, \$421,225 for the implementation of the pay study for the Sheriff Department, and \$248,005 for the implementation of the pay study for the Detention Center. The functions of Planning and Community Development for the County were taken out of the General Fund. A special revenue fund was created to fund these functions. Total budget for this fund is \$911,653. The functions of the unincorporated area – only residential subdivision street lighting program was also taken out of the General Fund. A special revenue fund was created for this function. Total budget for the Subdivision Street Lights special revenue fund is \$634,179.

Requests for Information

The financial report is designed to provide a general overview of Barrow County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Barrow County Financial Administration, 30 North Broad Street, Winder, GA 30680 or rkisaalita@barrowga.org.

Basic Financial Statements



BARROW COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2018

	PRIMARY GOVERNMENT			COMPONENT UNITS	
	Governmental Activities	Business-type Activities	Total	Health Department	Airport Authority
ASSETS					
Cash and cash equivalents	\$ 31,107,849	\$ 11,815,272	\$ 42,923,121	\$ 1,262,832	\$ 257,236
Investments	-	-	-	-	345,940
Receivables (net where applicable, of allowance for uncollectibles):					
Taxes	2,781,901	-	2,781,901	-	-
Accounts	936,507	335,993	1,272,500	9,711	6,127
Due from other governments	797,800	1,022,951	1,820,751	-	158,114
Due from component unit	7,867	-	7,867	-	-
Prepaid items	928,221	11,182	939,403	-	-
Internal balances	678	(678)	-	-	-
Inventory	-	44,595	44,595	-	-
Restricted assets:					
Cash and cash equivalents	-	1,755,635	1,755,635	-	-
Capital assets not being depreciated:					
Land	25,623,593	1,216,542	26,840,135	-	3,665,770
Construction in progress	10,589,786	334,239	10,924,025	-	427,997
Capital assets (net of accumulated depreciation):					
Buildings and systems	57,082,493	7,445,422	64,527,915	-	66,968
Improvements other than buildings	1,369,410	40,117	1,409,527	-	3,623,961
Machinery and equipment	7,390,049	455,189	7,845,238	76,065	64,436
Infrastructure and intangible assets	38,443,909	58,942,200	97,386,109	-	-
Net OPEB asset	-	-	-	59,760	-
Total assets	177,060,063	83,418,659	260,478,722	1,408,368	8,616,549
DEFERRED OUTFLOWS OF RESOURCES					
Deferred loss on refunding	2,965,051	-	2,965,051	-	-
Difference between projected and actual earnings on OPEB investments	-	-	-	3,299	-
Assumption changes	870,450	29,716	900,166	1,804	2,986
Pension experience differences	367,571	12,946	380,517	8,681	1,264
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	-	115,908	-
Employer contributions subsequent to the measurement date	548,396	18,438	566,834	214,755	2,588
OPEB contribution subsequent to measurement date	85,351	-	85,351	-	-
Total deferred outflows of resources	4,836,819	61,100	4,897,919	344,447	6,838
LIABILITIES					
Accounts payable	1,358,428	195,299	1,553,727	160,783	240,680
Retainage payable	-	-	-	-	16,432
Salaries and wages payable	755,343	24,995	780,338	-	3,264
Accrued liabilities	280,241	33,836	314,077	-	-
Due to primary government	-	-	-	-	7,867
Unearned revenues	-	3,084,750	3,084,750	-	-
Accrued interest payable	414,968	112,782	527,750	-	-
Long-term liabilities:					
Due within one fiscal year:					
Contracts payable	-	1,059,828	1,059,828	-	-
Bonds payable	5,310,000	865,000	6,175,000	-	-
Capital lease payable	61,755	-	61,755	-	-
Notes payable	-	150,067	150,067	-	-
Compensated absences	1,017,470	52,200	1,069,670	-	5,449
Due in more than one fiscal year:					
Net OPEB liability	2,649,087	-	2,649,087	770,066	-
Contracts payable	-	15,247,403	15,247,403	-	-
Bonds payable (net of unamortized premiums & discounts)	52,480,759	5,395,000	57,875,759	-	-
Capital lease payable	601,871	-	601,871	-	-
Notes payable	-	2,415,161	2,415,161	-	-
Compensated absences	254,368	13,050	267,418	67,193	1,362
Net pension liability	6,816,443	233,807	7,050,250	792,245	32,962
Total liabilities	72,000,733	28,883,178	100,883,911	1,790,287	308,016
DEFERRED INFLOWS OF RESOURCES					
Deferred gain on refunding	37,266	524,983	562,249	-	-
Pension experience difference	58,495	1,817	60,312	6	-
Pension and OPEB investment earning difference	685,883	21,820	707,703	11,104	1,817
Changes in proportion and differences between employer OPEB contributions and proportionate share of contributions	-	-	-	55,769	-
OPEB experience difference	3,228	-	3,228	-	-
OPEB assumption changes	113,361	-	113,361	-	-
Total deferred inflows of resources	898,233	548,620	1,446,853	66,879	2,013
NET POSITION (DEFICIT)					
Net Investment in capital assets	84,972,640	42,776,267	127,748,907	76,065	7,832,700
Restricted for:					
Public safety	594,158	-	594,158	-	-
Law library	137,619	-	137,619	-	-
Roads and streets	761,624	-	761,624	-	-
Debt service	-	1,755,635	1,755,635	-	-
Capital improvements	8,526,485	-	8,526,485	-	-
Unrestricted (deficit)	14,005,390	9,516,059	23,521,449	(180,416)	480,658
Total net position (deficit)	\$ 108,997,916	\$ 54,047,961	\$ 163,045,877	\$ (104,351)	\$ 8,313,358

The accompanying notes are an integral part of these financial statements.

BARROW COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position					
	Program Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units		
					Governmental Activities	Business-type Activities	Total	Health Department	Airport Authority	
Primary government activities:										
General government	\$ 8,894,027	\$ 1,042,576	\$ 3,000	\$ -	\$ (7,848,451)	\$ -	\$ (7,848,451)	\$ -	\$ -	
Judicial	4,074,049	2,375,736	415,645	-	(1,282,668)	-	(1,282,668)	-	-	
Public safety	26,803,319	3,799,521	158,645	-	(22,845,153)	-	(22,845,153)	-	-	
Public works	3,425,815	542,395	67,686	2,252,715	(563,019)	-	(563,019)	-	-	
Health and welfare	664,807	-	181,070	-	(483,737)	-	(483,737)	-	-	
Culture and recreation	2,198,804	469,712	-	-	(1,729,092)	-	(1,729,092)	-	-	
Housing and development	827,501	2,188,717	-	-	1,361,216	-	1,361,216	-	-	
Interest on long term debt and related charges	1,525,288	-	-	-	(1,525,288)	-	(1,525,288)	-	-	
Total governmental activities	48,413,610	\$ 10,418,657	826,046	2,252,715	(34,916,192)	-	(34,916,192)	-	-	
Business-type activities:										
Water & Sewerage Authority	5,616,249	6,499,920	-	765,226	-	1,648,897	1,648,897	-	-	
Stormwater	783,290	456,298	-	578,580	-	251,588	251,588	-	-	
Total business-type activities	6,399,539	6,956,218	-	1,343,806	-	1,900,485	1,900,485	-	-	
Total primary government	\$ 54,813,149	\$ 17,374,875	\$ 826,046	\$ 3,596,521	(34,916,192)	1,900,485	(33,015,707)	-	-	
Component units:										
Health Department	\$ 1,319,169	\$ 645,391	\$ 843,900	\$ -	-	-	-	170,122	-	
Airport Authority	691,388	354,431	-	252,284	-	-	-	-	(84,673)	
Total component units	\$ 2,010,557	\$ 999,822	\$ 843,900	\$ 252,284	-	-	-	170,122	(84,673)	
General revenues:										
Property taxes					23,145,923	-	23,145,923	-	-	
Sales taxes					17,357,139	-	17,357,139	-	-	
Franchise taxes					461,908	-	461,908	-	-	
Insurance premium taxes					2,616,704	-	2,616,704	-	-	
Alcoholic beverage taxes					377,293	-	377,293	-	-	
Other taxes					961,580	-	961,580	-	-	
Unrestricted interest					268,842	118,998	387,840	137	4,695	
Other revenues					618,163	14,726	632,889	-	16,684	
Gain on sale of capital assets					41,755	-	41,755	-	-	
Transfers					(1,194,292)	1,194,292	-	-	-	
Total general revenues and transfers					44,655,015	1,328,016	45,983,031	137	21,379	
Change in net position					9,738,823	3,228,501	12,967,324	170,259	(63,294)	
Net position, beginning					97,478,536	50,819,460	148,297,996	383,853	8,376,652	
Prior period adjustment - See footnote 16					1,780,557	-	1,780,557	(658,463)	-	
Net position (deficit), ending					\$ 108,997,916	\$ 54,047,961	\$ 163,045,877	\$ (104,351)	\$ 8,313,358	

The accompanying notes are an integral part of these financial statements.

**BARROW COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	General	Fire	Capital Projects 2005 SPLOST	Capital Projects 2012 SPLOST	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 17,133,763	\$ 2,542,087	\$ 163,480	\$ 7,452,412	\$ 1,860,233	\$ 1,955,874	\$ 31,107,849
Receivables:							
Taxes, net of allowances	1,689,925	119,943	-	972,033	-	-	2,781,901
Accounts	565,172	-	-	-	-	371,335	936,507
Intergovernmental	49,345	-	-	-	-	748,455	797,800
Due from other funds	429,965	-	-	-	-	39,876	469,841
Due from component unit	7,867	-	-	-	-	-	7,867
Prepaid items	822,582	42,777	-	-	-	62,862	928,221
Total assets	<u>\$ 20,698,619</u>	<u>\$ 2,704,807</u>	<u>\$ 163,480</u>	<u>\$ 8,424,445</u>	<u>\$ 1,860,233</u>	<u>\$ 3,178,402</u>	<u>\$ 37,029,986</u>
LIABILITIES							
Accounts payable	\$ 1,156,778	\$ 8,630	\$ 1,860	\$ 59,580	\$ -	\$ 131,580	\$ 1,358,428
Salaries and wages payable	643,519	71,752	-	-	-	40,072	755,343
Accrued liabilities	277,177	3,064	-	-	-	-	280,241
Due to other funds	-	74,461	-	-	-	394,702	469,163
Total liabilities	<u>2,077,474</u>	<u>157,907</u>	<u>1,860</u>	<u>59,580</u>	<u>-</u>	<u>566,354</u>	<u>2,863,175</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	1,026,734	81,867	-	-	-	-	1,108,601
Total deferred inflow of resources	<u>1,026,734</u>	<u>81,867</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,108,601</u>
FUND BALANCES							
Nonspendable	822,582	42,777	-	-	-	62,862	928,221
Restricted	-	-	161,620	8,364,865	-	1,487,702	10,014,187
Committed	1,619,778	2,422,256	-	-	1,860,233	1,084,146	6,986,413
Assigned	32,974	-	-	-	-	26,030	59,004
Unassigned (deficit)	15,119,077	-	-	-	-	(48,692)	15,070,385
Total fund balances	<u>17,594,411</u>	<u>2,465,033</u>	<u>161,620</u>	<u>8,364,865</u>	<u>1,860,233</u>	<u>2,612,048</u>	<u>33,058,210</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 20,698,619</u>	<u>\$ 2,704,807</u>	<u>\$ 163,480</u>	<u>\$ 8,424,445</u>	<u>\$ 1,860,233</u>	<u>\$ 3,178,402</u>	<u>\$ 37,029,986</u>

The accompanying notes are an integral part of these financial statements.

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

Amounts Reported for Governmental activities in the statement of net position (page 30) are different because:

Total Fund Balance on the balance sheet (page 32)		\$ 33,058,210
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds.	\$ 201,858,785	
Less: Accumulated Depreciation	<u>(61,359,545)</u>	140,499,240
The total OPEB liability is not due and payable in current period and therefore is not reported in the governmental funds.		(2,649,087)
Deferred outflows of resources related to OPEB plans are not current financial resources and therefore are not reported in governmental funds:		
Employer contributions subsequent to the measurement date		85,351
Deferred outflows of resources related to pension plans are not current financial resources and therefore are not reported in governmental funds:		
Assumption changes	870,450	
Pension experience differences	367,571	
Employer contributions subsequent to the measurement date	<u>548,396</u>	1,786,417
Property tax receivables are not available to pay for current period expenditures and therefore are deferred inflows of resources in the governmental funds.		1,108,601
The total OPEB liability is not due and payable in current period and therefore is not reported in the governmental funds.		(6,816,443)
Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and therefore are not reported in the governmental funds:		
Accrued interest payable	\$ (414,968)	
Bonds payable due within one fiscal year	(5,310,000)	
Bonds payable due in more than one fiscal year	(52,480,759)	
Capital lease payable due within one fiscal year	(61,755)	
Capital lease payable due in more than one fiscal year	(601,871)	
Compensated absences due within one fiscal year	(1,017,470)	
Compensated absences due in more than one fiscal year	<u>(254,368)</u>	(60,141,191)
Deferred outflows of resources - Unamortized loss on debt refunding		2,965,051
Deferred inflows of resources - Unamortized gain on debt refunding		(37,266)
Deferred inflows of resources related to pension plans are not current financial resources and therefore are not reported in governmental funds:		
Pension experience difference		(58,495)
Investment earnings difference		(685,883)
Deferred inflows of resources related to OPEB plans are not current financial resources and therefore are not reported in governmental funds:		
OPEB experience difference		(3,228)
OPEB assumption changes		<u>(113,361)</u>
Net position of governmental activities		<u>\$ 108,997,916</u>

The accompanying notes are an integral part of these financial statements.

BARROW COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General	Fire	Capital Projects 2005 SPLOST	Capital Projects 2012 SPLOST	Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 30,571,029	\$ 3,792,089	\$ -	\$ 10,714,261	\$ -	\$ -	\$ 45,077,379
Licenses and permits	1,123,586	-	-	-	-	-	1,123,586
Intergovernmental	128,384	-	-	-	-	2,348,279	2,476,663
Charges for services	6,438,820	-	-	-	-	1,702,292	8,141,112
Fines and forfeitures	886,917	-	-	-	-	267,042	1,153,959
Investment income	233,636	29,409	387	67,299	-	5,797	336,528
Other revenues	255,691	-	-	-	-	362,472	618,163
Total revenues	<u>39,638,063</u>	<u>3,821,498</u>	<u>387</u>	<u>10,781,560</u>	<u>-</u>	<u>4,685,882</u>	<u>58,927,390</u>
EXPENDITURES							
Current:							
General government	6,557,113	-	-	-	-	2,952	6,560,065
Judicial	3,584,377	-	-	-	-	365,301	3,949,678
Public safety	18,610,012	2,895,558	-	-	-	2,370,895	23,876,465
Public works	2,375,780	-	-	-	-	1,748,271	4,124,051
Health and welfare	373,428	-	-	-	-	181,070	554,498
Culture and recreation	2,008,140	-	-	-	-	4,837	2,012,977
Housing and development	776,699	-	-	-	-	13,404	790,103
Intergovernmental:							
Payments to joint and other government agencies	98,663	-	-	2,366,704	-	-	2,465,367
Capital outlay	-	-	351,490	1,656,698	1,783,907	-	3,792,095
Debt service:							
Principal	30,228	-	-	3,610,000	-	1,547,000	5,187,228
Interest	9,888	-	-	912,857	-	618,262	1,541,007
Debt Issuance Cost	3,400	-	-	-	-	-	3,400
Total expenditures	<u>34,427,728</u>	<u>2,895,558</u>	<u>351,490</u>	<u>8,546,259</u>	<u>1,783,907</u>	<u>6,851,992</u>	<u>54,856,934</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,210,335</u>	<u>925,940</u>	<u>(351,103)</u>	<u>2,235,301</u>	<u>(1,783,907)</u>	<u>(2,166,110)</u>	<u>4,070,456</u>
OTHER FINANCING SOURCES (USES)							
Transfers in	12,500	-	-	-	2,406,074	2,420,144	4,838,718
Proceeds from sale of capital assets	21,218	-	-	-	-	21,089	42,307
Capital leases	693,854	-	-	-	-	-	693,854
Transfers out	<u>(4,803,848)</u>	<u>(14,389)</u>	<u>-</u>	<u>(1,208,848)</u>	<u>-</u>	<u>(5,925)</u>	<u>(6,033,010)</u>
Total other financing sources (uses)	<u>(4,076,276)</u>	<u>(14,389)</u>	<u>-</u>	<u>(1,208,848)</u>	<u>2,406,074</u>	<u>2,435,308</u>	<u>(458,131)</u>
Net change in fund balances	1,134,059	911,551	(351,103)	1,026,453	622,167	269,198	3,612,325
Fund balances - beginning	<u>16,460,352</u>	<u>1,553,482</u>	<u>512,723</u>	<u>7,338,412</u>	<u>1,238,066</u>	<u>2,342,850</u>	<u>29,445,885</u>
Fund balances - ending	<u>\$ 17,594,411</u>	<u>\$ 2,465,033</u>	<u>\$ 161,620</u>	<u>\$ 8,364,865</u>	<u>\$ 1,860,233</u>	<u>\$ 2,612,048</u>	<u>\$ 33,058,210</u>

The accompanying notes are an integral part of these financial statements.

**BARROW COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Amounts Reported for Governmental Activities in the statement of activities (page 31) are different because:

Net Change in fund balances- total governmental funds (page 34) \$ 3,612,325

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

Capital outlay		3,792,095
Depreciation expense		(3,944,282)
Donated assets from developers		534,412
Capital outlay in noncapital project funds and other adjustments		2,685,542
Capital assets transferred to the enterprise funds from the governmental activities		(100,000)
Proceeds of the sale of capital assets		(42,307)
Gain on disposal of capital assets		41,755

Net changes in the net pension liability and related deferred outflows and inflows of resources reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Decrease in net pension liability	\$ 1,641,502	
Increase in deferred outflows of resources - employer contributions subsequent to measurement date	37,182	
Decrease in deferred outflows of resources - net difference between projected and actual earnings on pension plan investments	(1,093,815)	
Decrease in deferred outflows of resources - assumption changes	(359,920)	
Decrease in deferred outflows of resources - experience difference	(54,913)	
Decrease in deferred inflows of resources - pension experience difference	32,471	
Increase in deferred inflows of resources - pension investment earning difference	(685,883)	(483,376)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.

Fiscal period 2018 unavailable revenue	\$ 1,108,601	
Fiscal year 2017 unavailable revenue	<u>(1,265,433)</u>	(156,832)

Expenses for compensated absences are reported for governmental activities but do not require the use of current financial resources and therefore are not reported as expenditures for governmental funds.

(52,355)

Net changes in the net OPEB liability and related deferred outflows and inflows of resources reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Decrease in total OPEB liability		9,588
Increase in deferred outflows of resources - employer OPEB contributions subsequent to measurement date		20,074
Increase in deferred inflows of resources - OPEB experience difference		(3,228)
Increase in deferred inflows of resources - OPEB assumption changes		(113,361)

The issuance of long-term debt, (e.g. bonds, leases), provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are accrued and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:

General obligation bonds principal paid in fiscal year 2018	\$ 3,610,000	
Capital lease payments in fiscal year 2018	30,228	
Revenue Bonds payments in fiscal year 2018	<u>1,547,000</u>	5,187,228
Fiscal year 2017 accrued interest that was paid in fiscal year 2018	\$ 445,655	
Fiscal year 2018 accrued interest that was paid in fiscal year 2019	<u>(414,968)</u>	30,687
Discount on refunding bonds issued - IBA		(11,568)
Amortized deferred loss on Refunding the 2012 General Obligation Bonds		(479,460)
Amortized deferred loss on Refunding the IBA Revenue Bonds		(102,649)
Amortized deferred gain on new Refunding Revenue Bonds - JDA		8,389
Capital lease proceeds		<u>(693,854)</u>

Change in net position of governmental activities. \$ 9,738,823

The accompanying notes are an integral part of these financial statements.

BARROW COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budget Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes:				
Property tax	\$ 19,492,946	\$ 19,492,946	\$ 19,510,666	\$ 17,720
Sales and use tax	6,115,000	6,115,000	6,642,878	527,878
Beer and wine tax	350,000	350,000	377,293	27,293
Real estate transfer tax	140,000	140,000	193,308	53,308
Franchise tax	400,000	400,000	461,908	61,908
Intangible tax	464,481	464,481	509,349	44,868
Energy Excise Tax	213,972	213,972	258,923	44,951
Insurance premium tax	2,450,000	2,450,000	2,616,704	166,704
Total taxes	<u>29,626,399</u>	<u>29,626,399</u>	<u>30,571,029</u>	<u>944,630</u>
Licenses and permits:				
Beer and wine licenses	130,000	130,000	111,350	(18,650)
County permits	452,000	452,000	695,308	243,308
Business licenses	150,000	150,000	174,041	24,041
Financial institution business license	123,673	123,673	142,887	19,214
Total licenses and permits	<u>855,673</u>	<u>855,673</u>	<u>1,123,586</u>	<u>267,913</u>
Intergovernmental revenues:				
State grants	5,000	5,000	7,148	2,148
Local government revenue	134,118	134,118	121,236	(12,882)
Total intergovernmental revenues	<u>139,118</u>	<u>139,118</u>	<u>128,384</u>	<u>(10,734)</u>
Charges for services:				
Clerk of Superior Court	586,165	586,165	704,022	117,857
Probate Court	178,803	178,803	210,027	31,224
Magistrate Court	238,999	238,999	243,939	4,940
Sheriff	344,206	344,206	365,708	21,502
Parks & Recreation	212,800	212,800	213,073	273
Amphitheater	700,000	700,000	249,292	(450,708)
Economic & Community Development	62,500	62,500	139,039	76,539
Emergency medical services	1,614,414	1,614,414	1,747,431	133,017
Animal Services	29,661	29,661	45,953	16,292
Solid waste tipping fees	861,588	861,588	925,502	63,914
Commissions on taxes, tags and titles	915,184	915,184	1,032,795	117,611
Subdivision street lights fee	600,000	600,000	462,554	(137,446)
Other charges for services	143,950	143,950	99,485	(44,465)
Total charges for services	<u>6,488,270</u>	<u>6,488,270</u>	<u>6,438,820</u>	<u>(49,450)</u>

The accompanying notes are an integral part of these financial statements.

(Continued)

BARROW COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Fines and forfeitures:				
Clerk of Superior Court	\$ 367,990	\$ 367,990	\$ 251,248	\$ (116,742)
Probate Court	516,391	516,391	436,821	(79,570)
Magistrate Court	80,170	80,170	42,766	(37,404)
District Attorney	90,471	90,471	89,109	(1,362)
Other fines and forfeitures	3,000	3,000	5,652	2,652
Late tag penalties	57,491	57,491	61,321	3,830
Total fines and forfeitures	<u>1,115,513</u>	<u>1,115,513</u>	<u>886,917</u>	<u>(228,596)</u>
Investment income	<u>45,909</u>	<u>45,909</u>	<u>233,636</u>	<u>187,727</u>
Other revenues	<u>59,104</u>	<u>59,104</u>	<u>255,691</u>	<u>196,587</u>
Total revenues	<u>38,329,986</u>	<u>38,329,986</u>	<u>39,638,063</u>	<u>1,308,077</u>
EXPENDITURES				
Current:				
General government:				
Board of County Commissioners	431,129	421,106	344,634	76,472
Clerk of Commission	82,802	82,802	82,176	626
County Manager	258,232	253,755	237,205	16,550
Elections	238,184	238,184	199,870	38,314
Financial Administration	684,716	684,716	650,222	34,494
Information Technology	447,608	447,608	347,732	99,876
Human Resources	250,835	250,835	237,188	13,647
Tax Commissioner	630,543	616,880	605,604	11,276
Tax Assessor	700,675	700,675	696,319	4,356
Board of Equalization	4,974	4,974	3,652	1,322
Building and Grounds	1,337,247	2,089,836	2,089,836	-
Northeast Georgia RDC - Dues	73,240	77,126	77,126	-
Other	988,858	985,549	985,549	-
Total general government	<u>6,129,043</u>	<u>6,854,046</u>	<u>6,557,113</u>	<u>296,933</u>
Judicial:				
Superior Court	552,947	552,947	530,497	22,450
Clerk of Superior Court	774,781	757,297	735,769	21,528
District Attorney	743,652	726,384	715,714	10,670
Magistrate Court	380,900	384,397	384,396	1
Probate Court	437,886	428,674	423,520	5,154
Juvenile Court	296,921	433,546	433,546	-
Indigent Defense	387,344	363,287	360,935	2,352
Total judicial	<u>3,574,431</u>	<u>3,646,532</u>	<u>3,584,377</u>	<u>62,155</u>

The accompanying notes are an integral part of these financial statements.

(Continued)

BARROW COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Public safety:				
Sheriff	\$ 7,684,564	\$ 7,684,564	\$ 7,622,018	\$ 62,546
Detention Center	6,455,693	6,455,693	6,152,940	302,753
Emergency Medical Services	4,253,830	4,237,185	4,177,850	59,335
Coroner	80,888	80,888	74,740	6,148
Animal control	546,734	582,464	582,464	-
Total public safety	<u>19,021,709</u>	<u>19,040,794</u>	<u>18,610,012</u>	<u>430,782</u>
Public works:				
Public Works Administration	794,063	808,824	808,824	-
Roads and Bridges	1,679,201	1,664,440	1,566,956	97,484
Total public works	<u>2,473,264</u>	<u>2,473,264</u>	<u>2,375,780</u>	<u>97,484</u>
Health and welfare:				
Health Department	196,872	196,872	196,872	-
Advantage Behavioral	4,154	4,154	4,154	-
Dept. of Family and Children services	50,000	50,000	46,558	3,442
Aging program	187,660	187,660	102,844	84,816
Mental Center	3,000	3,000	3,000	-
Adult Literacy - WBCACE	20,000	20,000	20,000	-
Total health and welfare	<u>461,686</u>	<u>461,686</u>	<u>373,428</u>	<u>88,258</u>
Culture and recreation:				
Leisure Services	879,115	882,644	882,644	-
Amphitheater	700,000	1,020,093	985,496	34,597
Library Board of Trustees	140,000	140,000	140,000	-
Total culture and recreation	<u>1,719,115</u>	<u>2,042,737</u>	<u>2,008,140</u>	<u>34,597</u>
Housing and development:				
Cooperative Extension service	58,293	60,901	60,901	-
Soil conservation	4,000	4,000	4,000	-
Forrest resources	4,660	4,660	4,642	18
Barrow County Chamber of commerce	16,000	16,000	16,000	-
Economic Development/Community Development	836,726	727,726	691,156	36,570
Total housing and development	<u>919,679</u>	<u>813,287</u>	<u>776,699</u>	<u>36,588</u>

The accompanying notes are an integral part of these financial statements.

(Continued)

**BARROW COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
Intergovernmental:				
Payments to joint and other government agencies	\$ 85,000	\$ 98,663	\$ 98,663	\$ -
Debt service:				
Principal	-	30,229	30,228	1
Interest	-	9,889	9,888	1
Debt Issuance Cost	-	3,400	3,400	-
Total debt service	-	43,518	43,516	2
Total expenditures	34,383,927	35,474,527	34,427,728	1,046,799
Excess of revenues over expenditures	3,946,059	2,855,459	5,210,335	2,354,876
OTHER FINANCING SOURCES (USES)				
Transfers in	12,500	12,500	12,500	-
Proceeds from sale of capital assets	20,000	20,000	21,218	1,218
Capital leases	-	693,854	693,854	-
Transfers out	(5,096,286)	(5,092,609)	(4,803,848)	288,761
Total other financing sources (uses)	(5,063,786)	(4,366,255)	(4,076,276)	289,979
Net change in fund balances	(1,117,727)	(1,510,796)	1,134,059	2,644,855
Fund balance - beginning	16,460,352	16,460,352	16,460,352	-
Fund balance - ending	\$ 15,342,625	\$ 14,949,556	\$ 17,594,411	\$ 2,644,855

The accompanying notes are an integral part of these financial statements.

**BARROW COUNTY, GEORGIA
FIRE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET(GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Taxes:				
Property tax	\$ 3,655,773	\$ 3,655,773	\$ 3,792,089	\$ 136,316
Total taxes	<u>3,655,773</u>	<u>3,655,773</u>	<u>3,792,089</u>	<u>136,316</u>
Investment income	<u>2,050</u>	<u>2,050</u>	<u>29,409</u>	<u>27,359</u>
Total revenues	<u>3,657,823</u>	<u>3,657,823</u>	<u>3,821,498</u>	<u>163,675</u>
EXPENDITURES				
Current:				
Public safety:				
Fire department	<u>3,643,434</u>	<u>3,747,071</u>	<u>2,895,558</u>	<u>851,513</u>
Total public safety	<u>3,643,434</u>	<u>3,747,071</u>	<u>2,895,558</u>	<u>851,513</u>
Total expenditures	<u>3,643,434</u>	<u>3,747,071</u>	<u>2,895,558</u>	<u>851,513</u>
Excess (deficiency) of revenues over (under) expenditures	14,389	(89,248)	925,940	1,015,188
OTHER FINANCING USES				
Transfers out	<u>(14,389)</u>	<u>(14,389)</u>	<u>(14,389)</u>	<u>-</u>
Total transfers out	<u>(14,389)</u>	<u>(14,389)</u>	<u>(14,389)</u>	<u>-</u>
Total other financing uses	<u>(14,389)</u>	<u>(14,389)</u>	<u>(14,389)</u>	<u>-</u>
Net change in fund balances	-	(103,637)	911,551	1,015,188
Fund balances - beginning	<u>1,553,482</u>	<u>1,553,482</u>	<u>1,553,482</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,553,482</u>	<u>\$ 1,449,845</u>	<u>\$ 2,465,033</u>	<u>\$ 1,015,188</u>

The accompanying notes are an integral part of these financial statements.

BARROW COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Water and Sewerage Authority Fund	Stormwater Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 11,632,751	\$ 182,521	\$ 11,815,272
Accounts receivable, net of allowances	283,392	52,601	335,993
Due from other governments	1,022,951	-	1,022,951
Inventory	44,595	-	44,595
Prepaid items	9,160	2,022	11,182
Restricted assets:			
Cash and cash equivalents	1,755,635	-	1,755,635
Total current assets	14,748,484	237,144	14,985,628
Noncurrent assets:			
Capital assets:			
Land	1,216,542	-	1,216,542
Construction in progress	334,239	-	334,239
Buildings	10,795,442	12,132	10,807,574
Infrastructure and intangible assets	78,455,719	16,146,090	94,601,809
Site improvements	350,448	-	350,448
Machinery and equipment	1,021,962	101,535	1,123,497
Total capital assets	92,174,352	16,259,757	108,434,109
Less accumulated depreciation	(32,213,284)	(7,787,116)	(40,000,400)
Total noncurrent assets	59,961,068	8,472,641	68,433,709
Total assets	74,709,552	8,709,785	83,419,337
DEFERRED OUTFLOWS OF RESOURCES			
Pension assumption changes	26,876	2,840	29,716
Pension experience differences	11,833	1,113	12,946
Pension contributions subsequent to measurement date	16,632	1,806	18,438
Total deferred outflows of resources	\$ 55,341	\$ 5,759	\$ 61,100
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 175,020	\$ 20,279	\$ 195,299
Salaries and wages payable	21,277	3,718	24,995
Accrued liabilities	33,773	63	33,836
Due to other funds	678	-	678
Accrued interest payable	52,549	-	52,549
Compensated absences payable	43,250	8,950	52,200
Unearned revenues	3,084,750	-	3,084,750
Notes payable	150,067	-	150,067
Contracts payable	1,059,828	-	1,059,828
Payable from restricted assets:	4,621,192	33,010	4,654,202
Accrued interest payable	60,233	-	60,233
Revenue bonds payable - current portion	865,000	-	865,000
Total current liabilities	925,233	-	925,233
Total current liabilities	5,546,425	33,010	5,579,435
Long-term liabilities:			
Compensated absences payable	10,812	2,238	13,050
Net pension liability	210,331	23,476	233,807
Notes payable	2,415,161	-	2,415,161
Contracts payable (net of unamortized premiums)	15,247,403	-	15,247,403
Revenue bonds payable	5,395,000	-	5,395,000
Total long-term liabilities	23,278,707	25,714	23,304,421
Total liabilities	28,825,132	58,724	28,883,856
DEFERRED INFLOWS OF RESOURCES			
Deferred gain on refunding	524,983	-	524,983
Pension experience differences	1,608	209	1,817
Pension investment earning differences	20,772	1,048	21,820
Total deferred inflows of resources	547,363	1,257	548,620
NET POSITION			
Net investment in capital assets	34,303,626	8,472,641	42,776,267
Restricted for debt service	1,755,635	-	1,755,635
Unrestricted	9,333,137	182,922	9,516,059
Total net position	\$ 45,392,398	\$ 8,655,563	\$ 54,047,961

The accompanying notes are an integral part of these financial statements.

BARROW COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Water and Sewerage Authority Fund</u>	<u>Stormwater Fund</u>	<u>Totals</u>
Operating revenues:			
Charges for services	\$ 70,290	\$ 456,298	\$ 526,588
Sewer sales	2,549,266	-	2,549,266
Water sales	3,880,364	-	3,880,364
Other revenue	<u>14,726</u>	<u>-</u>	<u>14,726</u>
Total operating revenues	<u>6,514,646</u>	<u>456,298</u>	<u>6,970,944</u>
Operating expenses:			
Personnel costs	788,226	121,589	909,815
Contracted services	304,148	305,744	609,892
Professional and technical services	278,090	42,666	320,756
Purchased water	1,119,956	-	1,119,956
Supplies	479,620	19,263	498,883
Depreciation and amortization	<u>1,913,542</u>	<u>294,028</u>	<u>2,207,570</u>
Total operating expenses	<u>4,883,582</u>	<u>783,290</u>	<u>5,666,872</u>
Operating income (loss)	<u>1,631,064</u>	<u>(326,992)</u>	<u>1,304,072</u>
Nonoperating income (expenses)			
Interest income	118,998	-	118,998
Loss on disposal of property	(74,246)	-	(74,246)
Interest expense	<u>(658,421)</u>	<u>-</u>	<u>(658,421)</u>
Total nonoperating expenses	<u>(613,669)</u>	<u>-</u>	<u>(613,669)</u>
Income (loss) before contributions and transfers	1,017,395	(326,992)	690,403
Capital contributions - from developers	665,226	578,580	1,243,806
Capital contributions - from governmental activities	100,000	-	100,000
Transfers in	1,208,848	-	1,208,848
Transfers out	<u>(9,556)</u>	<u>(5,000)</u>	<u>(14,556)</u>
Change in net position	2,981,913	246,588	3,228,501
Total net position - beginning	<u>42,410,485</u>	<u>8,408,975</u>	<u>50,819,460</u>
Total net position - ending	<u>\$ 45,392,398</u>	<u>\$ 8,655,563</u>	<u>\$ 54,047,961</u>

The accompanying notes are an integral part of these financial statements.

BARROW COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Water and Sewerage Authority Fund	Stormwater Fund	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 8,447,481	\$ 445,057	\$ 8,892,538
Payments to employees	(768,173)	(117,829)	(886,002)
Payments to suppliers for goods and services provided	<u>(2,145,273)</u>	<u>(353,229)</u>	<u>(2,498,502)</u>
Net cash provided (used) by operating activities	<u>5,534,035</u>	<u>(26,001)</u>	<u>5,508,034</u>
Cash flows from noncapital financing activities:			
Transfer to other funds	<u>(9,556)</u>	<u>(5,000)</u>	<u>(14,556)</u>
Net cash used by noncapital financing activities	<u>(9,556)</u>	<u>(5,000)</u>	<u>(14,556)</u>
Cash flows from capital and related financing activities:			
Transfer from SPLOST capital project fund	1,208,848	-	1,208,848
Purchase of capital assets	(799,618)	(35,072)	(834,690)
Principal payments on long term borrowings	(2,024,536)	-	(2,024,536)
Interest payments on long-term borrowings	<u>(670,638)</u>	<u>-</u>	<u>(670,638)</u>
Net cash used by capital and related financing activities	<u>(2,285,944)</u>	<u>(35,072)</u>	<u>(2,321,016)</u>
Cash flows from investing activities:			
Interest received	<u>118,998</u>	<u>-</u>	<u>118,998</u>
Net cash provided by investing activities	<u>118,998</u>	<u>-</u>	<u>118,998</u>
Net increase (decrease) in cash and cash equivalents	3,357,533	(66,073)	3,291,460
Cash and cash equivalents, beginning of fiscal year	<u>10,030,853</u>	<u>248,594</u>	<u>10,279,447</u>
Cash and cash equivalents, end of fiscal year	<u>\$ 13,388,386</u>	<u>\$ 182,521</u>	<u>\$ 13,570,907</u>
Reconciliation of cash and cash equivalents			
Cash and cash equivalents	\$ 11,632,751	\$ 182,521	\$ 11,815,272
Cash and cash equivalents - Restricted	<u>1,755,635</u>	<u>-</u>	<u>1,755,635</u>
	<u>\$ 13,388,386</u>	<u>\$ 182,521</u>	<u>\$ 13,570,907</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 1,631,064	\$ (326,992)	\$ 1,304,072
Adjustments to reconcile net operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	1,913,542	294,028	2,207,570
Increase in accounts receivable	(15,458)	(11,241)	(26,699)
Increase in due from other governments	(870,207)	-	(870,207)
Increase in prepaid items	(6,605)	(1,622)	(8,227)
Increase in inventory	(442)	-	(442)
Decrease in deferred outflows of resources related to pension items	42,607	4,508	47,115
Increase in unearned revenue	2,818,500	-	2,818,500
Increase in accounts payable and accrued liabilities	42,948	16,066	59,014
Increase in salaries, wages, and compensated absences payable	5,852	2,516	8,368
Decrease in net pension liability	(48,224)	(4,228)	(52,452)
Increase in due to other funds	640	-	640
Increase in deferred inflow of resources	<u>19,818</u>	<u>964</u>	<u>20,782</u>
Net cash provided (used) by operating activities	<u>\$ 5,534,035</u>	<u>\$ (26,001)</u>	<u>\$ 5,508,034</u>
Noncash capital financing activities:			
Capital assets acquired through contributions:			
From governmental activities	\$ 100,000	\$ -	\$ 100,000
From developers	665,226	578,580	1,243,806

The accompanying notes are an integral part of these financial statements.

BARROW COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUNDS
JUNE 30, 2018

ASSETS	Agency Funds
Cash and cash equivalent	\$ 5,568,817
Investments	118,780
Taxes receivables	4,548,715
Total assets	\$ 10,236,312
LIABILITIES	
Due to others	\$ 10,236,312
Total liabilities	\$ 10,236,312

The accompanying notes are an integral part of these financial statements.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

On December 8, 2015, the Board of Commissioners voted to change the County's fiscal year from October 1 through September 30 to July 1 through June, starting with the fiscal period 2017.

The County operates under a County Commission – County Manager form of government. On November 8, 2011, the citizens of Barrow County voted to create the new position of County Manager. This took effect on January 1, 2013. As a result of the vote; the chairperson of the Board is on a part-time basis. The County Manager is responsible for the day to day running of the County.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Barrow County, Georgia (the "primary government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with GAAP, as set forth by Governmental Accounting Standards Board (GASB) 61, "The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No.14 and 34," the component units' financial statements have been included as blended or discretely presented component units. Blended component units, although legally separate entities, are in substance part of the County's operations so financial data from these units are combined with the financial data of the primary government. Each discretely presented component unit, on the other hand, is reported separately in the financial statements to emphasize that it is legally separate from the County.

Blended Component Unit – Blended component units, although legally separate entities, are in substance, part of the County's operations and management of the County has operational responsibility for the component units.

Water and Sewerage Authority Fund - On September 13th, 2011, the Board unanimously voted to authorize the merger of the Water and Sewerage Fund with the Sewerage Treatment Fund and the Water Transmission Fund. As a result of the merger the Water and Sewerage Authority Fund, although a legally separate entity, is in substance part of the County's operations. The Authority exists to provide services directly to the County through financing activities and all employees and water and sewer operations are performed by the County. Therefore, financial data from the Authority is combined with the financial data of the primary government as a major enterprise fund. The Authority is comprised of a seven member-board, which is appointed by the County Commissioners.

An Industrial Building Authority (IBA) was created on January 30, 1962 to encourage and promote the expansion and development of industrial and commercial facilities in Barrow County, so as to relieve possible unemployment within its boundaries. The IBA has five (5) board members; the Chairman of the Barrow County Chamber of Commerce, the Chairman of Barrow County, Mayor of the City of Winder, one (1) member appointed by the County as approved by the Board, and one (1) member appointed by the City of Winder as approved by the Council. The IBA is fiscally dependent upon the County for funding its long-term obligations and the County is expected to pay all of the IBA's debt. Separate financial statements are not prepared for the IBA.

A Joint Development Authority (JDA) was created on October 30, 1981 between Barrow County Board of Commissioners and the Mayor of the City of Winder for the development and promotion of public good and general welfare trade, commerce, industry, and employment activities in the City of Winder and Barrow County. The JDA has seven (7) board members; the Chairman of the Barrow County Chamber of Commerce, the Chairman of Barrow County, Mayor of the City of Winder, two (2) members appointed by the County as approved by the Board, and two (2) members appointed by the City of Winder as approved by the Council.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The JDA is fiscally dependent upon the County for funding its long-term obligations and the County is expected to pay all of the JDA's debt. Separate financial statements are not prepared for the JDA.

Discretely Presented Component Units - Discretely Presented Component Units are reported in a separate column in the government-wide financial statements to emphasize they are legally separate from the Government.

The Barrow County Board of Health (the "Board of Health") provides various health services for the citizens of Barrow County under a contract with the Georgia Department of Human Resources (DHR). The Health Department receives financial support from Barrow County, Georgia, the State of Georgia, and the Federal Government. The County Commission appoints a majority of the Board of Directors of the Board of Health. The County has the authority to modify and approve the Board of Health's budget and the ability to approve health service fees. The presentation of the Board of Health's financial information was taken from its audited financial report at June 30, 2018 and is presented in the County financial statements as a governmental type component unit. Separate financial statements for the Barrow County Board of Health can be obtained at the Barrow County Health Department, 15 Porter street, Winder, Georgia 30680.

The Barrow County Airport Authority (the "Airport Authority") operates as a separate statutory authority comprised of a seven-member board that oversees the operations of the airport. The Airport Authority's board is appointed by the County Commissioners. Management believes that due to the close relationship between the Airport Authority and the County, it would be misleading to exclude the Airport Authority from the reporting entity. Separate financial statements are not prepared for the Airport Authority.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the governmental funds, while business-type incorporates data from the County's enterprise funds.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Agency funds are custodial in nature and do not present results of operations or have a measurement focus but do use the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the County considers property taxes, sales taxes, licenses, and investment income to be available if they are collected within 60 days of the end of the current fiscal year; however, grant revenues are considered to be available if they are collected within 180 days of the end of the current fiscal year.

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

Property taxes, sales taxes, licenses, intergovernmental grants, and investment income associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the County.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's water and sewer function and various other functions of the County. Elimination of these charges would distort the direct costs reported for the various functions concerned.

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

The County reports the following major governmental funds:

The **General Fund** is the County's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in other funds.

The **Fire Fund** is a special revenue fire district fund that accounts for fire services. This fund is funded by property taxes.

The **Capital Projects 2005 SPLOST Fund** accounts for the financial resources provided from the 2005 General Obligation Sales Tax Bonds and the 2005 one percent Special Purpose Local Option Sales Tax. Such resources are used for roads, streets, and bridges, recreational facilities, Bear Creek debt payments, water projects, sewer lines, Cultural Arts Facility and West Winder By-Pass and airport improvements. The 2005 General Obligation Sales Tax Bond proceeds were used as financial resources for the new Criminal Justice Facility, Animal Control Facility, E911 Facility, Fire Station(s), Fire Training Center, Courthouse Renovations, and the Health Department renovations. Although 2005 SPLOST was approved by the Citizens of Barrow County during fiscal year 2005, the County did not start collecting these taxes until fiscal year 2006.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

.The **Capital Projects 2012 SPLOST Fund** accounts for the financial resources provided from the 2012 one percent Special Purpose Local Option Sales Tax. Such resources are used for payment of the debt service and satisfaction of the general obligation bond issued in conjunction with the 2005 SPLOST, and for roads, streets, and bridges, recreational facilities, Bear Creek debt payments, water projects, sewer lines and for purchase of equipment. Although 2012 SPLOST was approved by the Citizens of Barrow County during fiscal year 2011, the County did not start collecting these taxes until fiscal year 2012.

The **Capital Projects Fund** was established to separately account for capital projects primarily funded with the General Fund revenue sources. The Board believes that the County can more effectively account for these projects through a separate capital projects fund.

The County reports the following major proprietary funds:

The **Water and Sewerage Fund** accounts for the activities of the water and sewer funds of the County and the Authority, a blended component unit of the County. The fund accounts for the activities of the water distribution system, sewerage treatment plant, sewage pumping stations, and collection systems. It is a proprietary fund.

The **Stormwater Fund** is another proprietary fund. It accounts for the activities of the stormwater funds of the County. This fund works under the National Pollutant Discharge Elimination System (NPDES) Phase Two Permit that requires the County to maintain a five year storm water management plan (2013-2017). This plan requires the inspections and maintenance of the storm water sewer system, which includes approximately 178 detention ponds.

Proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. These funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Additionally, the County reports the following fund types:

Special revenue funds account for and report the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. Restricted or committed specific revenue sources should comprise a substantial portion of fund's resources. If revenues are initially received in another fund, they should not be reported as revenues in the fund receiving them; instead, they should be recognized in the special revenue fund where they will be spent. The proceeds from these special revenue sources should be expected to continue to comprise a substantial portion of inflow.

Capital Project Fund accounts for the acquisition and construction of the County's capital facilities, other than those financed by enterprise funds.

Agency funds – the agency funds are used to account for resources held by the County or its officials in a custodial capacity. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities. The following are the agency funds: Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, and Sheriff.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Deposits and Investments

Georgia statutes authorize the County to invest in the following: (1) obligations of Georgia or any other State; (2) obligations of the United States; (3) obligations fully insured or guaranteed by the United States government or one of its agencies; (4) obligations of any corporation of the United States government; (5) prime bankers' acceptances; (6) the State of Georgia local government investment pool; (7) repurchase agreements; and (8) obligations of any other political subdivisions of the State of Georgia. Any investment or deposit in excess of the federal depository insured amounts must be secured by an equivalent amount of State or U.S. Obligations or through participation in a State-sponsored pledged collateral pool. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents.

The local government investment pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable asset value investment pool, which follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The pool also adjusts the value of its investments to fair market value as of year-end and the County's investment in the Georgia Fund 1 is reported at fair value. The County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation. The County's nonparticipating interest-earning investment contracts (certificates of deposit) are recorded at cost. Any remaining investments are recorded at fair value.

E. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Amounts are expected to be repaid within one fiscal year. In the government-wide financial statements, certain eliminations are made. Balances between the funds are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in the business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

F. Interfund Transfers In/Out

Certain activities also occur during the fiscal year involving transfer of resources between funds. In fund financial statements, these amounts are reported at gross amount. In the government-wide statements, certain eliminations are made. Transfers between the funds included in the governmental activities are eliminated so that the net amount is included as transfers in the governmental activity column. Similarly, balances between the funds in the business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities.

G. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amount of assets, deferred outflows of resources, deferred inflows of resources, and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amount of revenues and expenditures/expenses during the period. Actual results could differ from those estimates.

H. Budgets

Annual appropriated budgets are adopted for all funds. The budgets for the proprietary funds are for management control purposes and are not required to be reported. Budgets are adopted on a basis consistent with generally accepted accounting principles. Capital outlay expenditures are budgeted for each department in the capital project funds as capital outlay. All appropriations lapse at fiscal year-end for all funds except for

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Budgets (Continued)

the capital project funds. Expenditures may not legally exceed budgeted appropriations at the department level (e.g. Administration).

I. Capital Assets

Capital assets, which include property, plant, equipment, intangible, and infrastructure assets, are reported in the government-wide and proprietary fund financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life of one year or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date or amount. The County was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the County constructs or acquires additional capital assets each fiscal year, including infrastructure, they are capitalized and reported at historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the asset constructed.

Land and construction in progress are not depreciated. Other property, plant, equipment, and infrastructure of the primary government and its component units are depreciated using the straight line method over the following useful lives:

<u>Asset</u>	<u>Years</u>
Improvements	15
Infrastructure	50
Buildings	50
Machinery and Equipment	10
Furniture and Fixtures	10
Vehicles	5
Special Purpose Vehicle	20
Intangible asset- Sewerage Treatment Capacity	22
Intangible asset- Water Capacity Rights	40
Intangible asset- Amphitheater	50

J. Inventories and Prepaid Items

Inventory consists of other supplies, which are recorded as assets at the time of purchase and as expenditures or expenses as the supplies are used. These inventories are valued at cost using the first-in, first-out (FIFO) method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These items are accounted for using the consumption method.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Long-Term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, discretely presented component units, or proprietary fund type statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the fiscal year they are incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Compensated Absences

All full-time employees of the County are eligible to accrue personal leave based upon their years of service and position held. Generally, employees are entitled to up to a maximum of 240 hours of accrued personal leave upon termination. Additionally, any accrued personal leave that cannot be utilized shall be credited towards years of service if the employee retires from the County.

In accordance with the provisions of Statement of Governmental Accounting Standards No. 16, "Accounting for Compensated Absences", no liability is recorded for non-vesting accumulating rights to receive sick pay benefits as the County does not have a policy for making cash payments for such benefits at employee termination.

All paid time off is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

M. Unearned Revenue

Unearned revenue arise in the governmental fund level, proprietary funds, and government wide level when resources are received by the County before it has a legal claim to them. In subsequent periods, when the County has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet or statement of net position and revenue is recognized.

N. 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. 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/ expenditures) until then. One of the items for the County that qualifies for reporting in this category is the deferred loss on refunding reported in the government-wide statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This loss is deferred and amortized over the shorter of the life of the refunded or refunding debt. The County also reports deferred outflows of resources related to the recording of changes in its net pension liability and net other postemployment benefits (OPEB) liability. Certain changes in the net pension and OPEB liability are recognized as pension and OPEB expense over time instead of all being recognized in the year of occurrence. The difference between projected investment return on pension and OPEB investments and actual return on those investments is deferred and amortized against pension and OPEB expense over a five year period.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Deferred Outflows/Inflows of Resources (Continued)

Additionally, any contributions made by the County to the pension plan or OPEB plan before fiscal year-end but subsequent to the measurement date of the County's net pension liability or net OPEB liability are reported as deferred outflows of resources and will reduce the net pension liability and net OPEB liability in the following year. Experience losses result from periodic studies by the County's actuary which adjust the net pension liability or net OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains are recorded as deferred outflows of resources and are amortized into pension expense or OPEB expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability or the net OPEB liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized in pension expense or the OPEB expense over the expected remaining service lives of plan members. These items are reported in the government wide financial statements and also in the fund level statements for the County's proprietary funds.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources, represents an acquisition of net position that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has several types of items, one of which only arises under a modified accrual basis of accounting that qualifies for reporting in this category. One item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. Another item is a defeased gain on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This gain is deferred and amortized over the shorter of the life of the refunded or refunding debt. Finally, the County has deferred inflows of resources related to the recording of changes in its net pension liability and net OPEB liability. Certain changes in the net pension liability or the net OPEB liability are recognized as pension expense or OPEB expense over time instead of all being recognized in the year of occurrence. Experience gains result from periodic studies by the County's actuary which adjust the net pension liability or the net OPEB liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience losses are recorded as deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members.

O. Pensions and OPEB

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

P. Fund Equity and Net Position

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 totals of assets, total deferred inflows of resources, and total liabilities under the current financial resources management focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purpose for which amounts in those funds can be spent.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity and Net Position (Continued)

The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

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 enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, 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 a formal vote and passage of a resolution of the County Board of Commissioners. Only the County's Board of Commissioners may modify or rescind the commitment by a formal vote and passage of a subsequent resolution.

Assigned – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. The County's Board of Commissioners established a policy through an unanimous vote and passage of a resolution which expressly delegated to the Chief Financial Officer the authority to assign funds for particular purposes.

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. During fiscal year 2018, the Board revised the unassigned fund balance policy to be 25% of expenditures and transfers. For Fiscal year 2018, unassigned fund balance is 43.9% of the General Fund expenditures or 38.5% of the General Fund expenditures plus transfers out.

Fund Balance 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: (1) Committed, (2) Assigned, and (3) Unassigned.

Net Position – Generally net position represents the difference between the total assets, total deferred outflows of resources, and total liabilities and deferred inflows of financial position statements prepared using the economic resources measurement focus and the accrual basis of accounting.

Net Position Flow Assumption – Sometimes the government will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted- net position in the government-wide and proprietary fund finances statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Equity and Net Position (Continued)

The composition of the Fund Balance Classification is as follows:

	General Fund	Fire Fund	Capital Projects 2005 SPLOST Fund	Capital Projects 2012 SPLOST Fund	Capital Projects Fund	Nonmajor Governmental Funds	Totals
Nonspendable:							
Prepaid items	\$ 822,582	\$ 42,777	\$ -	\$ -	\$ -	\$ 62,862	\$ 928,221
Subtotals	<u>822,582</u>	<u>42,777</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>62,862</u>	<u>928,221</u>
Restricted:							
Emergency services	-	-	-	-	-	76,414	76,414
Law enforcement	-	-	-	-	-	224,159	224,159
Law library	-	-	-	-	-	137,619	137,619
Capital projects	-	-	161,620	8,364,865	-	-	8,526,485
Drug abuse treatment and education	-	-	-	-	-	257,646	257,646
Juvenile court indigent programs	-	-	-	-	-	33,365	33,365
Roads and streets	-	-	-	-	-	758,499	758,499
Subtotals	<u>-</u>	<u>-</u>	<u>161,620</u>	<u>8,364,865</u>	<u>-</u>	<u>1,487,702</u>	<u>10,014,187</u>
Committed:							
Inmate use	-	-	-	-	-	132,096	132,096
Jail construction	-	-	-	-	-	309,658	309,658
Building maintenance	12,709	-	-	-	-	-	12,709
Drug court supervision fee	-	-	-	-	-	115,602	115,602
Fire Services	-	2,422,256	-	-	-	-	2,422,256
Capital Projects	-	-	-	-	1,860,233	-	1,860,233
Housing and Development	-	-	-	-	-	526,790	526,790
FY2018 Budget - Use of Reserve	36,958	-	-	-	-	-	36,958
FY2019 Budget - Use of Reserve	1,203,000	-	-	-	-	-	1,203,000
Vehicle replacement program	367,111	-	-	-	-	-	367,111
Subtotals	<u>1,619,778</u>	<u>2,422,256</u>	<u>-</u>	<u>-</u>	<u>1,860,233</u>	<u>1,084,146</u>	<u>6,986,413</u>
Assigned:							
Animal Control	9,321	-	-	-	-	-	9,321
Law enforcement	-	-	-	-	-	15,203	15,203
Parks and recreation	-	-	-	-	-	10,827	10,827
Housing and development	23,653	-	-	-	-	-	23,653
Subtotals	<u>32,974</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,030</u>	<u>59,004</u>
Unassigned (deficit):	<u>15,119,077</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(48,692)</u>	<u>15,070,385</u>
Total Fund Balance	<u>\$17,594,411</u>	<u>\$2,465,033</u>	<u>\$ 161,620</u>	<u>\$ 8,364,865</u>	<u>\$1,860,233</u>	<u>\$ 2,612,048</u>	<u>\$33,058,210</u>

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Revenues

Program Revenues

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

Property Taxes

Property taxes attach as an enforceable lien on real property and are levied as of November 15, 2017. The tax levy is mailed out and the billings are considered past due 61 days after the respected tax billing date, at which time the applicable property subject to lien, and penalties and interest are assessed.

NOTE 2. LEGAL COMPLIANCE- BUDGETS

Barrow County, Georgia follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. The County's annual budgets are prepared based on anticipated revenues and expected expenditures. Revenue anticipation, generally conservative, is designed to help insure fiscal responsibility and maintain a balanced budget. Budgeting is the responsibility of the County Manager and the County Commissioners.
2. The Financial Administration Office compiles the budget requests that are submitted by the department directors and elected officials.
3. Public hearings are conducted to obtain taxpayer comments.
4. Prior to June 30, the budget is legally enacted by passage of an ordinance or resolution.
5. Budgets of the General Fund, Fire Fund, and other Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Capital Projects Fund budgets are adopted on a project length basis. For the capital project SPLOST Funds, their budgets are adopted on a project length basis as approved by the citizens of Barrow County. Georgia Law requires that local governments include a schedule in the annual financial report that compares the budget and expenditures for each project funded by Special Purpose Local Option Sales Tax Dollars. These schedules are on pages 128 to 130. The County prepares budgetary estimates for the enterprise funds. The budgetary estimates, upon which such budgets are adopted, are retained in memorandum form for budget control purpose and are utilized in the preparation of comparative operating statements. The level of budgetary control is the department level.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 3. DEPOSITS AND INVESTMENTS

As of June 30, 2018, the County and its component units had the following investments:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Certificates of deposit	December 21, 2018 - June 14, 2019	\$ 464,720
Georgia Fund 1	10 days -weighted average maturity	24,460,494

As of fiscal year end, the General Fund, 2005 SPLOST Fund, 2012 SPLOST Fund, Water and Sewerage Fund and Fire Fund have Georgia Fund 1 investments recorded as cash and cash equivalents (\$9,260,014, \$555, \$4,231,805, \$8,523,537 and \$2,435,583 respectively). The Airport Authority, a discretely presented component unit, and the County's Agency Funds (Sheriff Fund) are reflecting as investments, certificates of deposit (CDs) which are non-participating interest earning contracts in the amounts of \$345,940 and \$118,780 respectively.

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

Credit risk. State statutes authorize the County to invest in obligations of the State of Georgia or other States; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers acceptances; the local government investment pool established by State law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

The investment in the Georgia Fund 1 represents the County's portion of a pooled investment account operated by the Office of State Treasurer. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in the Georgia Fund 1 is valued at fair market value. As of June 30, 2018, the County's investment in Georgia Fund 1 was rated AA+ by Standard & Poor's. Funds included in this Pool are not required to be collateralized.

Custodial credit risk – deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be secured by an equivalent amount of State or U.S. obligations or through participation in a State-sponsored pledged collateral pool. As of June 30, 2018, the County's accounts were fully collateralized according to State statutes.

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The County's investments are in CDs and in Georgia Fund 1. The Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose the investment in the Georgia Fund 1 within the fair value hierarchy. The CDs are measured at cost.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 4. RECEIVABLES

Receivables at June 30, 2018 for the County's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

A. Primary Government

	<u>General Fund</u>	<u>Fire Fund</u>	<u>Capital Projects 2012 SPLOST</u>	<u>Water and Sewage Authority</u>	<u>Stormwater Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:							
Taxes	\$ 2,096,708	126,285	\$ 972,033	\$ -	\$ -	\$ -	\$ 3,195,026
Accounts	<u>1,461,659</u>	<u>-</u>	<u>-</u>	<u>456,797</u>	<u>73,391</u>	<u>371,335</u>	<u>2,363,182</u>
Gross receivables	3,558,367	126,285	972,033	456,797	73,391	371,335	5,558,208
Less allowance for uncollectibles	<u>(1,303,270)</u>	<u>(6,342)</u>	<u>-</u>	<u>(173,405)</u>	<u>(20,790)</u>	<u>-</u>	<u>(1,503,807)</u>
Net total receivables	<u>\$ 2,255,097</u>	<u>\$ 119,943</u>	<u>\$ 972,033</u>	<u>\$ 283,392</u>	<u>\$ 52,601</u>	<u>\$ 371,335</u>	<u>\$ 4,054,401</u>

B. Discretely Presented Component Units

	<u>Board of Health</u>	<u>Barrow County Airport Authority</u>	<u>Total</u>
Receivables:			
Accounts	\$ 9,711	\$ 6,127	\$ 15,838
Gross receivables	9,711	6,127	15,838
Less allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Net total receivables	<u>\$ 9,711</u>	<u>\$ 6,127</u>	<u>\$ 15,838</u>

The County's property taxes were levied on the assessed values of all real and personal property with utilities, including mobile homes and motor vehicles, located in the County. Property taxes are recognized as revenue when levied to the extent they result in current receivables (i.e. amounts received within 60 days of the fiscal year-end). Property taxes are recorded as receivable and deferred inflows of resources when assessed. Revenues for the County's Stormwater enterprise fund, residential and commercial Stormwater fees are billed annually on the same date as the property tax bill as noted below.

The tax billing cycle for fiscal year 2018 is as follows:

Levy date:	September 15, 2017
Tax bills mailed:	September 15, 2017
Payment due date:	November 15, 2017
Delinquency date:	November 16, 2017
Lien date:	Varies beginning after delinquent date

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 5. CAPITAL ASSETS

A. Primary Government:

	Balance June 30, 2017	Increases	Decreases	Transfers in (out)	Balance June 30, 2018
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 25,623,593	\$ -	\$ -	\$ -	\$ 25,623,593
Construction in Progress	11,642,356	4,955,932	(9,184)	(5,999,318)	10,589,786
Total	<u>37,265,949</u>	<u>4,955,932</u>	<u>(9,184)</u>	<u>(5,999,318)</u>	<u>36,213,379</u>
Capital assets, being depreciated:					
Buildings	78,130,765	18,657	-	381,772	78,531,194
Land Improvements	4,353,528	-	(157,600)	20,954	4,216,882
Furniture & Equipment	8,076,142	623,459	(85,538)	719,290	9,333,353
Vehicles	9,224,552	888,773	(684,602)	-	9,428,723
Infrastructure	55,951,101	534,412	-	4,770,802	61,256,315
Intangible Asset	2,878,939	-	-	-	2,878,939
Total	<u>158,615,027</u>	<u>2,065,301</u>	<u>(927,740)</u>	<u>5,892,818</u>	<u>165,645,406</u>
Less accumulated depreciation for:					
Buildings	(19,922,076)	(1,526,625)	-	-	(21,448,701)
Land Improvements	(2,825,468)	(179,604)	157,600	-	(2,847,472)
Furniture & Equipment	(4,484,960)	(577,444)	85,538	6,500	(4,970,366)
Vehicles	(6,311,343)	(774,368)	684,050	-	(6,401,661)
Infrastructure	(24,805,104)	(828,662)	-	-	(25,633,766)
Intangible Asset	-	(57,579)	-	-	(57,579)
Total	<u>(58,348,951)</u>	<u>(3,944,282)</u>	<u>927,188</u>	<u>6,500</u>	<u>(61,359,545)</u>
Total capital assets, being depreciated, net	<u>100,266,076</u>	<u>(1,878,981)</u>	<u>(552)</u>	<u>5,899,318</u>	<u>104,285,861</u>
Governmental Activities capital assets, net	<u>\$ 137,532,025</u>	<u>\$ 3,076,951</u>	<u>\$ (9,736)</u>	<u>\$ (100,000)</u>	<u>\$ 140,499,240</u>

The County recorded intangible assets at gross (total cost and accumulated depreciation) in accordance with GASB 51, *Accounting and Financial Reporting for Intangible Assets*.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 5. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

	Balance June 30, 2017	Increases	Decreases	Transfers	Balance June 30, 2018
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 1,216,542	\$ -	\$ -	\$ -	\$ 1,216,542
Construction in Progress	520,409	746,488	-	(932,658)	334,239
Total	<u>1,736,951</u>	<u>746,488</u>	<u>-</u>	<u>(932,658)</u>	<u>1,550,781</u>
Capital assets, being depreciated:					
Buildings	10,807,574	-	-	-	10,807,574
Site Improvements	350,448	-	-	-	350,448
Furniture & Equipment	396,778	-	(11,170)	348,261	733,869
Vehicles	365,317	24,311	-	-	389,628
Intangible Assets	31,881,191	-	-	-	31,881,191
Water & Sewer System	60,837,343	1,278,878	(86,500)	690,897	62,720,618
Total	<u>104,638,651</u>	<u>1,303,189</u>	<u>(97,670)</u>	<u>1,039,158</u>	<u>106,883,328</u>
Less accumulated depreciation for:					
Buildings	(3,138,519)	(223,633)	-	-	(3,362,152)
Site Improvements	(302,403)	(7,928)	-	-	(310,331)
Furniture & Equipment	(342,992)	(16,671)	11,170	(6,500)	(354,993)
Vehicles	(287,255)	(26,060)	-	-	(313,315)
Intangible Assets	(13,872,131)	(1,032,630)	-	-	(14,904,761)
Water & Sewer System	(19,623,898)	(1,143,204)	12,254	-	(20,754,848)
Total	<u>(37,567,198)</u>	<u>(2,450,126)</u>	<u>23,424</u>	<u>(6,500)</u>	<u>(40,000,400)</u>
Total capital assets, being depreciated, net	<u>67,071,453</u>	<u>(1,146,937)</u>	<u>(74,246)</u>	<u>1,032,658</u>	<u>66,882,928</u>
Business-type capital assets, net	<u>\$ 68,808,404</u>	<u>\$ (400,449)</u>	<u>\$ (74,246)</u>	<u>\$ 100,000</u>	<u>\$ 68,433,709</u>

The County recorded intangible assets at gross (total cost and accumulated depreciation) in accordance with GASB 51, *Accounting and Financial Reporting for Intangible Assets*. For further discussions about the intangible assets and related liabilities, see Note 7, Other Long-term Liabilities.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 5. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:

General government	\$ 353,994
Judicial	5,976
Public safety	2,396,483
Public works	901,891
Health and welfare	99,956
Culture and recreation	171,249
Housing and development	<u>14,733</u>

Total depreciation and amortization expense - governmental activities \$ 3,944,282

Business-type activities:

Water & Sewerage Authority	\$ 2,156,098
Stormwater	<u>294,028</u>

Total depreciation and amortization expense - business-type activities \$ 2,450,126

B. Discretely Presented Component Unit – Barrow County Health Department

	<u>Balance June 30, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2018</u>
Capital assets, being depreciated:				
Machinery and Equipment	\$ 256,519	\$ 9,778	\$ (13,624)	\$ 252,673
Less accumulated depreciation for:				
Machinery and Equipment	<u>(160,083)</u>	<u>(30,149)</u>	<u>13,624</u>	<u>(176,608)</u>
Total capital assets, being depreciated, net	<u>\$ 96,436</u>	<u>\$(20,371)</u>	<u>\$ -</u>	<u>\$ 76,065</u>

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 5. CAPITAL ASSETS (CONTINUED)

C. Discretely Presented Component Unit – Barrow County Airport Authority

	<u>Balance June 30, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2018</u>
Capital assets, not being depreciated:				
Land	\$ 3,665,770	\$ -	\$ -	\$ 3,665,770
Construction in Progress	30,033	397,964	-	427,997
Total	<u>3,695,803</u>	<u>397,964</u>	<u>-</u>	<u>4,093,767</u>
Capital assets, being depreciated:				
Buildings	2,814,856	-	-	2,814,856
Land improvements	7,890,241	-	-	7,890,241
Furniture and equipment	497,789	-	-	497,789
Vehicles	20,308	-	-	20,308
Total	<u>11,223,194</u>	<u>-</u>	<u>-</u>	<u>11,223,194</u>
Less accumulated depreciation for:				
Buildings	(2,641,831)	(106,057)	-	(2,747,888)
Land Improvements	(3,954,736)	(311,544)	-	(4,266,280)
Furniture and equipment	(418,377)	(14,974)	-	(433,351)
Vehicles	(16,248)	(4,062)	-	(20,310)
Total	<u>(7,031,192)</u>	<u>(436,637)</u>	<u>-</u>	<u>(7,467,829)</u>
Total capital assets, being depreciated, net	<u>4,192,002</u>	<u>(436,637)</u>	<u>-</u>	<u>3,755,365</u>
Total capital assets, net	<u>\$ 7,887,805</u>	<u>\$ (38,673)</u>	<u>\$ -</u>	<u>\$ 7,849,132</u>

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 6. LONG-TERM DEBT AND CAPITAL LEASES

A. Primary Government

The following is a summary of long-term debt transactions of the County for the fiscal year ended June 30, 2018.

	<u>Balance June 30, 2017 (Restated)</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2018</u>	<u>Due Within One Year</u>
Governmental Activities:					
2012 Series General Obligations Bonds	\$ 40,650,000	\$ -	\$ (3,610,000)	\$ 37,040,000	\$ 3,725,000
Total General Obligation Bonds	40,650,000	-	(3,610,000)	37,040,000	3,725,000
Contracts Payable - Revenue Bonds	22,392,000	-	(1,547,000)	20,845,000	1,585,000
Unamortized Bond Discount	(105,809)	-	11,568	(94,241)	-
Total Revenue Bonds	22,286,191	-	(1,535,432)	20,750,759	1,585,000
Net Pension Liability	8,457,945	3,035,774	(4,677,276)	6,816,443	-
Total OPEB Liability	2,658,675	197,323	(206,911)	2,649,087	-
Capital Leases Payable	-	693,854	(30,228)	663,626	61,755
Compensated Absences	1,219,483	1,451,371	(1,399,016)	1,271,838	1,017,470
Total Governmental Activities Long-term liabilities	<u>\$ 75,272,294</u>	<u>\$ 5,378,322</u>	<u>\$ (11,458,863)</u>	<u>\$ 69,191,753</u>	<u>\$ 6,389,225</u>
	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2018</u>	<u>Due Within One Year</u>
Business-type Activities					
Contracts Payable	\$ 16,563,272	\$ -	\$ (1,038,404)	\$ 15,524,868	\$ 1,059,828
Unamortized Bond Premium	927,518	-	(145,155)	782,363	-
Total Contracts Payable	17,490,790	-	(1,183,559)	16,307,231	1,059,828
Notes Payable	2,711,360	-	(146,132)	2,565,228	150,067
Revenue Bonds	7,100,000	-	(840,000)	6,260,000	865,000
Compensated Absences	57,899	59,827	(52,476)	65,250	52,200
Net Pension Liability	286,259	97,004	(149,456)	233,807	-
Total Business-type Activities Long-term liabilities	<u>\$ 27,646,308</u>	<u>\$ 156,831</u>	<u>\$ (2,371,623)</u>	<u>\$ 25,431,516</u>	<u>\$ 2,127,095</u>

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

A. Primary Government (Continued)

For Governmental activities, compensated absences, net pension liability, and total OPEB liability are generally liquidated by the General Fund while capital leases are liquidated by the General Fund and SPLOST Capital Projects Funds.

General Obligation Bonds

During the fiscal year ended September 30, 2006, the County issued a \$58,000,000 General Obligation Sales Tax Bond, Series 2005 (the "Series 2005 Bonds"), with interest rates ranging from 3.5% to 5.00%. The Series 2005 Bonds were issued for the purpose of providing funds to pay or to be applied toward the cost of capital outlay projects. The County made interest payments in April and October of each fiscal year, with the principal due in October of each fiscal year. On September 14, 2012, the County refunded a portion of the Series 2005 general obligation bonds. The remaining 2005 Bonds total \$5,275,000 with interest rates ranging between 4.0% and 5.0%, were paid off in fiscal year 2016.

Refunding General Obligation Bond Series 2012 – In September 2012, the County refunded \$37,305,000 of the 2005 General Obligation Bonds. The new bonds issued totaled \$42,845,000 with an interest rate of 2.350%. A savings of \$2,600,770 was realized from this refinancing and was used for the construction of the mandated narrow band radio communication system.

Annual debt service requirements for the maturity of the Series 2012 General Obligation Bonds are as follows:

2012 GO Bond Issue			
Fiscal Year	Principal	Interest	Total
2019	\$ 3,725,000	\$ 826,671	\$ 4,551,671
2020	3,835,000	737,841	4,572,841
2021	3,925,000	646,661	4,571,661
2022	4,020,000	553,307	4,573,307
2023	4,110,000	457,780	4,567,780
2024-2027	17,425,000	830,903	18,255,903
Total	\$37,040,000	\$4,053,163	\$ 41,093,163

Capital Leases

On October 26, 2017, the County entered into a capital lease agreement for \$693,854 to finance an energy saving project. The money is to be repaid in ten (10) years starting on May 15, 2018. This lease agreement qualify as a capital lease for accounting purposes (titles transfers at the end of the lease term) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of inception. The County had \$693,854 of leased assets under capital leases as of June 30, 2018. Fiscal year 2018 depreciation expense on these assets was \$6,048 which is included in the current year depreciation.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

A. Primary Government (Continued)

The following is a schedule of the future minimum lease payments under the capital leases, as of June 30, 2018:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 61,755	\$ 18,477	\$ 80,232
2020	63,528	16,704	80,232
2021	65,351	14,881	80,232
2022	67,227	13,005	80,232
2023	69,157	11,075	80,232
2024-2028	<u>336,608</u>	<u>24,437</u>	<u>361,045</u>
	<u>\$ 663,626</u>	<u>\$ 98,579</u>	<u>\$ 762,205</u>

Revenue Bonds

Governmental activities:	Balance June 30, 2017	Additions	Reductions	Balance June 30, 2018	Due Within One Year
Contracts payable					
Series 2015 IBA Revenue Bonds	\$ 13,125,000	\$ -	\$ (720,000)	\$ 12,405,000	\$ 735,000
Unamortized discount	(105,809)	-	11,568	(94,241)	-
Series 2015 A & B JDA Revenue Bonds	<u>9,267,000</u>	<u>-</u>	<u>(827,000)</u>	<u>8,440,000</u>	<u>850,000</u>
Total	<u>\$ 22,286,191</u>	<u>\$ -</u>	<u>\$ (1,535,432)</u>	<u>\$ 20,750,759</u>	<u>\$1,585,000</u>

In June 2006, the County entered into an intergovernmental agreement with the Barrow County Industrial Building Authority (IBA), a blended component unit. In June 2006, the IBA issued \$15,440,000 of Taxable Revenue Bonds (Barrow County Economic Development Project), Series 2006 with annual interest rates ranging from 5.4% to 6.2%. The proceeds were used to acquire 275.62 acres of property on Highway 53 and Highway 316. This land will be used for future development. Barrow County has agreed to provide debt servicing for the bonded debt. On June 23, 2015, the County together with the IBA refinanced the outstanding balance of the Series 2006 IBA Bonds with the 2015 Series in the amount of \$14,650,000.

The County paid principal on the old bonds of \$440,000 during fiscal year 2015 and refinanced the remaining debt in the amount of \$13,115,000 with the 2015 Series Bonds. The 2015 Series Bonds, issued at a discount, had an outstanding balance of \$12,405,000 at June 30, 2018, with annual interest ranging between 1.50% to 4.10%. Interest payments are due on October 1 and April 1 of each year while principal payments are due on October 1 of each year. The 2015 Series Bonds mature on October 1, 2031. The refunding transaction resulted in aggregate service savings of \$1,880,799 and an economic gain (net present value of the aggregate debt service savings) of \$1,401,148.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

A. Primary Government (Continued)

Revenue Bonds (Continued)

Revenue Bonds payable recorded for the IBA at June 30, 2018 are as follows:

Remaining bonds through fiscal year 2032:	\$ 12,405,000
Less: Unamortized discount	<u>(94,241)</u>
Total	12,310,759
Current	<u>735,000</u>
Long-term	<u><u>\$ 11,575,759</u></u>

Annual debt service requirements for the maturity of the Series 2015 Bonds as of June 30, 2018 are as follows:

Fiscal Year	Principal	Interest	Total
Ending June 30,	Principal	Interest	Total
2019	\$ 735,000	\$ 401,727	\$ 1,136,727
2020	750,000	385,940	1,135,940
2021	765,000	367,940	1,132,940
2022	790,000	347,515	1,137,515
2023	805,000	324,577	1,129,577
2024-2028	4,420,000	1,209,650	5,629,650
2029-2032	<u>4,140,000</u>	<u>339,124</u>	<u>4,479,124</u>
Total	<u>\$ 12,405,000</u>	<u>\$ 3,376,473</u>	<u>\$ 15,781,473</u>

In June 2006, the County entered into an intergovernmental agreement with the Joint Development Authority of Winder-Barrow County, Georgia (JDA), a blended component unit. In June 2007, the JDA issued \$12,420,000 of Revenue Bonds Series 2007 with annual interest rates ranging from 3.75% to 4.6%. The proceeds from the sale of the Series 2007 Bonds will be used for the purpose of acquiring and improving land, a portion of which will be used for an industrial park and a portion may be conveyed to the Barrow County Airport Authority for its airport (as of June 30, 2018, JDA still has title to the land). Barrow County, Georgia has agreed to provide debt servicing for the bonded debt. In September 2010, the County together with the JDA refunded the outstanding balance of the Series 2007 JDA Bonds with the 2010 Series in the amount of \$12,420,000. The bonds, issued at a discount, had an outstanding balance of \$11,400,000 at September 30, 2014, with annual interest rates ranging from 1.25% to 3.70%.

On January 15, 2015, the County together with JDA refinanced the outstanding balance of the Series 2010 in the amount of \$10,880,000 at 2.200%. The 2015 Series Bonds had an outstanding balance of \$8,440,000 at

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

A. Primary Government (Continued)

Revenue Bonds (Continued)

June 30, 2018. Interest payments are due on July 1 and January 1 of each year while principal payments are due on January 1 of each year. The 2015 Series Bonds mature on January 1, 2027. The refunding transaction resulted in aggregate service savings of \$632,134 and an economic gain (net present value of the aggregate debt service savings) of \$554,110.

Annual debt service requirements for the maturity of the Series 2015 Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 850,000	\$ 185,680	\$ 1,035,680
2020	872,000	166,980	1,038,980
2021	891,000	147,796	1,038,796
2022	914,000	128,194	1,042,194
2023	935,000	108,086	1,043,086
2024 -2027	<u>3,978,000</u>	<u>221,364</u>	<u>4,199,364</u>
Total	<u>\$ 8,440,000</u>	<u>\$ 958,100</u>	<u>\$ 9,398,100</u>

The Water and Sewerage Authority issued bonds where the Authority pledges Authority revenues derived from the acquired or constructed assets to pay debt service. On February 29th, 2016, the County together with the Water and Sewer Authority refinanced the revenue Series 2005 bonds. The balance on these bonds at the time of refinancing was \$5,970,000. Revenue Series 2016A bonds have an interest rate of 1.75%. The refunding transaction resulted in aggregate service savings of \$367,029 and an economic gain (net present value of the aggregate debt service savings) of \$335,955. Revenue bonds outstanding at June 30, 2018 are as follows:

	Year	Interest Rate	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Outstanding
Water system improvements	2016	1.75%	2/1: 8/1	2/29/2016	8/1/2025	\$ 6,220,000	\$ 5,090,000
Water system improvements	2005	3.72%	2/1: 8/1	10/1/2005	8/1/2025	10,000,000	-
Water system improvements	2002	4.70%	2/1: 8/1	2/1/2002	8/1/2021	4,230,000	<u>1,170,000</u>
							6,260,000
					Current maturities		<u>865,000</u>
					Long-term maturities		<u>\$ 5,395,000</u>

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

A. Primary Government (Continued)

Revenue Bonds (Continued)

Revenue bonds debt service requirements to maturity as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 865,000	\$ 133,635	\$ 998,635
2020	890,000	109,946	999,946
2021	915,000	85,564	1,000,564
2022	945,000	59,876	1,004,876
2023	645,000	41,161	686,161
2024-2026	<u>2,000,000</u>	<u>53,681</u>	<u>2,053,681</u>
Total	<u>\$ 6,260,000</u>	<u>\$ 483,863</u>	<u>\$ 6,743,863</u>

As of June 30, 2018, the County does not have any outstanding advance refunding escrows. All refunding debt have approached the underlying call dates.

Notes Payable and Revenue Bonds Payable

On October 13, 2010, the County executed a loan with the State of Georgia Environmental Finance Authority (GEFA – Phase 1) for \$3,000,000 to finance the costs of acquiring, constructing, and installing sewer system improvements and the necessary appurtenances. The loan, with an interest rate of 3.81%, was finalized on September 1, 2012 in the amount of \$2,854,549. Repayment of the loan began on October 1, 2013 until it was refinanced on April 27, 2017. The obligation of the County to make the payment is an obligation of the County to which its full faith and credit and taxing power are pledged.

On August 2, 2012, the County executed a second loan with the State of Georgia Environmental Finance Authority (GEFA Phase 2) for \$3,000,000 to finance the cost of acquiring, constructing, and installing sewer system improvements and necessary appurtenances. The loan was issued at 3.13%. The loan was finalized on April 1, 2015 in the amount of \$320,743. Repayment of the loan began on April 1, 2015 until April 27, 2017 when it was refinanced.

On April 27, 2017, the County together with the Water and Sewer Authority financed both the GEFA Phase 1 and the GEFA Phase 2 with the revenue bonds series 2017 in the amount of \$2,735,340 at an interest rate of 2.66%. The balance of the notes at the time of refunding was \$2,680,986; \$2,384,396 for GEFA Phase 1 and \$296,590 for GEFA Phase 2. The refinancing transaction resulted in aggregate debt service savings of \$197,047 and an economic gain (net present of aggregate debt service savings) of \$157,436. The balance of the County's obligation at June 30, 2018 is \$2,565,228.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 6. LONG-TERM DEBT AND CAPITAL LEASES (CONTINUED)

A. Primary Government (Continued)

Notes Payable and Revenue Bonds Payable (Continued)

Series 2017 debt service requirements is as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 150,067	\$ 66,414	\$ 216,481
2020	154,107	62,373	216,480
2021	158,257	58,224	216,481
2022	162,518	53,963	216,481
2023	166,894	49,586	216,480
2024-2028	904,349	178,055	1,082,404
2029-2033	<u>869,036</u>	<u>51,009</u>	<u>920,045</u>
Total	<u>\$ 2,565,228</u>	<u>\$ 519,624</u>	<u>\$ 3,084,852</u>

NOTE 7. OTHER LONG-TERM LIABILITIES

A. Primary Government

In July 1996, the County entered into intergovernmental agreements with 50-year terms with the Upper Oconee Basin Water Authority (the "UOBWA"). Other counties involved include (at varying levels of participation) Athens-Clarke County, Jackson County, and Oconee County. The purpose of the agreements is to provide water resources to the participating counties.

Since the formation of the UOBWA, there has been construction of a reservoir and water treatment facility that will provide water for the counties involved and additional agreements have been entered into between the County and the UOBWA. In December 1997, the UOBWA issued \$60,770,000 of Water Revenue Bonds, Series 1997 with annual interest rates varying from 4.25% to 5.25%. The proceeds were used for the construction of the various projects mentioned herein. Barrow County has agreed to provide debt servicing for 37.52% of the bonded debt. Consequently, a contract payable amount was reflected in the Water and Sewerage Authority Fund for the County's share of the bonded debt in an original amount of \$21,465,192.

On April 29, 2015, the UOBWA refinanced the Revenue Bonds Series 1997. The \$14,870,000 UOBWA Revenue Series 2015 A Bonds have interest rates ranging between 2.250% through 5.000%. The \$15,110,000 UOBWA Revenue Refunding Bonds, Series 2015 B bonds have interest rates ranging between 0.850% through 3.000%. Total County share of these Revenue Refunding Bonds was \$11,248,496. The County paid \$448,063 on its share of the old bonds during fiscal year 2015 and the County's share of the refinanced bonds had an outstanding balance of \$13,229,852 at the time of the refinancing. The balance of UOBWA Revenue Bonds at June 30, 2018 was \$25,695,000 of which the County's share is \$8,762,868. The entire refunding transaction resulted in a total aggregate service savings of \$6,780,264 less prior funds on hand of \$5,062,979 plus refunding funds on hand of \$1,973,443 which ultimately resulted in an economic gain (net present value of the aggregate debt service savings) of \$3,690,728.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7. OTHER LONG-TERM LIABILITIES (CONTINUED)

A. Primary Government (Continued)

Revenue Bonds payable recorded for the UOBWA at June 30, 2018 are as follows:

Remaining bonds through fiscal year 2027:	\$	8,762,868
Plus: Unamortized premium		<u>782,363</u>
Total		9,545,231
Current		<u>849,828</u>
Long-term	\$	<u><u>8,695,403</u></u>

A maturities schedule of the contract payable for the County's portion of the annual debt service of the UOBWA is as follows for each of the fiscal years ending June 30:

Fiscal Year	Principal	Interest	Total
Ending June 30,			
2019	\$ 849,828	\$ 358,644	\$ 1,208,472
2020	876,092	333,149	1,209,241
2021	902,356	306,867	1,209,223
2022	930,496	279,796	1,210,292
2023	964,264	245,428	1,209,692
2024-2027	<u>4,239,832</u>	<u>636,344</u>	<u>4,876,176</u>
Total	<u>\$ 8,762,868</u>	<u>\$ 2,160,228</u>	<u>\$ 10,923,096</u>

The County has obtained certain water rights associated with the liability addressed above. These water rights are to be treated as intangible assets in accordance with GASB Statement No. 51. The UOBWA began operations and serving county participants on July 1, 2002, and the amortization period was determined to originate on that date. The asset's original cost is \$21,465,191 with accumulated amortization of \$8,828,761, resulting in a carrying value of \$12,636,431 at June 30, 2018. The current year amortization was \$536,630 as of June 30, 2018. This amount is reflected in the Water and Sewerage Authority Fund as a capital asset.

In June 2006, the County entered into an intergovernmental agreement for a 22-year term with the City of Winder, Georgia (City) to obtain sewage treatment capacity rights at the City's wastewater treatment facility. The contract price of \$10,416,000 is based upon the City's cost to construct the upgrade to the City's current facility in the amount of \$5,832,000, plus a shared capacity charge of \$4,584,000. The shared capacity payments are based on the number of tap fees sold by the County. The County will pay the City \$1,500 for each residential equivalent unit of wastewater capacity until the \$4,584,000 is paid in full. The balance of the County's obligation at June 30, 2018 is \$4,437,000 for the capacity charge.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 7. OTHER LONG-TERM LIABILITIES (CONTINUED)

A. Primary Government (Continued)

On February 29th, 2016, the County with the City of Winder refinanced the balance on the construction obligation with the revenue bonds series 2016B. The balance on this contract obligation at the time of refinancing was \$2,659,147. Revenue series 2016B bonds has an interest rate of 2.10%. The refunding transaction resulted in aggregate service savings of \$291,356 and an economic gain (net present value of the aggregate debt service savings) of \$263,414. The balance of the County's obligation at June 30th, 2018 is \$2,325,000.

A maturities schedule of the contract payable, related to the cost of construction, is as follows for each of the fiscal years ending June 30:

Fiscal Year Ending June 30,	Principal	Interest	Total
2019	\$ 210,000	46,620.00	\$ 256,620
2020	215,000	42,158.00	257,158
2021	220,000	37,590.00	257,590
2022	225,000	32,918.00	257,918
2023	230,000	28,140.00	258,140
2024-2028	<u>1,225,000</u>	<u>65,362.00</u>	<u>1,290,362</u>
Total	<u>\$ 2,325,000</u>	<u>252,788.00</u>	<u>\$ 2,577,788</u>

The County has obtained certain sewer rights associated with the liability addressed above. These sewer rights are to be treated as intangible assets. The asset's original cost is \$10,416,000, with accumulated amortization of \$6,076,000 resulting in a carrying value of \$4,340,000 as of June 30, 2018, and is reflected in the Water and Sewerage Authority Fund as a capital asset. The current year amortization was \$496,000 as of June 30, 2018.

B. Discretely Presented Component Unit

The following is a summary of long-term debt transactions of the Discretely Presented Component Units of the County for the fiscal year ended June 30, 2018 for the Health Department and the Airport Authority:

	Balance June 30, 2017 - Restated	Additions	Reductions	Balance June 30, 2018	Due Within One Year
Health Department:					
Net pension liability	\$ 866,897	\$ -	\$ (74,652)	\$ 792,245	\$ -
Net OPEB liability	752,629	17,437	-	770,066	-
Compensated absences	<u>63,185</u>	<u>48,812</u>	<u>(44,804)</u>	<u>67,193</u>	<u>-</u>
Governmental activities long-term liabilities	<u>\$ 1,682,711</u>	<u>\$ 66,249</u>	<u>\$ (119,456)</u>	<u>\$ 1,629,504</u>	<u>\$ -</u>

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 7. OTHER LONG-TERM LIABILITIES (CONTINUED)

B. Discretely Presented Component Unit (Continued)

	<u>Balance June 30, 2017</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2018</u>	<u>Due Within One Year</u>
Airport Authority:					
Net pension liability	\$ 38,325	\$ 9,919	\$ (15,282)	\$ 32,962	\$ -
Compensated absences	<u>6,811</u>	<u>4,508</u>	<u>(4,508)</u>	<u>6,811</u>	<u>5,449</u>
Enterprise activities long-term liabilities	<u>\$ 45,136</u>	<u>\$ 14,427</u>	<u>\$ (19,790)</u>	<u>\$ 39,773</u>	<u>\$ 5,449</u>

Compensated absences and net pension liability are liquidated by the individual funds of the component units.

NOTE 8. OPERATING LEASES

Lessor Agreements

The County leases a certain parcel of land for use by another entity. The lease is accounted for as an operating lease and revenue is recorded when earned. Revenue derived from the lease during fiscal year ending June 30, 2018 amounted to \$13,384.

The following is a schedule of future minimum lease payments under lease at June 30, 2018.

<u>Future Receipts</u>	
2019	<u>\$ 2,434</u>
Totals	<u><u>\$ 2,434</u></u>

NOTE 9. INTER-FUND RECEIVABLES, PAYABLES, AND TRANSFERS

Interfund balances result from the time lag between the dates that (1) inter-fund goods and services are provided or reimbursable expenditures occur and (2) payments between funds are made. Inter-fund receivables net to zero.

Transfers are used to (1) move revenues from the fund that statute or budget requires them to be collected to the fund that the statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. Inter-fund transfers net to zero.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 9. INTER-FUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Due to/Due From:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Total</u>
General Fund	Fire Fund	\$ 74,461	\$ -
	Water & Sewer Fund	678	-
	Nonmajor governmental funds	<u>354,826</u>	<u>429,965</u>
Nonmajor governmental funds	Nonmajor governmental funds	<u>39,876</u>	<u>39,876</u>
		<u>\$ 469,841</u>	<u>\$ 469,841</u>

Due to/ Due from Primary Government and Discretely Presented Component Units:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Total</u>
General Fund	Airport Authority	<u>\$ 7,867</u>	<u>\$ 7,867</u>

Interfund Transfers:

Transfers - Primary Government:

	<u>Transfers In</u>				<u>Total</u>
	<u>General Fund</u>	<u>Capital Project Funds</u>	<u>Water and Sewerage Fund</u>	<u>Nonmajor Governmental Funds</u>	
Transfers Out:					
General Fund	\$ -	\$ 2,406,074	\$ -	\$ 2,397,774	\$ 4,803,848
Fire Fund	-	-	-	14,389	14,389
SPLOST 2012	-	-	1,208,848	-	1,208,848
Water and Sewerag Fund	7,500	-	-	2,056	9,556
Nonmajor - Governmental Funds	-	-	-	5,925	5,925
Stormwater fund	<u>5,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,000</u>
Total	<u>\$ 12,500</u>	<u>\$ 2,406,074</u>	<u>\$ 1,208,848</u>	<u>\$ 2,420,144</u>	<u>\$ 6,047,566</u>

NOTE 10. JOINT VENTURE

Under Georgia law, the County, in conjunction with other counties and cities in the area, is a member of the Northeast Georgia Regional Commission Center (RC) and is required to pay annual dues thereto. During its fiscal year ended June 30, 2018, the County paid \$77,126 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 10. JOINT VENTURE (CONTINUED)

The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA Section 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Northeast Georgia Regional Commission Center
305 Research Drive
Athens, Georgia 30605-2795

NOTE 11. DEFINED BENEFIT PENSION PLAN

A. Primary Government:

Plan Description: The County, as authorized by the County Commission, established a non-contributory defined benefit pension plan, The Barrow County Defined Benefit Plan (the Plan), covering substantially all of the County's and the Airport Authority's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The County contributes to the ACCG Defined Benefit Plan, a public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. Plan benefits are provided for Plan participants whereby retirees receive the highest average of the participant's compensation over five consecutive plan years during the ten plan years preceding the participant's date of retirement or other termination. The Plan provides either a lump-sum benefit or an annuity for a fixed period of time to the beneficiary of a deceased active or inactive participant. Therefore, all participants are assumed to have a beneficiary and such beneficiary is assumed to be the same age as the participant. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions and the contribution rates of the County related to the ACCG Plan as provided in Section 19.03 of the ACCG Plan document. The Board of Commissioners has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan as provided in Section 19.02 of the ACCG Plan document. Complete financial statements for ACCG Defined Benefit Pension Plan can be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street NE, Suite 700, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership: As of January 1, 2017, the most recent actuarial valuation date, the Plan membership consisted of the following categories of participants:

Retirees, beneficiaries and disables in pay status receiving benefits	125
Terminated Plan participants entitled to but not yet receiving benefits	253
Active employees participating in the Plan	289
Total number of plan participants	667

Funding Policy (Contributions): The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the Plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the Plan. The County contributes an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by Plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are made by Plan participants. For fiscal year 2018 that ended June 30, 2018, the County's contribution rate was 12.7% of annual payroll. County contributions to the Plan were \$1,673,030 for fiscal year ended June 30, 2018.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. Primary Government

Net Pension Liability of the County:

The County's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2017 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2017.

Actuarial assumptions. The total pension liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	3.0% - 5.5%, including inflation
Investment rate of return	7.25 %, net of pension plan investment expense including inflation

Mortality rates were based on the RP-2000 Combined Healthy Mortality Table.

The actuarial assumptions used in the January 1, 2017 valuation were based on the results of an actuarial experience study for through December 31, 2014.

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. Expected future 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. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2017 are summarized in the following table:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return*</u>
Fixed income	30%	6.08%
Large Cap equity	30%	9.07
International equity	15%	5.01
Other equity	20%	8.62
Real estate	5%	10.62
Total	<u>100%</u>	

* Rates shown are net of the 3.00% assumed rate of inflation

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. Primary Government (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.25%. The expected long-term rate of return (7.25%) was used to discount all projected benefit payments. As of December 31, 2017, the expected long-term rate of return was still 7.25%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability of the County: The changes in the components of the net pension liability of the County for the fiscal year ended June 30, 2018, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 6/30/2017	\$ 30,610,639	\$ 21,828,110	\$ 8,782,529
Changes for the fiscal year:			
Service cost	670,944	-	670,944
Interest	2,282,009	-	2,282,009
Assumption Change	34,512	-	34,512
Contributions—employer	-	1,380,178	(1,380,178)
Net investment income	-	3,461,836	(3,461,836)
Benefit payments, including refunds of employee contributions	(1,210,181)	(1,210,181)	-
Liability Experience (Gain)/Loss	89,874	-	89,874
Administrative expense	-	(65,358)	65,358
Net changes	<u>1,867,158</u>	<u>3,566,475</u>	<u>(1,699,317)</u>
Balances at 6/30/2018	<u>\$ 32,477,797</u>	<u>\$ 25,394,585</u>	<u>\$ 7,083,212</u>

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the County (primary government and Airport Authority Component Unit but excluding the Health Department Component Unit), calculated using the discount rate of 7.25%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point over (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

Primary Government	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Employer's net pension liability	\$ 8,060,207	\$ 7,083,212	\$ 6,106,217

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. Primary Government (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2017 and the current sharing pattern of costs between employer and employee.

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

For fiscal year ended June 30, 2018, the County recognized pension expense of \$1,919,069. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Primary Government Deferred Outflows of Resources	Primary Government Deferred Inflows of Resources
	<u> </u>	<u> </u>
Pension assumption changes	\$ 903,152	\$ -
Experience differences	381,781	60,508
Employer contributions subsequent to the measurement date	569,422	-
Net difference between projected and actual earnings on pension plan investments	<u>-</u>	<u>709,520</u>
Total	<u><u>\$ 1,854,355</u></u>	<u><u>\$ 770,028</u></u>

The County's contributions subsequent to the measurement date of \$569,422, are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year ending June 30:	Primary Government
	<u> </u>
2019	\$ 536,896
2020	468,330
2021	(131,703)
2022	(358,618)
Thereafter	-
Total	<u><u>\$ 514,905</u></u>

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department

Plan Description: All full-time personnel employed by the Barrow County Health Department participate in the Employees' Retirement System of Georgia (ERS), which is a cost-sharing multiple-employer, defined benefit, public employee retirement system (PERS). ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/formspubs/formspubs.

ERS provides service retirement, disability retirement, and survivor's benefits for its members. Members may retire and receive a normal monthly retirement benefit after 10 years of creditable service and the age of 65. Early retirement at the age of 60 may be elected, with a 5% reduction of benefits for each year under the age of 65 if the individual has fewer than 30 years of creditable service. Individuals with 30 years of creditable service may retire early, regardless of age. Death benefits and disability retirement benefits vary according to years of service.

Members become fully vested after 10 years of service. If a member terminates with less than 10 years of service, no vesting of employer contributions occurs, but the member's contributions are refunded with interest.

For the fiscal year ended June 30, 2018, the Health Department's total payroll for all employees was \$559,572 and total covered payroll was \$532,443. Covered payroll refers to all compensation paid by the Health Department to active employees covered by the Plan.

Funding Policy (Contributions): The Board contribution is set by the ERS Board of Trustees, dependent on the recommendation of the System's actuary. Such employer contributions fund the major portion of benefits under ERS and are adjusted periodically to insure actuarial soundness of the System. The employer contribution rate varies depending on which retirement plan an employee is enrolled. Employees whose full-time employment began before July 1, 1982, participate in the "old" plan. Employees whose full-time employment began between July 1, 1982, and December 31, 2008, are enrolled in the "new" plan and the employer contribution rate for the old and new plan was 21.69%. All employees whose full-time employment began after January 1, 2009, are enrolled in the GSEPS plan. The Health Department's contributions to ERS totaled \$124,949 for the fiscal year ended June 30, 2018. The employer contribution rate for this plan was 24.69% for fiscal year ended June 30, 2018.

All members of the System contribute varying percentages for Retirement Contributions and Group Term Life Insurance depending on which retirement plan the employee is enrolled. Those enrolled in the "old" plan contribute a total of 6.5% of Earnable Compensation (6.25% for retirement and .25% for Group Term Life). Employees enrolled in the GSEPS plan contribute 1.25% (all retirement contributions). All employee contributions on deposit at least one year earn four percent interest compounded annually.

In addition, participants in the GSEPS Plan can voluntarily participate in a 401k plan. Members in this Plan will receive a 1% salary match from the state on the first 1% of compensation contributed by the employee. For each additional percent contributed by an employee (up to 4%), the state will match 50% of that amount (up to 2% of compensation). The 401k employer contribution is subject to a five year vesting schedule, vesting 20% for each completed year of service in a GSEPS-eligible position.

For the fiscal year ended June 30, 2018, the Barrow County Health Department reported a liability of \$792,245 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016. The Health Department's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2017. At June 30, 2017, the Health Department's proportion was 0.019507%, which was an increase of 0.001181% from its proportion measured as of June 30, 2016.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

For the fiscal year ended June 30, 2018, the Health Department recognized pension expense of \$113,609. At June 30, 2018, the Health Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 8,681	\$ 6
Changes of assumption	1,804	-
Net difference between projected and actual earnings on pension plan investments	-	1,973
Changes in proportion and difference between employer contributions and proportionate share of contributions	49,023	-
Employer contributions subsequent to the measurement date	<u>124,949</u>	<u>-</u>
Total	<u>\$ 184,457</u>	<u>\$ 1,979</u>

The \$124,949 of deferred outflows of resources resulting from the Health Department's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in the pension expense as follows:

Fiscal Year ending June 30:

2019	\$ 28,221
2020	42,877
2021	8,894
2022	(22,463)
2023	-
There after	-
Net Total	<u>\$ 57,529</u>

Actuarial Assumptions: The total pension liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.25% -7.00%, including inflation
Investment rate of return expense investment	7.50 %, including inflation, net of pension plan

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

Mortality rates were based on the RP-2000 Combined Mortality Table for the periods after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disabled Mortality Table set back eleven years for males for the period after disability retirement. The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2009–June 30, 2014.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return*</u>
Fixed income	30.0 %	(0.5) %
Domestic Large Stocks	37.2 %	9.0 %
Domestic Mid Stocks	3.4 %	12.0 %
Domestic Small Stocks	1.4 %	13.5 %
International Developed Market Stocks	17.8 %	8.0 %
International Emerging Market Stocks	5.2 %	12.0 %
Alternatives	5.0 %	10.5 %
	<u>100.0 %</u>	

* Rates shown are net of the 2.75% assumed rate of inflation

Discount rate: The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Sensitivity of the Board of Health's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the Health Department's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the Health Department's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or higher than the current rate:

	<u>1% Decrease (6.5%)</u>	<u>Current Discount Rate (7.5%)</u>	<u>1% Increase (8.5%)</u>
Department of Health's proportionate share of net pension liability	\$ 1,118,214	\$ 792,245	\$ 514,183

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 11. DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

Actuarial Valuation Date: June 30, 2016 is the actuarial valuation date upon which the total pension liability for the plan is based. An expected total pension liability is determined as of June 30, 2017 using standard roll forward techniques. The roll forward calculation adds the annual normal cost (also called service cost), subtracts the actual benefit payments and refunds for the Plan year, and then applies the expected investment rate of return for the year.

Plan Fiduciary Net Position: Detailed information about the ERS fiduciary net position is available in the separately issued Employees' Retirement System of Georgia financial report. That report may be obtained via the internet at www.ers.ga.gov.

NOTE 12. RISK MANAGEMENT

The County is exposed to various risks of losses related to: torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Public Risk Underwriter and Travelers are the County's general liability carriers. The Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operate as a common risk management and insurance program for member local governments. As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, 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 can 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 fund is 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 workers compensation law of Georgia. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

There have been no significant reductions of insurance coverage from the prior fiscal year and settlement amounts have not exceeded insurance coverage for the current fiscal year or the three prior fiscal years.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Contractual Commitments: In addition to the liabilities enumerated in the statement of net position as of June 30, 2018, the County has contractual commitments on uncompleted contracts of approximately \$3,483,591.

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

Grant Contingencies: The County has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the County believes such disallowances, if any, will not be significant.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
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NOTE 14. TAX ABATEMENTS:

The Winder Barrow Industrial Building Authority was created by local constitutional amendment Res. Act No. 206; H.R. 451-918; Ga. L. 1962, p. 1027, as amended by Res. Act No. 11; H.R. 48-51; Ga. L. 1964, Ex. Sess., p. 376. The assets of the Authority, including leasehold interests in the Authority's assets, are exempt from ad valorem property taxation. The Authority may enter into lease arrangements with companies and will negotiate payments in lieu of taxes to be made by the company for the purpose of attracting or retaining businesses within their jurisdiction. In order to qualify, the Authority will consider the company's capital investment, job creation, salary benchmarks and estimated fiscal impact of the project to the County. The incentive would also include claw-back provisions if the company does not meet the investment, job, salary or other benchmarks.

The Joint Development Authority of Winder Barrow County is created under the Development Authorities Law O.C.G.A Section 36-62-1. The Authority, Barrow County, the Barrow County Tax Assessors and the Barrow County Board of Education have entered into an agreement establishing a uniform method to value leasehold interests in Authority owned property. The Authority will enter into leases with companies taking into account the same considerations that the Industrial Building Authority considers as explained above for the purpose of attracting or retaining businesses within their jurisdictions. The tenant/company will pay ad valorem property taxes on the value of its leasehold interest in accordance with the taxing schedule which is a 7 year schedule. The taxing agreement values the leasehold interest as a percentage of the full fair market value each year of the lease asset. The lease will also have claw-back provisions if the company does not meet established benchmarks.

For fiscal year ended June 30, 2018, the County abated property taxes totaling \$286,626 under these programs including the following tax abatement agreements:

Through the Joint Development Authority, a \$110,497 property tax abatement to a company for expansion of their existing operations in the County, producing jobs and \$20,000,000 in capital investment in the community. The company is in year 5 of the 7 year tax abatement.

Through the Industrial Building Authority, a \$151,035 property tax reduction for a new business locating in the County creating 315,000 square feet of manufacturing and distribution capabilities and increasing employment. The Company is in year 4 of the 5 year tax abatement. If the Company does not meet the community jobs goals and community investment goals, all or a portion of the ad valorem property taxes saved for that year will be recouped.

Through the Industrial Building Authority, a \$25,094 property tax reduction for a new business locating in the County assuming 550,000 square feet of manufacturing and distribution capabilities and increasing employment. The Company is in year 3 of the 7 year tax abatement. If the Company does not meet the community jobs goals and community investment goals, all or a portion of the ad valorem property taxes saved for that year will be recouped.

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS

A. Primary Government:

Plan Description: The County provides funding for continued healthcare benefits to retired employees. The Plan provides medical coverage and prescription drug benefits to those who qualify. In order to be eligible for the retiree health care plan, the employee must have the minimum age of 55 and having at least 10 years of service to the County. Continued healthcare benefits in the form of single coverage will be paid at 50 percent of the premium. This benefit is limited to a period until the employee becomes Medicare eligible or reaches age 65 whichever comes first. The County has the authority to amend or terminate this benefit. The Plan was established by a resolution by the Board of Commissioners. It may also be amended by resolution of the same Board.

Under the Plan, the retire contributions under the 90 Medial Plan is \$2,753, retirees with one dependent is 9,595 and with more than one dependent is \$16,438.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Primary Government (Continued):

As of January 1, 2016, the most recent actuarial valuation date, the Plan membership included the following categories of participants:

Inactive employees or beneficiaries currently receiving benefits	9
Inactive members entitled to but not yet receiving benefits	-
Active employees	<u>205</u>
Total membership	<u><u>214</u></u>

Funding Policy: The Plan is a single-employer defined benefit postretirement healthcare. The County has not elected to advance fund the Plan, but rather maintains the Plan on a “pay as you go” basis. For 2018 the County’s annual required contribution was \$815,199 and actual employer contributions totaled \$149,872. The annual required contribution was determined as part of the January 1, 2017 actuarial valuation using the projected unit credit actuarial cost method.

Benefits: Eligible retirees and former employees are offered the same health and prescription drug coverage as active employees. The County pays 50% of the retiree premium for the health insurance plan. Retirees cannot add spouses or dependents to the County’s insurance plan. There is a maximum out-of-pocket cost to the employee of \$2,000 or \$5,000 depending on the plans.

Eligibility: Employees hired before February 1, 2011 are eligible for OPEB provided that the employee has the minimum age of 55 and having at least 10 years of service to the County. Employees hired after February 2, 2011 have to be 65 years old with a minimum of 5 years of service to be eligible. Employees who take retirement at age 65 or older are not eligible for continued insurance coverage.

Total OPEB Liability of the County:

Effective July 1, 2017, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly changed the County’s accounting for OPEB amounts. The information disclosed below is presented in accordance with this new standard.

The County’s total OPEB liability was measured as of June 30, 2018 and was determined by an actuarial valuation as of June 30, 2017 with the actuary using standard techniques to roll forward the liability to the measurement date.

Actuarial assumptions. The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Real wage growth	0.00%
Wage inflation	3.00%
Salary increases, including wage inflation	3.00% - 5.50%
Municipal Bond Index Rate	
Prior Measurement Date	3.01%
Measurement Date	3.56%
Health Care Cost Trends	
Pre-Medicare	7.50% for 2017 decreasing to an ultimate rate of 5.00% by 2023

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Primary Government (Continued):

Mortality rates were based on the RP-2000 Healthy Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period 2010-2014.

Discount rate. The discount rate used to measure the total OPEB liability was 3.56%. This rate was determined using an index rate of 20-year, tax-exempt general obligation municipal bonds with an average rating of AA or higher – which was 3.58% as determined by the Bond Buyer 20-Bond GO Index Rate as of June 30, 2018.

Changed in the Total OPEB Liability (TOL) of the County: The TOL is based upon an actuarial valuation performed as of the Valuation Date, June 30, 2017. An expected TOL is determined as of June 30, 2016, the Prior Measurement Date, using standard roll back techniques. The changes in the components of the TOL of the County for fiscal year ended June 30, 2018 were as follows:

	Total OPEB Liability (a)
	<u>\$</u>
Total OPEB Liability as of June 30, 2017	2,658,675
Changes for the fiscal year:	
Service cost at the end of the year ⁽¹⁾	118,347
Interest on TOL and Cash Flows	78,976
Difference between expected and actual experience	(3,783)
Assumption Changes or other inputs	(132,839)
Benefit payments and implicit subsidy credit	(70,289)
Net changes	(9,588)
Total OPEB Liability as of June 30, 2018	<u>\$</u> 2,649,087

⁽¹⁾ The service cost include interest for the year.

The required schedule of changes in the County's total OPEB liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about the total OPEB liability

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Primary Government (Continued):

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower, or 1-percentage-point higher than the current healthcare cost trend rates:

Health Care Cost Trend Rate Sensitivity			
	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 2,361,677	\$ 2,649,087	\$ 2,982,294

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.56%) or 1-percentage-point higher (4.56%) than the current discount rate:

Discount Rate Sensitivity			
	<u>1% Decrease 2.56%</u>	<u>Current Discount Rate 3.56%</u>	<u>1% Increase 4.56%</u>
Total OPEB Liability	\$ 2,895,430	\$ 2,649,087	\$ 2,424,045

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of June 30, 2018 and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the fiscal year ended June 30, 2018, the County recognized OPEB expense of \$177,290. At June 30, 2018, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contributions subsequent to measurement	\$ 85,351	\$ -
Differences between projected and actual experience	-	3,228
Changes of assumption or other inputs	-	113,361
Total	\$ 85,351	\$ 116,589

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

A. Primary Government (Continued):

The calculation of the OPEB expense for the fiscal year ended June 30, 2018 is shown as below:

OPEB expense for fiscal year ended June 30, 2018	
Service Cost at end of the year ¹	\$ 118,347
Interest on the total OPEB liability	78,976
Expensed portion of current - period difference between expected and actual experience in the total OPEB liability	(555)
Expensed portion of current - period changes of assumption or other inputs	<u>(19,478)</u>
 OPEB Expense	 <u>\$ 177,290</u>

¹ The service cost include interest for the year

The County's contributions subsequent to the measurement date of \$85,351, are reported as deferred outflows of resources and will be recognized as a reduction of the total OPEB liability in the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows and deferred inflows of resources of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year ending June30:	OPEB expense
2019	\$ (20,033)
2020	(20,033)
2021	(20,033)
2022	(20,033)
2023	(20,033)
Thereafter	(16,424)
Total	<u>\$ (116,589)</u>

B. Discretely Presented Component Unit – Barrow County Health Department

The Barrow County Board of Health is a participant in two (2) State sponsored OPEB plans. Details and disclosures for each individual plan are presented in the following section.

SEAD-OPEB Plan:

Plan Description: SEAD-OPEB was created in 2007 by the Georgia General Assembly to amend Title 47 of the O.C.G.A., relating to retirement, so as to establish a fund for the provision of term life insurance to retired and vested inactive members of the Employees' Retirement System of Georgia (ERS), the Legislative Retirement System (LRS), and the Georgia Judicial Retirement System (GJRS). The plan is a cost-sharing multi-employer defined benefit other postemployment benefit plan as defined in Governmental Accounting Standards Board (GASB) Statement No. 74, *Financial Reporting for Postemployment Benefit Plans other than OPEB Plans*. The SEAD-OPEB trust fund accumulates the premiums received from the aforementioned retirement plans, including interest earned on deposits and investments of such payments.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

Benefits Provided: The amount of insurance for a retiree with creditable service prior to April 1, 1964 is the full amount of insurance in effect on the date of retirement. The amount of insurance for a service retiree with no creditable service prior to April 1, 1964 is 70% of the amount of insurance in effect at age 60 or at termination, if earlier. Life insurance proceeds are paid in a lump sum to the beneficiary upon death of the retiree.

Contributions: Georgia law provides that employee contributions to the plan shall be in an amount established by the Board of Trustees not to exceed one-half of 1% of the member's earnable compensation. There were no employer contributions required for the fiscal year ended June 30, 2018.

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

At June 30, 2018, the Barrow County Board of Health reported a liability (asset) of (\$59,760) for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of June 30, 2017. The total OPEB liability(asset) used to calculate the net OPEB liability(asset) was based on an actuarial valuation as of June 30, 2016. An expected total OPEB liability (asset) as of June 30, 2017 was determined using standard roll-forward techniques. The Board of Health's proportion of the net OPEB liability (asset) was based on actual member salaries reported to the SEAD-OPEB plan during the fiscal year ended June 30, 2017. At June 30, 2017, the Board of Health's proportion was .022993%, which was a decrease of .000088% from its proportion measured as of June 30, 2016.

For the fiscal year ended June 30, 2018, Barrow County Board of Health recognized OPEB expense related to the SEAD-OPEB of \$(5,466). At June 30, 2018, Barrow County Board of Health reported deferred outflows of resources and deferred inflows of resources related to the SEAD- OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings on OPEB plan investment	\$ -	\$ 9,131
Changes in proportion and differences between employer contributions and proportionate share of contributions	115	-
Totals	<u>\$ 115</u>	<u>\$ 9,131</u>

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

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

<u>Fiscal Year ending June 30:</u>	<u>OPEB expense</u>
2019	\$ (2,226)
2020	(2,225)
2021	(2,283)
2022	(2,282)
2023	-
Thereafter	-
Total	<u>\$ (9,016)</u>

Actuarial Assumptions:

The total OPEB liability as of June 30, 2017, was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75 percent
Salary increases:	Includes inflation
ERS	3.25 - 7.11%
GJRS	4.50%
LRS	N/A
Investment Rate of Return	7.5% , net of OPEB plan investment expenses, including inflation
Healthcare cost trend rate	N/A

Post-retirement mortality rates were based on the RP-2000 Combined Mortality Table with future mortality improvement projected to 2025 with the Society of Actuaries' projection scale BB and set forward 2 years for both males and females for service retirements and dependent beneficiaries. There is a margin for future mortality improvements in the tables used by the Plan.

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

The long-term expected rate of return on OPEB plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

<u>Asset class</u>	<u>Target Allocation</u>	<u>Long-term () Expected real Rate of return ¹</u>
Fixed income	30.00 %	(0.50) %
Domestic Large Stock	37.20 %	9.00 %
Domestic Mid Stock	3.40 %	12.00 %
Domestic Small Stock	1.40 %	13.50 %
International Development Market Stocks	17.80 %	8.00 %
International Emerging Market Stocks	5.20 %	12.00 %
Alternatives	5.00 %	10.50 %
Total	<u>100.00 %</u>	

⁽¹⁾ Rates shown are net of inflation

Discount Rate:

The discount rate used to measure the total OPEB liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of Barrow County Board of Health's proportionate share of the net OPEB liability to changes in the discount rate.

The following presents Barrow County Board of Health's proportionate share of the net OPEB liability of the SEAD-OPEB calculated using the discount rate of 7.50%, as well as what the Board of Health's proportionate share of the net OPEB liability would be if it were calculated using a discount rate this 1-percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Discount rate	6.50%	7.50%	8.50%
Board of Health's Proportionate Share of Net OPEB Liability (Asset)	\$ (32,709)	\$ (59,760)	\$ (81,929)

OPEB Plan Fiduciary Net Position:

Detailed information about the SEAD-OPEB plan's fiduciary net position is available in the separately issued ERS comprehensive annual financial report which is publicly available at www.ers.ga.gov/financials.

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

State OPEB Fund:

Plan Description: Employees of State organizations as defined in Paragraph 45-18-25 of the Official Code of Georgia Annotated (O.C.G.A.) are provided OPEB through the State OPEB Fund - a cost-sharing multiple-employer defined benefit postemployment healthcare plan, reported as an employee trust fund and administered by a Board of Community Health (Board). Title 45 of the O.C.G.A. assigns the authority to establish and amend the benefit terms of the group health plan to the Board.

Benefits Provided: The State OPEB fund provides healthcare benefits for retirees and their dependents due under the group health plan for employees of State organizations (including technical colleges) and other entities authorized by law to contract with the Department of Community Health (DCH) for inclusion in the plan. Retiree medical eligibility is attained when an employee retires and is immediately eligible to draw a retirement annuity from the Employees' Retirement System (ERS). If elected, dependent coverage starts on the same day as retiree coverage. Medicare-eligible retirees are offered Standard and Premium Medicare Advantage plan options. Non-Medicare eligible retiree plan options include Health Reimbursement Arrangement (HRA), Health Maintenance Organization (HMO) and a High Deductible Health Plan (HDHP). The State OPEB Fund also pays for administrative expenses of the fund. By law, no other use of the assets of the State OPEB Fund is permitted.

Contributions: As established by the Board, the State OPEB Fund is substantially funded on a pay-as-you-go basis; that is, annual cost of providing benefits will be financed in the same year as claims occur. Contributions to the State OPEB Fund from the Barrow County Board of Health were \$89,806 for the fiscal year ended June 30, 2018. Active employees are not required to contribute to the State OPEB Fund.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the State OPEB Fund:

At June 30, 2018, Barrow County Board of Health reported a liability of \$770,066 for its proportionate share of the net OPEB liability related to the State OPEB Fund. The net OPEB liability was measured as of June 30, 2017. The total OPEB liability used to calculate the net OPEB liability was based on an actuarial valuation as of June 30, 2016. An expected total OPEB liability as of June 30, 2017, was determined using standard roll-forward techniques. Barrow County Board of Health's proportion of the net OPEB liability was actuarially determined based on employer contributions during the fiscal year ended June 30, 2017. At June 30, 2017, Barrow County Board of Health's proportion was .018901%, which was an increase of .001856% from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, Barrow County Board of Health recognized OPEB expense related to the State OPEB Fund of \$52,025. At June 30, 2018, Barrow County Board of Health reported deferred outflows of resources and deferred inflows of resources related to the State OPEB Fund from the following sources:

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumption	\$ -	\$ 55,769
Net difference between projected and actual earnings on OPEB plan investments	3,299	-
Changes in proportion and difference between employer contributions and proportionate share of contributions	66,770	-
Employer contributions subsequent to the measurement date	<u>89,806</u>	<u>-</u>
Total	<u>\$ 159,875</u>	<u>\$ 55,769</u>

Barrow County Board of Health's contributions of \$89,806 subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net OPEB liability in the fiscal year ending June 30, 2019 . Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in OPEB expense as follows:

<u>Fiscal Year ending June 30:</u>	<u>OPEB expense</u>
2019	\$ 4,139
2020	4,139
2021	4,139
2022	1,883
2023	-
Thereafter	<u>-</u>
Total	<u>\$ 14,300</u>

Actuarial Assumptions:

The total OPEB liability of the State OPEB Fund as of June 30, 2017 was determined by an actuarial valuation as of June 30, 2016 using the following actuarial assumptions and other inputs, applied to all periods included in the measurement and rolled forward to the measurement date as of June 30, 2017:

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

Inflation	2.75%
Salary increases	Includes inflation
ERS	3.25 - 7.00%
Long-term Expected Rate of Return	3.88% , compounded annually, net of investment expenses, and including inflation
Healthcare cost trend rate:	
Pre-Medical Eligible	7.75%
Medicare Eligible	5.75%
Ultimate Trend Rate:	
Pre-Medical Eligible	5.00%
Medicare Eligible	5.00%
Year of Ultimate Trend Rate	2022

Mortality rates were based on the RP-2000 Combined Mortality Table for males or females, as appropriate, with adjustments for mortality improvements based on Scale BB as follows:

For ERS members: The RP-2000 Combined Mortality Table projected to 2025 with projection scale BB and set forward 2 years for both males and females is used for the period after service retirement and for dependent beneficiaries. The RP-2000 Disabled Mortality Table projected to 2025 with projection scale BB and set back 7 years for males and set forward 3 years for females is used for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the pension systems, which covered the five year period ending June 30, 2014.

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

Additionally, there was a change that affected measurement of the total OPEB liability since the prior measurement date. The methodology used to determine employee and retiree participation in the State OPEB Fund is based on their current or last employer payroll location. Current and former employees of State organizations (including technical colleges, community service boards and public health departments) are allocated to the State OPEB Fund irrespective of retirement system affiliation.

The long-term expected rate of return on OPEB plan investments was determined using a log- normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table.

**BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018**

NOTE 15. OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

B. Discretely Presented Component Unit – Barrow County Health Department (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Local Government Investment Pool	100%	3.88%

Discount Rate:

The discount rate has changed since the prior measurement date from 3.09% to 3.60%. In order to measure the total OPEB liability for the State OPEB Fund, a single equivalent interest rate of 3.60% was used as the discount rate. This is comprised mainly of the yield or index rate for 20 year tax-exempt general obligation municipal bonds with an average rating of AA or higher (3.56% per the Bond Buyers Index). The projection of cash flows used to determine the discount rate assumed that contributions from members and from the employer will be made at the current level as averaged over the last five years, adjusted for annual projected changes in headcount. Projected future benefit payments for all current plan members were projected through 2115. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make OPEB payments for inactive employees through year 2029. Therefore, the calculated discount rate of 3.60% was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of Barrow County Board of Health's proportionate share of the net OPEB liability to changes in the discount rate:

The following presents Barrow County Board of Health's proportionate share of the net OPEB liability of the State OPEB Fund calculated using the discount rate of 3.60%, as well as what the Board of Health's proportionate share of the net OPEB liability would be if it were calculated using a discount rate this 1-percentage point lower (2.60%) or 1 percentage point higher (4.60%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Discount rate	2.60%	3.60%	4.60%
Board of Health's Proportionate Share of Net OPEB Liability	\$ 920,927	\$ 770,066	\$ 649,671

Sensitivity of Barrow County Board of Health's proportionate share of the net OPEB liability to changes in the healthcare cost trend rates:

The following presents Barrow County Board of Health's proportionate share of the net OPEB liability of the State OPEB Fund, as well as what the Board of Health's proportionate share of the net OPEB liability would be if it were calculated using healthcare trend rates that are 1- percentage point lower or 1 percentage point higher than the current healthcare trend rates:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Board of Health's Proportionate Share of Net OPEB Liability	\$ 636,479	\$ 770,066	\$ 939,158

BARROW COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2018

NOTE 16. CHANGE IN ACCOUNTING PRINCIPLE

As discussed in footnotes 1.N, 6A, 7B, 11A and 11B, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* which requires retroactive reporting of opening balances.

As a result of the change in accounting principle, the County was required to restate beginning net position of governmental activities as shown below:

Net Position, 6/30/17, as previously stated	\$ 97,478,536
Remove old net OPEB obligation from liabilities and net position	4,373,955
Remove TOL - as of 6/30/17 from net position and add to liabilities	(2,658,675)
Add Beginning Deferred Outflow related to contributions to deferred outflows and to net position - this is the amount of actual contributions made during fiscal year 2018	<u>65,277</u>
Net Position, 6/30/17, as restated	<u>\$ 99,259,093</u>

As a result of the change in accounting principle, the Health Department Component Unit was required to restate beginning net position of governmental activities by reducing its beginning net position by \$658,463 to reflect the Board of Health's OPEB related balances as of June 30, 2017.

**BARROW COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY
AND RELATED RATIOS**

Total Pension Liability:

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Service cost	\$ 706,400	\$ 661,477	\$ 668,251	\$ 670,944
Interest on total pension liability	1,765,789	1,927,957	2,063,522	2,282,009
Assumption change	-	825,434	1,021,172	34,512
Benefit payments, including refunds of employee contributions	(893,398)	(1,063,346)	(1,106,341)	(1,210,181)
Experience (Gain)/Loss	-	(161,353)	563,949	89,874
Net change in total pension liability	<u>1,578,791</u>	<u>2,190,169</u>	<u>3,210,553</u>	<u>1,867,158</u>

Total pension liability as of beginning of the fiscal year	<u>23,631,126</u>	<u>25,209,917</u>	<u>27,400,086</u>	<u>30,610,639</u>
Total pension liability - ending (a)	<u>\$ 25,209,917</u>	<u>\$ 27,400,086</u>	<u>\$30,610,639</u>	<u>\$32,477,797</u>

Change in Fiduciary Net Position:

Employer contributions	1,529,640	1,109,896	1,076,756	1,380,178
Net investment income	1,234,403	32,828	1,406,080	3,461,836
Benefit payments	(893,398)	(1,063,346)	(1,106,341)	(1,210,181)
Post-Retirement benefit payments	-			
Pre-Retirement Death pool	-			
Administrative expenses	(63,708)	(66,181)	(67,520)	(65,358)
Other charges	-	(44,063)	-	-
Net change in plan fiduciary net position	<u>1,806,937</u>	<u>(30,866)</u>	<u>1,308,975</u>	<u>3,566,475</u>

Plan fiduciary net position - beginning	<u>18,743,064</u>	<u>20,550,001</u>	<u>20,519,135</u>	<u>21,828,110</u>
Plan fiduciary net position - ending (b)	<u>20,550,001</u>	<u>20,519,135</u>	<u>21,828,110</u>	<u>25,394,585</u>

County's net pension liability - ending (a) - (b)	<u>4,659,916</u>	<u>6,880,951</u>	<u>8,782,529</u>	<u>7,083,212</u>
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Plan fiduciary net position as a percentage of the total pension liability (a/b)	81.52%	74.89%	71.31%	78.19%
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Covered payroll	13,486,459	13,192,252	13,319,068	13,203,792
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County's net pension liability as a percentage of covered payroll	34.55%	52.16%	65.94%	53.65%
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Notes to the Schedule

The schedule will present 10 years of information once it is accumulated.

**BARROW COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF COUNTY CONTRIBUTIONS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution	\$ 1,529,640	\$ 1,109,896	1,076,756	1,103,608
Contributions in relation to the actuarially determined contributions	1,885,000	1,603,784	1,607,686	1,673,030
Contribution deficiency (excess)	<u>355,360</u>	<u>493,888</u>	<u>530,930</u>	<u>569,422</u>
Covered payroll	\$ 17,749,108	\$ 18,079,765	14,257,297	20,106,508
Contributions as a percentage of Covered payroll	10.62%	8.87%	11.28%	8.32%

Notes to the Schedule

Valuation Date	January 1, 2017
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing period
Assumed Rate of Return	
On Investments	7.25%
Projected Salary Increases	4% (including 3.00% for inflation)
Cost-of-living Adjustment	3.00%
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

**BARROW COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

**COMPONENT UNIT – BARROW COUNTY HEALTH DEPARTMENT
SCHEDULE OF EMPLOYER’S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
EMPLOYEES’ RETIREMENT SYSTEM OF GEORGIA**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Employer's proportion of the net pension liability	0.020625%	0.015111%	0.018326%	0.020625%
Employer's proportionate share of the net pension liability	\$ 773,565	\$ 612,207	\$ 866,897	\$ 792,245
Employer's covered payroll during the measurement period	497,544	366,361	447,260	506,823
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll	155.48%	167.10%	193.82%	156.32%
Plan fiduciary net position as a percentage of the total pension liability	77.99%	76.20%	72.34%	76.33%

Notes to the Schedule

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

**BARROW COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

**COMPONENT UNIT – BARROW COUNTY HEALTH DEPARTMENT
SCHEDULE OF EMPLOYER’S PENSION CONTRIBUTIONS
EMPLOYEES’ RETIREMENT SYSTEM OF GEORGIA**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarially determined contribution	\$ 75,871	\$ 105,334	\$ 118,711	\$ 124,949
Contributions in relation to the actuarially determined contributions	75,871	105,334	118,711	124,949
Contribution deficiency (excess)	_____ -	_____ -	_____ -	_____ -
Covered payroll	\$ 366,361	\$ 447,260	\$ 506,823	\$ 532,443
Contributions as a percentage of Covered payroll	20.71%	23.55%	23.42%	23.47%

Note: The schedule above is intended to show information for 10 years. Additional years will be displayed as they become available.

**BARROW COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB
LIABILITY AND RELATED RATIOS**

	2018
Service Cost at end of year	\$ 118,347
Interest	78,976
Difference between expected and actual experience	(3,783)
Changes of assumptions or other inputs	(132,839)
Benefit payments and implicit subsidy credit	(70,289)
Net change in Total OPEB Liability	(9,588)
Total OPEB Liability – beginning	2,658,675
Total OPEB Liability – ending	\$ 2,649,087
Covered-employee payroll	8,982,867
Total OPEB Liability as a percentage of covered-employee payroll	29.49%

Notes to the Schedule:

The schedule will present 10 years of information once it is accumulated.

**BARROW COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

**COMPONENT UNIT – BARROW COUNTY HEALTH DEPARTMENT
SCHEDULE OF EMPLOYER’S PROPORTIONATE
SHARE OF THE NET OPEB LIABILITY**

	<u>2018</u>	
	<u>SEAD-OPEB</u>	<u>State OPEB Fund</u>
Barrow County Board of Health's proportion of the net OPEB liability(asset)	0.022993%	0.018901%
Barrow County Board of Health's proportionate share of the net OPEB liability(asset)	\$ (59,760)	\$ 770,066
Employer's covered payroll during the measurement period	334,845	506,823
Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	N/A	151.94%
Plan fiduciary net position as a percentage of the total OPEB liability(asset)	130.17%	17.34%

Note: The schedule above is intended to show information for 10 years. Additional years will be displayed as they become available.

**BARROW COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

**COMPONENT UNIT – BARROW COUNTY HEALTH DEPARTMENT
SCHEDULE OF EMPLOYER’S OPEB CONTRIBUTION**

	2018	
	SEAD-OPEB	State OPEB Fund
Actuarially determined contribution	\$ -	\$ 94,166
Contributions in relation to the actuarially determined contribution	-	94,166
Contribution deficiency (excess)	-	-
Covered employee payroll	334,845	506,823
Contributions as a percentage of covered employee payroll	NIA	18.58%

**BARROW COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BOARD OF HEALTH EMPLOYEE RETIEMENT SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1. SCHEDULES OF EMPLOYER'S NET PENSION LIABILITY/CONTRIBUTIONS

This note provides information about changes of benefit terms, changes of assumptions, and methods and assumptions used in calculations of actuarially determined contributions relating to the Employees' Retirement System of Georgia.

Changes of benefit terms - A new tier benefit was added for members joining the system on and after July 1, 2009.

Changes of assumptions - In 2010 and later, the expectation of retired life mortality was changed to the RP-2000 Mortality Tables rather than the 1994 Group Annuity Mortality Table, which was used prior to 2010. In 2010, rates of withdrawal, retirement, disability and mortality were adjusted to more closely reflect actual experience. In 2010, assumed rates of salary increase were adjusted to more closely reflect actual and anticipated experience. The Society of Actuaries are developing a new mortality table for governmental employees. As the mortality rates in Georgia are in the highest quartile in the nation, in the opinion of the actuary use of the RP-2014 mortality table with full generational projection of future mortality improvements would not appropriately reflect anticipated plan experience. Until such time as the mortality table for governmental employees is released, the RP-2000 mortality table shall be used, as it represents the most up to date table pending this release. Once the mortality table for governmental employees is released, the table will be reviewed in light of the mortality rates experienced in the state of Georgia. The RP-2000 mortality table projects mortality improvements with Scale AA.

BARROW COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

Special Revenue Funds - are used to account and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt services or capital projects.

Law Library	To account for revenues generated through special filing charges in the County court system which are used to acquire and maintain library materials. These funds are restricted by State law.
Confiscated Assets	To account for monies confiscated under Federal and State law by Barrow County law enforcement officers related to controlled substance offenses. Such monies are restricted to defray the cost of complex investigations and to purchase equipment relating to said investigations. These funds are restricted by Federal law.
Emergency 911	To account for emergency services which are provided to all County taxpayers. Financing is provided through user fees and charges and transfers from the General Fund. These funds are restricted by State law.
Drug Abuse and Education	This fund, authorized by O.C.G.A. 15-21-100 to 15-21-101, is used to account for an additional 50% penalty placed on certain drug related fines collected in Superior Court, Magistrate Court, Probate Court, and Municipal Court. These funds are legally restricted to be used for drug abuse treatment and education programs relating to controlled substances, alcohol, marijuana, and purposes of the County's Drug Court.
Drug Court Participation Fee	This fund is used to account for participant fees collected by the County's Drug Court to defray the Drug Court's expenditures. These funds are committed to be used for the County's Drug Court expenditures.
Special Programs	Established to separately account for programs with dedicated revenues and expenditures operated on a self supporting basis. This fund was initiated during fiscal year 2012.
Supplemental Juvenile Services	This fund, authorized by O.C.G.A. 15-11-71, is used to account for supervision fees collected by the County's Juvenile Court to care for juveniles that are in the Court's care. These funds are legally restricted for housing, educational, counseling, mediation, transportation, restitution, and work experience expenditures.
Jail Fund	This fund, authorized by O.C.G.A. 15-21-90 to 15-21-95, is used to account for an additional 10% penalty placed on all criminal and traffic cases and cases involving violations of County ordinances collected in the County courts. These funds are legally committed to be used for the purpose of constructing, operating, and staffing county jails, correctional institutions, and detention facilities.
Inmate Commissary	To account for the inmate activity at the County jail in which funds are committed by the County's Sheriff.
Multiple Grants	Established to account for various grant programs. The financing is provided by various local, state and federal agencies in accordance with grant contracts and agreements. These funds are restricted by Federal and State law.
Industrial Building Authority (IBA)	The IBA was created on January 30, 1962 to encourage and promote the expansion and development of industrial and commercial facilities in Barrow County, so as to relieve possible unemployment within its boundaries. The IBA has five (5) board members.
Joint Development Authority (JDA)	The JDA was created on October 30, 1981 between Barrow County Board of Commissioners and the Mayor of the City of Winder for the development and promotion of public goods and general welfare trade, commerce, industry, and employment activities in the City of Winder and Barrow County. The JDA has seven (7) board members.
700MHTZ Radio System Maintenance	To account for the maintenance of the County-Wide 700 Megahertz Radio system.

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Law Library	Confiscated Assets	Emergency 911	Drug Abuse and Education	Drug Court Participation Fee	Special Programs	Supplemental Juvenile Services	Jail	Inmate Commissary	Multiple Grants	Industrial Building Authority	Joint Development Authority	700 MHz Radio System Maintenance	Total Nonmajor Governmental Funds
ASSETS														
Cash and cash equivalents	\$ 137,619	\$ 279,099	\$ 427	\$ 229,579	\$ 125,751	\$ 376,204	\$ 33,365	\$304,597	\$ 132,096	\$ 62,883	\$ 153,077	\$ 23,539	\$ 97,638	\$ 1,956,874
Receivables:														
Accounts	-	-	319,085	-	-	-	-	-	-	52,250	-	-	-	371,335
Intergovernmental	-	-	1,979	1,047	-	-	-	5,061	-	742,347	-	-	-	748,455
Prepaid items	-	-	-	595	933	-	-	-	-	3,125	-	-	56,230	62,862
Due from other funds	-	-	-	30,660	-	-	-	-	-	9,215	-	-	-	39,876
Total assets	\$ 137,619	\$ 279,099	\$ 321,491	\$ 261,881	\$ 126,684	\$ 376,204	\$ 33,365	\$309,658	\$ 132,096	\$ 869,821	\$ 153,077	\$ 23,539	\$ 153,868	\$ 3,178,402
LIABILITIES														
Accounts payable	\$ -	\$ 54,940	\$ 10,899	\$ 50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,608	\$ -	\$ -	\$ 2,083	\$ 131,580
Salaries and wages payable	-	-	35,648	2,995	-	-	-	-	-	1,429	-	-	-	40,072
Due to other funds	-	-	196,551	595	10,149	-	-	-	-	43,160	-	-	144,247	394,702
Total liabilities	-	54,940	243,098	3,640	10,149	-	-	-	-	108,197	-	-	146,330	566,354
FUND BALANCES														
Nonspendable	-	-	1,979	595	933	-	-	-	-	3,125	-	-	56,230	62,862
Restricted	137,619	224,159	76,414	257,646	-	-	33,365	-	-	758,499	-	-	-	1,487,702
Committed	-	-	-	-	115,602	350,174	-	309,658	132,096	-	153,077	23,539	-	1,084,146
Assigned	-	-	-	-	-	26,030	-	-	-	-	-	-	-	26,030
Unassigned (deficit)	-	-	-	-	-	-	-	-	-	-	-	-	(48,692)	(48,692)
Total fund balances	137,619	224,159	78,393	258,241	116,535	376,204	33,365	309,658	132,096	761,624	153,077	23,539	7,538	2,612,048
Total liabilities and fund balances	\$ 137,619	\$ 279,099	\$ 321,491	\$ 261,881	\$ 126,684	\$ 376,204	\$ 33,365	\$309,658	\$ 132,096	\$ 869,821	\$ 153,077	\$ 23,539	\$ 153,868	\$ 3,178,402

BARROW COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Law Library	Confiscated Assets	Emergency 911	Drug Abuse and Education	Drug Court Participation Fee	Special Programs	Supplemental Juvenile Services	Jail	Inmate Commissary	Multiple Grants	Industrial Building Authority	Joint Development Authority	700 MHTZ Radio System Maintenance	Nonmajor Governmental Special Revenue Funds	Total
REVENUES															
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,348,279	\$ -	\$ -	\$ -	\$ 2,348,279	
Charges for services	-	-	1,463,099	-	53,927	7,347	-	-	123,907	-	591	-	53,421	1,702,292	
Fines and forfeitures	21,779	58,998	-	46,573	-	-	4,490	135,202	-	-	-	-	-	267,042	
Interest	69	289	-	122	982	-	287	2,769	-	-	79	-	1,188	5,797	
Other	-	-	25,477	-	-	336,995	-	-	-	-	-	-	-	362,472	
Total Revenues	21,848	59,287	1,488,576	46,695	54,909	344,342	4,777	137,971	123,907	2,348,279	670	-	54,609	4,685,882	
EXPENDITURES															
Current:															
General government	-	-	-	-	-	-	-	-	-	2,952	-	-	-	2,952	
Judicial	26,367	21,002	-	12,206	11,441	-	-	-	-	294,285	-	-	-	365,301	
Public safety	-	95,586	1,406,147	29,321	-	112,300	-	229,612	117,961	59,984	-	-	319,984	2,370,895	
Public works	-	-	-	-	-	-	-	-	-	1,748,271	-	-	-	1,748,271	
Health and welfare	-	-	-	-	-	-	-	-	-	181,070	-	-	-	181,070	
Culture and recreation	-	-	-	-	-	4,837	-	-	-	-	-	-	-	4,837	
Housing and development	-	-	-	-	-	695	-	-	-	-	11,685	1,024	-	13,404	
Debt service:															
Principal	-	-	-	-	-	-	-	-	-	-	720,000	827,000	-	1,547,000	
Interest	-	-	-	-	-	-	-	-	-	-	414,478	203,784	-	618,262	
Total Expenditures	26,367	116,588	1,406,147	41,527	11,441	117,832	-	229,612	117,961	2,286,562	1,146,163	1,031,808	319,984	6,851,992	
Excess (deficiency) of revenues over (under) expenditures	(4,519)	(57,301)	82,429	5,168	43,468	226,510	4,777	(91,641)	5,946	61,717	(1,145,493)	(1,031,796)	(265,375)	(2,166,110)	
Other financing sources (uses):															
Proceeds from sale of capital assets	-	21,089	-	-	-	-	-	-	-	-	-	-	-	21,089	
Transfers in	-	-	(5,825)	-	-	-	-	-	-	100	1,134,478	1,030,784	254,782	2,420,144	
Transfers out	-	-	-	-	-	-	-	-	-	-	(100)	-	-	(5,925)	
Total other financing sources:	-	21,089	(5,825)	-	-	-	-	-	-	100	1,134,378	1,030,784	254,782	2,435,308	
Net change in fund balances	(4,519)	(36,212)	76,604	5,168	43,468	226,510	4,777	(91,641)	5,946	61,817	(11,115)	(1,012)	(10,593)	269,198	
Fund balances - beginning	142,138	260,371	1,789	253,073	73,067	149,694	28,588	401,299	126,150	699,807	164,192	24,551	18,131	2,342,850	
Fund balances - ending	\$ 137,619	\$ 224,159	\$ 78,393	\$ 258,241	\$ 116,535	\$ 376,204	\$ 33,365	\$ 309,658	\$ 132,096	\$ 761,624	\$ 153,077	\$ 23,539	\$ 7,538	\$ 2,612,048	

BARROW COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Fines and forfeitures	\$ 26,000	\$ 26,267	\$ 21,779	\$ (4,488)
Interest	<u>100</u>	<u>100</u>	<u>69</u>	<u>(31)</u>
Total revenues	<u>26,100</u>	<u>26,367</u>	<u>21,848</u>	<u>(4,519)</u>
EXPENDITURES				
Current:				
Judicial:				
Clerk of Superior Court	<u>26,100</u>	<u>26,367</u>	<u>26,367</u>	<u>-</u>
Total judicial	<u>26,100</u>	<u>26,367</u>	<u>26,367</u>	<u>-</u>
Total expenditures	<u>26,100</u>	<u>26,367</u>	<u>26,367</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>-</u>	<u>(4,519)</u>	<u>(4,519)</u>
Fund balances - beginning	<u>142,138</u>	<u>142,138</u>	<u>142,138</u>	<u>-</u>
Fund balances - ending	<u>\$ 142,138</u>	<u>\$ 142,138</u>	<u>\$ 137,619</u>	<u>\$ (4,519)</u>

BARROW COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Fines and forfeitures	\$ 63,200	\$ 71,616	\$ 58,998	\$ (12,618)
Interest	300	300	289	(11)
Total revenues	<u>63,500</u>	<u>71,916</u>	<u>59,287</u>	<u>(12,629)</u>
EXPENDITURES				
Current:				
Judicial:				
District Attorney	<u>45,100</u>	<u>45,100</u>	<u>21,002</u>	<u>24,098</u>
Total judicial	<u>45,100</u>	<u>45,100</u>	<u>21,002</u>	<u>24,098</u>
Public safety:				
Sheriff	<u>43,400</u>	<u>95,586</u>	<u>95,586</u>	<u>-</u>
Total public safety	<u>43,400</u>	<u>95,586</u>	<u>95,586</u>	<u>-</u>
Total expenditures	<u>88,500</u>	<u>140,686</u>	<u>116,588</u>	<u>24,098</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(25,000)</u>	<u>(68,770)</u>	<u>(57,301)</u>	<u>11,469</u>
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	<u>-</u>	<u>-</u>	<u>21,089</u>	<u>21,089</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>21,089</u>	<u>21,089</u>
Net change in fund balances	(25,000)	(68,770)	(36,212)	32,558
Fund balances - beginning	<u>260,371</u>	<u>260,371</u>	<u>260,371</u>	<u>-</u>
Fund balances - ending	<u>\$ 235,371</u>	<u>\$ 191,601</u>	<u>\$ 224,159</u>	<u>\$ 32,558</u>

BARROW COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Charges for services	\$ 1,232,642	\$ 1,232,642	\$ 1,463,099	\$ 230,457
Other	3,250	3,250	25,477	22,227
Total revenues	<u>1,235,892</u>	<u>1,235,892</u>	<u>1,488,576</u>	<u>252,684</u>
EXPENDITURES				
Current:				
Public safety:				
E 911 department	<u>1,629,004</u>	<u>1,629,004</u>	<u>1,406,147</u>	<u>222,857</u>
Total public safety	<u>1,629,004</u>	<u>1,629,004</u>	<u>1,406,147</u>	<u>222,857</u>
Total expenditures	<u>1,629,004</u>	<u>1,629,004</u>	<u>1,406,147</u>	<u>222,857</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(393,112)</u>	<u>(393,112)</u>	<u>82,429</u>	<u>475,541</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	398,937	398,937	-	(398,937)
Transfers out	<u>(5,825)</u>	<u>(5,825)</u>	<u>(5,825)</u>	<u>-</u>
Total other financing sources (uses)	<u>393,112</u>	<u>393,112</u>	<u>(5,825)</u>	<u>(398,937)</u>
Net change in fund balances	-	-	76,604	76,604
Fund balances - beginning	<u>1,789</u>	<u>1,789</u>	<u>1,789</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,789</u>	<u>\$ 1,789</u>	<u>\$ 78,393</u>	<u>\$ 76,604</u>

BARROW COUNTY, GEORGIA
DRUG ABUSE AND EDUCATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Fines and forfeitures	\$ 80,000	\$ 80,000	\$ 46,573	\$ (33,427)
Interest	<u>200</u>	<u>200</u>	<u>122</u>	<u>(78)</u>
Total revenues	<u>80,200</u>	<u>80,200</u>	<u>46,695</u>	<u>(33,505)</u>
EXPENDITURES				
Current:				
Judicial:				
Superior Court	24,200	24,200	5,306	18,894
District Attorney	<u>10,000</u>	<u>10,000</u>	<u>6,900</u>	<u>3,100</u>
Total judicial	<u>34,200</u>	<u>34,200</u>	<u>12,206</u>	<u>21,994</u>
Public safety:				
Sheriff	<u>46,000</u>	<u>46,000</u>	<u>29,321</u>	<u>16,679</u>
Total public safety	<u>46,000</u>	<u>46,000</u>	<u>29,321</u>	<u>16,679</u>
Total expenditures	<u>80,200</u>	<u>80,200</u>	<u>41,527</u>	<u>38,673</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>5,168</u>	<u>5,168</u>
Fund balances - beginning	<u>253,073</u>	<u>253,073</u>	<u>253,073</u>	<u>-</u>
Fund balances - ending	<u>\$ 253,073</u>	<u>\$ 253,073</u>	<u>\$ 258,241</u>	<u>\$ 5,168</u>

BARROW COUNTY, GEORGIA
DRUG COURT PARTICIPATION FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Charges for services	\$ 45,000	\$ 45,000	\$ 53,927	\$ 8,927
Interest	40	40	982	942
Total revenues	<u>45,040</u>	<u>45,040</u>	<u>54,909</u>	<u>9,869</u>
EXPENDITURES				
Current:				
Judicial:				
Superior Court	<u>45,040</u>	<u>45,040</u>	<u>11,441</u>	<u>33,599</u>
Total judicial	<u>45,040</u>	<u>45,040</u>	<u>11,441</u>	<u>33,599</u>
Total expenditures	<u>45,040</u>	<u>45,040</u>	<u>11,441</u>	<u>33,599</u>
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>43,468</u>	<u>43,468</u>
Fund balances - beginning	<u>73,067</u>	<u>73,067</u>	<u>73,067</u>	<u>-</u>
Fund balances - ending	<u>\$ 73,067</u>	<u>\$ 73,067</u>	<u>\$ 116,535</u>	<u>\$ 43,468</u>

BARROW COUNTY, GEORGIA
SPECIAL PROGRAMS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance With</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Charges for services	\$ 2,000	\$ 2,000	\$ 7,347	\$ 5,347
Other	<u>221,246</u>	<u>303,546</u>	<u>336,995</u>	<u>33,449</u>
Total revenues	<u>223,246</u>	<u>305,546</u>	<u>344,342</u>	<u>38,796</u>
EXPENDITURES				
Current:				
Public safety:				
Sheriff	<u>30,000</u>	<u>112,300</u>	<u>112,300</u>	<u>-</u>
Total public safety	<u>30,000</u>	<u>112,300</u>	<u>112,300</u>	<u>-</u>
Culture and recreation:				
Parks and recreation	<u>9,000</u>	<u>9,000</u>	<u>4,837</u>	<u>4,163</u>
Total culture and recreation	<u>9,000</u>	<u>9,000</u>	<u>4,837</u>	<u>4,163</u>
Housing and development:				
Economic Development/Community Development	<u>472,716</u>	<u>472,716</u>	<u>695</u>	<u>472,021</u>
Total housing and development	<u>472,716</u>	<u>472,716</u>	<u>695</u>	<u>472,021</u>
Total expenditures	<u>511,716</u>	<u>594,016</u>	<u>117,832</u>	<u>476,184</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(288,470)</u>	<u>(288,470)</u>	<u>226,510</u>	<u>514,980</u>
OTHER FINANCING SOURCES				
Transfers in	<u>139,245</u>	<u>139,245</u>	<u>-</u>	<u>(139,245)</u>
Total other financing sources	<u>139,245</u>	<u>139,245</u>	<u>-</u>	<u>(139,245)</u>
Net change in fund balances	(149,225)	(149,225)	226,510	375,735
Fund balances - beginning	<u>149,694</u>	<u>149,694</u>	<u>149,694</u>	<u>-</u>
Fund balances - ending	<u>\$ 469</u>	<u>\$ 469</u>	<u>\$ 376,204</u>	<u>\$ 375,735</u>

BARROW COUNTY, GEORGIA
SUPPLEMENTAL JUVENILE SERVICES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Fines and forfeitures	\$ 2,000	\$ 2,000	\$ 4,490	\$ 2,490
Interest	<u>100</u>	<u>100</u>	<u>287</u>	<u>187</u>
Total revenues	<u>2,100</u>	<u>2,100</u>	<u>4,777</u>	<u>2,677</u>
EXPENDITURES				
Current:				
Judicial:				
Juvenile Court	<u>2,100</u>	<u>2,100</u>	<u>-</u>	<u>2,100</u>
Total judicial	<u>2,100</u>	<u>2,100</u>	<u>-</u>	<u>2,100</u>
Total expenditures	<u>2,100</u>	<u>2,100</u>	<u>-</u>	<u>2,100</u>
Excess of revenue over expenditures	<u>-</u>	<u>-</u>	<u>4,777</u>	<u>4,777</u>
Fund balances - beginning	<u>28,588</u>	<u>28,588</u>	<u>28,588</u>	<u>-</u>
Fund balances - ending	<u>\$ 28,588</u>	<u>\$ 28,588</u>	<u>\$ 33,365</u>	<u>\$ 4,777</u>

**BARROW COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
REVENUE				
Fines and forfeitures	\$ 160,000	\$ 160,000	\$ 135,202	\$ (24,798)
Interest	<u>450</u>	<u>450</u>	<u>2,769</u>	<u>2,319</u>
Total revenues	<u>160,450</u>	<u>160,450</u>	<u>137,971</u>	<u>(22,479)</u>
EXPENDITURES				
Current:				
Public safety:				
Detention	<u>160,450</u>	<u>489,262</u>	<u>229,612</u>	<u>259,650</u>
Total public safety	<u>160,450</u>	<u>489,262</u>	<u>229,612</u>	<u>259,650</u>
Total expenditures	<u>160,450</u>	<u>489,262</u>	<u>229,612</u>	<u>259,650</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(328,812)</u>	<u>(91,641)</u>	<u>237,171</u>
Fund balances - beginning	<u>401,299</u>	<u>401,299</u>	<u>401,299</u>	<u>-</u>
Fund balances - ending	<u>\$ 401,299</u>	<u>\$ 72,487</u>	<u>\$ 309,658</u>	<u>\$ 237,171</u>

BARROW COUNTY, GEORGIA
INMATE COMMISSARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Charges for services	\$ 60,000	\$ 117,961	\$ 123,907	\$ 5,946
Total revenues	<u>60,000</u>	<u>117,961</u>	<u>123,907</u>	<u>5,946</u>
EXPENDITURES				
Current:				
Public safety:				
Sheriff	<u>60,000</u>	<u>117,961</u>	<u>117,961</u>	<u>-</u>
Total expenditures	<u>60,000</u>	<u>117,961</u>	<u>117,961</u>	<u>-</u>
Excess of revenues over expenditures	-	-	5,946	5,946
Fund balances - beginning	<u>126,150</u>	<u>126,150</u>	<u>126,150</u>	<u>-</u>
Fund balances - ending	<u>\$ 126,150</u>	<u>\$ 126,150</u>	<u>\$ 132,096</u>	<u>\$ 5,946</u>

BARROW COUNTY, GEORGIA
MULTIPLE GRANTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Intergovernmental	\$ 8,962,272	\$ 11,553,668	\$ 2,348,279	\$ (9,205,389)
Total revenues	<u>8,962,272</u>	<u>11,553,668</u>	<u>2,348,279</u>	<u>(9,205,389)</u>
EXPENDITURES				
Current:				
General government:				
Human Resources	-	3,000	2,952	48
Total general government:	-	<u>3,000</u>	<u>2,952</u>	<u>48</u>
Judicial:				
Superior Court	266,176	268,676	263,426	5,250
District Attorney	-	47,065	30,859	16,206
Total judicial	<u>266,176</u>	<u>315,741</u>	<u>294,285</u>	<u>21,456</u>
Public safety:				
Sheriff	29,341	45,028	20,844	24,184
Fire and Emergency Medical Services	376,810	450,948	36,646	414,302
Emergency 911	-	734	734	-
Animal Control	-	1,760	1,760	-
Total public safety	<u>406,151</u>	<u>498,470</u>	<u>59,984</u>	<u>438,486</u>
Public works:				
Roads and Bridges	7,975,412	10,824,809	1,748,271	9,076,538
Total public works	<u>7,975,412</u>	<u>10,824,809</u>	<u>1,748,271</u>	<u>9,076,538</u>
Health and welfare:				
Aging Program	164,533	181,070	181,070	-
Total health and welfare	<u>164,533</u>	<u>181,070</u>	<u>181,070</u>	<u>-</u>
Housing and development:				
Economic development/Community development	150,000	150,000	-	150,000
Total housing and development	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
Total expenditures	<u>8,962,272</u>	<u>11,973,090</u>	<u>2,286,562</u>	<u>9,686,528</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(419,422)</u>	<u>61,717</u>	<u>481,139</u>
OTHER FINANCING SOURCES				
Transfers in	-	-	100	100
Total other financing sources	<u>-</u>	<u>-</u>	<u>100</u>	<u>100</u>
Net change in fund balances	<u>-</u>	<u>(419,422)</u>	<u>61,817</u>	<u>481,239</u>
Fund balances - beginning	<u>699,807</u>	<u>699,807</u>	<u>699,807</u>	<u>-</u>
Fund balances - ending	<u>\$ 699,807</u>	<u>\$ 280,385</u>	<u>\$ 761,624</u>	<u>\$ 481,239</u>

BARROW COUNTY, GEORGIA
INDUSTRIAL BUILDING AUTHORITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Charges for services	\$ 80,000	\$ 80,000	\$ 591	\$ (79,409)
Interest	<u>30</u>	<u>30</u>	<u>79</u>	<u>49</u>
Total revenues	<u>80,030</u>	<u>80,030</u>	<u>670</u>	<u>(79,360)</u>
EXPENDITURES				
Current:				
Housing and Development				
Industrial Building Authority	41,425	41,425	11,685	29,740
Debt service:				
Principal	720,000	720,000	720,000	-
Interest	<u>414,478</u>	<u>414,478</u>	<u>414,478</u>	<u>-</u>
Total expenditures	<u>1,175,903</u>	<u>1,175,903</u>	<u>1,146,163</u>	<u>29,740</u>
Deficiency of revenues under expenditures	<u>(1,095,873)</u>	<u>(1,095,873)</u>	<u>(1,145,493)</u>	<u>(49,620)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,134,478	1,134,478	1,134,478	-
Transfers out	<u>(139,245)</u>	<u>(139,245)</u>	<u>(100)</u>	<u>(139,145)</u>
Total other financing sources (uses)	<u>995,233</u>	<u>995,233</u>	<u>1,134,378</u>	<u>(139,145)</u>
Net change in fund balances	(100,640)	(100,640)	(11,115)	89,525
Fund balances - beginning	<u>164,192</u>	<u>164,192</u>	<u>164,192</u>	<u>-</u>
Fund balances - ending	<u>\$ 199,577</u>	<u>\$ 199,577</u>	<u>\$ 153,077</u>	<u>\$ 89,525</u>

BARROW COUNTY, GEORGIA
JOINT DEVELOPMENT AUTHORITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>		
REVENUE				
Charges for services	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Interest	<u>200</u>	<u>200</u>	<u>12</u>	<u>(188)</u>
Total revenues	<u>10,200</u>	<u>10,200</u>	<u>12</u>	<u>(10,188)</u>
EXPENDITURES				
Current:				
Housing and Development				
Joint Development Authority	10,200	10,200	1,024	9,176
Debt service:				
Principal	827,000	827,000	827,000	-
Interest	<u>203,874</u>	<u>203,874</u>	<u>203,784</u>	<u>90</u>
Total expenditures	<u>1,041,074</u>	<u>1,041,074</u>	<u>1,031,808</u>	<u>9,266</u>
Deficiency of revenues under expenditures	(1,030,874)	(1,030,874)	(1,031,796)	(922)
OTHER FINANCING SOURCES				
Transfers in	<u>1,030,874</u>	<u>1,030,874</u>	<u>1,030,784</u>	<u>90</u>
Total other financing sources	<u>1,030,874</u>	<u>1,030,874</u>	<u>1,030,784</u>	<u>90</u>
Net change in fund balances	-	-	(1,012)	(1,012)
Fund balances - beginning	<u>24,551</u>	<u>24,551</u>	<u>24,551</u>	<u>-</u>
Fund balances - ending	<u>\$ 24,551</u>	<u>\$ 24,551</u>	<u>\$ 23,539</u>	<u>\$ (1,012)</u>

BARROW COUNTY, GEORGIA
700 MHTZ RADIO SYSTEM MAINTENANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
REVENUE				
Charges for services	\$ 65,102	\$ 65,102	\$ 53,421	\$ (11,681)
Interest	100	100	1,188	1,088
Total revenues	<u>65,202</u>	<u>65,202</u>	<u>54,609</u>	<u>(10,593)</u>
EXPENDITURES				
Current:				
Public safety:				
700 MHTZ Radio Maintenance System	<u>213,395</u>	<u>319,984</u>	<u>319,984</u>	<u>-</u>
Total public safety	<u>213,395</u>	<u>319,984</u>	<u>319,984</u>	<u>-</u>
Total expenditures	<u>213,395</u>	<u>319,984</u>	<u>319,984</u>	<u>-</u>
Deficiency of revenues under expenditures	(148,193)	(254,782)	(265,375)	(10,593)
OTHER FINANCING SOURCES				
Transfers in	<u>148,193</u>	<u>254,782</u>	<u>254,782</u>	<u>-</u>
Total other financing sources	<u>148,193</u>	<u>254,782</u>	<u>254,782</u>	<u>-</u>
Net change in fund balances	-	-	(10,593)	(10,593)
Fund balances - beginning	<u>18,131</u>	<u>18,131</u>	<u>18,131</u>	<u>-</u>
Fund balances - ending	<u>\$ 18,131</u>	<u>\$ 18,131</u>	<u>\$ 7,538</u>	<u>\$ (10,593)</u>

BARROW COUNTY, GEORGIA
AGENCY FUNDS
JUNE 30, 2018

Agency Funds:

Tax Commissioner The Tax Commissioner Fund accounts for all real, personal, and intangible recording taxes collected and forwarded to other governmental units.

Sheriff's Office The Sheriff's Office Fund accounts for collections of fees, proceeds from judicial sales, and cash bonds, which are disbursed to other agencies and individuals.

The following agency funds are used to account for fines, fees, and other monies collected by the Courts and remitted to other parties in accordance with State statutes and court orders:

Clerk of Superior Court
Probate Court
Magistrate Court

BARROW COUNTY, GEORGIA
COMBINING BALANCE SHEET
AGENCY FUNDS
JUNE 30, 2018

	<u>Tax Commissioner</u>	<u>Clerk of Superior Court</u>	<u>Probate Court</u>	<u>Magistrate Court</u>	<u>Sheriff</u>	<u>Total</u>
Assets:						
Cash and cash equivalent	\$ 1,476,291	\$ 3,925,174	\$ 60,684	\$ 20,554	\$ 86,114	\$ 5,568,817
Investments	-	-	-	-	118,780	118,780
Taxes receivable	4,548,715	-	-	-	-	4,548,715
Total assets	<u>\$ 6,025,006</u>	<u>\$ 3,925,174</u>	<u>\$ 60,684</u>	<u>\$ 20,554</u>	<u>\$ 204,894</u>	<u>\$ 10,236,312</u>
Liabilities:						
Due to others	<u>\$ 6,025,006</u>	<u>\$ 3,925,174</u>	<u>\$ 60,684</u>	<u>\$ 20,554</u>	<u>\$ 204,894</u>	<u>\$ 10,236,312</u>

BARROW COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	<u>Balance June 30, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2018</u>
<u>Tax Commissioner</u>				
Assets:				
Cash and cash equivalent	\$ 1,856,192	\$ 422,614	\$ 802,515	\$ 1,476,291
Taxes receivable	4,266,071	301,977	19,333	4,548,715
	<u>\$ 6,122,263</u>	<u>\$ 724,591</u>	<u>\$ 821,848</u>	<u>\$ 6,025,006</u>
Liabilities:				
Due to others	<u>\$ 6,122,263</u>	<u>\$ 676,559</u>	<u>\$ 773,816</u>	<u>\$ 6,025,006</u>
<u>Clerk of Superior Court</u>				
Assets:				
Cash and cash equivalent	<u>\$ 2,806,040</u>	<u>\$ 1,351,363</u>	<u>\$ 232,229</u>	<u>\$ 3,925,174</u>
Liabilities				
Due to others	<u>\$ 2,806,040</u>	<u>\$ 1,348,732</u>	<u>\$ 229,598</u>	<u>\$ 3,925,174</u>
<u>Probate Court</u>				
Assets:				
Cash and cash equivalent	<u>\$ 74,735</u>	<u>\$ 62,601</u>	<u>\$ 76,652</u>	<u>\$ 60,684</u>
Liabilities				
Due to others	<u>\$ 74,735</u>	<u>\$ 62,601</u>	<u>\$ 76,652</u>	<u>\$ 60,684</u>
<u>Magistrate Court</u>				
Assets:				
Cash and cash equivalent	<u>\$ 21,455</u>	<u>\$ 27,247</u>	<u>\$ 28,148</u>	<u>\$ 20,554</u>
Liabilities				
Due to others	<u>\$ 21,455</u>	<u>\$ 26,148</u>	<u>\$ 27,049</u>	<u>\$ 20,554</u>

(Continued)

BARROW COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Balance June 30, 2017	Increases	Decreases	Balance June 30, 2018
<u>Sheriff</u>				
Assets:				
Cash and cash equivalent	\$ 66,506	\$ 40,365	\$ 20,757	\$ 86,114
Investments	118,780	-	-	118,780
Total Assets	<u>\$ 185,286</u>	<u>\$ 40,365</u>	<u>\$ 20,757</u>	<u>\$ 204,894</u>
Liabilities:				
Due to others	\$ 185,286	\$ 37,536	\$ 17,928	\$ 204,894
 <u>Total Agency Funds</u>				
Assets:				
Cash and cash equivalent	\$ 4,824,928	\$ 1,904,190	\$ 1,160,301	\$ 5,568,817
Investments	118,780	-	-	118,780
Taxes receivable	4,266,071	301,977	19,333	4,548,715
	<u>\$ 9,209,779</u>	<u>\$ 2,206,167</u>	<u>\$ 1,179,634</u>	<u>\$ 10,236,312</u>
Liabilities:				
Due to others	\$ 9,209,779	\$ 2,151,576	\$ 1,125,043	\$ 10,236,312

**BARROW COUNTY, GEORGIA
GOVERNMENTAL COMPONENT UNIT
JUNE 30, 2018**

Governmental Component Unit:

Health Department

The Barrow County Board of Health (the "Health Department") provides various health services for the citizens of Barrow County under a contract with the Georgia Department of Human Resources (DHR). The Health Department receives financial support from Barrow County, Georgia, the State of Georgia and the Federal Government. The County Commission appoints a majority of the Board of Directors.

BARROW COUNTY, GEORGIA
GOVERNMENTAL COMPONENT - HEALTH DEPARTMENT
STATEMENT OF NET POSITION
JUNE 30, 2018

ASSETS

Current assets:	
Cash and cash equivalents	\$ 1,262,832
Receivables, net of allowance for uncollectible	<u>9,711</u>
Total current assets	<u>1,272,543</u>
Noncurrent assets:	
Net OPEB Asset	59,760
Depreciable assets:	
Machinery and equipment	252,673
Less accumulated depreciation	<u>(176,608)</u>
Total noncurrent assets	<u>135,825</u>
Total assets	<u>\$ 1,408,368</u>

DEFERRED OUTFLOWS OF RESOURCES

Difference between expected and actual experience	\$ 8,681
Net difference between projected and actual earnings on plan investments	3,299
Changes of assumptions	1,804
Changes in proportion and differences between employer contributions and proportionate share of contributions	115,908
Employer contributions subsequent to the measurement date	<u>214,755</u>
Total deferred outflows of resources	<u>\$ 344,447</u>

LIABILITIES

Current liabilities:	
Accounts payable	\$ 160,783
Total current liabilities	<u>160,783</u>
Noncurrent liabilities:	
Compensated absences payable	67,193
Net pension liability	792,245
Net OPEB liability	<u>770,066</u>
Total noncurrent liabilities	<u>1,629,504</u>
Total liabilities	<u>1,790,287</u>

DEFERRED INFLOWS OF RESOURCES

Difference between expected and actual experience	6
Net difference between projected and actual earnings on plan investments	11,104
Changes of assumptions	<u>55,769</u>
Total deferred inflows of resources	<u>66,879</u>

NET POSITION

Investment in capital assets	76,065
Unrestricted (deficit)	<u>(180,416)</u>
Total net position (deficit)	<u>\$ (104,351)</u>

BARROW COUNTY, GEORGIA
GOVERNMENTAL COMPONENT - HEALTH DEPARTMENT
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED JUNE 30, 2018

<u>Component units</u>	<u>Functions/Programs</u>	<u>Program Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues</u> <u>Operating Grants and Contributions</u>	<u>Net Revenue and Changes in Net Position</u>
Health Department	Governmental activities:				
	Health and welfare	\$ 1,319,169	\$ 645,391	\$ 843,900	\$ 170,122
Total component unit activities	Total activities	1,319,169	645,391	843,900	170,122
	General revenues:				
	Unrestricted investment earnings				137
					Change in net position 170,259
					Net position - beginning <u>383,853</u>
					Prior period adjustment - See Footnote 16 <u>(658,463)</u>
					Net position (deficit) - ending <u>\$ (104,351)</u>

**BARROW COUNTY , GEORGIA
PROPRIETARY COMPONENT UNITS
JUNE 30, 2018**

Airport Authority

The Airport Authority operates as a separate statutory authority comprised of a seven (7) member board that oversees the operations at the airport. The Airport Authority is dependent upon the County for funding, and its board is appointed by the County Commissioners.

BARROW COUNTY, GEORGIA
PROPRIETARY COMPONENT UNIT - AIRPORT AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2018

ASSETS

Current assets:	
Cash and cash equivalents	\$ 257,236
Investments	345,940
Receivables, net of allowance for uncollectible	6,127
Intergovernmental	<u>158,114</u>
Total current assets	<u>767,417</u>
Noncurrent assets:	
Capital assets:	
Non-depreciable assets:	
Land	3,665,770
Construction in progress	427,997
Depreciable assets:	
Buildings	2,814,856
Site improvements	7,890,241
Machinery and equipment	<u>518,097</u>
Total capital assets	15,316,961
Less accumulated depreciation	<u>(7,467,829)</u>
Total non-current assets	<u>7,849,132</u>
Total assets	<u>8,616,549</u>

DEFERRED OUTFLOWS OF RESOURCES

Assumption changes	2,986
Pension experience differences	1,264
Employer contributions subsequent to the measurement date	<u>2,588</u>
Total deferred outflows of resources	<u>6,838</u>

LIABILITIES

Payable from current assets:	
Accounts payable	240,680
Salaries and wages payable	3,264
Retainage payable	16,432
Compensated absence payable	5,449
Due to primary government	<u>7,867</u>
Total current liabilities	<u>273,692</u>
Noncurrent liabilities:	
Compensated absences payable	1,362
Net pension liability	<u>32,962</u>
Total noncurrent liabilities	<u>34,324</u>
Total liabilities	<u>308,016</u>

DEFERRED INFLOWS OF RESOURCES

Pension experience differences	196
Net difference between projected and actual earnings on pension plan investments	<u>1,817</u>
Total deferred inflows of resources	<u>2,013</u>

NET POSITION

Net investment in capital assets	7,832,700
Unrestricted	<u>480,658</u>
Total net position	<u>\$ 8,313,358</u>

BARROW COUNTY, GEORGIA
PROPRIETARY COMPONENT UNIT - AIRPORT AUTHORITY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Operating revenues:

Fees and charges for services	\$	354,431
Other revenue		<u>16,684</u>

Total operating revenues		<u>371,115</u>
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Operating expenses:

Personnel services and employee benefits		106,765
Purchased/contracted services		77,653
Supplies		8,843
Other operating expenses		61,490
Depreciation		<u>436,637</u>

Total operating expenses		<u>691,388</u>
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Operating loss		<u>(320,273)</u>
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Non-operating revenue:

Interest and investment revenue		4,695
Capital contributions - from grantors		<u>252,284</u>
Total nonoperating revenue		<u>256,979</u>

Change in net position		(63,294)
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Total net position - beginning		<u>8,376,652</u>
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Total net position - ending	\$	<u>8,313,358</u>
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**BARROW COUNTY, GEORGIA
 PROPRIETARY COMPONENT UNIT - AIRPORT AUTHORITY
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 365,012
Payments to suppliers	(68,964)
Payments to employees	(105,236)
Net transfers from primary government	<u>(4,030)</u>
Net cash provided by operating activities	<u>186,782</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCIAL ACTIVITIES

Receipts from grantors	116,452
Purchase of capital assets	<u>(223,417)</u>
Net cash used by capital and related financing activities	<u>(106,965)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	4,695
Purchase of investments	<u>(3,575)</u>
Net cash provided by investing activities	<u>1,120</u>

Net increase in cash and cash equivalents 80,937

Cash and cash equivalents
 Beginning of the fiscal year 176,299

End of the fiscal year \$ 257,236

Reconciliation of operating loss to net cash provided by operating activities:

Operating loss	\$ (320,273)
Adjustments to reconcile net operating loss to net cash provided by operating activities:	
Depreciation	436,637
Increase in accounts receivable	(6,103)
Decrease in deferred outflows of resources related to pension items	5,232
Increase in accounts payable	79,022
Decrease in salaries and wages payable	(51)
Decrease in due to primary government	(4,030)
Decrease in net pension liability	(5,363)
Increase in deferred inflow of resources	<u>1,711</u>

Net cash provided by operating activities \$ 186,782

BARROW COUNTY, GEORGIA
CAPITAL PROJECTS SPECIAL PURPOSE LOCAL OPTION SALES TAX FUNDS
JUNE 30, 2018

SPLOST Schedules:

2005 SPLOST

On June 21, 2005, a referendum was held on the question of a 1% Special Purpose Local Option Sales Tax (SPLOST) being imposed in the County and was approved by the voters. The revenues collected were to pay for roads, Bear Creek debt payments, new Criminal Justice Facility, Animal Control Facility, Cultural Arts Facility, Emergency 911 Facility, Fire Station(s), Fire Training Center, Courthouse Renovations, Health Department, West Winder By-Pass, Recreational Facilities, Sewer Facilities and Airport Improvements.

2012 SPLOST

On March 15th, 2011, Barrow County citizens voted to extend the current SPLOST for another six years beginning July 1, 2012, to fund an additional \$60 million of capital improvements and debt payments. The 2012 SPLOST program is supposed to fund the following projects: payment of the 2005 and 2012 general obligation bonds, payment of the Bear Creek Reservoir debt, equipment, repair and maintenance of roads, streets, curbs, sidewalks, and bridges, parks and recreation projects and water and sewer systems infrastructure improvements.

BARROW COUNTY BOARD OF COMMISSIONERS

REPORT ON PROJECTS FUNDED THROUGH SPECIAL PURPOSE LOCAL OPTION SALES TAX 2005 ISSUE FISCAL YEAR ENDED JUNE 30, 2018

PROJECT	ORIGINAL ESTIMATED COST	CURRENT ESTIMATED COST	PRIOR FISCAL YEARS	CURRENT FISCAL YEAR	TOTAL
UNDIVIDED INTEREST IN BEAR CREEK	\$ 5,400,000	\$ 5,400,000	\$ 4,764,483	\$ -	\$ 4,764,483
ROADS	8,649,030	5,427,734	5,313,384	114,350	5,427,734
CRIMINAL JUSTICE FACILITY	46,400,000	51,738,986	51,592,162	-	51,592,162
E-911 FACILITY	1,500,000	1,611,081	1,611,081	-	1,611,081
FIRE STATION(S) AND TRAINING CENTER	2,500,000	2,533,371	2,492,958	40,413	2,533,371
COURTHOUSE RENOVATIONS	4,250,000	4,800,201	4,800,201	-	4,800,201
CULTURAL ARTS CENTER	3,000,000	3,001,164	3,001,164	-	3,001,164
WEST WINDER BYPASS	4,000,000	3,798,486	3,601,759	196,727	3,798,486
HEALTH DEPARTMENT FACILITY	1,000,000	1,000,997	1,000,997	-	1,000,997
PARK AND RECREATION FACILITIES	3,930,162	585,727	585,727	-	585,727
SEWER FACILITIES (1)	1,716,862	1,716,862	-	-	-
AIRPORT IMPROVEMENTS (1)	500,000	500,000	-	-	-
ANIMAL CONTROL FACILITIES	1,500,000	1,582,303	1,582,303	-	1,582,303
CITY OF AUBURN - STREETS	2,333,040	1,334,772	1,334,772	-	1,334,772
CITY OF BETHLEHEM - STREETS	307,726	171,764	171,764	-	171,764
TOWN OF CARL - STREETS	86,984	49,083	49,083	-	49,083
CITY OF STATHAM - STREETS	600,000	352,895	352,895	-	352,895
CITY OF WINDER - STREETS	4,500,736	2,519,310	2,519,310	-	2,519,310
TOWN OF BRASELTON - RECREATION	<u>351,688</u>	<u>225,340</u>	<u>225,340</u>	<u>-</u>	<u>225,340</u>
	<u>\$ 92,526,228</u>	<u>\$ 88,350,076</u>	<u>\$ 84,999,383</u>	<u>\$ 351,490</u>	<u>\$ 85,350,873</u>

Notes:

The Intergovernmental Agreement (IGA) for SPLOST 2005 that was adopted (and publically distributed, marketed, etc.) provided for an "order of priority" SPLOST. As such, the projects should have been funded in the order that was listed, that is, one project funded completely before going to the next. If the County did not get all the projected SPLOST proceeds, then necessarily some of the lower priority projects would not be funded. Sewer facilities and airport improvements were number 11 and 12 in the order of funding. In order for the sewer facilities and airport improvements to be funded, the County would have needed to receive over \$80,629,192 in SPLOST funding; however, the County received less than \$64,700,000, so those two projects were not funded.

BARROW COUNTY BOARD OF COMMISSIONERS

REPORT ON PROJECTS FUNDED THROUGH SPECIAL PURPOSE LOCAL OPTION SALES TAX 2012 ISSUE FISCAL YEAR ENDED JUNE 30, 2018

PROJECT	YEAR APPROVED	ORIGINAL	CURRENT	AMOUNT	AMOUNT	TOTAL
		ESTIMATED COST	ESTIMATED COST	EXPENDED PRIOR FISCAL YEARS	EXPENDED CURRENT FISCAL YEAR	
COUNTY -	2012					
GENERAL OBLIGATION BOND ^(a)		\$ 27,900,000	\$ 25,299,231	\$ 16,214,054	\$ 4,522,858	\$ 20,736,912
PUBLIC SAFETY COMMUNICATION SYSTEM		-	2,600,769	2,600,769	-	2,600,769
BEAR CREEK RESERVOIR EQUIPMENT		8,597,136	8,597,136	6,480,844	1,208,848	7,689,692
ROADS, STREETS, AND BRIDGES		8,000,000	10,600,769	3,985,735	1,101,370	5,087,105
WATER AND SEWER LINE		1,181,432	1,181,432	292,539	275,453	567,992
PARK AND RECREATION		1,181,432	1,181,432	150,000	106,474	256,474
		300,000	368,538	195,138	173,400	368,538
CITY OF AUBURN -	2012					
ROADS, STREETS, AND BRIDGES		600,000	600,000	415,003	108,712	523,715
PARKS AND RECREATION		1,580,732	1,580,732	1,122,949	294,162	1,417,111
PUBLIC WORKS FACILITY		700,000	700,000	488,239	127,897	616,136
ACQ. MUNICIPAL COMPLEX		250,000	250,000	170,883	44,764	215,647
EVENT CENTER		338,636	338,636	244,119	63,948	308,067
CITY OF BETHLEHEM -	2012					
ROADS, STREETS, AND BRIDGES		531,576	531,576	374,040	97,982	472,022
TOWN OF BRASELTON -	2012					
ROADS, STREETS, AND BRIDGES		233,688	233,688	164,432	43,074	207,506
PARKS AND RECREATION		233,688	233,688	164,432	43,074	207,506
TOWN OF CARL -	2012					
ROADS, STREETS, AND BRIDGES		117,486	117,486	82,668	21,655	104,323
PARKS AND RECREATION		39,162	39,162	27,556	7,218	34,774
CITY OF STATHAM -	2012					
WATER AND SEWER LINE		1,405,980	1,405,980	989,308	259,154	1,248,462
CITY OF WINDER -	2012					
ROADS, STREETS, AND BRIDGES		2,451,259	2,451,259	1,724,808	451,823	2,176,631
WATER AND SEWER LINE		4,357,793	4,357,793	3,066,329	803,241	3,869,570
		<u>\$ 60,000,000</u>	<u>\$ 62,669,307</u>	<u>\$ 38,953,845</u>	<u>\$ 9,755,107</u>	<u>\$ 48,708,952</u>

Note:

⁽¹⁾⁽²⁾ Principal and interest payments for \$2,600,769 capital lease are not shown in the schedule. This capital lease was used for the Public Safety Communication System which is shown in the schedule. This capital lease was paid off in FY2017.

^(a) The \$27,900,000 is to repay principal and interest on the 2005 and 2012 General Obligation Bonds.
The 2005 General Obligation Bond was approved in Fiscal Year 2005 to finance projects as specified in the 2005 SPLOST.
In 2012, these funds were partially refinanced with the 2012 General Obligation Bonds.



Statistical Section

BARROW COUNTY, GEORGIA
STATISTICAL SECTION
JUNE 30, 2018

This part of the County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents	Page
Financial Trends (Schedules 1-4)	133 - 137
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time	
Revenue Capacity (Schedules 5-9)	138 -142
These schedules contain information to help the reader assess the County's most significant local revenue sources: the property tax and sales tax.	
Debt Capacity (Schedules 10-14)	143 -147
These schedules present information to help th reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Demographic and Economic Information (Schedules 15-16)	148 - 149
These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.	
Operating Information (Schedule 17-19)	150- 152
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	

For some schedules included in this section, a full ten years of data is not available

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Schedule 1
Barrow County, Georgia
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017 (restated)	2018
Governmental activities										
Net investment in capital assets	\$ 52,116,715	\$ 57,375,698	\$ 57,390,634	\$ 43,010,557	\$ 52,818,393	\$ 55,994,575	\$ 68,164,606	\$ 82,082,812	\$ 78,085,792	\$ 84,972,640
Restricted	16,344,560	18,374,870	18,809,891	21,353,947	14,590,944	15,391,781	12,117,649	7,040,202	9,231,169	10,019,886
Unrestricted	5,867,384	4,948,300	6,237,518	12,138,045	13,098,981	8,885,027	2,529,884	4,249,406	11,942,132	14,005,390
Total governmental activities net position	\$ 74,328,659	\$ 80,698,868	\$ 82,438,043	\$ 76,502,549	\$ 80,508,318	\$ 80,271,383	\$ 82,812,139	\$ 93,372,420	\$ 99,259,093	\$ 108,997,916
Business-type activities										
Net investment in capital assets	\$ 28,209,059	\$ 29,422,542	\$ 34,253,125	\$ 34,266,548	\$ 33,881,497	\$ 33,988,296	\$ 33,310,559	\$ 33,384,664	\$ 40,855,051	\$ 42,776,267
Restricted	-	-	341,210	1,258,821	1,257,112	1,260,122	1,261,437	300,379	996,442	1,755,635
Unrestricted	2,338,080	104,893	7,005,934	4,885,032	5,293,026	5,434,524	7,150,145	9,179,049	8,967,967	9,516,059
Total business-type activities net position	\$ 30,547,139	\$ 29,527,435	\$ 41,600,269	\$ 40,410,401	\$ 40,431,635	\$ 40,682,942	\$ 41,722,141	\$ 42,864,092	\$ 50,819,460	\$ 54,047,961
Primary government										
Net investment in capital assets	\$ 80,325,774	\$ 86,798,240	\$ 91,643,759	\$ 77,277,105	\$ 86,698,890	\$ 89,982,871	\$ 101,475,165	\$ 115,467,476	\$ 118,940,843	\$ 127,748,907
Restricted	16,344,560	18,374,870	19,151,101	22,612,768	15,848,056	16,651,903	13,379,086	7,340,581	10,227,611	11,775,521
Unrestricted	8,205,464	5,053,193	13,243,452	17,023,077	18,392,007	14,319,551	9,680,029	13,428,455	20,910,099	23,521,449
Total primary government net position	\$ 104,875,798	\$ 110,226,303	\$ 124,038,312	\$ 116,912,950	\$ 120,939,953	\$ 120,954,325	\$ 124,534,280	\$ 136,236,512	\$ 150,078,553	\$ 163,045,877

Note: The 2014 column was restated to reflect the change in reporting entity which affected nonmajor governmental funds and the General Fund. The 2016 column was restated to reflect the omission of capital assets. The 2017 column was restated to reflect changes related to the implementation of GASB 75. See footnote 16 for further detail.

Schedule 2
Barrow County, Georgia
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities										
General government	\$ 6,698,808	\$ 8,801,693	\$ 7,891,169	\$ 8,514,943	\$ 6,268,766	\$ 7,988,380	\$ 11,292,826	\$ 8,280,680	\$ 6,618,120	\$ 8,894,027
Judicial	3,582,096	2,837,367	3,047,533	3,213,757	3,374,411	3,501,917	3,477,154	3,673,956	2,923,471	4,074,049
Public safety	21,475,769	21,916,777	21,787,947	22,512,014	23,035,700	22,562,679	22,482,482	24,725,928	21,333,446	26,803,319
Public works	3,732,911	3,085,370	3,154,020	3,425,164	3,854,023	3,417,561	3,573,314	3,996,696	2,764,205	3,425,815
Health and welfare	839,890	687,778	611,622	645,178	733,978	707,508	711,523	651,212	517,523	664,807
Culture and recreation	955,908	915,803	884,379	901,701	957,655	961,841	999,543	1,067,470	967,869	2,198,804
Housing and development	954,486	453,395	326,365	398,778	528,029	525,959	947,949	282,130	642,999	827,501
Interest on long term debt	2,838,927	2,023,550	2,386,926	2,210,419	2,603,260	2,546,810	2,662,020	1,732,658	1,208,207	1,525,288
Total governmental activities expenses	41,078,795	40,721,733	40,089,961	41,821,954	41,355,822	42,212,655	46,146,811	44,410,730	36,975,840	48,413,610
Business-type activities										
Water and sewerage authority	-	-	6,338,501	5,789,682	6,128,406	6,005,865	6,005,865	5,824,495	4,660,408	5,616,249
Stormwater	-	292,967	454,944	379,238	346,033	354,426	344,504	622,822	629,817	783,290
Total business-type activities expenses	4,143,238	5,458,516	6,793,445	6,168,920	6,476,439	6,360,291	6,198,187	6,447,317	5,290,225	6,399,539
Total primary government expenses	\$ 45,222,033	\$ 46,180,249	\$ 46,883,406	\$ 47,990,874	\$ 47,832,261	\$ 48,572,946	\$ 52,344,998	\$ 50,858,047	\$ 42,266,065	\$ 54,813,149
Program Revenues										
Governmental Activities										
Charges for services	\$ 1,499,288	\$ 1,967,868	\$ 1,434,003	\$ 1,403,909	\$ 1,566,309	\$ 1,827,765	\$ 851,957	\$ 950,495	\$ 925,608	\$ 1,042,576
General government	2,287,329	2,727,946	2,888,169	2,924,249	2,676,921	2,561,120	2,486,005	2,616,232	1,917,671	2,375,736
Judicial	2,898,544	3,248,327	3,067,011	3,093,623	3,566,664	2,864,755	3,010,893	3,307,437	2,474,158	3,799,521
Public safety	974,922	-	537,251	669,526	620,383	556,298	693,233	738,737	727,869	542,395
Public works	229,779	206,620	227,619	253,723	265,807	266,374	259,268	212,056	149,601	469,712
Culture and recreation	910,783	700,331	873,838	862,111	962,755	1,101,475	1,858,078	1,883,057	1,810,794	2,188,717
Housing and development	304,511	363,731	971,570	893,939	506,041	673,910	940,583	573,728	488,309	826,046
Operating grants and contributions	9,442	1,934,789	44,646	15,751	500,506	693,978	1,570,646	931,292	2,526,974	2,252,715
Capital grants and contributions	-	-	10,044,107	10,116,831	10,665,386	10,545,675	11,670,663	11,213,034	11,020,984	13,497,418
Total governmental activities program revenues	9,114,598	11,149,612	10,044,107	10,116,831	10,665,386	10,545,675	11,670,663	11,213,034	11,020,984	13,497,418
Business-type activities										
Charges for services										
Water and sewerage authority	455,196	837,474	5,367,402	3,817,457	4,651,244	4,705,846	5,356,143	5,297,994	3,701,530	6,499,920
Sewerage treatment	1,254,231	1,328,692	-	-	-	-	-	-	-	-
Water transmission	-	461,945	-	-	-	-	-	-	-	-
Stormwater	-	80,251	472,163	351,346	336,654	367,545	408,287	415,189	423,953	456,298
Operating grants and contributions	854,975	726,993	760,680	-	-	220,439	-	407,203	205,795	1,343,806
Capital grants and contributions	2,564,402	3,435,355	6,600,245	4,168,803	4,987,898	5,293,830	5,764,430	6,120,386	4,331,278	8,300,024
Total business-type activities program revenues	\$ 11,679,000	\$ 14,584,967	\$ 16,644,352	\$ 14,285,634	\$ 15,653,284	\$ 15,839,505	\$ 17,435,093	\$ 17,333,420	\$ 15,352,262	\$ 21,797,442

(continued)

Schedule 2 (continued)
Barrow County, Georgia
Changes in Net Position, Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Net (Expense)/Revenue	\$ (31,964,197)	\$ (29,572,121)	\$ (30,045,854)	\$ (31,705,123)	\$ (30,690,436)	\$ (31,666,980)	\$ (34,476,148)	\$ (33,197,696)	\$ (25,954,856)	\$ (34,916,192)
Governmental Activities	(1,578,836)	(2,023,161)	(193,200)	(2,000,117)	(1,488,541)	(1,066,461)	(433,757)	(326,931)	(958,947)	1,900,485
Business-type activities	(33,543,033)	(31,595,282)	(30,239,054)	(33,705,240)	(32,178,977)	(32,733,441)	(34,909,905)	(33,524,827)	(26,913,803)	(33,015,707)
Total primary government net expense										
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes										
Property taxes	\$ 16,844,383	\$ 16,730,759	\$ 17,180,883	\$ 17,185,993	\$ 18,882,921	\$ 19,190,899	\$ 19,411,726	\$ 22,646,759	\$ 22,463,771	\$ 23,145,923
Alcoholic beverages taxes	244,946	247,076	255,338	276,910	296,208	307,459	333,639	356,215	269,630	377,293
Sales taxes	11,672,732	12,598,996	12,973,150	13,440,051	13,930,003	14,575,388	15,334,658	15,453,266	12,236,299	17,357,139
Other taxes	224,078	1,818,670	1,753,681	2,482,479	2,798,056	2,829,857	3,062,759	3,359,244	3,158,176	4,040,192
Unrestricted investment earnings	2,080,469	141,182	53,528	22,425	46,713	26,154	24,774	56,852	79,305	268,842
Payments from primary government	708,687	-	-	-	-	-	-	-	-	-
Other revenues	270,745	699,826	472,709	329,917	175,152	403,042	280,113	438,932	710,081	618,163
Gain on sale of capital assets	-	302,245	(904,260)	(961,822)	(1,432,848)	(1,432,848)	(1,430,765)	(1,432,230)	(8,856,290)	41,755
Transfers	(1,121,511)	(1,002,922)	31,785,029	32,775,953	34,696,205	35,899,951	37,016,904	40,879,038	30,060,972	(1,194,292)
Total governmental activities	30,924,529	31,535,832	31,785,029	32,775,953	34,696,205	35,899,951	37,016,904	40,879,038	30,060,972	44,655,015
Business-type activities										
Unrestricted investment earnings	35,527	535	10,450	10,131	17,404	9,313	10,072	23,119	40,780	118,998
Other revenues	-	-	50,257	15,612	59,523	36,436	32,119	13,533	11,345	14,726
Gain on sale of capital assets	-	-	-	-	-	-	-	-	5900	-
Transfers	449,750	1,002,922	904,260	961,822	1,432,848	1,432,848	1,430,765	1,432,230	8,856,290	1,194,292
Total business-type activities	485,277	1,003,457	964,967	987,565	1,509,775	1,478,597	1,472,956	1,468,882	8,914,315	1,328,016
Total primary government	\$ 31,409,806	\$ 32,539,289	\$ 32,749,996	\$ 33,763,518	\$ 36,205,980	\$ 37,378,548	\$ 38,489,860	\$ 42,347,920	\$ 38,975,287	\$ 45,983,031
Change in Net Position										
Governmental Activities	\$ (1,039,668)	\$ 1,963,711	\$ 1,739,175	\$ 1,070,830	\$ 4,005,769	\$ 4,232,971	\$ 2,540,756	\$ 7,681,342	\$ 4,106,116	\$ 9,738,823
Business-type activities	(1,093,559)	(1,019,704)	771,767	(1,012,552)	21,234	412,136	1,039,199	1,141,951	7,955,368	3,228,501
Total primary government	\$ (2,133,227)	\$ 944,007	\$ 2,510,942	\$ 58,278	\$ 4,027,003	\$ 4,645,107	\$ 3,579,955	\$ 8,823,293	\$ 12,061,484	\$ 12,967,324

Note:
On September 13, 2011, the Board unanimously voted to authorize the merger of the Water and Sewerage Authority Fund (or Water Authority Fund) with the Sewerage Treatment Fund and the Water Transmission Fund. Therefore, the 2011 column has been restated to reflect this change. The 2017 column reflects a 9 month period due to the County changing its fiscal year end from September 30 to June 30.

Schedule 3
Barrow County, Georgia
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ -	\$ -								
Unreserved	4,701,149	4,544,466								
Total general fund	<u>\$ 4,701,149</u>	<u>\$ 4,544,466</u>								
All Other Governmental Funds										
Capital projects funds	\$ 16,344,560	\$ 17,632,977								
Unreserved, reported in:										
Special revenue funds	591,496	986,207								
Total all other governmental funds	<u>\$ 16,936,056</u>	<u>\$ 18,599,184</u>								
General Fund										
Nonspendable										
Restricted	\$ 89,597	\$ 532,658	\$ 248,264	\$ 263,890	\$ 254,603	\$ 266,141	\$ 838,698	\$ 822,582		
Committed	664,491	2,136,702	880,570	354,873	64,889	93,718	1,131,402	1,619,778		
Assigned	51,139	155,653	247,562	463,263	1,508,280	107,946	29,613	32,974		
Unassigned	5,938,497	7,004,412	9,433,907	10,246,083	7,748,756	10,727,295	14,460,639	15,119,077		
Total general fund	<u>\$ 6,743,724</u>	<u>\$ 9,829,425</u>	<u>\$ 10,812,603</u>	<u>\$ 11,330,409</u>	<u>\$ 9,578,838</u>	<u>\$ 11,195,100</u>	<u>\$ 16,460,352</u>	<u>\$ 17,594,411</u>		
All Other Governmental Funds										
Nonspendable										
Emergency Services	-	\$ 15,754	-	-	-	-	-	-	\$ 4,221	\$ 100,986
Judicial & Welfare	-	1,625	-	-	-	-	-	228	1,511	4,653
Restricted For:										
Capital Projects	18,512,230	20,728,265	14,009,941	14,904,658	11,058,285	5,951,180	7,851,135	8,526,485		
Emergency Services	22,365	2,647	53,845	3,845	1,777	1,789	1,789	76,414		
Law Enforcement	63,505	129,197	133,642	128,272	133,041	128,186	260,371	224,159		
Law Library	172,720	183,172	116,758	130,939	140,794	143,976	142,138	137,619		
Judicial & Welfare	-	268,943	247,476	221,396	252,809	284,700	281,661	291,011		
Economic activities	39,071	41,723	26,982	371	528,643	530,371	694,075	758,489		
Committed For:										
Fire Services	-	-	-	-	-	170,137	1,553,482	2,422,256		
Emergency Services	-	-	-	-	-	11,117	18,131	-		
Inmate Use	28,867	62,801	69,440	45,393	37,326	79,290	126,150	132,096		
Jail construction	-	-	-	-	375,887	530,110	401,299	309,658		
Judicial & Welfare	-	13,440	9,528	17,943	26,770	39,218	73,067	115,602		
Housing and Development	-	209,263	234,519	294,641	501,741	254,814	320,989	526,790		
Capital Projects	-	-	1,078,461	1,589,371	180,174	970,354	1,238,066	1,860,233		
Assigned:										
Parks and Recreation	191,216	34,500	8,524	10,898	10,066	8,316	8,316	10,827		
Law Enforcement	19,279	20,077	26,774	21,262	28,906	30,930	9,132	15,203		
Housing and Development	-	-	-	168,435	-	-	-	-		
Unassigned (deficit):	-	(1,470)	-	-	-	-	-	(48,692)		
Emergency Services	-	-	-	-	-	-	-	-		
Total for other governmental funds	<u>\$ 19,049,253</u>	<u>\$ 21,709,937</u>	<u>\$ 16,015,890</u>	<u>\$ 17,537,424</u>	<u>\$ 13,276,219</u>	<u>\$ 9,134,755</u>	<u>\$ 12,985,533</u>	<u>\$ 15,463,799</u>		
Total for all governmental funds	<u>\$ 25,792,977</u>	<u>\$ 31,539,362</u>	<u>\$ 26,828,493</u>	<u>\$ 28,867,833</u>	<u>\$ 22,855,057</u>	<u>\$ 20,329,855</u>	<u>\$ 29,445,885</u>	<u>\$ 33,058,210</u>		

Note 1: Beginning in fiscal year 2011, fund balance is reported under categories using the definitions provided by GASB Statement No. 54.
Note 2: The 2014 column was restated to reflect the change in reporting entity which affected nonmajor governmental funds and the General Fund.

Schedule 4
Barrow County, Georgia
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 31,141,280	\$ 31,606,939	\$ 31,805,853	\$ 33,564,608	\$ 35,737,184	\$ 36,865,888	\$ 38,420,736	\$ 41,623,408	\$37,867,811	\$45,077,379
Licenses and permits	395,942	343,503	418,261	462,085	645,324	989,054	983,665	864,006	863,874	1,123,586
Intergovernmental	461,914	892,689	971,570	887,217	970,068	1,181,473	2,497,774	1,051,619	2,951,251	2,476,663
Charges for services	6,547,824	6,177,845	6,704,999	6,856,475	7,460,978	6,590,523	6,702,714	7,332,095	6,110,912	8,141,112
Fines and forfeitures	1,914,055	1,853,920	1,904,631	1,888,226	1,552,537	1,598,210	1,473,055	1,511,914	1,030,915	1,153,959
Investment income	708,687	143,610	81,174	44,898	83,192	44,278	38,229	68,961	95,527	336,528
Other	214,250	660,349	472,709	307,175	231,459	403,042	280,113	438,932	710,081	618,163
Total revenues	41,383,952	41,678,835	42,359,197	44,010,684	46,680,742	47,672,468	50,396,286	52,890,935	49,630,371	58,927,390
Expenditures										
General government	6,236,591	5,656,275	5,619,479	5,487,034	5,623,079	5,687,819	5,753,988	5,667,567	4,181,245	6,560,065
Judicial	2,871,164	2,832,853	2,928,912	3,090,106	3,287,181	3,387,849	3,420,138	3,551,226	2,745,581	3,949,678
Public safety	20,680,850	19,911,681	19,094,775	20,201,991	20,726,211	20,180,955	20,670,804	22,155,779	17,512,551	23,876,465
Public works	2,346,593	1,759,918	1,661,082	1,910,436	2,350,196	2,434,699	3,078,716	2,807,142	4,114,135	4,124,051
Health and welfare	705,503	591,718	507,571	545,801	628,940	631,722	609,096	544,201	400,896	554,498
Culture and recreation	781,322	751,079	700,385	734,127	787,435	790,090	941,321	918,391	805,677	2,012,977
Housing and development	909,700	438,473	319,115	368,411	511,822	508,772	930,597	1,115,953	589,976	790,103
Intergovernmental	-	568,082	1,781,931	2,387,903	1,601,293	1,743,609	4,858,445	2,029,438	1,688,521	2,465,367
Capital outlay	12,032,730	2,290,957	1,088,688	2,598,749	8,694,343	3,257,319	6,878,235	4,665,762	3,375,546	3,792,095
Debt service:										
Principal	2,859,016	2,953,196	2,683,909	2,362,840	3,566,553	2,992,724	5,462,078	8,775,647	3,105,988	5,187,228
Interest	2,874,090	3,449,749	2,428,429	3,082,762	2,242,665	2,611,668	2,430,163	1,756,401	1,510,826	1,541,007
Bonds issuance costs	-	-	-	566,944.00	-	-	532,219	-	-	3,400
Total expenditures	52,297,559	41,203,981	38,814,276	43,337,104	50,019,718	44,227,226	55,565,800	53,987,507	40,030,952	54,856,934
Excess (deficiency) of revenues over (under) expenditures	(10,913,607)	474,854	3,544,921	673,580	(3,338,976)	3,445,242	(5,169,514)	(1,096,572)	9,599,419	4,070,456
Other Financing Sources (Uses)										
Sale of general capital assets	36,372	302,245	-	41,002	60,955	-	55,454	3,600	137,096	42,307
Capital lease proceeds	-	-	-	5,200,000	-	-	-	-	-	693,854
Refunding bonds issued	-	-	-	42,845,000	-	-	25,530,000	-	-	-
Payments to refunded bond escrow agent	-	-	-	(42,278,056)	-	-	(24,872,088)	-	-	-
Discount on bond issuance	-	-	-	-	-	-	(126,863)	-	-	-
Insurance proceeds	-	-	-	-	-	27,946	-	-	-	-
Transfers in	484,722	452,926	4,406	2,894,802	3,325,094	4,038,477	8,172,657	4,540,485	4,730,863	4,838,718
Transfers out	(1,606,233)	(1,029,586)	(900,000)	(3,839,206)	(4,757,942)	(5,471,325)	(9,603,422)	(5,972,715)	(5,351,348)	(6,033,010)
Total other financing sources (uses)	(1,085,139)	(274,415)	(895,594)	4,863,542	(1,371,893)	(1,404,902)	(844,262)	(1,428,630)	(483,389)	(458,131)
Net change in fund balance	\$ (11,998,746)	\$ 200,439	\$ 2,649,327	\$ 5,537,122	\$ (4,710,869)	\$ 2,040,340	\$ (6,013,776)	\$ (2,525,202)	\$ 9,116,030	\$ 3,612,325
Debt service as a percentage of noncapital expenditures	14.2%	16.5%	13.6%	13.4%	14.1%	13.7%	16.2%	22.8%	13.7%	13.9%

Notes:
The 2017 column reflects a 9 month period due to the County changing its fiscal year end from September 30 to June 30.

Schedule 5
Barrow County, Georgia
Assessed Value and Actual Value of Taxable Property
Last Ten Calendar Years
(in thousands of dollars)

Calendar Year Ended December 31	Real and Personal Property	Motor Vehicles	Mobile Homes	Public Utilities	Less Exempt Property (2)	Total Assessed Value	Less Exemptions On Taxable Property	Net Taxable Assessed Value	Total Direct Tax Rate (3)	Estimated Actual Taxable Value (1)	Assessed Value as a Percentage of Actual Value
2008	2,283,806	179,364	10,605	48,821	(144,151)	2,378,445	(468,760)	1,909,685	28.86	5,946,113	40.00%
2009	2,214,531	187,364	8,091	55,787	(169,077)	2,296,696	(460,483)	1,836,213	28.86	5,741,740	40.00%
2010	1,811,751	162,275	7,878	54,995	(142,092)	1,894,807	(373,337)	1,521,470	31.86	4,737,018	40.00%
2011	1,716,692	160,019	7,585	61,631	(140,187)	1,805,740	(375,145)	1,430,595	33.57	4,514,350	40.00%
2012	1,608,030	160,594	7,911	59,688	(117,794)	1,718,429	(338,647)	1,379,782	40.98	4,296,073	40.00%
2013	1,612,326	172,726	6,945	53,032	(118,766)	1,726,263	(332,047)	1,394,216	41.83	4,315,658	40.00%
2014	1,695,924	139,619	6,425	52,859	(130,731)	1,764,096	(324,257)	1,439,839	40.18	4,410,240	40.00%
2015	2,036,122	108,534	6,441	53,140	(162,822)	2,041,415	(376,661)	1,664,754	40.09	5,103,538	40.00%
2016	1,938,126	83,303	6,298	58,608	(162,808)	1,923,527	(393,515)	1,530,012	40.01	4,808,818	40.00%
2017	2,283,284	64,248	6,332	66,503	(174,630)	2,245,737	(388,435)	1,857,302	36.80	5,614,343	40.00%

Source: Tax Commissioner's Office.

Notes: (1) Under Georgia law, property is assessed for taxes at 40% of fair market value.

(2) In 2002, the value of exempt property was updated.

(3) The direct tax rate is applied against the total net taxable assessed value to levy property taxes.

Schedule 6
Barrow County, Georgia
Direct and Overlapping Property Tax Rates (1)
Last Ten Calendar Years

Calendar Year	Barrow County Direct Rates				Overlapping Rates (2)				Total Direct & Overlapping Rates		
	Basic Rate Unincorporated	Basic Rate Municipalities (3)	Basic Rate Winder	Fire Rate Unincorporated	Fire Rate Municipalities (3)	Fire Rate Winder	Total Direct Rate	State of Georgia		County School District Bond	
2008	9.34	9.34	7.18	0.00	0.00	3.00	28.86	0.25	18.50	0.00	47.61
2009	9.34	9.34	7.18	0.00	0.00	3.00	28.86	0.25	18.50	0.00	47.61
2010	10.34	10.34	8.18	0.00	0.00	3.00	31.86	0.25	18.50	0.00	50.61
2011	10.93	10.93	8.71	0.00	0.00	3.00	33.57	0.25	18.50	0.00	52.32
2012	13.51	13.51	10.96	0.00	0.00	3.00	40.98	0.20	18.50	0.00	59.68
2013	13.26	13.26	12.31	0.00	0.00	3.00	41.83	0.15	18.50	0.00	60.48
2014	12.75	12.75	11.67	0.00	0.00	3.00	40.18	0.10	18.50	0.00	58.78
2015	9.47	11.53	11.53	2.29	2.29	3.00	40.09	0.05	18.50	0.00	58.64
2016	9.37	11.54	11.54	2.28	2.28	3.00	40.01	0.25	18.50	0.00	58.76
2017	8.34	10.45	10.45	2.28	2.28	3.00	36.80	0.00	18.50	0.00	55.30

Source: Tax Commissioner's Office.

- Notes:** (1) Tax rates are per thousand dollars of assessed value.
(2) Barrow County property owners are subject to a property tax levy for the County State of Georgia, and the County School District.
(3) Municipalities Rate Includes: Auburn, Bethlehem, Braselton, Carl, Statham

Schedule 7
Barrow County, Georgia
Principal Property Taxpayers
Current Calendar Year and Nine Years Ago

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Readerlink Distribution Services LLC	\$ 22,811,605	1	1.21 %	\$ -	-	- %
Jackson EMC	17,148,872	2	0.92	15,099,461	2	0.79
Johns Manville International Inc	18,917,755	3	1.02	18,883,337	1	1
Georgia Power Company	15,194,478	4	0.82	10,035,595	7	0.53
Schutz Container Systems, Inc	16,780,245	5	0.90	-	-	-
Chateau Elan Resorts LLC	12,388,757	6	0.79	11,478,044	3	0.60
Harrison Poultry	12,830,291	7	0.69	7,836,072	10	0
Georgia Transmission Corp	12,343,282	8	0.66	7,131,628	9	0
Stepan Company	16,587,571	9	0.89	14,802,438	4	0.78
CICF I - GA1B01 LLC	8,717,638	10	0.47	-	-	-
Winder-Barrow Industrial	-	-	-	10,293,148	6	0.54
Anderson Merchandisers LP	-	-	-	8,553,618	8	1.91
Windstream Georgia Communications Co	-	-	-	10,720,976	5	0.56
Total	\$ 153,720,494		8.37 %	\$ 114,834,317		7.48 %

Source: Tax Commissioner's Office.
Note: Jackson EMC with a taxable assessed value of \$17,148,872 is ranked number two compared to Johns Manville International Inc with \$18,917,755. The rankings are based on how much property taxes are paid. In FY2018, Jackson EMC paid \$505,738 in property taxes compared to \$470,851 paid by Johns Manville International Inc.
Georgia Power Company with a taxable assessed value of \$15,194,478 is ranked number 4 compared to Schutz Container Systems Inc with a taxable assessed value of \$16,780,245. Georgia Power Company paid \$459,300 in property taxes compared to Schutz Container Systems Inc that paid \$446,299 in property taxes

Schedule 8
Barrow County, Georgia
Property Tax Levies and Collections
Last Ten Calendar Years

Calendar Year of Levy	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2008	\$ 14,239,134	\$ 13,386,347	94.4 %	\$ 739,255	\$ 14,125,602	99.2 %
2009	14,662,109	13,811,735	94.0	574,711	14,386,446	98.1
2010	14,830,785	14,131,126	94.2	591,170	14,722,296	99.3
2011	14,732,937	14,263,663	95.3	319,672	14,583,335	99.0
2012	15,645,381	15,375,140	96.8	259,345	15,634,485	99.9
2013	15,900,074	15,464,186	97.2	237,389	15,701,575	98.8
2014	16,266,060	15,918,001	97.9	151,404	16,069,405	98.8
2015	19,009,958	18,734,844	98.6	187,213	18,922,057	99.5
2016	17,223,042	15,835,654	91.9	298,797	16,134,451	93.7
2017	16,955,099	16,118,858	95.0	-	16,118,858	95.1

Source: Tax Commissioner's Office.

Schedule 9
Barrow County, Georgia
Sales Tax Collections
Last Ten Fiscal Years

	Local Option		Special Purpose		Total Sales	
	Sales Tax (LOST)	Percent Increase (Decrease)	Local Option Sales Tax (SPLOST)	Percent Increase (Decrease)	Sales Tax	Taxes
2009	\$ 4,472,080	(20.82) %	\$ 7,200,652	(20.72) %	\$	11,672,732
2010	4,821,843	7.82	7,777,153	8.01		12,598,996
2011	4,965,362	2.98	8,007,788	2.97		12,973,150
2012	5,144,731	3.61	8,295,320	3.59		13,440,051
2013	5,331,877	3.64	8,598,126	3.65		13,930,003
2014	5,579,163	4.64	8,996,225	4.63		14,575,388
2015	5,868,862	5.19	9,465,796	5.22		15,334,658
2016	5,914,212	0.77	9,539,054	0.77		15,453,266
2017	4,682,126	(20.83)	7,554,173	(20.81)		12,236,299
2018	6,642,878	41.88	10,714,261	41.83		17,357,139

Source: Barrow County Finance Department

Note: Both the LOST and SPLOST are \$0.01 tax on each dollar of taxable transactions.

The 2017 period reflects a 9 month period due to the County changing its fiscal year end from September 30 to June 30.

Schedule 10
Barrow County, Georgia
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities							Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	General Obligation Bonds	Revenue Bonds	Capital Leases	Water and Sewer Revenue Bonds	Water and Sewer Contracts Payable (2)	Sewerage Treatment Contracts Payable (2)	Water Transmission Contracts Payable (2)	Water and Sewer Revenue Bonds	Water and Sewer Contracts Payable (2)	Sewerage Treatment Contracts Payable (2)	Water Transmission Contracts Payable (2)			
2009	\$ 55,090,287	\$ -	\$ 1,774,948	\$ 11,525,000	\$ -	\$ 8,153,108	\$ 17,103,492	\$ 93,646,835					4.66 %	1,298
2010	52,990,066	-	826,752	10,940,000	-	8,015,797	16,465,652	89,238,267					6.20	1,286
2011	50,831,477	-	217,840	10,335,000	-	10,727,320	15,807,176	87,918,813					4.12	1,258
2012	53,639,640	-	5,200,000	9,700,000	25,700,780	-	-	94,240,420					4.19	1,343
2013	51,371,949	26,346,570	4,248,447	9,040,000	24,741,887	-	-	115,748,853					4.93	1,620
2014	50,626,308	24,828,184	3,105,723	8,355,000	23,704,227	-	-	110,619,442					4.84	1,510
2015	47,444,632	25,403,137	1,973,645	7,640,000	22,210,149	-	-	104,671,563					4.26	1,389
2016	41,405,000	23,801,372	823,998	7,100,000	21,007,918	-	-	94,138,288					3.63	1,221
2017	40,650,000	22,286,191	-	7,100,000	20,202,150	-	-	90,238,341					3.25	1,141
2018	37,040,000	20,750,759	663,626	6,260,000	18,872,459	-	-	83,586,844					N/A	N/A

Details regarding the County's outstanding debt can be found in the Notes to the Financial Statements.

- Note:** (1) Calculated using amounts from Schedule 15.
(2) On September 13, 2011, the Board unanimously voted to authorize the merger of the Water and Sewerage Authority Fund (or Water Authority Fund) with the Sewerage Treatment Fund and the Water Transmission Fund. Therefore, the 2011 column has been restated to reflect this change.
N/A - Not available

Schedule 11
Barrow County, Georgia
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Percentage of Total Assessed Value of Property	Per Capita (1)
2009	\$ 55,090,287	2.40%	763
2010	52,990,066	2.80%	764
2011	50,831,477	2.81%	727
2012	53,639,640	3.12%	764
2013	51,371,949	2.98%	719
2014	50,626,308	2.87%	691
2015	47,444,632	2.32%	629
2016	41,405,000	2.15%	537
2017	40,650,000	1.81%	514
2018	37,040,000	N/A	N/A

Note: (1) Population data can be found in the Schedule 15 - Demographic and Economic Statistics.

Schedule 12
Barrow County, Georgia
Direct and Overlapping Governmental Activities Debt
For the Fiscal Year Ended June 30, 2018

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
Category of debt:			
Direct:			
General obligation bonds ⁽¹⁾	\$ 37,040,000	100%	\$ 37,040,000
Capital leases payable	663,626	100%	663,626
Intergovernmental contracts ⁽²⁾	20,750,759	100%	20,750,759
Total	58,454,385		58,454,385
Overlapping:			
Barrow county school district:			
General obligation bonds	80,606,000	100%	80,606,000
Total	80,606,000		80,606,000
Winder:			
Capital leases ⁽³⁾	303,575	100%	303,575
Total	303,575		303,575
Braselton:			
Revenue Bonds	14,693,478	24%	3,526,435
Total	14,693,478		3,526,435
Auburn:			
Capital leases ⁽³⁾	218,153	100%	218,153
Loan	441,402	100%	441,402
Total	659,555		659,555
Total overlapping:	96,262,608		85,095,564
Total direct and overlapping:	\$ 154,716,993		\$ 143,549,949

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of Barrow County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Barrow County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

- (¹) Represents general obligations of the governmental entity to which its full faith and credit are pledged. It constitutes debt for purposes of the constitutional debt limit described in "Legal Debt Margin of the County" here in. The County cannot incur long term obligations payable out of general property taxes without the approval of a majority of the qualified voters voting at an election called to approve the obligation.
- (²) Represents contractual obligations of the governmental entity to which its full faith and credit and taxing power are pledged. It does not constitute debt for the purposes of the constitutional debt limit.
- (³) Represents contractual obligations of the governmental entity that are subject to annual appropriations. It does not constitute debt for the purposes of the constitutional debt limit.
- (⁴) Braselton lies within four counties. 24% of the city lies in Barrow County.

Source: School district and the municipalities

Schedule 13
Barrow County, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt Limit	\$ 237,844,500	\$ 229,669,600	\$ 189,480,700	\$ 180,574,000	\$ 171,842,900	\$ 172,626,300	\$ 176,409,600	\$ 204,141,500	\$ 192,352,700	\$ 224,573,700
Total net debt applicable to limit	55,090,287	52,990,066	50,831,477	53,639,640	51,371,949	50,626,308	47,444,632	41,405,000	40,650,000	37,040,000
Legal debt margin	\$ 182,754,213	\$ 176,679,534	\$ 138,649,223	\$ 126,934,360	\$ 120,470,951	\$ 121,999,992	\$ 128,964,968	\$ 162,736,500	\$ 151,702,700	\$ 187,533,700
Total net debt applicable to limit as a percentage of debt limit	23.16%	23.07%	26.83%	29.71%	29.89%	29.33%	26.89%	20.28%	21.13%	16.49%

Legal Debt Margin Calculation for FY2018:

Assessed Value	\$ 2,245,737,000
Debt Limit (10% of total assessed value)	224,573,700
Debt applicable to limit	<u>37,040,000</u>
Legal Debt Margin	<u>\$ 187,533,700</u>

Notes:

- Under State law, the County's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.
 - The County's balance on its obligation bonds as of end of FY2018 is \$37,040,000
- The County anticipates paying its general obligation bonds of \$37,040,000 with the proceeds of a one percent sales and use tax approved by the taxpayers.

Schedule 14
Barrow County, Georgia
Pledged Revenue Bond and Contracts Coverage
Last Ten Fiscal Years

Fiscal Year	Water and Sewer Revenue Bonds										Sewerage Contracts										Transmission Contracts																			
	Less:					Net					Charges for					Less:					Net					Charges for					Less:					Net				
	Operating Revenue	Operating Expenses	Operating Revenue	Debt Service Principal	Debt Service Interest	Coverage	Services	Operating Expenses	Operating Revenue	Net Available Revenue	Principal	Debt Service Interest	Coverage	Services	Operating Expenses	Operating Revenue	Net Available Revenue	Principal	Debt Service Interest	Coverage	Services	Operating Expenses	Operating Revenue	Net Available Revenue	Principal	Debt Service Interest	Coverage	Services	Operating Expenses	Operating Revenue	Net Available Revenue	Principal	Debt Service Interest	Coverage						
2009	\$2,376,734	\$1,333,748	\$1,042,986	\$560,000	\$476,237	1.01	\$483,520	\$532,260	\$48,740	\$126,563	\$159,411	(0.17)	\$1,274,298	\$1,052,546	\$221,752	\$628,460	\$40,432	\$560,000	\$476,237	1.01	\$483,520	\$532,260	\$48,740	\$126,563	\$159,411	(0.17)	\$1,274,298	\$1,052,546	\$221,752	\$628,460	\$40,432	\$560,000	\$476,237	1.01	\$483,520	\$532,260	\$48,740	\$126,563	\$159,411	(0.17)
2010	2,453,817	1,365,909	1,087,908	585,000	452,285	1.05	918,117	1,398,388	(480,271)	131,828	154,146	(1.68)	1,261,434	963,490	297,944	622,832	803,397	585,000	452,285	1.05	918,117	1,398,388	(480,271)	131,828	154,146	(1.68)	1,261,434	963,490	297,944	622,832	803,397	585,000	452,285	1.05	918,117	1,398,388	(480,271)	131,828	154,146	(1.68)
2011	2,697,667	1,219,436	1,478,231	605,000	423,824	1.43	1,251,812	643,255	608,557	137,312	148,662	2.13	1,328,635	1,064,974	263,661	637,840	789,365	605,000	423,824	1.43	1,251,812	643,255	608,557	137,312	148,662	2.13	1,328,635	1,064,974	263,661	637,840	789,365	605,000	423,824	1.43	1,251,812	643,255	608,557	137,312	148,662	2.13
2012	3,843,200	2,338,923	1,504,277	783,975	549,617	1.13	N/A	N/A	N/A	143,025	141,462	N/A	1,478,630	1,000,345	478,285	688,476	768,334	783,975	549,617	1.13	N/A	N/A	N/A	143,025	141,462	N/A	1,478,630	1,000,345	478,285	688,476	768,334	783,975	549,617	1.13	N/A	N/A	N/A	143,025	141,462	N/A
2013	4,726,093	2,668,183	2,057,910	912,260	613,597	1.35	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	912,260	613,597	1.35	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2014	4,751,595	2,602,980	2,148,615	947,479	578,209	1.41	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	947,479	578,209	1.41	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2015	5,398,334	2,538,655	2,859,679	993,931	546,350	1.86	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	993,931	546,350	1.86	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2016	5,334,646	2,641,393	2,693,253	1,160,734	415,562	1.71	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,160,734	415,562	1.71	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2017	3,753,655	2,183,189	1,570,466	117,539	235,529	4.45	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	117,539	235,529	4.45	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2018	6,633,644	2,970,040	3,663,604	1,196,132	266,481	2.50	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,196,132	266,481	2.50	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes: Details regarding the County's outstanding debt can be found in the Notes to the Financial Statements. Operating Revenue includes all charges for services, other revenues and interest revenues. Operating expenses do not include interest, depreciation or amortization.

- N/A - Not applicable

- Upper Oconee Basin Water Authority debt payments of \$801,404 in principal and \$391,940 in interest are not included in the debt service as these payments are from the SPLOST funds.

- On September 13, 2011, the Board unanimously voted to authorize the merger of the Water and Sewerage Authority Fund (or Water Authority Fund)

with the Sewerage Treatment Fund and the Water Transmission Fund. Therefore, the 2011 column has been restated to reflect this change.

- Year 2017 was for a Nine Month Period ended June 30, 2017. This was due to the County's changing its fiscal year. Amounts are less than previous year due to timing of scheduled debt payments.

Schedule 15
Barrow County, Georgia
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2008	70,256	\$ 1,921,981,000	\$ 27,357	6.3 %
2009	72,158	2,009,967,000	27,855	10.9
2010	69,367	1,440,059,000	25,134	10.7
2011	69,912	2,136,242,000	30,556	9.9
2012	70,169	2,251,642,000	32,089	8.1
2013	71,453	2,348,333,000	32,865	7.0
2014	73,240	2,283,679,000	31,181	6.1
2015	75,370	2,454,819,000	32,570	5.0
2016	77,126	2,594,133,010	33,635	4.5
2017	79,061	2,780,078,000	35,164	4.1

Source: U.S. Census Bureau
Georgia Department of Labor
ALFRED Archival Economic Data

Note: The personal income estimates are not adjusted for inflation.

Schedule 16
Barrow County, Georgia
Principal Employers
Current Year and Ten Years Ago

Employer	2018			2009		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Barrow County School System	1,776	1	4.76 %	1,800	1	5.72 %
Chico's FAS, Inc.	1,200	2	3.22	-	-	-
Harrison Poultry	1,100	3	2.95	876	2	2.78
Republic Services	550	4	1.48	-	-	-
Barrow County Commission	472	5	1.27	456	5	1.45
Petco	400	6	1.07	-	-	-
Chateau Elan Resort & Winery	350	7	0.94	464	4	1.47
NGMC - Barrow	326	8	0.87	-	-	-
Wal-Mart Super Center	317	9	0.85	-	-	-
Akins Ford	316	10	0.85	235	8	0.75
United Waste Services	-	-	-	215	10	0.68
Total Logistics Control	-	-	-	495	3	1.57
Anderson Merchandisers	-	-	-	435	6	1.38
Johns Manville International	-	-	-	268	7	0.85
Barrow Regional Medical Center	-	-	-	225	9	0.71
Total	6,807		18.26 %	5,469		17.36 %

Sources: Georgia Department of Labor
Barrow County Economic Development
Barrow County Chamber of Commerce

Notes: 2018 Total Employment 37,280
2009 Total Employment 31,479

Schedule 17
Barrow County, Georgia
Full-time Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government	67	55	55	51	49	40	40	40	40	40
Judicial	41	36	36	36	38	38	38	39	35	38
Public safety	326	310	314	301	312	312	312	311	316	318
Public works	49	35	35	35	33	36	35	35	34	36
Health and welfare	6	5	5	4	5	5	5	4	4	4
Culture and recreation	9	8	8	8	8	8	8	8	8	8
Housing and development	17	9	8	5	8	5	5	5	5	5
Total	515	458	461	440	453	444	443	442	442	449

Source: Barrow County Budget

Schedule 18
Barrow County, Georgia
Operating Indicators by Function/Department
Last Ten Fiscal Years

Function/Department	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public Safety Sheriff										
Total arrests	4,956	5,221	4,903	4,226	4,689	1,877	1,912	2,041	1,690	2,181
Inmates processed	4,956	5,221	4,903	4,425	4,689	8,588	4,680	4,768	3,374	4,555
Average inmates per day	253	255	255	222	288	249	267	268	319	308
Incident reports written	12,342	12,834	18,294	4,598	8,862	7,304	6,526	4,372	3,384	4,076
Crimes investigated	4,964	6,543	6,327	1,242	7,249	6,717	5,793	4,493	2,789	1,011
E-911										
Emergency calls received via 911	42,055	41,491	189,887	183,747	64,204	173,165	132,931	136,928	110,851	131,046
Emergency incidents dispatched	N/A	N/A	60,703	57,859	68,862	86,665	90,199	123,613	90,849	134,540
Fire										
Emergency responses	7,200	7,653	8,110	8,930	8,081	8,474	9,290	12,678	10,029	13,747
Inspections	137	126	554	253	221	470	220	225	247	1,050
Water and Sewerage Authority										
New water meters installed	43	22	28	29	66	90	100	101	84	140
Water business office bills prepared	60,761	61,090	60,005	62,371	62,458	63,058	64,386	65,677	50,027	68,665
Daily water retail (in millions)	1	1	1	1	1	1	2	2	1	1
Number of plans reviewed	4	-	-	-	1	-	-	-	1	10
Public Works										
Major resurfacing/rehabilitation of pavement (centerline miles)	6	17	-	20	5	21	6	8	7	10
Traffic signal upgrades	-	-	-	-	-	-	-	1	1	1
Vehicles replaced	-	-	-	-	1	-	-	-	-	-
Number of Inspections	200	200	200	200	90	90	120	200	250	300
Airport										
Gallons of fuel sold	153,348	140,883	92,804	138,304	138,304	244,193	260,286	223,578	140,379	224,843
Culture and Recreation										
Leisure Services										
Number of program participants	3,424	3,213	2,467	3,623	3,625	3,655	2,993	3,007	2,881	2,631
Number of structures maintained	6	6	6	6	7	7	7	7	7	7

Sources: Various government departments.
Indicators are not available for the general government function.

Schedule 19
Barrow County, Georgia
Capital Asset Statistics by Function/Department
Last Ten Fiscal Years

Function/Department	Fiscal Year									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Public Safety										
Sheriff										
Vehicles	125	122	115	125	118	124	111	121	119	114
Fire										
Stations	6	6	6	6	6	6	6	6	6	6
Fire trucks	9	10	10	10	10	10	10	10	10	10
Ambulances				9	9	8	8	8	7	8
Public Works										
Public Works										
Lane miles owned and maintained	465	470	476	475	467	467	468	469	468	454
Traffic signals	-	1	1	1	1	1	9	9	18	18
Vehicles	23	23	23	26	26	26	26	26	26	26
Water and Sewerage Authority										
Vehicles	7	7	8	7	7	7	13	12	12	12
Culture and Recreation										
Culture and Recreation										
Community centers	1	1	1	1	1	1	1	1	1	1
Playgrounds	2	2	2	2	2	3	2	2	2	2
Baseball/Softball diamonds	7	10	10	10	10	10	10	10	10	10
Soccer/Football fields	1	1	1	1	1	1	1	1	1	1
Vehicles	3	4	4	4	4	4	5	5	5	5

Sources: Various government departments.
Indicators are not available for the general government function.