BURKE COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2019

TABLE OF CONTENTS

	Page
FINANCIAL SECTION	
Independent Auditor's Report	4
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	6
Statement of Activities	7
Fund Financial Statements:	
Balance Sheet - Governmental Funds	8
Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	9
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	10
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	11
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	12
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Fire Protection Fund	14
Statement of Net Position - Proprietary Funds	15
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	16
Statement of Cash Flows - Proprietary Funds	17
Statement of Fiduciary Assets and Liabilities - Agency Funds	18
Notes to the Financial Statements	19
Required Supplementary Information:	
Schedule of Changes in the Net Pension Liability and Related Ratios	45
Schedule of Contributions	46
Supplementary Information:	
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet - Nonmajor Governmental Funds	47
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	48

Nonmajor Capital Projects Funds:
Combining Balance Sheet 50
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 51

Nonmajor Special Revenue Funds:
Combining Balance Sheet 53
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 55
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Law Library Fund 57
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Drug Enforcement Fund 58
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Drug Treatment and Education Fund 59
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Public Library Fund 60
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Small Grants Fund 61
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Emergency Telephone System Fund 62
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Jail Surcharge Fund 63
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Victims Assistance Fund 64
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Supplemental Juvenile Services Fund 65
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Sheriff's Commissions Fund 66
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Large Grants Fund 67
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Accountability Court Fund 68
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Confiscated Assets Fund 69

Internal Service Funds:
Combining Statement of Net Position 71
Combining Statement of Revenues, Expenses, and Changes in Net Position 72
Combining Statement of Cash Flows 73

Fiduciary Funds - Agency Funds:
Combining Statement of Fiduciary Assets and Liabilities 75
Combining Statement of Changes in Assets and Liabilities 76

Schedule of Projects Paid with Special Purpose Local Option Sales Tax Proceeds 77

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 79

SINGLE AUDIT SECTION

Schedule of Expenditures of Federal Awards 81

Notes to Schedule of Expenditures of Federal Awards 82

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance 83

Schedule of Findings and Questioned Costs 85

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Burke 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 Burke County, Georgia, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Burke County Board of Health (Health Department), a discretely presented component unit, which represents 1% and .15%, respectively, of the assets and net position of Burke County, Georgia. We did not audit the financial statements of the Burke County Hospital Authority, a discretely presented component unit, which represents 5.2% and 1.5%, respectively, of the assets and net position of Burke County, Georgia.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Burke County Board of Health (Health Department), a discretely presented component unit, which represents 1% and .15%, respectively, of the assets and net position of Burke County, Georgia. We did not audit the financial statements of the Burke County Hospital Authority, a discretely presented component unit, which represents 5.2% and 1.5%, respectively, of the assets and net position of Burke County, Georgia. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Burke County Board of Health (Health Department) and the Burke County Hospital Authority, 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 Burke County, Georgia as of September 30, 2019, and the respective budgetary comparison for the General Fund and the Fire Protection Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Schedule of Changes in the Net Pension Liability and Related Ratios and the Schedule of Contributions on pages 44 and 45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's response to our inquires, 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.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by the missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Burke County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and schedules of projects paid with SPLOST proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, schedules of projects paid with SPLOST proceeds, and schedule of expenditures of federal awards 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 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, schedules of projects paid with SPLOST proceeds, and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated June 23, 2020, on our consideration of the Burke County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Burke County, Georgia's internal control over financial reporting and compliance.

Lanier, Deal & Proctor

Statesboro, Georgia
June 23, 2020

BURKE COUNTY, GEORGIA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Primary Government			Component Units		
	Governmental Activities	Business-type Activities	Total	Health Department	Hospital Authority	Development Authority
ASSETS						
Current Assets:						
Cash	$ 8,245,339	-	$ 8,245,339	$ 485,027	$ 394,216	$ 573,970
Investments	26,420,335	-	26,420,335	476,047	-	2,372,815
Receivables:						
Taxes	1,432,706	-	1,432,706	-	-	-
Intergovernmental	1,127,592	$ 37,990	1,165,582	100,847	206,976	-
Internal balances	184,102	(184,102)	-	-	-	-
Other	14,553	41,215	55,768	33,982	1,077,747	2,817
Prepaid items	432,827	-	432,827	-	126,716	-
Inventories	374,488	-	374,488	-	153,989	-
Total Current Assets	38,231,942	(104,897)	38,127,045	1,095,903	1,959,644	2,949,602
Restricted Cash	-	-	-	-	11,414	-
Capital Assets:						
Nondepreciable capital assets	6,114,549	1,137,225	7,251,774	-	443,459	4,511,782
Depreciable capital assets, net	64,918,202	1,709,071	66,627,273	4,197	3,432,366	266,377
Total Capital Assets	71,032,751	2,846,296	73,879,047	4,197	3,875,825	4,778,159
Total Assets	109,264,693	2,741,399	112,006,092	1,100,100	5,846,883	7,727,761
DEFERRED OUTFLOWS OF RESOURCES						
Resources related to pensions	6,325,265	166,158	6,491,423	271,032	-	41,983
LIABILITIES						
Current Liabilities:						
Accounts payable	3,289,004	335,068	3,624,072	-	1,242,776	22,590
Intergovernmental payable	-	-	-	29,931	-	304,058
Accrued payroll	830,526	21,980	852,506	10,668	484,339	5,258
Retirement contributions payable	506,981	-	506,981	-	-	-
Unearned revenue	4,184	-	4,184	22,684	20,872	-
Compensated absences payable	75,422	1,724	77,146	-	-	175
Accrued landfill closure and postclosure care costs	-	20,011	20,011	-	-	-
Line of credit	-	-	-	-	55,244	-
Capital leases payable	-	-	-	-	100,784	-
Notes payable	-	-	-	-	1,528,788	-
Total Current Liabilities	4,706,117	378,783	5,084,900	63,283	3,432,803	332,081
Long-Term Liabilities:						
Net pension obligation	15,480,313	441,613	15,921,926	640,499	-	121,544
Other post employment benefits obligation	-	-	-	295,705	-	-
Compensated absences payable (net of current portion)	678,802	15,523	694,325	43,607	-	1,574
Accrued landfill closure and postclosure care costs (net of current portion)	-	1,981,095	1,981,095	-	-	-
Capital leases payable (net of current portion)	-	-	-	-	206,920	-
Notes payable (net of current portion)	-	-	-	-	835,233	-
Total Long-Term Liabilities	16,159,115	2,438,231	18,597,346	979,811	1,042,153	123,118
Total Liabilities	20,865,232	2,817,014	23,682,246	1,043,094	4,474,956	455,199
DEFERRED INFLOWS OF RESOURCES						
Resources related to pensions	1,130,936	31,423	1,162,359	191,369	-	9,733
NET POSITION						
Investment in capital assets	71,032,751	2,846,296	73,879,047	4,197	3,102,544	4,778,159
Restricted for:						
Capital projects	8,031,070	-	8,031,070	-	-	-
Other purposes	7,707,524	-	7,707,524	-	10,330	-
Unrestricted	6,822,445	(2,787,176)	4,035,269	132,472	(1,740,947)	2,526,653
Total Net Position	$ 93,593,790	$ 59,120	$ 93,652,910	$ 136,669	$ 1,371,927	$ 7,304,812

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Program/Function	Expenses	Program Revenues: Fees, Fines, and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Health Department	Component Units: Hospital Authority	Component Units: Development Authority
Primary Government										
Governmental Activities										
General government	$ 2,741,130	$ 1,403,109	$ 142,818	-	$ (1,195,203)	-	$ (1,195,203)	-	-	-
Judicial	3,308,227	301,055	118,247	-	(2,888,925)	-	(2,888,925)	-	-	-
Public safety	22,241,184	2,969,475	202,948	$ 35,959	(19,032,802)	-	(19,032,802)	-	-	-
Public works	9,551,424	-	40,501	1,176,365	(8,334,558)	-	(8,334,558)	-	-	-
Health and welfare	6,741,916	-	86,457	709,096	(5,946,363)	-	(5,946,363)	-	-	-
Culture and recreation	2,303,689	132,142	95,050	-	(2,076,497)	-	(2,076,497)	-	-	-
Housing and development	1,092,201	126,723	30,582	555,916	(378,980)	-	(378,980)	-	-	-
Total governmental activities	47,979,771	4,932,504	716,603	2,477,336	(39,853,328)	-	(39,853,328)	-	-	-
Business-type Activities										
Solid Waste	1,945,949	346,129	-	-	-	$ (1,599,820)	(1,599,820)	-	-	-
Transit	584,538	160,102	-	147,188	-	(277,248)	(277,248)	-	-	-
Total business-type activities	2,530,487	506,231	-	147,188	-	(1,877,068)	(1,877,068)	-	-	-
Total - Primary Government	$ 50,510,258	$ 5,438,735	$ 716,603	$ 2,624,524	(39,853,328)	(1,877,068)	(41,730,396)	-	-	-
Component Units:										
Burke County Board of Health	$ 806,690	$ 269,393	$ 681,965	-				$ 144,668	-	-
Burke County Hospital Authority	14,040,903	8,006,710	-	$ 7,995,296				-	$ 1,961,103	-
Development Authority of Burke County	334,785	10,345	148,713	-				-	-	$ (175,727)
Total Component Units	$ 15,182,378	$ 8,286,448	$ 830,678	$ 7,995,296				144,668	1,961,103	(175,727)
		General Revenues								
		Property taxes levied for:								
		General purposes			23,627,414	-	23,627,414	-	-	-
		Fire protection			9,968,016	-	9,968,016	-	-	-
		Sales taxes			14,163,180	-	14,163,180	-	-	-
		Insurance premium tax			1,073,116	-	1,073,116	-	-	-
		Other taxes			291,836	-	291,836	-	-	-
		Interest earned			540,661	-	540,661	17,730	2,729	25,105
		Miscellaneous			239,592	-	239,592	-	216,706	160,193
		Gain (loss) on sale of capital assets			16,367	(2,049)	14,318	-	-	-
		Total General Revenues			49,920,182	(2,049)	49,918,133	17,730	219,435	185,298
		Transfers			(2,012,534)	2,012,534	-	-	-	-
		Total General Revenues and Transfers			47,907,648	2,010,485	49,918,133	17,730	219,435	185,298
		Change in Net Position			8,054,320	133,417	8,187,737	162,398	2,180,538	9,571
		Net Position, Beginning of Year, as Restated			85,539,470	(74,297)	85,465,173	(25,729)	(808,611)	7,295,241
		Net Position, End of Year			$ 93,593,790	$ 59,120	$ 93,652,910	$ 136,669	$ 1,371,927	$ 7,304,812

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	General	Fire Protection	SPLOST III	SPLOST IV	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	$ 1,233,501	$ 15,738	$ 1,033	$ 293	$ 6,994,774	$ 8,245,339
Investments	12,838,947	-	6,039,181	7,542,207	-	26,420,335
Receivables:						
Taxes	1,414,964	17,742	-	-	-	1,432,706
Intergovernmental	404,419	-	-	445,453	277,720	1,127,592
Other	-	14,553	-	-	-	14,553
Due from other funds	11,363,525	7,690,940	-	-	5,309,237	24,363,702
Prepaid items	421,383	6,000	-	-	-	427,383
TOTAL ASSETS	$ 27,676,739	$ 7,744,973	$ 6,040,214	$ 7,987,953	$ 12,581,731	$ 62,031,610
LIABILITIES						
Accounts payable	$ 827,030	$ 148,282	$ 513,506	$ 814,780	$ 779,434	$ 3,083,032
Accrued payroll	469,244	298,572	-	-	11,546	779,362
Retirement contribution payable	506,981	-	-	-	-	506,981
Due to other funds	13,867,443	-	4,980,672	3,761,092	2,325,211	24,934,418
Unearned revenue	-	-	-	-	4,184	4,184
TOTAL LIABILITIES	15,670,698	446,854	5,494,178	4,575,872	3,120,375	29,307,977
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	37,871	13,861	-	-	-	51,732
FUND BALANCES						
Nonspendable	421,383	6,000	-	-	-	427,383
Restricted	-	7,278,258	546,036	3,412,081	4,482,358	15,718,733
Committed	-	-	-	-	5,144,391	5,144,391
Assigned	1,450,000	-	-	-	-	1,450,000
Unassigned	10,096,787	-	-	-	(165,393)	9,931,394
TOTAL FUND BALANCES	11,968,170	7,284,258	546,036	3,412,081	9,461,356	32,671,901
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 27,676,739	$ 7,744,973	$ 6,040,214	$ 7,987,953	$ 12,581,731	$ 62,031,610

See accompanying notes to the basic financial statements.

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

Amounts reported for governmental activities in the statement of net position are different because:		
Total Governmental Fund Balances		$ 32,671,901
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Cost	$ 128,437,802	
Less accumulated depreciation	(58,894,590)	69,543,212
Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds:		
Property taxes		51,732
The internal service funds are used by management to charge the costs of the operation and maintenance of facilities and the vehicle fleet to individual funds. Certain assets and liabilities of the internal service funds are included in governmental activities columns in the statement of net position.		1,715,474
Deferred outflows related to pensions are not reported in the governmental funds.		5,988,188
Deferred inflows related to pensions are not reported in the governmental funds.		(1,074,082)
The County's net pension obligation is not reported in the governmental funds but is in the statement of net position.		(14,591,005)
Long-term liabilities such as compensated absenses payable are not due and payable in the current period and therefore are not reported in the funds but are reported on the statement of net position.		(711,630)
Net Position Of Governmental Activities		$ 93,593,790

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	General	Fire Protection	SPLOST III	SPLOST IV	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 30,054,791	$ 9,963,090	-	$ 7,263,504	$ 1,823,866	$ 49,105,251
Licenses and permits	132,023	-	-	-	-	132,023
Charges for services	2,009,789	1,162,560	-	-	875,772	4,048,121
Fees, fines and forfeitures	545,047	-	-	-	199,244	744,291
Intergovernmental	262,368	52,287	-	469,922	2,168,161	2,952,738
Interest	539,978	-	$ 129,982	93,188	18,714	781,862
Other	235,613	2,696	-	-	9,349	247,658
Total revenues	33,779,609	11,180,633	129,982	7,826,614	5,095,106	58,011,944
EXPENDITURES						
Current:						
General government	2,379,805	-	-	-	-	2,379,805
Judicial	2,969,655	-	-	-	199,486	3,169,141
Public safety	8,823,296	10,335,394	-	-	1,083,474	20,242,164
Public works	4,724,628	-	-	-	-	4,724,628
Health and welfare	6,342,734	-	-	-	26,979	6,369,713
Culture and recreation	2,127,599	-	-	-	105,842	2,233,441
Housing and development	1,426,759	-	-	-	-	1,426,759
Capital outlay:						
Judicial	-	-	6,982,734	-	-	6,982,734
Public safety	-	352,678	-	863,087	305,737	1,521,502
Public works	-	-	364,856	-	1,605,212	1,970,068
Culture and recreation	-	-	46,531	5,577,550	8,081	5,632,162
Health and welfare	-	-	-	356,754	1,101,943	1,458,697
Housing and development	-	-	90,181	1,062,656	176,930	1,329,767
Intergovernmental	-	-	-	2,388,024	-	2,388,024
Total expenditures	28,794,476	10,688,072	7,484,302	10,248,071	4,613,684	61,828,605
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	4,985,133	492,561	(7,354,320)	(2,421,457)	481,422	(3,816,661)
OTHER FINANCING SOURCES (USES)						
Sale of capital assets	16,367	-	-	-	-	16,367
Transfers in	-	1,075,400	3,631,603	3,577,550	2,631,151	10,915,704
Transfers out	(8,997,873)	-	-	-	(3,930,365)	(12,928,238)
Total other financing sources (uses)	(8,981,506)	1,075,400	3,631,603	3,577,550	(1,299,214)	(1,996,167)
NET CHANGE IN FUND BALANCES	(3,996,373)	1,567,961	(3,722,717)	1,156,093	(817,792)	(5,812,828)
FUND BALANCES, OCTOBER 1, 2018 AS RESTATED	15,964,543	5,716,297	4,268,753	2,255,988	10,279,148	38,484,729
FUND BALANCES, SEPTEMBER 30, 2019	$ 11,968,170	$ 7,284,258	$ 546,036	$ 3,412,081	$ 9,461,356	$ 32,671,901

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED SEPTEMBER 30, 2019

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

Net Change In Fund Balances - Total Governmental Funds		$ (5,812,828)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlays exceeded depreciation expense in the current period.		
Depreciation expense	$ (4,306,486)	
Capital outlay	19,572,323	15,265,837
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Property taxes:		
Unavailable revenue @ 9/30/19	51,732	
Unavailable revenue @ 9/30/18	(33,420)	18,312
Governmental funds do not report the cost of disposed capital assets but the cost is reported on the statement of activities.		-
The internal service funds used by management to charge the costs of facilities and vehicle maintenance to individual funds are not reported in the government-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated.		113,804
The change in the net pension obligation and pension related deferred outflows and inflows are reported on the government-wide statement of activities but not in the governmental funds.		(1,452,356)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(78,449)
Change In Net Position of Governmental Activities		$ 8,054,320

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes:				
Property	$ 23,889,000	$ 23,556,720	$ 23,614,028	$ 57,308
Local option sales	4,500,000	4,500,000	5,075,811	575,811
Alcoholic beverage	80,000	80,000	80,410	410
Insurance premium	928,800	928,800	1,073,116	144,316
Other	181,500	181,500	211,426	29,926
Licenses and permits	105,000	105,000	132,023	27,023
Charges for services	1,926,300	1,926,300	2,009,789	83,489
Fees, fines and forfeitures	489,800	489,800	545,047	55,247
Intergovernmental	226,000	226,000	262,368	36,368
Interest	360,000	360,000	539,978	179,978
Other	118,500	118,500	235,613	117,113
Total revenues	32,804,900	32,472,620	33,779,609	1,306,989
EXPENDITURES				
Current:				
General government:				
Legislative	73,090	73,090	60,882	12,208
General administration	1,964,357	1,502,734	506,072	996,662
Elections	249,200	249,200	215,266	33,934
Board of equalization	11,400	11,400	9,542	1,858
Legal services	100,000	100,000	60,238	39,762
Data processing	34,000	34,000	27,518	6,482
Tax commissioner	545,170	547,170	552,856	(5,686)
Tax assessor	450,945	450,945	443,061	7,884
Risk management	455,000	455,000	358,859	96,141
Audit fees	32,000	32,000	36,300	(4,300)
Records management	58,700	58,700	93,529	(34,829)
CSRA Regional Commission	16,500	16,500	15,682	818
Total general government	3,990,362	3,530,739	2,379,805	1,150,934
Judicial:				
Clerk of Courts	764,800	759,800	688,059	71,741
Superior Court	516,700	511,700	648,007	(136,307)
State Court	26,850	25,450	31,865	(6,415)
State Court - Judge	80,300	81,200	68,121	13,079
State Court - Community Service	14,700	15,200	17,305	(2,105)
Solicitor's Office	227,500	222,500	198,454	24,046
Juvenile Court	117,800	117,800	115,686	2,114
District Attorney	175,200	175,200	164,417	10,783
Indigent defense	321,000	321,000	379,340	(58,340)
Magistrate Court	466,500	466,500	485,452	(18,952)
Probate Court	164,500	164,500	172,949	(8,449)
Total judicial	2,875,850	2,860,850	2,969,655	(108,805)
Public safety:				
Animal control	668,000	651,000	124,776	526,224
School resource officers	298,900	298,900	285,500	13,400
Coroner	65,175	65,175	62,866	2,309
Jail	3,078,874	3,078,874	3,235,859	(156,985)
Sheriff	4,909,800	4,990,409	5,114,295	(123,886)
Total public safety	9,020,749	9,084,358	8,823,296	261,062

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (Continued)				
Highways and streets	$ 4,586,150	$ 4,576,150	$ 4,724,628	$ (148,478)
Health and welfare:				
Health department	284,800	282,800	379,454	(96,654)
Welfare	5,000	5,000	5,000	-
Senior citizens	628,700	368,700	349,733	18,967
Burke County Hospital Authority	5,681,016	5,681,016	5,608,547	72,469
Total health and welfare	6,599,516	6,337,516	6,342,734	(5,218)
Culture and recreation:				
Recreation	1,612,400	1,602,120	1,538,189	63,931
Museum	37,900	37,900	32,937	4,963
Library	583,950	578,950	556,473	22,477
Total culture and recreation	2,234,250	2,218,970	2,127,599	91,371
Housing and development:				
Burke Office Park	588,000	578,000	576,490	1,510
County agent	284,150	281,150	263,550	17,600
Soil conservation	37,350	37,350	37,481	(131)
Georgia Forestry Commission	34,000	34,000	32,631	1,369
Planning commission	382,096	382,096	326,936	55,160
Chamber of commerce	21,750	21,750	21,750	-
Airport	31,150	31,150	19,208	11,942
Development Authority	211,875	211,875	148,713	63,162
Total housing and development	1,590,371	1,577,371	1,426,759	150,612
Total expenditures	30,897,248	30,185,954	28,794,476	1,391,478
EXCESS OF REVENUES OVER EXPENDITURES	1,907,652	2,286,666	4,985,133	2,698,467
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(8,705,202)	(9,084,216)	(8,997,873)	86,343
Sale of capital assets	20,000	20,000	16,367	(3,633)
Total other financing sources (uses)	(8,685,202)	(9,064,216)	(8,981,506)	82,710
NET CHANGE IN FUND BALANCE	$ (6,777,550)	$ (6,777,550)	(3,996,373)	$ 2,781,177
FUND BALANCE, BEGINNING OF YEAR			15,964,543	
FUND BALANCE, END OF YEAR			$ 11,968,170	

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
FIRE PROTECTION FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Taxes	$ 9,883,538	$ 9,963,090	$ 79,552
Charges for services	1,178,000	1,162,560	(15,440)
Intergovernmental	39,600	52,287	12,687
Other	2,000	2,696	696
Total revenues	11,103,138	11,180,633	77,495
EXPENDITURES			
Current:			
Public safety	11,241,935	10,335,394	906,541
Capital outlay:			
Public safety	936,603	352,678	583,925
Total public safety	12,178,538	10,688,072	1,490,466
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,075,400)	492,561	1,567,961
OTHER FINANCING SOURCES			
Transfers in	1,075,400	1,075,400	-
NET CHANGE IN FUND BALANCE	$ -	1,567,961	$ 1,567,961
FUND BALANCE, BEGINNING OF YEAR		5,716,297	
FUND BALANCE, END OF YEAR		$ 7,284,258	

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2019

	Business Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste	Transit	Total	Internal Service Funds
ASSETS				
Current Assets				
Accounts receivable	$ 41,215	-	$ 41,215	-
Intergovernmental	-	$ 37,990	37,990	-
Due from other funds	134,241	-	134,241	$ 754,818
Prepaid items	-	-	-	5,444
Inventory	-	-	-	374,488
Total Current Assets	175,456	37,990	213,446	1,134,750
Noncurrent Assets				
Capital Assets				
Land	1,037,752	-	1,037,752	-
Buildings and improvements	474,535	-	474,535	1,340,509
Machinery and equipment	2,182,793	449,215	2,632,008	1,009,571
Construction in progress	99,473	-	99,473	-
Less accumulated depreciation	(1,208,121)	(189,351)	(1,397,472)	(860,541)
Total Capital Assets	2,586,432	259,864	2,846,296	1,489,539
Total Assets	2,761,888	297,854	3,059,742	2,624,289
DEFERRED OUTFLOWS OF RESOURCES				
Resources related to pensions	114,360	51,798	166,158	337,077
LIABILITIES				
Current Liabilities				
Accounts payable	334,469	599	335,068	205,972
Accrued payroll	11,969	10,011	21,980	51,164
Compensated absences payable	1,141	583	1,724	4,260
Accrued landfill closure and postclosure care costs	20,011	-	20,011	-
Due to other funds	-	318,343	318,343	-
Total Current Liabilities	367,590	329,536	697,126	261,396
Long-Term Liabilities				
Compensated absences payable (net of current portion)	10,273	5,250	15,523	38,334
Net pension obligation	320,560	121,053	441,613	889,308
Accrued landfill closure and postclosure care costs (net of current portion)	1,981,095	-	1,981,095	-
Total Long-term Liabilities	2,311,928	126,303	2,438,231	927,642
Total Liabilities	2,679,518	455,839	3,135,357	1,189,038
DEFERRED OUTFLOWS OF RESOURCES				
Resources related to pensions	22,349	9,074	31,423	56,854
NET POSITION				
Investment in capital assets	2,586,432	259,864	2,846,296	1,489,539
Unrestricted	(2,412,051)	(375,125)	(2,787,176)	225,935
Total Net Position	$ 174,381	$ (115,261)	$ 59,120	$ 1,715,474

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste	Transit	Total	Internal Service Funds
OPERATING REVENUES				
Charges for services	$ 334,587	$ 160,102	$ 494,689	$ 4,169,585
Other	11,542	-	11,542	-
Total revenues	346,129	160,102	506,231	4,169,585
OPERATING EXPENSES				
Salaries	284,796	235,110	519,906	1,085,610
Employee benefits	127,958	102,372	230,330	464,466
Purchased services	1,302,313	82,106	1,384,419	585,968
Materials and supplies	77,964	100,776	178,740	1,786,240
Depreciation	152,918	64,174	217,092	133,497
Total operating expenses	1,945,949	584,538	2,530,487	4,055,781
OPERATING INCOME (LOSS)	(1,599,820)	(424,436)	(2,024,256)	113,804
NON-OPERATING REVENUES (EXPENSES)				
Intergovernmental	-	147,188	147,188	-
Gain (loss) on disposal of capital assets	(2,049)	-	(2,049)	-
Total non-operating revenues (expenses)	(2,049)	147,188	145,139	-
INCOME (LOSS) BEFORE TRANSFERS	(1,601,869)	(277,248)	(1,879,117)	113,804
TRANSFERS IN	1,744,032	268,502	2,012,534	-
CHANGE IN NET POSITION	142,163	(8,746)	133,417	113,804
NET POSITION, OCTOBER 1, 2018	32,218	(106,515)	(74,297)	1,601,670
NET POSITION, SEPTEMBER 30, 2019	$ 174,381	$ (115,261)	$ 59,120	$ 1,715,474

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Business Type Activities - Enterprise Funds			Governmental Activities
	Solid Waste	Transit	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	$ 345,397	$ 124,110	$ 469,507	-
Cash received from interfund charges	-	-	-	$ 4,265,260
Cash payments to employees for salaries and benefits	(392,897)	(315,259)	(708,156)	(1,434,707)
Cash payments for goods and services	(1,098,234)	(183,394)	(1,281,628)	(2,322,462)
Net cash provided (used) by operating activities	(1,145,734)	(374,543)	(1,520,277)	508,091
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating grants	-	147,188	147,188	-
Advances from (to) other funds	14,585	(41,147)	(26,562)	-
Transfers in	1,744,032	-	1,744,032	-
Net cash provided (used) by noncapital financing activities	1,758,617	106,041	1,864,658	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Transfers from capital projects fund	-	268,502	268,502	-
Purchase of capital assets	(612,883)	-	(612,883)	(508,091)
Net cash provided (used) by capital and related financing activities	(612,883)	268,502	(344,381)	(508,091)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-	-	-
CASH AND CASH EQUIVALENTS, OCTOBER 1, 2018	-	-	-	-
CASH AND CASH EQUIVALENTS, SEPTEMBER 30, 2019	$ -	$ -	$ -	$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	$ (1,599,820)	$ (424,436)	$ (2,024,256)	$ 113,804
Adjustments:				
Depreciation	152,918	64,174	217,092	133,497
(Increase) decrease in operating assets:				
Accounts receivable	(732)	(35,992)	(36,724)	-
Interfund receivables	-	-	-	95,675
Prepaid items	-	-	-	(5,444)
Inventory	-	-	-	172,975
(Increase) decrease in deferred outflow of resources - resources related to pensions	(39,201)	(32,362)	(71,563)	(149,430)
(Decrease) increase in deferred inflow of resources - resources related to pensions	(6,211)	(5,128)	(11,339)	(23,677)
Increase (decrease) in operating liabilities:				
Accounts payable	238,966	(512)	238,454	(117,785)
Accrued landfill closure and postclosure care costs	43,077	-	43,077	-
Accrued payroll	1,601	1,719	3,320	17,237
Compensated absences payable	(4,469)	1,744	(2,725)	11,508
Net pension obligation	68,137	56,250	124,387	259,731
Net cash provided (used) by operating activities	$ (1,145,734)	$ (374,543)	$ (1,520,277)	$ 508,091

See accompanying notes to the basic financial statements.

BURKE COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2019

ASSETS	
Cash	$968,396
LIABILITIES	
Due to other entities and individuals	$968,396

See accompanying notes to the basic financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Introduction

The financial statements of Burke County, Georgia (the County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles. The accompanying summary of the County's more significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report.

Basis of accounting

The basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements.

Government-wide statements – The statement of net position and the statement of activities report information on all of the nonfiduciary activities of the primary government and its component units. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with the program or function of the County's governmental activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements – The fund financial statements provide information about the County's funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented, although the latter is excluded from the government-wide financial statements. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, franchise taxes, licenses, interest and special assessments are susceptible to accrual. Sales taxes collected and held by the state at year-end on behalf of the County are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if susceptible to accrual criteria is met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The accounts of the County are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with financial-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The County reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the County. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. The primary revenue sources are ad valorem taxes, fines and forfeitures, and various other taxes and charges. The primary expenditures are for general administration, public safety, highways and streets, health and welfare, and culture and recreation.

Fire Protection Fund – This special revenue fund has been established to account for the County's fire tax to be used for fire protection and emergency management activities.

Special Purpose Local Option Sales Tax (SPLOST) III Fund – This capital projects fund was established to account for expenditures on capital improvements made by the County and financed through revenues from a special purpose local option sales tax.

Special Purpose Local Option Sales Tax (SPLOST) IV Fund – This capital projects fund was established to account for expenditures on capital improvements made by the County and financed through revenues from a special purpose local option sales tax.

The County reports the following major enterprise funds:

Solid Waste Fund – The Solid Waste Fund is used to account for the collection and disposal of solid waste.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Transit Fund – This fund is used to account for the operation and costs of Burke County Transit.

The County also reports two internal service funds. The *Vehicle Maintenance Fund* is used to account for operations that provide repairs and maintenance to the County fleet. The *Facilities Maintenance Fund* is used to account for repairs and maintenance to County buildings and facilities. These services are provided to other County departments on a cost-reimbursement basis.

The County has adopted GASB Statement No. 20, Accounting and Financial Reporting of Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting, and has elected to follow GAAP prescribed by GASB and all Financial Accounting Standard Board (FASB) standards issued prior to November 30, 1989. Subsequent to this date, the County accounts for its business-type activities and enterprise funds of the primary government as presented by GASB.

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

Additionally, the County reports the following fund types:

Fiduciary Funds – Fiduciary funds are custodial in nature and do not involve the measurement of operating results. Such funds have no equity accounts since all assets are due to individuals or entities at some future time. These funds account for assets held by the County in an agency capacity for individuals and other government units. Fiduciary funds are accounted for on the accrual basis, much like that used for proprietary funds.

Fiduciary funds include all trust funds which account for assets held by the County as a trustee for individuals or other government units.

Component Units

Discretely presented component units are presented in separate columns on the government-wide statement of net position and statement of activities to emphasize legal separation from the County.

Those discretely presented component units are:

Development Authority of Burke County – This component unit column in the government-wide financial statements includes the financial data of the Development Authority of Burke County. It is reported in a separate column to emphasize that it is legally separate from the County. Governed by County appointment, this entity was created for the purpose of promoting and developing trade, commerce, industry, and employment opportunities in the County. Operations of the Development Authority are subsidized through the General Fund as needed. No separate financial statements are issued for the Development Authority of Burke County.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Burke County Health Department – This component unit column in the government-wide financial statements includes the financial data of the Burke County Health Department. It is reported in a separate column to emphasize that it is legally separate from the County. Governed by a voting majority of board members appointed by the County, this entity receives funding from Burke County. The Health Department has a June 30 year end, and the financial statements included herein are as of and for the year ended June 30, 2019. Separate financial statements have been issued and are available from the Burke County Health Department.

Burke County Hospital Authority – This component unit column in the government-wide financial statements includes the financial data of the Burke County Hospital Authority. It is reported in a separate column to emphasize that it is legally separate from the County. Governed by a voting majority of board members appointed by the County, this entity receives funding from Burke County in the form of loan guarantees and appropriations. The County has guaranteed *Burke County Hospital Authority Taxable Note, Series 2013B* and *Burke County Hospital Authority Revenue Anticipation Series 2013A*, which are collateralized by the revenues and funds of the Authority, with the County's resources serving as the secondary source of repayment. The Hospital Authority has a May 31 year end, and the financial statements included herein are as of and for the year ended May 31, 2019. Separate financial statements have been issued and are available from the Burke County Hospital Authority.

The following component unit has been included in the financial statements as a blended component unit:

Public Library – Governed by County appointment, this entity oversees the Burke County Library that is available to the citizens of Burke County and the general public. No separate financial statements are issued for the Public Library.

Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 30, the County administrator submits to the County Board of Commissioners a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of financing them.

2. A public hearing is conducted by the County to obtain taxpayer comments.

3. The budget is legally enacted by resolution of the County Board of Commissioners.

4. The County administrator is authorized to transfer line item amounts within operating departments.

5. Formal budgetary integration is employed as a management control device during the year for the General Fund and Special Revenue Funds. Project length budgets are adopted for Capital Project Funds.

6. Budgets for the governmental funds are adopted on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Budget amounts reflected in the accompanying financial statements represent the original adopted budget and any revisions approved by the County Board of Commissioners. The County Board of Commissioners approves additional appropriations or transfers between departments.

Encumbrances

The County does not employ encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures are recorded as liabilities on the balance sheet when issued.

Cash and cash equivalents

For purposes of financial statement presentation, the County considers all highly liquid investments with an original maturity of three months or less, or with insignificant early withdrawal penalties, to be cash equivalents. Cash and cash equivalents include amounts in demand deposits and certificates of deposit at September 30, 2019.

Investments

The County follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools.* Nonparticipating interest-earning investment contracts (investments whose value is not affected by interest rate or other market changes), include money market investments (short-term, highly liquid debt instruments including commercial paper, banker's acceptances and U. S. Treasury and agency obligations), that have a remaining maturity at purchase of one year or less are reported at cost or amortized cost assuming their fair value has not been impacted by changes in the credit worthiness of the issuer or similar factors. All other investments are reported at fair value (the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

Local government investment pool – The local government investment pool "Georgia Fund 1", created by O.C.G.A.§36-83-8, is a stable net asset value investment pool that follows Standard and Poor's criteria for AAA rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2A-7 of the Investment Company Act of 1940 and is considered to be a 2A-7 like pool. 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 ($1.00 per share value). The Office of State Treasurer is the regulatory oversight agency.

Receivables

All receivables are reported at their net realizable value.

Inventories

Inventories consist of expendable supplies held for consumption stated on a first-in, first-out basis. They are reported at cost and are recorded as expenditures at the time the individual inventory items are used.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life are not capitalized.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of proprietary assets is included as part of the capitalized value of the assets constructed. All reported capital assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets.

Depreciation is computed using the straight-line method over the following useful lives:

Buildings	20 – 40 years
Improvements other than buildings	10 years
Furniture, fixtures, and equipment	5 – 10 years
Infrastructure	20 years

Infrastructure acquired prior to June 20, 1980, is not reported.

Compensated Absences

County employees are entitled to certain compensated absences based on their length of employment. County employees may earn vacation time up to a maximum of fifteen (15) days per year, which is vested. As in prior years, compensated absences are liquidated through the General Fund.

Interfund Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund receivables and interfund payables on the balance sheet of the fund financial statements and as internal balances on the statement of net position in the government-wide financial statements. Internal balances are eliminated in the government-wide financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursement to a fund for expenditures/expenses initially made on behalf of another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is being reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has only one item that qualifies for reporting in this category. It is resources related to pensions reported at the government-wide level for governmental and business-type activities and at the fund level for proprietary funds.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has an item which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue,* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available. The County also has deferred inflows of resources related to its pension plan at the government-wide level for governmental and business-type activities and at the fund level for proprietary funds.

Fund Equity

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Nonspendable – The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. It includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Restricted – The restricted fund balance classification includes amounts that are either restricted externally by creditors, grantors, contributors, or laws or regulations of other governments or restricted by law through constitutional provisions or enabling legislation.

Committed – The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the County's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned – The assigned fund balance classification includes amounts that are constrained by the County's intent to be used for specific purposes but are not restricted or committed. The authority for making an assignment is not required to be the County's highest level of decision-making authority and as such, the nature of actions necessary to remove or modify an assignment does not require the County's highest level of authority.

Unassigned – The unassigned fund balance classification includes the residual amounts of fund balances that do not meet any of the above criteria. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

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

- Committed
- Assigned
- Unassigned

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

The County applies restricted resources first when as expense is incurred for purposes for which both restricted and unrestricted net position is available.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these amounts.

NOTE 2 – DEPOSITS AND INVESTMENTS

At September 30, 2019, the County had the following investments:

Investments	Maturities	Fair Value	Credit Rating
Primary Government:			
Georgia Fund 1	Average of 62 days WAM	$ 26,420,335	AAAf
Discretely Presented Component Units - Development Authority of Burke County:			
Georgia Fund 1	Average of 62 days WAM	$ 2,122,815	AAAf
Certificates of Deposit	-	250,000	-
		$ 2,372,815	
Burke County Board of Health:			
Pacific Life Index Fund	-	$ 476,047	-

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 banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial Credit Risk – Deposits – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County 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 (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

Custodial Credit Risk – Investments – Custodial credit risk for investments is the risk that, in the event of failure of the counterparty, the County will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

NOTE 2 – DEPOSITS AND INVESTMENTS – Continued

At September 30, 2019, the carrying amount of the County's deposits (checking and certificates of deposit) was $9,213,735 and the bank balance was $10,088,786. Of the bank balance, $1,701,632 was covered by federal depository insurance and $8,387,154 was collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.

Discretely Presented Component Units

At September 30, 2019, the carrying amount of deposits (checking and certificates of deposit) for the Development Authority of Burke County was $823,970 and the bank balance was $823,970. Of the bank balance, $500,100 was covered by federal depository insurance and $323,870 was collateralized by securities held by the pledging financial institution's trust department or agent in the Authority's name.

At June 30, 2019, the carrying amount of the Burke County Health Department's bank deposits was $485,027 and the bank balance was $513,999. Of the bank balance, $410,380 was covered by federal depository insurance and $103,619 was collateralized by securities held by the pledging financial institution's trust department or agent in the Health Department's name.

At May 31, 2019 the carrying amount of the Burke County Hospital Authority's bank deposits was $405,630 and the bank balance was $534,424. Of the bank balance, $474,350 was covered by federal depository insurance and $60,074 was uninsured and uncollateralized.

NOTE 3 – RECEIVABLES

Receivables at September 30, 2019, consisted of taxes, accounts (billings for user charges), and intergovernmental receivables arising from grants.

Receivables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectibility. The allowances for uncollectibles netted against receivables at September 30, 2019 follow:

Fund	Allowance for Uncollectibles
Fire Protection	$ 184,203
Solid Waste	841
General	145,851

NOTE 4 – PROPERTY TAXES

The County's Tax Commissioner bills and collects property taxes, then remits to the County its respective share of property taxes. Property taxes are an enforceable lien on property owned as of January 1. Taxes are typically levied in October and may be paid after receipt of the tax bill. Taxes are considered delinquent 61 days after

NOTE 4 – PROPERTY TAXES (continued)

mailing by the Tax Commissioner. Property tax revenues are recognized when they become measurable and available. Available revenues include those property tax receivables expected to be collected within 60 days. Property taxes are recorded as receivables when levied.

Current year property taxes were levied on November 14, 2018, and due January 28, 2019. A summary of the current year property tax levy is as follows:

	General Fund	Fire Protection Fund
Millage rates		
Unincorporated	5.897	2.696
Incorporated	6.151	2.696
Property tax levy	$ 22,499,746	$ 9,974,721
Property taxes receivable at September 30, 2019	$ 194,468	$ 70,969
Allowance for uncollectible accounts	(145,851)	(53,227)
Net property taxes receivable at September 30, 2019	$ 48,617	$ 17,742
Unavailable property tax revenue at September 30, 2019	$ 37,871	$ 13,861

NOTE 5 – PUBLIC UTILITIES TAX

Public Utility taxes accounted for approximately 81% of the current year tax digest.

NOTE 6 – CAPITAL ASSETS

Governmental activities capital asset activity (including the vehicle maintenance and facilities maintenance internal service funds) for the year ended September 30, 2019, was as follows:

	Balance 10/1/2018	Additions	Deductions	Balance 9/30/2019
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 3,163,931	-	-	$ 3,163,931
Construction in progress	14,111,803	$ 1,555,243	$ 12,716,428	2,950,618
Total capital assets not being depreciated	17,275,734	1,555,243	12,716,428	6,114,549
Capital assets being depreciated:				
Infrastructure	49,861,475	867,778	-	50,729,253
Buildings and improvements	22,222,566	25,670,384	-	47,892,950
Furniture, fixtures, and equipment	21,864,961	4,703,437	517,268	26,051,130
Total capital assets being depreciated	93,949,002	31,241,599	517,268	124,673,333
Total capital assets	111,224,736	32,796,842	13,233,696	130,787,882
Accumulated depreciation:				
Infrastructure	28,960,667	1,950,552	-	30,911,219
Buildings and improvements	11,366,793	702,427	-	12,069,220
Furniture, fixtures, and equipment	15,504,956	1,787,004	517,268	16,774,692
Total accumulated depreciation	55,832,416	4,439,983	517,268	59,755,131
Governmental activities capital assets, net	$ 55,392,320	$ 28,356,859	$ 12,716,428	$ 71,032,751

Depreciation expense was charged to functions as follows:

General government	$ 317,823
Judicial	51,364
Public safety	1,245,115
Culture and recreation	272,556
Health and welfare	20,676
Public works	2,381,142
Housing and development	17,810
Vehicle maintenance internal service fund	21,479
Facility maintenance internal service fund	112,018
Total governmental activities depreciation expense	$4,439,983

NOTE 6 – CAPITAL ASSETS - Continued

Business-type capital asset activity for the year ended September 30, 2019 was as follows:

	Balance 10/1/2018	Additions	Deductions	Balance 9/30/2019
Business-type activities:				
Capital assets not being depreciated:				
Land	$ 1,037,752	-	-	$ 1,037,752
Construction in progress	99,473	-	-	99,473
Total capital assets not being depreciated	1,137,225	-	-	1,137,225
Capital assets being depreciated:				
Buildings	318,235	-	-	318,235
Improvements other than buildings	117,533	$ 38,767	-	156,300
Machinery and equipment	2,079,762	574,116	$ 21,870	2,632,008
Total capital assets being depreciated	2,515,530	612,883	21,870	3,106,543
Total capital assets	3,652,755	612,883	21,870	4,243,768
Accumulated depreciation:				
Buildings	43,636	9,485	-	53,121
Improvements other than buildings	96,603	7,002	-	103,605
Machinery and equipment	1,059,962	200,605	19,821	1,240,746
Total accumulated depreciation	1,200,201	217,092	19,821	1,397,472
Business-type activities capital assets, net	$ 2,452,554	$ 395,791	$ 2,049	$ 2,846,296

Depreciation expense was charged as follows:

Solid Waste Fund	$ 152,918
Transit Fund	64,174
Total business-type activities depreciation expense	$ 217,092

NOTE 6 – CAPITAL ASSETS – Continued

Capital asset activity for the Development Authority component unit for the year ended September 30, 2019 was as follows:

	Balance 10/1/2018	Additions	Deductions	Balance 9/30/2019
Capital assets not being depreciated:				
Land	$ 21,852	-	$ -	$ 21,852
Land held for sale	4,489,930	-	-	4,489,930
Construction in progress	177,358	-	-	177,358
Total capital assets not being depreciated	4,689,140	-	-	4,689,140
Capital assets being depreciated:				
Buildings	105,484	-	-	105,484
Machinery and equipment	25,499	-	-	25,499
Improvements	31,147	-	-	31,147
Total capital assets being depreciated	162,130	-	-	162,130
Accumulated depreciation:				
Buildings	41,533	$ 2,637	-	44,170
Machinery and equipment	16,697	3,643	-	20,340
Improvements	6,751	1,850	-	8,601
Total accumulated depreciation	64,981	8,130	-	73,111
Development Authority capital assets, net	$ 4,786,289	$ (8,130)	$ -	$ 4,778,159

Capital asset activity for the Health Department component unit for the year ended June 30, 2019 was as follows:

	Balance 7/1/2018	Additions	Deductions	Balance 6/30/2019
Capital assets being depreciated:				
Machinery and equipmnt	$ 187,195	-	$ -	$ 187,195
Accumulated depreciation:				
Machinery and equipment	178,162	$ 4,836	-	182,998
Health Department capital assets, net	$ 9,033	$ (4,836)	$ -	$ 4,197

NOTE 6 – CAPITAL ASSETS – Continued

Capital asset activity for the Hospital Authority component unit for the year ended May 31, 2019 was as follows:

	Balance 6/1/2018	Additions	Deductions	Balance 5/31/2019
Capital assets not being depreciated:				
Land	$ 66,705	$ 20,000	$ -	$ 86,705
Construction in progress	-	356,754	-	356,754
Total capital assets not being depreciated	66,705	376,754	-	443,459
Capital assets being depreciated:				
Buildings and improvements	11,421,167	32,722	-	11,453,889
Machinery and equipment	8,634,728	22,873	-	8,657,601
Total capital assets being depreciated	20,055,895	55,595	-	20,111,490
Total capital assets at historical cost	20,122,600	432,349	-	20,554,949
Less accumulated depreciation	(16,045,039)	(634,085)	-	(16,679,124)
Hospital Authority capital assets, net	$ 4,077,561	$ (201,736)	$ -	$ 3,875,825

NOTE 7 – LONG-TERM DEBT

The following is a summary of long-term debt activity for governmental activities and business type activities for the year ended September 30, 2019:

	Balance October 1, 2018	Additions	Reductions	Balance September 30, 2019	Amounts Due In One Year
Governmental Activities:					
Compensated absences payable	$ 664,267	$ 1,307,699	$ 1,217,742	$ 754,224	$ 75,422
Net pension obligation	10,865,934	4,614,378	-	15,480,312	-
Total Governmental Activities	$ 11,530,201	$ 5,922,077	$ 1,217,742	$ 16,234,536	$ 75,422

	Balance October 1, 2018	Additions	Reductions	Balance September 30, 2019	Amounts Due In One Year
Business-Type Activities:					
Compensated absences payable	$ 19,972	$ 28,085	$ 30,810	$ 17,247	$ 1,724
Accrued landfill closure and postclosure care costs	1,958,029	43,077	-	2,001,106	20,011
Net pension obligation	317,226	124,387	-	441,613	-
Total Business-Type Activities	$ 2,295,227	$ 195,549	$ 30,810	$ 2,459,966	$ 21,735

NOTE 7 – LONG-TERM DEBT – Continued

The following is a summary of long-term debt activity for discretely presented component units:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Amounts Due In One Year
Health Department:					
Net pension obligation	$ 635,883	$ 4,616	-	$ 640,499	$ -
OPEB obligation	504,710	-	$ 209,005	295,705	-
Compensated absences payable	42,286	34,488	33,167	43,607	-
Total Health Department	$ 1,182,879	$ 39,104	$ 242,172	$ 979,811	$ -

	Balance October 1, 2018	Additions	Reductions	Balance September 30, 2019	Amounts Due In One Year
Development Authority:					
Net pension obligation	$ 100,692	$ 20,852	-	$ 121,544	-
Compensated absences payable	1,258	2,966	$ 2,476	1,748	$ 175
Total Development Authority	$ 101,950	$ 23,818	$ 2,476	$ 123,292	$ 175

	Balance June 1, 2018	Additions	Reductions	Balance May 31, 2019	Amounts Due In One Year
Hospital Authority:					
Series 2013A Certificate	$ 104,696	$ -	$ 36,951	$ 67,745	$ 36,951
Series 2013B Taxable Note	3,299,803	-	1,313,049	1,986,754	1,313,049
Note Payable	577,704	-	268,182	309,522	178,788
Capital leases payable	403,862	-	96,158	307,704	100,784
Total HospitalAuthority	$ 4,386,065	$ -	$ 1,714,340	$ 2,671,725	$ 1,629,572

NOTE 8 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN INDIVIDUAL FUNDS

Excess expenditures over appropriations for the year ended September 30, 2019 in the following departments in the general fund:

	Overexpenditures
Current:	
Tax Commissioner	$ 5,686
Audit fees	4,300
Records Management	34,829
Superior Court	136,307
State Court	6,415
State Court - Community Service	2,105
Indigent Defense	58,340
Magistrate Court	18,952
Probate Court	8,449
Jail	156,985
Sheriff	123,886
Highways and streets	148,478
Health Department	96,654
Soil conservation	131

The County funded expenditures in excess of appropriations in the general fund through underexpenditures in other departments.

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

	Overexpenditures
Special Revenue Fund:	
Drug Enforcement	$ 29,206
Emergency Telephone	19,554
Jail Surcharge	8,065
Sheriff's Commissions	306,988
Acountability Court	26,132
Confiscated Assets	241

NOTE 9 – DEFICIT FUND BALANCES/NET POSITION

The following special revenue funds had deficit fund balances at September 30, 2019:

Small Grants Fund	$ 48,247
Emergency Telephone System Fund	115,389
Drug Treatment & Education Fund	1,757

These deficit fund balances will be reduced by future grant revenues, charges for services, and future transfers from the County's General fund.

The Transit enterprise fund had a deficit net position of $115,261 at September 30, 2019, which will be reduced by future Transit revenue and transfers from the General Fund.

NOTE 10 – INTERFUND RECEIVABLES, INTERFUND PAYABLES AND TRANSFERS

A summary of interfund receivables and payables as of September 30, 2019, follows. Interfund receivables and payables accounts for loans between funds for cash management purposes. All amounts are expected to be paid within one year.

Receivable Fund	Payable Fund	Amount
General	Jail Surcharge	$ 68,384
	Drug Enforcement Fund	32,765
	Drug Treatment & Education Fund	18,630
	Victim's Assistance Fund	39,264
	Accountability court	14,955
	Confiscated assets	6,041
	Emergency telephone system	585,968
	Large Grants Fund	662,322
	Small Grants Fund	43,913
	SPLOST III	4,980,672
	SPLOST IV	3,761,092
	TSPLOST	831,176
	Transit	318,343
Other capital projects	General	5,144,391
Sheriff's commissions	General	140,478
Fire protection	General	7,690,940
Solid Waste	General	134,241
Vehicle maintenance	General	396,740
Facility maintenance	General	358,078
Supplemental juvenile services	General	2,575
Confiscated assets	Drug Enforcement Fund	4,092
Jail Surcharge	Small Grants Fund	17,701
Total		$ 25,252,761

A summary of transfers for the year ended September 30, 2019 is as follows:

	Transfers From:					
Transfers To:	General Fund	T-SPLOST Fund	Drug Treatment & Education Fund	Confiscated Assets Fund	Other Capital Projects Fund	Total
Fire Protection Fund	$ 1,075,400	-	-	-	-	$ 1,075,400
E911 Fund	137,757	-	-	-	-	137,757
Solid Waste Fund	1,744,032	-	-	-	-	1,744,032
Large Grants Fund	426,534	-	-	-	-	426,534
Transit Fund	-	$ 268,502	-	-	-	268,502
Accountability Court Fund	36,600	-	$ 12,586	-	-	49,186
SPLOST III Fund	-	-	-	-	$ 3,631,603	3,631,603
SPLOST IV Fund	3,577,550	-	-	-	-	3,577,550
Other Capital Projects Fund	2,000,000	-	-	-	-	2,000,000
Drug Enforcement Fund	-	-	-	$ 17,674	-	17,674
Total	$ 8,997,873	$ 268,502	$ 12,586	$ 17,674	$ 3,631,603	$ 12,928,238

Transfers between funds were routine and primarily to support the operation of the funds receiving transfers.

NOTE 11 – FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2019, governmental fund balances are composed of the following:

	General Fund	Fire Protection	SPLOST III	SPLOST III	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Nonspendable - Prepaid items	$ 421,383	$ 6,000	-	-	-	$ 427,383
Restricted:						
Capital projects	-	-	$ 546,036	$ 3,412,081	$ 4,072,953	8,031,070
Fire protection	-	7,278,258	-	-	-	7,278,258
Sheriff	-	-	-	-	168,623	168,623
Law library	-	-	-	-	31,713	31,713
Drug enforcement	-	-	-	-	25,808	25,808
Public library	-	-	-	-	94,267	94,267
Jail	-	-	-	-	50,882	50,882
Victims assistance	-	-	-	-	19,364	19,364
Juvenile services	-	-	-	-	12,026	12,026
Confiscated assets	-	-	-	-	51	51
Accountability court	-	-	-	-	6,671	6,671
Total restricted	-	7,278,258	546,036	3,412,081	4,482,358	15,718,733
Committed - Capital projects	-	-	-	-	5,144,391	5,144,391
Assigned - subsequent year's budget	1,450,000	-	-	-	-	1,450,000
Unassigned	10,096,787	-	-	-	(165,393)	9,931,394
Total fund balances	$ 11,968,170	$ 7,284,258	$ 546,036	$ 3,412,081	$ 9,461,356	$ 32,671,901

NOTE 12 – RETIREMENT PLAN

Plan Description

The County's defined benefit pension plan, the Burke County Defined Benefit Plan (the "Plan"), provides retirement, disability, and death benefits to plan members and beneficiaries. The Plan is affiliated with the Association County Commissioners of Georgia (ACCG) Defined Benefit Plan (the "Plan"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The specific benefit provisions of the County's plan were established by an adoption agreement executed by the Burke County Board of Commissioners. The ACCG issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Benefits Provided

All full-time County and Development Authority (discretely presented component unit) employees are eligible to participate in the Plan after reaching age 21 and completing at least one year of service.

NOTE 12 – RETIREMENT PLAN – Continued

Normal retirement age is 65. At that time, an employee is entitled to a lifetime pension equal to 1.20% of average annual compensation multiplied by the years of service (maximum of 40 years) plus .75% of average annual compensation in excess of $10,000 multiplied by years of service (maximum 35 years). The .75% is reduced to .70% for employees born after 1937 and reduced to .65% for employees born after 1954. Average annual compensation is defined as the highest average compensation over three consecutive plan years during the 10 plan years preceding retirement or termination. An employee becomes 100% vested after completing five years of service. These benefit provisions and all other requirements, including amendments or termination, are established by County ordinance.

Employees Covered by Benefit Terms

Retirees and beneficiaries receiving benefits	80
Deferred vested (former employees)	123
Active participants	302
Total plan participants	505
Part-time active employees not participating	38
Covered Compensation	$ 14,748,241

Contributions

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in section 47-20 of the Georgia Code. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement.

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

Total contributions to the plan for the plan year ended December 31, 2018 were $2,018,385 which represents 13.7% of covered employee payroll.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018.

NOTE 12 – RETIREMENT PLAN – Continued

Actuarial Assumptions

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

Investment rate of return	7.00% per year
Future salary increases	5.00% plus an aged base scale ranging from -1.0% to 1.0%
Mortality	RP-2000 projected with Scale AA
Future payroll growth	5.50% per year
Inflation	3.00%

The actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2015 to December 31, 2018.

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	55%	7.33%
International equity	15%	7.90%
Fixed income	30%	3.95%
	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore,

NOTE 12 – RETIREMENT PLAN – Continued

the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a)-(b)
Balance, January 1, 2018	$ 32,997,739	$ 21,713,886	$ 11,283,853
Changes for the year:			
Service cost	873,628	-	873,628
Interest on the total pension liability	2,339,940	-	2,339,940
Liability expense (gain)/loss	809,136	-	809,136
Assumption change	1,481,857	-	1,481,857
Contributions from the employer	-	2,018,385	(2,018,385)
Net investment income	-	(1,003,935)	1,003,935
Administrative expenses	-	(71,110)	71,110
Benefit payments	(1,445,406)	(1,445,406)	-
Other changes	-	(198,396)	198,396
Net Changes	4,059,155	(700,462)	4,759,617
Balance, December 31, 2018	$ 37,056,894	$ 21,013,424	$ 16,043,470 *

*Includes net pension liability for the Development Authority (discretely presented component unit)

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

The following presents the net pension liability of the County, calculated using the discounted rate of 7.0 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.0 percent) or one percentage point higher (8.0 percent) than the current rate:

	Discount Rate - 1% (6.00%)	Current Discount Rate (7.00%)	Discount Rate + 1% (8.00%)
County's net pension liability	$ 21,297,950	$ 16,043,470	$ 11,692,625

NOTE 12 – RETIREMENT PLAN – Continued

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended September 30, 2019, the County recognized pension expense of $3,291,864. At September 30, 2019, the County reported deferred outflows and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Employer contributions after measurement date	$ 1,371,944		-	
Net differences between projected and actual net investment income	2,415,676		$ 913,053	
Liability experience gain/loss	893,944		259,039	
Assumption change	1,851,842		-	
	$ 6,533,406	*	$ 1,172,092	*

*Includes deferred outflows and deferred inflows of resources for the Development Authority (discretely presented component unit)

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

Year ending September 30	
2020	$ 2,824,217
2021	824,476
2022	689,002
2023	978,696
2024	44,923
	$ 5,361,314

NOTE 13 – ACCRUED LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and Federal laws and regulations require that the County perform certain maintenance and monitoring functions at its landfill site for thirty years after closure which occurred in 1999. The estimated liability for landfill postclosure care costs, which is recorded in the Solid Waste Enterprise Fund, has a balance of $2,001,106 as of September 30, 2019. The estimated total current cost of the landfill postclosure care is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were incurred as of September 30, 2019. However, the actual cost of postclosure may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

NOTE 14 – JOINT VENTURE

Under Georgia law, the County, in conjunction with the thirteen counties and forty-one cities in east Georgia known as the Central Savannah River Area (CSRA), is a member of the CSRA Regional Commission (CSRA RC). The CSRA RC is a public organization that assists local governments in planning for common needs, cooperating for mutual benefit, and coordinating for sound regional development. The operations are mainly financed by membership dues and financial assistance provided by the State of Georgia. Membership in the CSRA RC is required by the Official Code of Georgia Annotated (O.C.G.A,) §58-8-34 with annual dues based on a per capita amount. During the year ended September 30, 2019, the County paid $15,682 in such dues, which was based on a per capita amount of $.55. The CSRA RC Board membership is composed of one County official, one city official, and one private sector individual from each county. O.C.G.A. §58-8-39.1 provides that the County is liable for any debts or obligations of the CSRA RC. The Comprehensive Annual Financial Report of the CSRA RC may be obtained from:

CSRA Regional Commission
3023 River Watch Parkway, Suite A
Augusta, GA 30907

NOTE 15 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The County maintains commercial insurance coverage covering those risks of loss. Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. An excess coverage insurance policy covers individual claims. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. As of September 30, 2019, the County had recorded no liability for claims. The County is covered by commercial insurance.

The County has joined together with other governments in the state as part of the ACCG Group Self-Insurance Workers Compensation Fund (ACCG-GSIWCF), a public entity risk pool currently operating 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 agent and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss.

The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

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

NOTE 15 – RISK MANAGEMENT - Continued

As a participant in the ACCG-GSIWCF that also provides claims administration and loss control services, the County has a $200,000 loss retention. This program is accounted for in the General Fund.

Changes in the balances of worker's compensation claims through September 30, 2019, are as follows:

Unpaid claims, October 1, 2018	$ 498,084
Incurred claims	300,346
Claim payments	(412,758)
Adjustments	74,330
Unpaid claims, September 30, 2019	$ 460,002

NOTE 16 – COMMITMENTS AND CONTINGENCIES

The County is party to various legal proceedings in the normal course of governmental operations. It is the opinion of the County's management and legal counsel that these legal proceedings are not likely to have a material, adverse impact on the financial condition of the County.

NOTE 17 – SUBSEQUENT EVENTS

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through June 23, 2020, the date the financial statements were available to be issued.

NOTE 18 – CONTINGENT LIABILITY FOR BURKE COUNTY HOSPITAL AUTHORITY

Under an intergovernmental agreement, the County has agreed to guarantee the debt payments of the Hospital Authority of Burke County. The Hospital Authority's recurring operating losses and cash flows raise substantial doubt about its ability to continue as a going concern. It is expected that the County will have to make annual appropriations to the Hospital Authority to help cover annual debt payments.

Total outstanding long-term debt for the Hospital Authority as of September 30, 2019 was $2,364,021. Scheduled principal and interest payments on this long-term debt are as follows:

Year ending September 30,	Principal	Interest	Total
2020	$ 1,528,788	$ 37,263	1,566,051
2021	835,233	7,546	842,779
	$ 2,364,021	$ 44,809	$ 2,408,830

NOTE 19 – TAX ABATEMENTS

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

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

For the Burke County Board of Commissioner's fiscal year ending September 30, 2019, the cumulative real and personal property tax not collected due to incentive agreements was $294,748.

NOTE 20 – RESTATEMENTS

The County restated the beginning net position for the Development Authority by $165,195 to remove a receivable of SPLOST payments from the prior year. The County also restated the beginning fund balance for the SPLOST IV capital projects fund by $280,066 to remove a payable of SPLOST payments from the prior year.

The County restated the beginning fund balance for SPLOST III for $175,790 to remove grant revenue accrued for the airport project in error in the prior year.

The above restatements had the following impact on the previously reported balances:

	Governmental Activities
Net position, September 30, 2018, as previously reported	$ 85,435,194
Grant revenue accrued for the aiport project in error in the prior year	(175,790)
Restatement to remove payable to the Development Authority recorded in error	280,066
Net position, October 1, 2018, as restated	$ 85,539,470

	Development Authority
Net position, September 30, 2018, as previously reported	$ 7,460,436
Restatement to remove receivable from SPLOST recorded in error	(165,195)
Net position, October 1, 2018, as restated	$ 7,295,241

	SPLOST IV
Fund balance, September 30, 2018, as previously reported	$ 1,975,922
Restatement to remove payable to the Development Authority recorded in error	280,066
Fund balance, October 1, 2018, as restated	$ 2,255,988

	SPLOST III
Fund balance, September 30, 2018, as previously reported	$ 4,444,543
Grant revenue accrued for the aiport project in error in the prior year	(175,790)
Fund balance, October 1, 2018, as restated	$ 4,268,753

BURKE COUNTY BOARD OF COMMISSIONERS
REQUIRED SUPPLEMENTARY INFORMATION
BURKE COUNTY DEFINED BENEFIT PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	2019 (1)	2018 (1)	2017 (1)	2016 (1)	2015 (1)
Total pension liability					
Service cost	$ 873,628	$ 733,717	$ 677,762	$ 667,642	$ 629,361
Interest	2,339,940	2,219,856	2,158,989	1,927,851	1,844,208
Liability Experience (Gain)/Loss	809,136	27,840	(647,599)	1,054,616	-
Assumption Change	1,481,857	70,551	966,954	1,081,367	-
Benefit Payments	(1,445,406)	(1,345,834)	(1,302,013)	(1,997,278)	(719,374)
Net change in total pension liability	4,059,155	1,706,130	1,854,093	2,734,198	1,754,195
Total pension liability-beginning	32,997,739	31,291,609	29,437,516	26,703,318	24,949,123
Total pension liability-ending (a)	$ 37,056,894	$ 32,997,739	$ 31,291,609	$ 29,437,516	$ 26,703,318
Plan fiduciary net position					
Contributions-employer	$ 2,018,385	$ 1,860,344	$ 1,741,052	$ 1,091,379	$ 1,029,499
Net investment income	(1,003,935)	2,924,504	1,230,468	144,802	1,232,806
Benefit Payments	(1,445,406)	(1,345,834)	(1,302,013)	(1,997,278)	(719,374)
Administrative expense	(71,110)	(59,249)	(62,691)	(61,855)	(57,294)
Other changes	(198,396)	(169,818)	(209,147)	(172,681)	(183,427)
Net change in plan fiduciary net position	(700,462)	3,209,947	1,397,669	(995,633)	1,302,210
Plan fiduciary net position-beginning	21,713,886	18,503,939	17,106,270	18,101,903	16,799,693
Plan fiduciary net position-ending (b)	$ 21,013,424	$ 21,713,886	$ 18,503,939	$ 17,106,270	$ 18,101,903
Net pension liablity-ending (a)-(b)	$ 16,043,470	$ 11,283,853	$ 12,787,670	$ 12,331,246	$ 8,601,415
Plan fiduciary net position as a percentage of the total pension liability	56.7%	65.8%	59.1%	58.1%	67.8%
Covered-employee payroll	$ 14,748,241	$ 12,073,955	$ 12,002,527	$ 12,386,845	$ 11,843,126
Net pension liability as a percentage of covered-employee payroll	108.8%	93.5%	106.5%	99.6%	72.6%

(1) Only fiscal years 2019, 2018, 2017, 2016, and 2015 were available. The County will continue to present information for years available until a full 10-year trend is compiled.

Notes to Schedule:

Changes of assumptions

Amounts reported for the Fiscal Year ending in 2019 and later reflect the following assumption changes based on the results of an actuarial experience study covering the period January 1, 2015 to December 31, 2018:

- Due to the significant surplus in the Pre-Retirement Death Pool, the 2018 expense for the pre-retirement death benefit has been reduced to zero.
- The mortality improvements for the RP-2000 mortality table is projected to 2018 instead of 2017 with Scale AA.
- The investment return assumption was decreased from 7.25% to 7.00%.
- The turnover table was changed to the Vaughn Select and Ultimate Table through age 55.
- The disability table was changed from the 1977 Social Security Table to the 1985 CIDA Table Class 1 through age 60.

  The salary increase assumption was revised as follows:
  - The adjustment to the base rate was reduced from 1.5% to 1.0% for participants under age 30 and from 1.0% to 0.5% for participants from age 30-39.
  - The base salary scale was changed from 4.5% to 5.0%.

BURKE COUNTY BOARD OF COMMISSIONERS
REQUIRED SUPPLEMENTARY INFORMATION
BURKE COUNTY DEFINED BENEFIT PLAN
SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	2019	2018	2017	2016	2015
Actuarially determined contribution	*	$ 2,003,969	$ 1,815,997	$ 1,640,367	$ 1,091,379
Contributions in relation to the actuarially determined contribution	*	(2,018,385)	(1,860,344)	(1,741,052)	(1,091,379)
Contribution deficiency (excess)	*	$ (14,416)	$ (44,347)	$ (100,685)	$ -
Covered-employee payroll	*	14,748,241	12,073,955	12,002,527	12,386,845
Contributions as a percentage of covered-employee payroll	*	13.7%	15.4%	14.5%	8.8%

*2019 information will be determined after fiscal year end and will be included in the 2019 valuation report

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	N/A
Asset Valuation Method	Smoothed market value with a 5-year smoothing period
Actuarial Assumptions:	
Net Investment Rate of Return	7.00%
Projected Salary Increases	5.00% plus an aged base scale ranging from -1.0% to 1.0%
Cost of Living Adjustments	N/A
Retirement Age	Probability of retirement calculated as 10% at age 55 to 60, 20% at age 61 to 64, 30% at age 65 to 69, and 100% at age 70
Mortality	RP-2000 projected with Scale AA

BURKE COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Funds
ASSETS			
Cash	$ 1,586,435	$ 5,408,339	$ 6,994,774
Due from other funds	164,846	5,144,391	5,309,237
Intergovernmental receivable	127,223	150,497	277,720
TOTAL ASSETS	$ 1,878,504	$ 10,703,227	$ 12,581,731
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	$ 93,699	$ 685,735	$ 779,434
Accrued payroll	11,546	-	11,546
Unearned revenue	4,184	-	4,184
Due to other funds	1,494,035	831,176	2,325,211
Total liabilities	1,603,464	1,516,911	3,120,375
Fund balance:			
Restricted	440,433	4,041,925	4,482,358
Committed	-	5,144,391	5,144,391
Unassigned	(165,393)	-	(165,393)
Total fund balance	275,040	9,186,316	9,461,356
TOTAL LIABILITIES AND FUND BALANCE	$ 1,878,504	$ 10,703,227	$ 12,581,731

BURKE COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Funds
REVENUES			
Taxes	-	$ 1,823,866	$ 1,823,866
Charges for services	$ 875,772	-	875,772
Fees, fines and forfeitures	199,244	-	199,244
Intergovernmental	1,147,004	1,021,157	2,168,161
Interest	683	18,031	18,714
Other	9,349	-	9,349
Total revenues	2,232,052	2,863,054	5,095,106
EXPENDITURES			
Current:			
Judicial	199,486	-	199,486
Public safety	1,083,474	-	1,083,474
Culture and recreation	105,842	-	105,842
Health and welfare	26,979	-	26,979
Capital outlay:			
Culture and recreation	8,081	-	8,081
Health and welfare	1,101,943	-	1,101,943
Public safety	305,737	-	305,737
Public works	-	1,605,212	1,605,212
Housing and development	-	176,930	176,930
Total expenditures	2,831,542	1,782,142	4,613,684
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(599,490)	1,080,912	481,422
OTHER FINANCING SOURCES (USES)			
Transfers in	631,151	2,000,000	2,631,151
Transfers out	(30,260)	(3,900,105)	(3,930,365)
Total other financing sources (uses)	600,891	(1,900,105)	(1,299,214)
NET CHANGE IN FUND BALANCES	1,401	(819,193)	(817,792)
FUND BALANCES, BEGINNING OF YEAR	273,639	10,005,509	10,279,148
FUND BALANCES, END OF YEAR	$ 275,040	$ 9,186,316	$ 9,461,356

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays.

T-SPLOST Fund – This fund accounts for capital transportation projects financed from T-SPLOST funds.

Other Capital Projects Fund – This fund accounts for financial resources to be used for the construction of capital projects.

BURKE COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
SEPTEMBER 30, 2019

	T-SPLOST Capital Projects Fund	Other Capital Projects Fund	Total Nonmajor Capital Projects Funds
ASSETS			
Cash	$ 5,408,339	-	$ 5,408,339
Due from other funds	-	$ 5,144,391	5,144,391
Intergovernmental receivable	150,497	-	150,497
TOTAL ASSETS	$ 5,558,836	$ 5,144,391	$ 10,703,227
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable	$ 685,735	-	$ 685,735
Due to other funds	831,176	-	831,176
Total liabilities	1,516,911	-	1,516,911
Fund balance:			
Restricted	4,041,925	-	4,041,925
Committed	-	$ 5,144,391	5,144,391
Total fund balance	4,041,925	5,144,391	9,186,316
TOTAL LIABILITIES AND FUND BALANCE	$ 5,558,836	$ 5,144,391	$ 10,703,227

BURKE COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	T-SPLOST Capital Projects Fund	Other Capital Projects Fund	Total Nonmajor Capital Projects Funds
REVENUES			
Taxes	$ 1,823,866	-	$ 1,823,866
Intergovernmental	1,021,157	-	1,021,157
Interest	18,031	-	18,031
Total revenues	2,863,054	-	2,863,054
EXPENDITURES			
Capital outlay:			
Public works	1,605,212	-	1,605,212
Housing and development	176,930	-	176,930
Total expenditures	1,782,142	-	1,782,142
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,080,912	-	1,080,912
OTHER FINANCING SOURCES (USES)			
Transfers in	-	$ 2,000,000	2,000,000
Transfers out	(268,502)	(3,631,603)	(3,900,105)
Total other financing sources (uses)	(268,502)	(1,631,603)	(1,900,105)
NET CHANGE IN FUND BALANCES	812,410	(1,631,603)	(819,193)
FUND BALANCES, BEGINNING OF YEAR	3,229,515	6,775,994	10,005,509
FUND BALANCES, END OF YEAR	$ 4,041,925	$ 5,144,391	$ 9,186,316

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds from specific revenue sources which are legally restricted to expenditures for specific purposes.

Law Library Fund – This fund is used to account for the revenues and expenditures associated with the law library of Burke County, which is available for public use.

Drug Enforcement Fund – This fund was established by the State of Georgia and is used to account for revenues and expenditures associated with the DARE program.

Drug Treatment and Education Fund – This fund was established by the State of Georgia and is used to account for revenues and expenditures associated with drug abuse treatment and education programs relating to controlled substances.

Public Library Fund – This fund is used to account for revenues and expenditures associated with the Burke County Library, which is available for public use.

Small Grants Fund – This fund is used to account for grant revenues not accounted for in another fund.

Emergency Telephone System Fund – This fund is used to account for collection of 911 phone surcharges used for operation and maintenance of the 911 phone system.

Jail Surcharge Fund – This fund is used to account for collection of fines that are to be used for jail maintenance and improvements.

Victims Assistance Fund – This fund is used to account for collection of fines that are to be used to assist Burke County residents who are the victim of violent crimes.

Supplemental Juvenile Services Fund – This fund is used to account for the collection of fines that are to be used for community treatment programs in the local courts.

Sheriff's Commissions Fund – This fund was established to account for funds received by the Sheriff's department for commissions on inmate telephone calls, commissary purchases, and snack sales.

Large Grants Fund – This fund is used to account for grant revenues not accounted for in another fund.

Accountability Court Fund – This fund was established to account for funds received by the Accountability Court for participant fees and intergovernmental revenues used to provide program services to those ordered to attend the Accountability Court by the State Court for drug related offenses.

Confiscated Assets Fund – This fund was established to account for funds seized by the Sheriff's department related to drug activities. Funds are held by the County in this fund until awarded by the court system.

BURKE COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2019

	Law Library Fund	Drug Enforcement Fund	Drug Treatment & Education Fund	Public Library Fund	Small Grants Fund	Emergency Telephone System Fund	Jail Surcharge Fund
ASSETS							
Cash	$ 31,713	$ 62,665	$ 16,873	$ 94,267	-	$ 441,586	$ 106,131
Due from other funds	-	-	-	-	-	-	17,701
Intergovernmental receivable	-	-	-	-	$ 17,551	39,401	-
TOTAL ASSETS	$ 31,713	$ 62,665	$ 16,873	$ 94,267	$ 17,551	$ 480,987	$ 123,832
LIABILITIES AND FUND BALANCE							
Liabilities:							
Accounts payable	-	-	-	-	-	$ 300	$ 4,566
Accrued payroll	-	-	-	-	-	10,108	-
Unearned revenue	-	-	-	-	$ 4,184	-	-
Due to other funds	-	$ 36,857	$ 18,630	-	61,614	585,968	68,384
Total liabilities	-	36,857	18,630	-	65,798	596,376	72,950
Fund balance:							
Restricted	$ 31,713	25,808	-	$ 94,267	-	-	50,882
Unassigned	-	-	(1,757)	-	(48,247)	(115,389)	-
Total fund balance	31,713	25,808	(1,757)	94,267	(48,247)	(115,389)	50,882
TOTAL LIABILITIES AND FUND BALANCE	$ 31,713	$ 62,665	$ 16,873	$ 94,267	$ 17,551	$ 480,987	$ 123,832

BURKE COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2019

	Victims Assistance Fund	Supplemental Juvenile Services Fund	Sheriff's Commissions Fund	Large Grants Fund	Accountability Court Fund	Confiscated Assets Fund	Total Nonmajor Special Revenue Funds
ASSETS							
Cash	$ 57,869	$ 9,541	$ 65,072	$ 668,350	-	$ 32,368	$ 1,586,435
Due from other funds	-	2,575	140,478	-	-	4,092	164,846
Intergovernmental receivable	759	-	-	40,846	$ 28,666	-	127,223
TOTAL ASSETS	$ 58,628	$ 12,116	$ 205,550	$ 709,196	$ 28,666	$ 36,460	$ 1,878,504
LIABILITIES AND FUND BALANCE							
Liabilities:							
Accounts payable	-	$ 90	$ 36,927	$ 15,846	$ 5,602	$ 30,368	$ 93,699
Accrued payroll	-	-	-	-	1,438	-	11,546
Unearned revenue	-	-	-	-	-	-	4,184
Due to other funds	$ 39,264	-	-	662,322	14,955	6,041	1,494,035
Total liabilities	39,264	90	36,927	678,168	21,995	36,409	1,603,464
Fund balance:							
Restricted	19,364	12,026	168,623	31,028	6,671	51	440,433
Unassigned	-	-	-	-	-	-	(165,393)
Total fund balance	19,364	12,026	168,623	31,028	6,671	51	275,040
TOTAL LIABILITIES AND FUND BALANCE	$ 58,628	$ 12,116	$ 205,550	$ 709,196	$ 28,666	$ 36,460	$ 1,878,504

BURKE COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Law Library Fund	Drug Enforcement Fund	Drug Treatment & Education Fund	Public Library Fund	Small Grants Fund	Emergency Telephone System Fund	Jail Surcharge Fund
REVENUES							
Charges for services	-	-	-	$ 14,145	-	$ 492,886	-
Fees, fines and forfeitures	$ 21,293	$ 5,000	$ 12,678	9,385	-	-	$ 48,555
Intergovernmental	-	-	-	95,050	$ 238,091	-	2,200
Interest	-	69	16	104	-	209	122
Other	-	-	-	5,370	3,979	-	-
Total revenues	21,293	5,069	12,694	124,054	242,070	493,095	50,877
EXPENDITURES							
Current:							
Judicial	10,078	-	-	-	-	-	-
Public safety	-	32,206	5,817	-	140,472	630,854	2,400
Culture and recreation	-	-	-	105,842	-	-	-
Health and welfare	-	-	-	-	3,979	-	-
Capital outlay:							
Culture and recreation	-	-	-	8,081	-	-	-
Health and welfare	-	-	-	-	-	-	-
Public safety	-	-	-	-	129,759	-	80,715
Total expenditures	10,078	32,206	5,817	113,923	274,210	630,854	83,115
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,215	(27,137)	6,877	10,131	(32,140)	(137,759)	(32,238)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	17,674	-	-	-	137,757	-
Transfers out	-	-	(12,586)	-	-	-	-
Total other financing sources (uses)	-	17,674	(12,586)	-	-	137,757	-
NET CHANGE IN FUND BALANCES	11,215	(9,463)	(5,709)	10,131	(32,140)	(2)	(32,238)
FUND BALANCES, BEGINNING OF YEAR	20,498	35,271	3,952	84,136	(16,107)	(115,387)	83,120
FUND BALANCES, END OF YEAR	$ 31,713	$ 25,808	$ (1,757)	$ 94,267	$ (48,247)	$ (115,389)	$ 50,882

BURKE COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Victims Assistance Fund	Supplemental Juvenile Services Fund	Sheriff's Commissions Fund	Large Grants Fund	Accountability Court Fund	Confiscated Assets Fund	Total Nonmajor Special Revenue Funds
REVENUES							
Charges for services	-	-	$ 368,741	-	-	-	$ 875,772
Fees, fines and forfeitures	$ 35,372	$ 2,625	-	-	$ 45,622	$ 18,714	199,244
Intergovernmental	-	-	-	$ 709,096	102,567	-	1,147,004
Interest	103	8	-	-	-	52	683
Other	-	-	-	-	-	-	9,349
Total revenues	35,475	2,633	368,741	709,096	148,189	18,766	2,232,052
EXPENDITURES							
Current:							
Judicial	-	90	-	-	188,277	1,041	199,486
Public safety	-	-	271,725	-	-	-	1,083,474
Culture and recreation	-	-	-	-	-	-	105,842
Health and welfare	23,000	-	-	-	-	-	26,979
Capital outlay:							
Culture and recreation	-	-	-	-	-	-	8,081
Health and welfare	-	-	-	1,101,943	-	-	1,101,943
Public safety	-	-	95,263	-	-	-	305,737
Total expenditures	23,000	90	366,988	1,101,943	188,277	1,041	2,831,542
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	12,475	2,543	1,753	(392,847)	(40,088)	17,725	(599,490)
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	426,534	49,186	-	631,151
Transfers out	-	-	-	-	-	(17,674)	(30,260)
Total other financing sources (uses)	-	-	-	426,534	49,186	(17,674)	600,891
NET CHANGE IN FUND BALANCES	12,475	2,543	1,753	33,687	9,098	51	1,401
FUND BALANCES, BEGINNING OF YEAR	6,889	9,483	166,870	(2,659)	(2,427)	-	273,639
FUND BALANCES, END OF YEAR	$ 19,364	$ 12,026	$ 168,623	$ 31,028	$ 6,671	$ 51	$ 275,040

BURKE COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines, fees, and forfeitures	$ 9,000	$ 21,293	$ 12,293
EXPENDITURES			
Current:			
Judicial	18,000	10,078	7,922
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,000)	11,215	20,215
FUND BALANCES, BEGINNING OF YEAR	20,498	20,498	-
FUND BALANCES, END OF YEAR	$ 11,498	$ 31,713	$ 20,215

BURKE COUNTY, GEORGIA
DRUG ENFORCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Fines, fees and forfeitures	$ -	$ 6,000	$ 5,000	$ (1,000)
Interest	-	-	69	69
Total revenues	-	6,000	5,069	(931)
EXPENDITURES				
Current:				
Public safety	3,000	46,589	32,206	14,383
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,000)	(40,589)	(27,137)	13,452
OTHER FINANCING USES				
Transfers in	-	-	17,674	17,674
NET CHANGE IN FUND BALANCES	(3,000)	(40,589)	(9,463)	31,126
FUND BALANCES, BEGINNING OF YEAR	35,271	35,271	35,271	-
FUND BALANCES, END OF YEAR	$32,271	$ (5,318)	$ 25,808	$ 31,126

BURKE COUNTY, GEORGIA
DRUG TREATMENT & EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines, fees and forfeitures	$ 10,000	$ 12,678	$ 2,678
Interest	-	16	16
Total revenues	10,000	12,694	2,694
EXPENDITURES			
Current:			
Public safety	7,414	5,817	1,597
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,586	6,877	4,291
OTHER FINANCING USES			
Transfers out	(12,586)	(12,586)	-
NET CHANGE IN FUND BALANCES	(10,000)	(5,709)	4,291
FUND BALANCES, BEGINNING OF YEAR	3,952	3,952	-
FUND BALANCES, END OF YEAR	$ (6,048)	$ (1,757)	$ 4,291

BURKE COUNTY, GEORGIA
PUBLIC LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	$ 95,050	$ 95,050	-
Charges for services	12,100	14,145	$ 2,045
Fines	9,900	9,385	(515)
Interest	100	104	4
Other	550	5,370	4,820
Total revenues	117,700	124,054	6,354
EXPENDITURES			
Current:			
Culture and recreation	125,400	105,842	19,558
Capital outlay:			
Culture and recreation	1,000	8,081	(7,081)
	126,400	113,923	12,477
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,700)	10,131	18,831
FUND BALANCES, BEGINNING OF YEAR	84,136	84,136	-
FUND BALANCES, END OF YEAR	$ 75,436	$ 94,267	$ 18,831

BURKE COUNTY, GEORGIA
SMALL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	$ 182,400	$ 251,535	$ 238,091	$ (13,444)
Other	3,000	3,500	3,979	479
Total revenues	185,400	255,035	242,070	(12,965)
EXPENDITURES				
Current:				
Public safety	234,900	254,673	140,472	114,201
Health and welfare	3,000	6,164	3,979	2,185
Capital Outlay:				
Public safety	-	129,971	129,759	212
Total expenditures	237,900	390,808	274,210	116,598
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(52,500)	(135,773)	(32,140)	103,633
OTHER FINANCING USES				
Transfers in	52,500	133,109	-	(133,109)
NET CHANGE IN FUND BALANCES	-	(2,664)	(32,140)	(29,476)
FUND BALANCES, BEGINNING OF YEAR	(16,107)	(16,107)	(16,107)	-
FUND BALANCES, END OF YEAR	$ (16,107)	$ (18,771)	$ (48,247)	$ (29,476)

BURKE COUNTY, GEORGIA
EMERGENCY TELEPHONE SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Charges for services	$ 387,200	$ 492,886	$ 105,686
Interest	-	209	209
Total revenues	387,200	493,095	105,895
EXPENDITURES			
Current:			
Public safety	611,300	630,854	(19,554)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(224,100)	(137,759)	86,341
OTHER FINANCING SOURCES			
Transfers in	224,100	137,757	(86,343)
NET CHANGE IN FUND BALANCES	-	(2)	(2)
FUND BALANCES, BEGINNING OF YEAR	(115,387)	(115,387)	-
FUND BALANCES, END OF YEAR	$ (115,387)	$ (115,389)	$ (2)

BURKE COUNTY, GEORGIA
JAIL SURCHARGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Fees, fines and forfeitures	$ 35,000	$ 35,000	$ 48,555	$ 13,555
Intergovernmental	-	-	2,200	2,200
Interest	50	50	122	72
Total revenues	35,050	35,050	50,877	15,827
EXPENDITURES				
Current:				
Public safety	-	2,400	2,400	-
Capital outlay:				
Public safety	75,050	72,650	80,715	(8,065)
Total expenditures	75,050	75,050	83,115	(8,065)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(40,000)	(40,000)	(32,238)	7,762
FUND BALANCES, BEGINNING OF YEAR	83,120	83,120	83,120	-
FUND BALANCES, END OF YEAR	$ 43,120	$ 43,120	$ 50,882	$ 7,762

BURKE COUNTY, GEORGIA
VICTIMS ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines, fees and forfeitures	$ 25,000	$ 35,372	$ 10,372
Interest	-	103	103
Total revenues	25,000	35,475	10,475
EXPENDITURES			
Current:			
Health and welfare	34,100	23,000	11,100
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,100)	12,475	21,575
FUND BALANCES, BEGINNING OF YEAR	6,889	6,889	-
FUND BALANCES, END OF YEAR	$ (2,211)	$ 19,364	$ 21,575

BURKE COUNTY, GEORGIA
SUPPLEMENTAL JUVENILE SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines, fees and forfeitures	$ 2,000	$ 2,625	$ 625
Interest	-	8	8
Total revenues	2,000	2,633	633
EXPENDITURES			
Current:			
Judicial	2,000	90	1,910
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	2,543	2,543
FUND BALANCES, BEGINNING OF YEAR	9,483	9,483	-
FUND BALANCES, END OF YEAR	$ 9,483	$ 12,026	$ 2,543

BURKE COUNTY, GEORGIA
SHERIFF'S COMMISSIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Vendor commissions	$ 60,000	$ 60,000	$ 368,741	$ 308,741
EXPENDITURES				
Current:				
Public safety	45,500	28,020	271,725	(243,705)
Capital outlay:				
Public safety	14,500	145,980	95,263	50,717
	60,000	174,000	366,988	(192,988)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(114,000)	1,753	115,753
FUND BALANCES, BEGINNING OF YEAR	166,870	166,870	166,870	-
FUND BALANCES, END OF YEAR	$ 166,870	$ 52,870	$ 168,623	$ 115,753

BURKE COUNTY, GEORGIA
LARGE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	$ 734,845	$ 734,845	$ 709,096	$ (25,749)
EXPENDITURES				
Capital Outlay:				
Health and welfare	782,365	1,161,379	1,101,943	59,436
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(47,520)	(426,534)	(392,847)	33,687
OTHER FINANCING USES				
Transfers in	47,520	426,534	426,534	-
NET CHANGE IN FUND BALANCES	-	-	33,687	33,687
FUND BALANCES, BEGINNING OF YEAR	(2,659)	(2,659)	(2,659)	-
FUND BALANCES, END OF YEAR	$ (2,659)	$ (2,659)	$ 31,028	$ 33,687

BURKE COUNTY, GEORGIA
ACCOUNTABILITY COURT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Fines, fees and forfeitures	$ 42,500	$ 45,622	$ (1,028)
Intergovernmental	103,264	102,567	(697)
Total revenues	145,764	148,189	(1,725)
EXPENDITURES			
Current:			
Judicial	194,950	188,277	(26,132)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(49,186)	(40,088)	(27,857)
OTHER FINANCING USES			
Transfers in	49,186	49,186	8,191
NET CHANGE IN FUND BALANCES	-	9,098	(19,666)
FUND BALANCES, BEGINNING OF YEAR	(2,427)	(2,427)	-
FUND BALANCES, END OF YEAR	$ (2,427)	$ 6,671	$ (19,666)

BURKE COUNTY, GEORGIA
CONFISCATED ASSETS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Fines, fees and forfeitures	$ -	$ 800	$ 18,714	$ 17,914
Interest	-	-	52	52
Total revenues	-	800	18,766	17,966
EXPENDITURES				
Current:				
Judicial	-	800	1,041	(241)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	17,725	17,725
OTHER FINANCING USES				
Transfers out	-	-	(17,674)	(17,674)
NET CHANGE IN FUND BALANCES	-	-	51	51
FUND BALANCES, BEGINNING OF YEAR	-	-	-	-
FUND BALANCES, END OF YEAR	$ -	$ -	$ 51	$ 51

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the government on a cost reimbursement basis.

Vehicle Maintenance Fund – This fund is used to account for maintenance costs of County vehicles.

Facilities Maintenance Fund – This fund is used to account for allocation of costs associated with operations and maintenance of County buildings.

BURKE COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2019

	Vehicle Maintenance	Facilities Maintenance	Total
ASSETS			
Current Assets:			
Interfund receivable	$ 396,740	$ 358,078	$ 754,818
Prepaid items	-	5,444	5,444
Inventory	374,488	-	374,488
Total current assets	771,228	363,522	1,134,750
Noncurrent Assets:			
Capital Assets			
Buildings and improvements	208,187	1,132,322	1,340,509
Machinery and equipment	462,643	546,928	1,009,571
Less accumulated depreciation	(193,280)	(667,261)	(860,541)
Total Capital Assets	477,550	1,011,989	1,489,539
Total Assets	1,248,778	1,375,511	2,624,289
DEFERRED OUTFLOWS OF RESOURCES			
Resources related to pensions	195,556	141,521	337,077
LIABILITIES			
Current Liabilities:			
Accounts payable	80,142	125,830	205,972
Accrued payroll	23,993	27,171	51,164
Compensated absences payable	1,970	2,290	4,260
Total Current Liabilities	106,105	155,291	261,396
Long-Term Liabilities:			
Compensated absences payable (net of current portion)	17,725	20,609	38,334
Net pension obligation	534,161	355,147	889,308
Total Long-Term Liabilities	551,886	375,756	927,642
Total Liabilities	657,991	531,047	1,189,038
DEFERRED INFLOWS OF RESOURCES			
Resources related to pensions	36,932	19,922	56,854
NET POSITION			
Investment in capital assets	477,550	1,011,989	1,489,539
Unrestricted	271,861	(45,926)	225,935
Total Net Position	$ 749,411	$ 966,063	$ 1,715,474

BURKE COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Vehicle Maintenance	Facilities Maintenance	Total
OPERATING REVENUES			
Charges for services	$ 2,646,509	$ 1,523,076	$ 4,169,585
OPERATING EXPENSES			
Salaries	548,742	536,868	1,085,610
Employee benefits	256,991	207,475	464,466
Purchased services	153,136	432,832	585,968
Materials and supplies	1,603,490	182,750	1,786,240
Depreciation	21,479	112,018	133,497
TOTAL OPERATING EXPENSES	2,583,838	1,471,943	4,055,781
CHANGE IN NET POSITION	62,671	51,133	113,804
NET POSITION, BEGINNING OF YEAR	686,740	914,930	1,601,670
NET POSITION, END OF YEAR	$ 749,411	$ 966,063	$ 1,715,474

BURKE COUNTY, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Vehicle Maintenance	Facilities Maintenance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from interfund charges	$ 2,713,765	$ 1,551,495	$ 4,265,260
Cash payments to employees for salaries and benefits	(751,739)	(682,968)	(1,434,707)
Cash payments for goods and services	(1,655,672)	(666,790)	(2,322,462)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	306,354	201,737	508,091
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of capital assets	(306,354)	(201,737)	(508,091)
NET INCREASE IN CASH AND CASH EQUIVALENTS	-	-	-
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	-	-	-
CASH AND CASH EQUIVALENTS, END OF YEAR	$ -	$ -	$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	$ 62,671	$ 51,133	$ 113,804
Depreciation	21,479	112,018	133,497
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
(Increase) decrease in assets:			
Interfund receivables	67,256	28,419	95,675
Prepaid items	-	(5,444)	(5,444)
Inventory	172,975	-	172,975
(Increase) decrease in deferred outflows of resources - resources related to pensions	(75,532)	(73,898)	(149,430)
Increase (decrease) in deferred inflows of resources - resources related to pensions	(11,968)	(11,709)	(23,677)
Increase (decrease) in operating liabilities:			
Accounts payable	(72,021)	(45,764)	(117,785)
Accrued payroll	4,765	12,472	17,237
Compensated absences payable	5,443	6,065	11,508
Net pension obligation	131,286	128,445	259,731
Total cash provided (used) by operating activities	$ 306,354	$ 201,737	$ 508,091

FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets when a governmental unit is functioning either as a trustee or as an agent for another party. Because the County is functioning in a fiduciary capacity, the authority to employ, dispose of, or otherwise use the assets is determined not by a legislative body or oversight board, but by the public laws and private agreements that created the trustee or agency relationship.

Sheriff Fund – This fund is used to account for all monies received by the Sheriff's department on behalf of individuals, private organizations, other governmental units, and other funds.

Tax Commissioner Fund – This fund is used to account for the collection of various taxes, including property taxes, and the payment to Burke County and other taxing units of the various taxes collected on their behalf.

Clerk of Superior Court Fund – This fund is used to account for all monies received by the Clerk of Superior Court on behalf of individuals, private organizations, other governmental units, and other funds.

Probate Court Fund – This fund is used to account for all monies received by the Probate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Magistrate Court Fund – This fund is used to account for all monies received by the Magistrate Court on behalf of individuals, private organizations, other governmental units, and other funds.

BURKE COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2019

	Tax Commissioner	Probate Court	Clerk of Courts	Magistrate Court	Sheriff	Total
ASSETS						
Cash	$ 702,829	$ -	$ 228,490	$ 345	$ 36,732	$ 968,396
LIABILITIES						
Due to other entities and individuals	$ 702,829	$ -	$ 228,490	$ 345	$ 36,732	$ 968,396

BURKE COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
Tax Commissioner				
Assets				
Cash	$ 636,624	$ 90,213,299	$ 90,147,094	$ 702,829
Liabilities				
Due to other entities and individuals	$ 636,624	$ 90,213,299	$ 90,147,094	$ 702,829
Probate Court				
Assets				
Cash	$ -	$ 38,534	$ 38,534	$ -
Liabilities				
Due to other entities and individuals	$ -	$ 38,534	$ 38,534	$ -
Clerk of Courts				
Assets				
Cash	$ 132,726	$ 1,311,062	$ 1,215,298	$ 228,490
Liabilities				
Due to other entities and individuals	$ 132,726	$ 1,311,062	$ 1,215,298	$ 228,490
Magistrate Court				
Assets				
Cash	$ 145	$ 188,361	$ 188,161	$ 345
Liabilities				
Due to other entities and individuals	$ 145	$ 188,361	$ 188,161	$ 345
Sheriff				
Assets				
Cash	$ 131,399	$ 382,878	$ 477,545	$ 36,732
Liabilities				
Due to other entities and individuals	$ 131,399	$ 382,878	$ 477,545	$ 36,732
Total Agency Funds				
Assets				
Cash	$ 900,894	$ 92,134,134	$ 92,066,632	$ 968,396
Liabilities				
Due to other entities and individuals	$ 900,894	$ 92,134,134	$ 92,066,632	$ 968,396

BURKE COUNTY, GEORGIA
SCHEDULE OF PROJECTS PAID WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

SPLOST III Fund

Project	Original Estimated Cost	Current Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Total	Estimated Percentage of Completion
Countywide projects						
Judicial center	$ 15,000,000	$14,504,669	$ 11,153,538	$ 3,351,131	$ 14,504,669	100%
Jail addition	2,000,000	-	-	-	-	0%
Burke County						
EOC/911 center	2,000,000	2,000,000	1,557,656	-	1,557,656	78%
Recreation improvements	1,000,000	1,000,000	309,012	46,531	355,543	36%
Industrial Park expansion	2,500,000	2,500,000	1,504,381	-	1,504,381	60%
Building construction and renovations	1,500,000	1,500,000	671,526	-	671,526	45%
Airport projects	200,000	200,000	89,146	90,181	179,327	90%
Roads and bridges projects and equipment	8,040,000	8,040,000	3,340,695	364,856	3,705,551	46%
Firetrucks	1,500,000	1,500,000	910,616	-	910,616	61%
Ambulances	600,000	600,000	269,000	-	269,000	45%
Patrol cars	500,000	500,000	303,369	-	303,369	61%
Water and sewer improvements	6,000,000	-	-	-	-	0%
Landfill building projects	340,000	340,000	314,825	-	314,825	93%
Waynesboro						
Water & sewer improvements, roads, streets, sidewalks, drainage improvements, buildings, patrol vehicles and utility equipment	10,140,000	6,089,272	6,089,272	-	6,089,272	100%
Sardis						
Water, sewer, and street improvements, recreation and beautification projects, capital equipment	2,340,000	1,405,216	1,405,216	-	1,405,216	100%
Midville						
Water and sewer system improvements, street improvements and major equipment, major police equipment, City Hall equipment, Community House improvements	1,170,000	702,609	702,609	-	702,609	100%
Keysville						
Water and sewer system projects, Multi-purpose building project, street & drainage improvements and equipment	780,000	468,405	468,405	-	468,405	100%
Girard						
Waterworks improvements, building renovations and additions, street and sidewalk improvements	390,000	234,201	234,201	-	234,201	100%
	$ 56,000,000	$41,584,372	$ 29,323,467	3,852,699	$ 33,176,166	80%
Judicial center funded by the Other Capital Projects Fund				3,631,603		
SPLOST III fund total expenditures				$ 7,484,302		

BURKE COUNTY, GEORGIA
SCHEDULE OF PROJECTS PAID WITH SPECIAL
PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

SPLOST IV Fund

Project	Original Estimated Cost	Current Estimated Cost	Expenditures Prior Years *	Expenditures Current Year	Total	Estimated Percentage of Completion
Burke County						
EOC/911 center	$ 3,000,000	$ 3,000,000	$ -	$ 87,000	$ 87,000	3%
Jail improvements	500,000	500,000	-	-	-	0%
Recreation improvements	2,000,000	2,000,000	-	2,000,000	2,000,000	100%
Industrial Park expansion	2,516,000	2,516,000	-	13,806	13,806	1%
Building construction and renovations	1,800,300	1,800,300	-	366,142	366,142	20%
Airport projects	450,000	580,000	-	578,928	578,928	100%
Roads and bridges projects and equipment	5,000,000	4,870,000	29	-	29	0%
Fire equipment	1,000,000	1,000,000	-	-	-	0%
EMA improvements	400,000	400,000	-	-	-	0%
EMS equipment	600,000	600,000	-	147,960	147,960	25%
Law enforcement equipment	1,200,000	1,200,000	12,750	189,309	202,059	17%
Hospital equipment and renovations	1,365,000	1,365,000	-	356,754	356,754	26%
Animal shelter	500,000	500,000	-	72,676	72,676	15%
Waynesboro						
Water & sewer improvements, roads, streets, sidewalks, drainage improvements, buildings, recreation projects, equipment	7,514,400	7,514,400	836,458	1,801,185	2,637,643	35%
Sardis						
Water, sewer, and street improvements, recreation and beautification projects, capital equipment	1,296,840	1,296,840	144,357	310,850	455,207	35%
Midville						
Water and sewer system improvements, street improvements and major equipment, major police equipment, building improvements	348,450	348,450	38,787	83,523	122,310	35%
Keysville						
Water and sewer system projects, city hall and multi-purpose building projects, street and drainage improvements and equipment, recreation improvements and equipment, land acquisition	454,500	454,500	50,592	108,943	159,535	35%
Girard						
Building renovations and additions, street, sidewalk and park improvements	203,010	203,010	22,598	48,661	71,259	35%
Vidette						
Water system improvements	145,440	145,440	16,190	34,862	51,052	35%
	$ 30,293,940	$30,293,940	$ 1,121,761	$ 6,200,599	$ 7,322,360	24%
Airport runway extension funded by Department of Transportation grant				469,922		
Recreation improvements funded by General Fund				3,577,550		
SPLOST IV fund total expenditures				$ 10,248,071		

* As restated per Note 20 to the financial statements

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Burke County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Burke County, Georgia, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise Burke County, Georgia's basic financial statements and have issued our report thereon dated June 23, 2020. Our report includes a reference to other auditors who audited the financial statements of the Burke County Board of Health (Health Department) and the Burke County Hospital Authority, discretely presented component units, as described in our report on Burke County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2019-1 through 2019-4 that we consider to be material weaknesses.

Compliance and Other Matters

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

Burke County, Georgia's Response to Findings

Burke County, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Burke County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Lanier, Dal & Proctor

Statesboro, Georgia
June 23, 2020

BURKE COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. Department of Health and Human Services:			
Pass-through programs from CSRA Regional Commission:			
Special Programs for the Aging - Nutrition Services	93.045	Not Available	$ 86,457
U.S. Department of Justice:			
Direct Programs:			
Other Federal Assistance	16.999		7,488
Bulletproof Vest Partnership Program	16.607		2,200
Body Worn Camera Policy and Implementation	16.835		33,759
			43,447
Pass through program from Georgia Criminal Justice Coordinating Council:			
Criminal and Juvenile Justice and Mental Health Collaboration Program - Mental Health Court	16.745	A19-8-002	102,567
Total U.S. Department of Justice			146,014
U.S. Department of Homeland Security:			
Pass through program from Georgia Emergency Management Agency for Emergency Management Performance Grants	97.042	OEM 18-017	8,609
Federal Emergency Management Agency		FEMA-4400-DR-GA	
Federal Disaster Grants	97.036	PA ID#033-99033-00	6,744
Federal Emergency Management Agency		FEMA-4400-DR-GA	
Federal Disaster Grants	97.036	PA ID#033-99033-00	23,632
			30,376
Total U.S. Department of Homeland Security			38,985
U.S. Department of Agriculture:			
Pass through program from Georgia Association of Conservation District Supervisors, Inc.:			
National Resources Conservation Service - Environmental Quality Incentive Program (EQIP)	10.912	GACD-02-17-003	18,036
U.S. Department of Housing and Urban Development:			
Pass through program from Georgia Department of Community Affairs:			
Community Development Block Grant	14.228	17p-y-017-1-5923	709,096
U.S. Department of Transportation:			
Pass-through programs from Georgia Department of Transportation:			
Formula Grants for Rural Areas Transit Program	20.509	T006233 GA-18-4033	117,208
Formula Grants for Rural Areas Transit Program	20.509	T006324 GA-18-X036	29,980
			147,188
Airport Improvement Program	20.106	AP019-90ER-16(033) PID - T006719	8,401
			155,589
Pass-through programs from Georgia Governor's Office of Highway Safety:			
State and Community Highway Safety	20.600	TEN-2019-402PT-002	14,719
State and Community Highway Safety	20.600	GA-2019-402PT-098	169,247
			183,966
Total U.S. Department of Transportation			339,555
Total expenditures of federal awards			$ 1,338,143

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Burke County, Georgia under programs of the federal government for the year ended September 30, 2019. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Burke County, Georgia, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Burke County, Georgia.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

2. Burke County, Georgia has not elected to use the ten percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Commissioners
Burke County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Burke County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Burke County, Georgia's major federal programs for the year ended September 30, 2019. Burke County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Burke County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Burke County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Burke County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Burke County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2019.

Report on Internal Control over Compliance

Management of Burke County, Georgia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Burke County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Burke County, Georgia's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Lanier, Dail & Proctor

Statesboro, Georgia
June 23, 2020

SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unmodified opinion on the financial statements of Burke County, Georgia.

2. Four material weaknesses were disclosed during the audit of the financial statements in the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*.

3. No instances of noncompliance material to the financial statements of Burke County, Georgia were disclosed during the audit.

4. No significant deficiencies in internal control over major federal award programs were reported in the Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance.

5. The auditor's report on compliance for the major federal award programs for Burke County, Georgia expresses an unmodified opinion on all major federal programs.

6. No audit findings relative to the major federal award programs for Burke County, Georgia are reported in this schedule.

7. The program tested as a major program was: Community Development Block Grant, CFDA number 14.228.

8. The threshold used for distinguishing between Type A and B programs was $750,000.

9. Burke County, Georgia was determined not to be a low-risk auditee.

FINDINGS – FINANCIAL STATEMENTS AUDIT

2019-1 **Recording of year end accruals for the financial statements**

Condition: The County's procedures to make sure all year end accruals such as receivables, payables, prepaid items, and deferred revenue are included in the financial statements are inadequate.

Criteria: All revenues earned and realizable and all expenditures incurred should be recorded at the end of the year via journal entry.

Cause: The County does not have procedures in place to make sure all accruals are recorded at year end for the financials statements.

Effect: Many of the adjusting entries needed to record these accruals were material to the County's financial statements.

Auditor's Recommendation: When conducting the year end closing, we recommend the County review for all needed accruals of receivables, payable, prepaid items, and deferred revenue.

View of Responsible Officials and Planned Corrective Actions: We concur with this finding and we will implement procedures to establish a process for ensuring the completeness of year end accruals for the County's financial statements.

2019-2 **Accounting for capital assets**

Condition: The County's capital asset listing is not updated with annual depreciation calculations and additions and deletions for current year activities are not performed.

Criteria: The capital asset listing should be updated each year to show the correct depreciation expense and accumulated depreciation, and capital assets should be added or deleted as appropriate for current year activity.

Cause: The County does not have procedures in place to make sure capital assets are identified and added to the capital asset listing.

Effect: Many of the additions to the capital asset listing as well as the calculation of annual depreciation were material to the County's financial statements.

Auditor's Recommendation: We recommend the County review and update its procedures for identifying and recording capital asset activity.

View of Responsible Officials and Planned Corrective Actions: We concur with this finding and we will implement procedures to establish a process for ensuring the capital asset activity of the County is properly recorded.

FINDINGS – FINANCIAL STATEMENTS AUDIT (continued)

2019-3 **Grant revenues**

Condition: During our audit we noted that grant revenues receivable were not recorded for certain grant funds that were due to the County at year-end. In addition, some grant revenues were posted to the wrong fund. Grant revenues should be reconciled to award documents to ensure all grant expenses and revenue have been properly recorded.

Criteria: All revenues earned and realizable should be accrued and matched to the related expenses in the proper funds.

Cause: The County does not have procedures in place to make sure all grant documentation is collected and reconciled properly.

Effect: Many of the adjusting entries needed to record these accruals and corrections to the proper funds were material to the County's financial statements.

Auditor's Recommendation: Grant revenues should be reconciled to award documents to ensure all grant expenses and revenue have been properly recorded.

View of Responsible Officials and Planned Corrective Actions: We concur with this finding and we will implement procedures to establish a process for collecting grant award documents and reconciling them to the general ledger.

2019-4 **Sheriff's Department – Cash overage**

Condition: During our audit we noted that the agency account for the Sheriff's Department contained cash in excess of what was owed to other agencies and that funds collected for income unrelated to the Sheriff's fiduciary duty to the County are being accounted for in that account. Those funds include sponsorships of community events and donations. Expenses related to these events are also paid from this account.

Criteria: Only pass-through funds for which the Sheriff's Department has a fiduciary duty to either hold or disburse to others should be deposited into the Sheriff's agency account.

Cause: The Sheriff's Department is not separately accounting for their fiduciary receipts and the amounts due out to others.

Effect: The Sheriff's Department's agency account is accumulating excess cash.

Auditor's Recommendation: Revenues that are not owed to others, such as revenues for community service events should not be deposited into the Sheriff's agency account and ending cash balances should be reconciled to the amount due to others at the end of each month. The Sheriff has started his own nonprofit corporation and community events and sponsorships could be run through that Foundation instead of County accounts.

FINDINGS – FINANCIAL STATEMENTS AUDIT (continued)

View of Responsible Officials and Planned Corrective Actions: We concur with this finding and we will work with the Sheriff's Department to develop controls to properly account for all funds received by their office.

FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT

None reported.