# *UNION COUNTY, GEORGIA*

## *Annual Financial Report*

## *For the year ended December 31, 2017*

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***UNION COUNTY, GEORGIA***
***ANNUAL FINANCIAL REPORT***
***For the year ended December 31, 2017***

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# Independent Auditor's Report

Honorable Commissioner
Union 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 Union County, Georgia, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Union County, Georgia's basic financial statements as listed in the table of contents.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Union County Health Department, a component unit of Union County, which represents 21.5% of the assets, 4.4% of the net position, and 66.8% of the revenues of the aggregate discretely presented component units for the year ended December 31, 2017. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Union County Health Department, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County'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 Union County, Georgia, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons of the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## Other Matters

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

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

The combining and individual fund financial statements and schedules and the schedule of projects financed with special purpose local option sales tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules and the schedule of projects financed with special purpose local option sales tax are fairly stated, in all material respects, in relation to the 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 15, 2018, on our consideration of Union 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 Union County, Georgia's internal control over financial reporting and compliance.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
June 15, 2018

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*Lamar Paris*
Union County Commissioner
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## MANAGEMENT'S DISCUSSION AND ANALYSIS

Union County management is proud to present this narrative discussion and analysis of Union County's financial performance, making available an overview of the activities for the year ended December 31, 2017. This report is drafted annually to provide readers of financial statements with information that will help them make timely and meaningful financial decisions or draw conclusions about Union County. As required by the Governmental Accounting Standards Board (GASB) Statement No. 34, this discussion and analysis affords comparisons with the previous fiscal year.

### Financial Highlights

- Union County's assets exceeded its liabilities at December 31, 2017 by $50,447,142(*net position*). Of this amount, $4,715,288 is reported as unrestricted net position. This is a decrease of $1,658,812 from the previous year for unrestricted. Total net position increased by $727,716 from the previous year.

- As of December 31, 2017, Union County's governmental funds reported combined ending fund balances of $11,054,071. Approximately 30% of this total amount, or $3,341,602, is reported as unassigned and available for spending at the County's discretion. Approximately 41%, or $4,522,687, is reported as restricted for capital outlay. Information about Union County's policy on fund balance can be found in Note 2R in the *Notes to the Financial Statements* beginning on page 42.

More detailed information regarding these activities and funds begins on page 15.

### Overview of the Financial Statements

This discussion and analysis narrative is intended to serve as an introduction to Union County's basic financial statements. Union County's basic financial statements are composed of three elements: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains required supplementary information in addition to our basic financial statements.

**Government-wide Financial Statements (Reporting the County as a whole).** The focus of the government-wide financial statements is on the overall financial position and activities of Union County and is designed to provide a broad overview of the County's financial activities in a manner similar to a private business enterprise.

The County's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These two statements report information about Union County using the accrual basis of accounting, which is similar to the accounting used by non-public businesses. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The purpose of the ***Statement of Net Position*** (pages 15-16) is to report all of the assets held and liabilities owed by the County. The County reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between the total assets and total liabilities is labeled *net position*. While the purpose of County Government is not to accumulate net position, as this amount increases it can indicate the strength of the County's financial position as a whole. When this amount decreases it can indicate a weakening of the County's financial position.

The ***Statement of Activities*** (page 17) presents the revenues and expenses of the County. Under the accrual basis of accounting, revenues are recognized when earned and expenses when incurred in this statement. Thus, revenues are reported even when they may not be collected for several weeks after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period. The difference is described as *change in net position*. The Statement of Activities primary focus is on the *net cost* of various activities provided by the County and identifies the extent to which each function of the County draws from general revenues or is self-financing through user fees, special revenues, grants, or other sources.

In the Statement of Net Position and the Statement of Activities, we divide Union County into three types of activities:

- ***Governmental activities*** – Most of the County's basic services are reported under this category which includes: judicial, public safety, public works, and general administration. Taxes such as real property, sales, insurance premium and intangible finance most of these services.

- ***Business-type or Enterprise activities*** – The County charges fees to customers to assist in recovering the cost for providing certain services. The County's Golf Course and Meeks Park are reported in this category.

- ***Discretely Presented Component Units*** – A component unit is a legally separate organization for which the elected officials of the County can be financially accountable. The Development Authority of Union County and the Union County Health Department, although legally separate, function for all practical purposes as departments of Union County and have been included as an integral part of the government.

The County's government-wide financial statements are presented on pages 15-17.

**Fund Financial Statements (Reporting the County's Major Funds).**
The focus of fund financial statements is directed at specific activities of the County and its most significant funds, not the County as a whole. A fund is an entity with a self-balancing set of accounts that the County uses to track specific resources and expenditures, either for management purposes or because of legal mandates. In addition to the major funds, individual fund data for the County's non-major funds can be found beginning on page 64. The County's funds are divided into three broad categories: governmental, proprietary, and fiduciary. They use different prescribed accounting methodologies.

- ***Governmental Funds*** – These funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on the short-term view of the County's general government operations and the basic services it provides. Governmental funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can readily be converted to cash.

  Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements and because of the different accounting methods used to prepare them, there are often significant differences between the totals presented in these financial statements. It is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By so doing, readers may better understand the long-term impact of the government's near-term financing decisions. An analysis of the balance sheet and the statement of revenues, expenditures, and changes in fund balances that reconciles the two statements are provided following each statement.

  Union County maintains sixteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and SPLOST IV Capital Projects Fund, which are considered major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 64-67 of this report.

  Union County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been included for the General Fund to show the final result of actual revenues and expenditures as compared to the initial projections.

  The County's basic governmental fund financial statements are presented on pages 18-23 of this report.

- ***Proprietary Funds*** – When the County charges customers for the services it provides, whether to outside customers or internally to departments of the County, these services are generally reported in proprietary funds. The County maintains one type of proprietary funds: Enterprise Funds. These proprietary funds are prepared using the same accrual basis of accounting as the government-wide financial statements.

  Enterprise fund statements report the same functions presented in the business-type activities columns of the government-wide financial statements. Union County uses enterprise funds to account for its Golf Course and Meeks Park functions.

  The County's proprietary fund financial statements are presented on pages 24-26.

  ***Fiduciary Funds –*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs and services. The accounting used for fiduciary funds is similar to that used for proprietary funds. Fiduciary funds are presented in the fund financial statements but are not reported in the government-wide financial statements. The fiduciary fund financial statements are presented on page 27.

**Notes to the financial statements.**
The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-63 of this report.

**Other Supplementary Information.**
Other supplementary information includes combining financial statements for non-major governmental, proprietary, and fiduciary funds. These funds are added together by fund type and presented in single columns in the basic financial statements but are not reported individually, as with major funds, on the government-wide financial statements.

This report includes two schedules (pages 19 and 21) which reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual to accrual accounting:

- Capital assets used in governmental activities on the government-wide statements are not reported on fund financial statements.
- Certain tax revenues that are earned, but not available, are reported as revenue on the government-wide statements but as deferred inflows of resources on the fund statements.
- Unless due and payable, long-term liabilities, such as lease obligations, compensated absences, bonds and notes payable, and others only appear as liabilities in the government-wide statements.

- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the governmental fund financial statements.
- Certain other outflows represent either increases or decreases in liabilities on the government-wide statements but are reported as expenditures on the governmental fund financial statements.

## Overview of the County's Financial Position and Operations

The County's overall financial position and operations for this fiscal year is summarized as follows based on the information included in the government-wide financial statements (see pages 15-17):

**Union County**
**Net Position**
**Fiscal Years 2017 and 2016**

| | Governmental Activities | | Business-Type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| **Assets:** | | | | | | |
| Current | $ 19,615,165 | $ 20,288,003 | $ 181,900 | $ (163,360) | $ 19,797,065 | $ 20,124,643 |
| Noncurrent | 39,453,441 | 40,096,188 | 5,563,769 | 5,345,343 | 45,017,210 | 45,441,531 |
| **Total assets** | 59,068,606 | 60,384,191 | 5,745,669 | 5,181,983 | 64,814,275 | 65,566,174 |
| **Liabilities:** | | | | | | |
| Current | 2,456,164 | 2,577,057 | 118,466 | 181,344 | 2,574,630 | 2,758,401 |
| Noncurrent | 4,677,272 | 6,071,724 | 106,693 | 177,822 | 4,783,965 | 6,249,546 |
| **Total liabilities** | 7,133,436 | 8,648,781 | 225,159 | 359,166 | 7,358,595 | 9,007,947 |
| **Deferred inflows of resources** | 7,008,538 | 6,838,801 | 0 | 0 | 7,008,538 | 6,838,801 |
| **Net position:** | | | | | | |
| Net investment in capital assets | 33,789,773 | 33,052,996 | 5,385,947 | 5,096,392 | 39,175,720 | 38,149,388 |
| Restricted | 6,556,134 | 5,195,938 | 0 | 0 | 6,556,134 | 5,195,938 |
| Unrestricted | 4,580,725 | 6,647,675 | 134,563 | (273,575) | 4,715,288 | 6,374,100 |
| **Total net position** | $ 44,926,632 | $ 44,896,609 | $ 5,520,510 | $ 4,822,817 | $ 50,447,142 | $ 49,719,426 |

Net position may serve over time as a useful indicator of a government's financial position. Assets for Union County exceeded liabilities by $50,447,142 at the close of 2017. Approximately 78% of Union County's net position is reflected in its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt outstanding that was needed to construct or acquire them. This is an increase from 77% at December 31, 2016. The County uses capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Restricted net position comprises 13% of total net position. This amount represents resources that are subject to external restrictions or enabling legislation on how they may be used. Unrestricted net position makes up the remaining 9%.

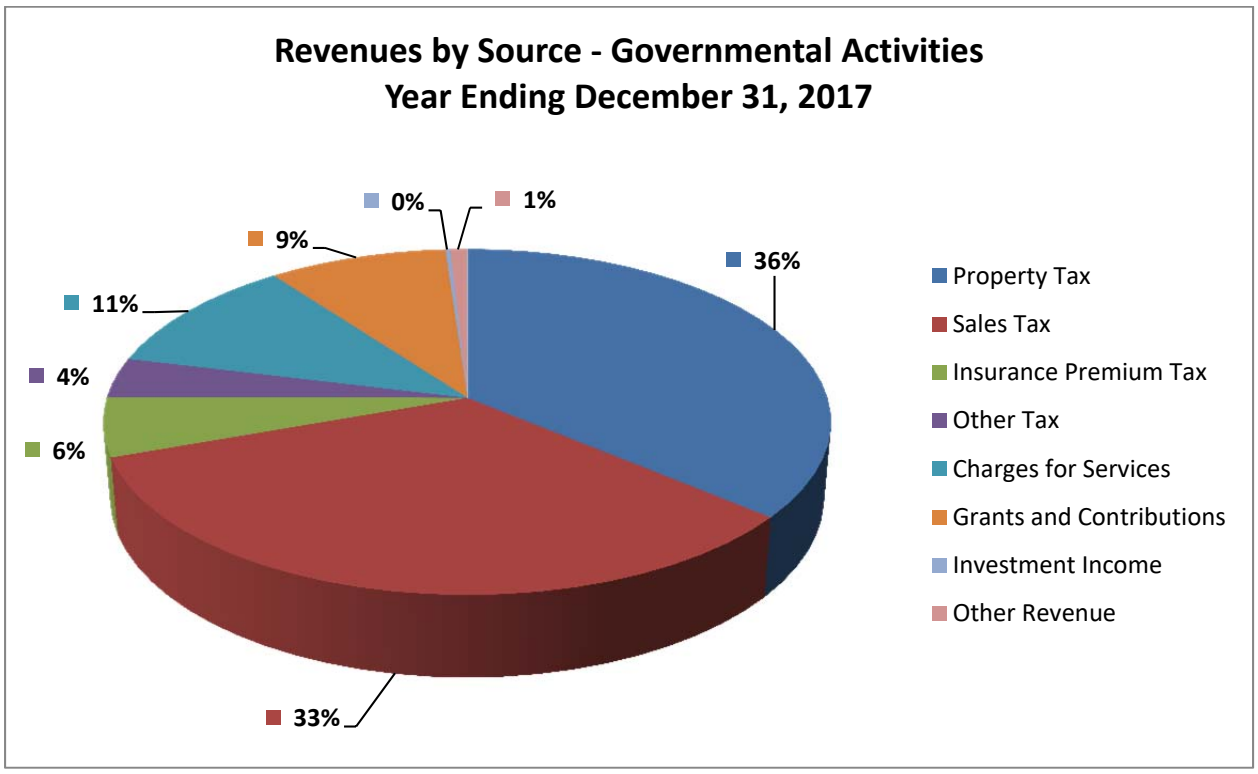
The following condensed financial information was derived from the government-wide Statement of Activities and reflects how Union County's net position changed during the year.

**Union County**
**Changes in Net Position**
**Fiscal Years 2017 and 2016**

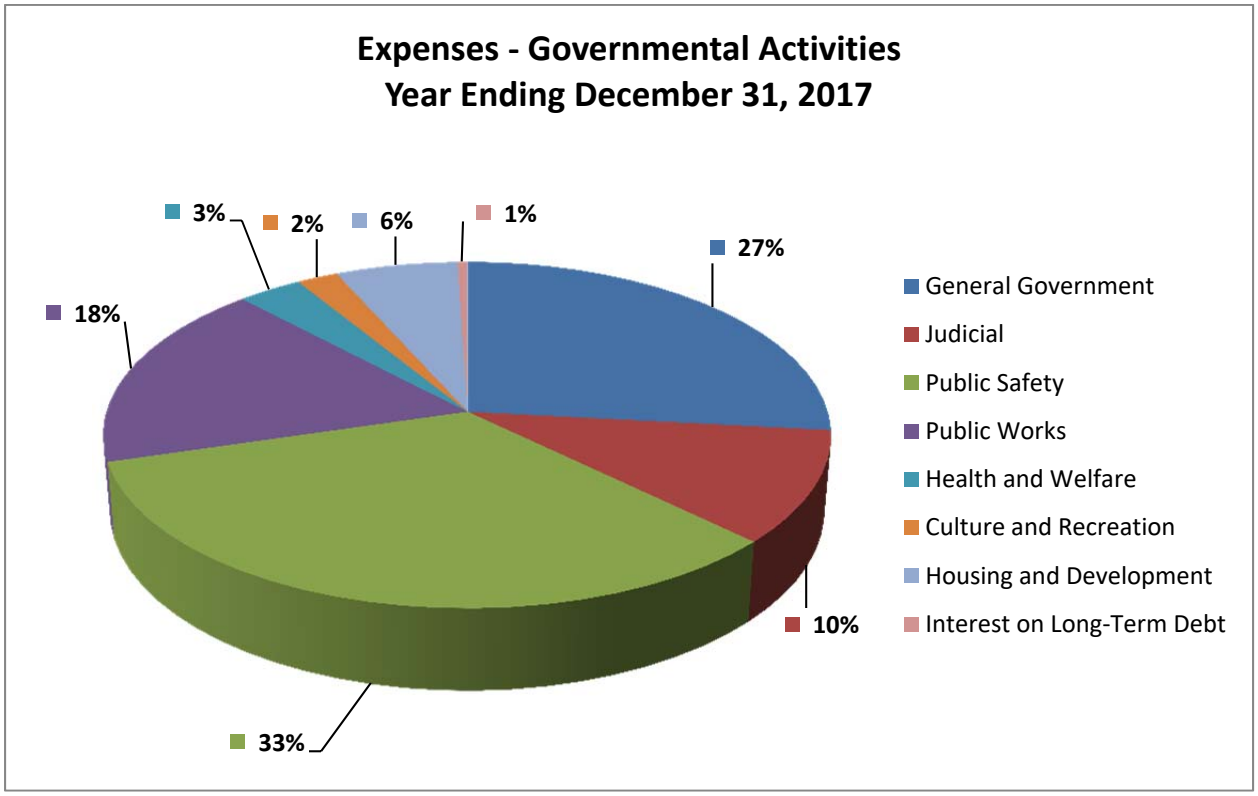
| | Governmental Activities | | Business-Type Activities | | Totals | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| **Revenues** | | | | | | |
| Program revenues: | | | | | | |
| Charges for services | $ 2,458,184 | $ 2,268,326 | $ 1,282,103 | $ 1,051,179 | $ 3,740,287 | $ 3,319,505 |
| Operating grants and contributions | 1,140,963 | 939,193 | 0 | 0 | 1,140,963 | 939,193 |
| Capital grants and contributions | 886,764 | 926,165 | 0 | 0 | 886,764 | 926,165 |
| General revenues: | | | | | | |
| Property tax | 8,067,880 | 8,488,530 | 0 | 0 | 8,067,880 | 8,488,530 |
| Sales tax | 7,482,245 | 7,188,029 | 0 | 0 | 7,482,245 | 7,188,029 |
| Insurance premium tax | 1,238,100 | 1,156,060 | 0 | 0 | 1,238,100 | 1,156,060 |
| Other taxes | 832,127 | 813,217 | 0 | 0 | 832,127 | 813,217 |
| Interest & investment earnings | 53,866 | 26,817 | 0 | 0 | 53,866 | 26,817 |
| Other revenue | 196,577 | 499,954 | 145,493 | 154,038 | 342,070 | 653,992 |
| **Total revenues** | 22,356,706 | 22,306,291 | 1,427,596 | 1,205,217 | 23,784,302 | 23,511,508 |
| **Expenses** | | | | | | |
| General Government | 5,447,084 | 4,679,626 | 0 | 0 | 5,447,084 | 4,679,626 |
| Judicial | 2,140,740 | 1,946,726 | 0 | 0 | 2,140,740 | 1,946,726 |
| Public Safety | 6,773,966 | 6,858,553 | 0 | 0 | 6,773,966 | 6,858,553 |
| Public Works | 3,577,828 | 4,805,157 | 0 | 0 | 3,577,828 | 4,805,157 |
| Health and Welfare | 667,240 | 726,187 | 0 | 0 | 667,240 | 726,187 |
| Culture and Recreation | 424,042 | 388,130 | 0 | 0 | 424,042 | 388,130 |
| Housing and Development | 1,262,888 | 1,194,438 | 0 | 0 | 1,262,888 | 1,194,438 |
| Interest on long-term debt | 103,022 | 127,076 | 0 | 0 | 103,022 | 127,076 |
| Golf Course | 0 | 0 | 1,160,842 | 878,589 | 1,160,842 | 878,589 |
| Meeks Park | 0 | 0 | 1,498,934 | 1,372,801 | 1,498,934 | 1,372,801 |
| **Total expenses** | 20,396,810 | 20,725,893 | 2,659,776 | 2,251,390 | 23,056,586 | 22,977,283 |
| **Increase (decrease) in net position before transfers** | 1,959,896 | 1,580,398 | (1,232,180) | (1,046,173) | 727,716 | 534,225 |
| Transfers | (1,929,873) | (1,956,220) | 1,929,873 | 1,956,220 | 0 | 0 |
| **Increase (decrease) in net position** | 30,023 | (375,822) | 697,693 | 910,047 | 727,716 | 534,225 |
| **Net position - beginning** | 44,896,609 | 45,272,431 | 4,822,817 | 3,912,770 | 49,719,426 | 49,185,201 |
| **Net position - ending** | $ 44,926,632 | $ 44,896,609 | $ 5,520,510 | $ 4,822,817 | $ 50,447,142 | $ 49,719,426 |

**Governmental Activities –**

The following chart illustrates revenues of the governmental activities for the fiscal year:




The following chart illustrates the expenses of the governmental activities for the fiscal year:



**Business-Type Activities –**

Aside from transfers from other funds, business-type activities did not contribute to an increase in Union County's net position. The net loss before transfers was $868,704. After transfers in of $1,566,397, the increase in net position was $697,693, or 14%.

## Financial Analysis of the County's Funds

Union County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The main focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of unrestricted resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

1) As the County completed this year, its governmental funds reported a combined ending fund balance of $11,054,071. Of this amount, $3,341,602 (30%) constitutes unassigned fund balance, which is available for appropriation for the general purposes of the funds in accordance with the Union County policy on fund balance.

The General Fund is the chief operating fund of the County. At the end of the current year, fund balance of the General Fund was $3,894,777. Unassigned fund balance represents approximately 86% of total fund balance in the General Fund. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 21% of total General Fund expenditures, while total fund balance represents approximately 25% of that same amount. The County ended the year realizing a decrease in the overall fund balance in the General Fund by $2,108,195, or approximately 35%. The County decreased unassigned fund balance in the General Fund by $1,989,867, or 37%. This decrease was due in large part to increased expenditures, largely due to increased insurance claims.

## General Fund Budget Highlights

The original budget for the General Fund was amended by various appropriations approved after the beginning of the year. Budgeted revenues and other financing sources in total increased $292,267 and expenditures and other financing uses in total increased $2,317,267 from original to final budgets. The County experienced a small decrease in revenues from the prior fiscal year. The County experienced a significant increase in expenditures from the prior fiscal year. The County ended the fiscal year with a decrease in the fund balance. Overall, the County had a small decrease in revenues and other financing sources and significantly increased expenditures to lead to a large decrease in fund balance.

**Proprietary Funds.** Union County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Total net position of the County's two proprietary funds totaled as follows:

- Golf Course $ 1,772,182
- Meeks Park $ 3,748,328

The Golf Course Fund increased net position by $241,181. The increase is due to transfers exceeding the operating loss. The Meeks Park Fund increased net position by $456,512. The increase is due to transfers and contributions of capital assets from Governmental Activities exceeding the operating loss.

## Capital Assets and Debt Administration

**Capital Assets.** Union County has invested $45,017,210 in capital assets (net of accumulated depreciation) compared to $45,441,531 in the previous year. This represents a decrease of 0.9%. Approximately 88% of this investment is related to governmental activities and includes infrastructure, land, buildings, equipment and vehicles. Capital assets held by the County at year-end are summarized as follows:

**Union County**
**Capital Assets (net of accumulated depreciation)**
**Fiscal Years 2017 and 2016**

| | Governmental Activities | | Business-Type Activities | | Totals | |
|---|---|---|---|---|---|---|
| | 2017 | 2016 | 2017 | 2016 | 2017 | 2016 |
| Land | $ 5,284,848 | $ 4,409,850 | $ 2,435,497 | $ 2,427,997 | $ 7,720,345 | $ 6,837,847 |
| Construction in progress | 381,958 | 806,585 | 0 | 7,500 | 381,958 | 814,085 |
| Land improvements | 0 | 0 | 977,189 | 950,145 | 977,189 | 950,145 |
| Buildings and improvements | 32,372,121 | 31,963,431 | 3,169,155 | 2,796,800 | 35,541,276 | 34,760,231 |
| Equipment and furniture | 5,625,131 | 5,430,950 | 1,560,794 | 1,427,784 | 7,185,925 | 6,858,734 |
| Vehicles | 6,428,014 | 6,004,530 | 116,536 | 100,116 | 6,544,550 | 6,104,646 |
| Infrastructure | 21,200,630 | 21,200,630 | 0 | 0 | 21,200,630 | 21,200,630 |
| **Total** | 71,292,702 | 69,815,976 | 8,259,171 | 7,710,342 | 79,551,873 | 77,526,318 |
| Accumulated depreciation | (31,839,261) | (29,719,788) | (2,695,402) | (2,364,999) | (34,534,663) | (32,084,787) |
| **Net Capital Assets** | $ 39,453,441 | $ 40,096,188 | $ 5,563,769 | $ 5,345,343 | $ 45,017,210 | $ 45,441,531 |

Major capital asset purchases during the current year for governmental activities included the following:

- Completion of various SPLOST projects
- Purchase of vehicles and heavy equipment for various departments
- Purchase of land for continued growth for the County
- Continuing road construction, road improvements, culvert repairs and bridge repairs

Major capital asset purchases during the current year for business-type activities included the following:

- General improvements to Meeks Park ball fields and pavilions/parking areas
- Purchase of vehicles and equipment for Meeks Park
- Continued improvements to Butternut Creek Golf Course
- Purchase of equipment for Butternut Creek Golf Course

Additional information on Union County's capital assets can be found in Note 9 on pages 50-53 of this report.

**Debt/Capital Leases**. On December 31, 2017, Union County had a total debt balance outstanding for governmental activities in the amount of $5,588,331, as compared to $6,929,686 the previous year. Union County's outstanding debt for governmental activities has decreased by $1,341,355 due to regular scheduled payments. On December 31, 2017, Union County had a total debt balance outstanding for business-type activities in the amount of $177,822, as compared to $248,951 the previous year. Union County's outstanding debt for business-type activities has decreased by $71,129 due to regular scheduled payments.

Additional information on the County's long-term debt can be found in Note 12 on pages 56-57 of this report.

**Economic Condition and Outlook**

Union County is determined to maintain an increase in our fund balance each year while continuing to provide exceptional services to our citizens. Moving forward the County will continue to face challenges as a result of past slow economic growth, but we are encouraged at the very positive direction of the current economy along with our strong fiscal county policies. Housing starts and retail sales related to residential and commercial construction are all increasing. Hotel stays and cabin rentals are strong. Most shops and restaurants continue to show an increase in business. Our average unemployment rate is the lowest in many years and continues to be among the lowest in our 13 county region.

We remain cautiously optimistic that the growth in revenues and business in Union County will continue. This stronger economy helps verify that the economic development policies Union County Government has pursued over the years has proved to be successful. These and many key factors were considered in preparation of the budget for 2018 and 2019. Our strong financial position and continued strong credit rating helps insure that Union County is ready to meet any future challenges:

- Continued reliance on residential taxes as an overall part of the tax base
- Strong recovery in countywide retail sales
- Reliance on Special Purpose Local Option Sales Tax for capital improvements to continue improving our quality of life and limit requirements for more property tax dollars
- Union County's unemployment rate remaining near record low levels in the 4% range, exceeding state and national averages in most months

- With continued growth there will eventually be a need for additional personnel, development, and training
- Rising cost of healthcare and other insurance benefits must always be considered as to how it will impact budgets
- We continue to actively pursue construction of SPLOST projects from our 2015 SPLOST (SPLOST 4)

**Contacting the County**

This financial report is designed to provide County citizens, taxpayers, customers, and creditors with a general overview of Union County's finances and to demonstrate the County's high level of accountability for the revenue it receives and the services it provides. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Union County
65 Courthouse Street
Blairsville, GA 30512
706-439-6000
unioncounty@uniongov.com
http://www.unioncountyga.gov

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***BASIC FINANCIAL STATEMENTS***

***UNION COUNTY, GEORGIA***
***STATEMENT OF NET POSITION***
***December 31, 2017***

| | Primary Government | | | Component Units |
|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | |
| **ASSETS** | | | | |
| **Current assets** | | | | |
| Cash and cash equivalents | $ 13,965,591 | $ 550,300 | $ 14,515,891 | $ 1,107,612 |
| Restricted cash and cash equivalents | 2,693,433 | 0 | 2,693,433 | 0 |
| Receivables (net) | | | | |
| Accounts | 478,320 | 1,445 | 479,765 | 9,360 |
| Intergovernmental | 185,423 | 0 | 185,423 | 0 |
| Taxes | 1,829,842 | 0 | 1,829,842 | 0 |
| Prepaid items | 40,673 | 0 | 40,673 | 0 |
| Inventories | 0 | 52,038 | 52,038 | 0 |
| Internal balances | 421,883 | (421,883) | 0 | 0 |
| Total current assets | 19,615,165 | 181,900 | 19,797,065 | 1,116,972 |
| **Noncurrent assets** | | | | |
| Land held for resale | 0 | 0 | 0 | 1,635,919 |
| Capital assets | | | | |
| Non-depreciable | 5,666,806 | 2,435,497 | 8,102,303 | 171,001 |
| Depreciable (net) | 33,786,635 | 3,128,272 | 36,914,907 | 110 |
| Total noncurrent assets | 39,453,441 | 5,563,769 | 45,017,210 | 1,807,030 |
| **Total assets** | 59,068,606 | 5,745,669 | 64,814,275 | 2,924,002 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Pension deferred outflows of resources | 0 | 0 | 0 | 178,762 |
| **LIABILITIES** | | | | |
| **Current liabilities** | | | | |
| Accounts payable | 487,827 | 28,665 | 516,492 | 4,519 |
| Accrued interest payable | 6,862 | 0 | 6,862 | 0 |
| Accrued salaries and payroll liabilities | 100,227 | 0 | 100,227 | 9,447 |
| Accrued expenses | 0 | 10,611 | 10,611 | 0 |
| Compensated absences | 94,658 | 8,061 | 102,719 | 38,000 |
| Capital leases payable | 0 | 71,129 | 71,129 | 0 |
| Notes payable | 10,175 | 0 | 10,175 | 0 |
| Bonds payable | 1,345,000 | 0 | 1,345,000 | 0 |
| Landfill post-closure care costs | 28,200 | 0 | 28,200 | 0 |
| Other current liabilities | 383,215 | 0 | 383,215 | 0 |
| Total current liabilities | 2,456,164 | 118,466 | 2,574,630 | 51,966 |
| **Noncurrent liabilities** | | | | |
| Compensated absences | 0 | 0 | 0 | 22,705 |
| Proportionate share of net pension liability | 0 | 0 | 0 | 636,336 |
| Capital leases payable | 0 | 106,693 | 106,693 | 0 |
| Notes payable | 33,156 | 0 | 33,156 | 0 |
| Bonds payable | 4,200,000 | 0 | 4,200,000 | 0 |
| Landfilll post-closure care costs | 444,116 | 0 | 444,116 | 0 |
| Total noncurrent liabilities | 4,677,272 | 106,693 | 4,783,965 | 659,041 |
| **Total liabilities** | 7,133,436 | 225,159 | 7,358,595 | 711,007 |

## *UNION COUNTY, GEORGIA*
## *STATEMENT OF NET POSITION*
## *December 31, 2017*

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | Component Units |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Pension deferred inflows of resources | $ 0 | $ 0 | $ 0 | $ 1,471 |
| Property taxes levied for subsequent year | 7,008,538 | 0 | 7,008,538 | 0 |
| **Total deferred inflows of resources** | 7,008,538 | 0 | 7,008,538 | 1,471 |
| **NET POSITION** | | | | |
| Net investment in capital assets | 33,789,773 | 5,385,947 | 39,175,720 | 171,111 |
| Restricted for: | | | | |
| Law library operations | 60,342 | 0 | 60,342 | 0 |
| Judicial activities | 734,704 | 0 | 734,704 | 0 |
| Public safety activities | 374,444 | 0 | 374,444 | 0 |
| Health and welfare activities | 0 | 0 | 0 | 53,258 |
| Capital outlay | 4,522,687 | 0 | 4,522,687 | 0 |
| Debt service | 863,957 | 0 | 863,957 | 0 |
| Unrestricted | 4,580,725 | 134,563 | 4,715,288 | 2,165,917 |
| **Total net position** | $ 44,926,632 | $ 5,520,510 | $ 50,447,142 | $ 2,390,286 |

## *UNION COUNTY, GEORGIA*
## *STATEMENT OF ACTIVITIES*
## *For the year ended December 31, 2017*

| FUNCTIONS/PROGRAMS | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions | Net (Expense) Revenue |
|---|---|---|---|---|---|
| **Primary government** | | | | | |
| Governmental activities | | | | | |
| General Government | $ 5,447,084 | $ 456,525 | $ 5,000 | $ 5,616 | $ (4,979,943) |
| Judicial | 2,140,740 | 162,651 | 879,832 | 0 | (1,098,257) |
| Public Safety | 6,773,966 | 1,452,697 | 174,959 | 43,044 | (5,103,266) |
| Public Works | 3,577,828 | 359,976 | 11,360 | 738,104 | (2,468,388) |
| Health and Welfare | 667,240 | 26,335 | 0 | 0 | (640,905) |
| Culture and Recreation | 424,042 | 0 | 0 | 100,000 | (324,042) |
| Housing and Development | 1,262,888 | 0 | 69,812 | 0 | (1,193,076) |
| Interest on long-term debt | 103,022 | 0 | 0 | 0 | (103,022) |
| Total governmental activities | 20,396,810 | 2,458,184 | 1,140,963 | 886,764 | (15,910,899) |
| **Business-type activities** | | | | | |
| Golf Course | 1,160,842 | 898,755 | 0 | 0 | (262,087) |
| Meeks Park | 1,498,934 | 383,348 | 0 | 0 | (1,115,586) |
| Total business-type activities | 2,659,776 | 1,282,103 | 0 | 0 | (1,377,673) |
| Total primary government | 23,056,586 | 3,740,287 | 1,140,963 | 886,764 | (17,288,572) |
| **Component Units** | | | | | |
| Union County Health Department | | | | | |
| Health and Welfare | 864,557 | 397,624 | 327,145 | 0 | (139,788) |
| Development Authority of Union County | | | | | |
| Housing and Development | 198,067 | 20,016 | 5,000 | 171,001 | (2,050) |
| Total component units | 1,062,624 | 417,640 | 332,145 | 171,001 | (141,838) |

| | Primary Government: Governmental Activities | Primary Government: Business-Type Activities | Primary Government: Total | Component Units |
|---|---|---|---|---|
| **Change in net position** | | | | |
| Net (expense) revenue | $ (15,910,899) | $ (1,377,673) | $ (17,288,572) | $ (141,838) |
| General revenues | | | | |
| Taxes | | | | |
| Property | 8,067,880 | 0 | 8,067,880 | 0 |
| Sales | 7,482,245 | 0 | 7,482,245 | 0 |
| Insurance premium | 1,238,100 | 0 | 1,238,100 | 0 |
| Other | 832,127 | 0 | 832,127 | 0 |
| Interest and investment earnings | 53,866 | 0 | 53,866 | 815 |
| Payments from Union County | 0 | 0 | 0 | 287,512 |
| Gain on sale of capital assets | 30,304 | 5,500 | 35,804 | 0 |
| Other | 166,273 | 139,993 | 306,266 | 52,721 |
| Transfers | (1,929,873) | 1,929,873 | 0 | 0 |
| Total general revenues and transfers | 15,940,922 | 2,075,366 | 18,016,288 | 341,048 |
| Change in net position | 30,023 | 697,693 | 727,716 | 199,210 |
| Net position - beginning | 44,896,609 | 4,822,817 | 49,719,426 | 2,191,076 |
| Net position - ending | $ 44,926,632 | $ 5,520,510 | $ 50,447,142 | $ 2,390,286 |

***UNION COUNTY, GEORGIA***
***BALANCE SHEET***
***GOVERNMENTAL FUNDS***
***December 31, 2017***

| | General | SPLOST IV | Nonmajor Governmental Funds | Totals |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash and cash equivalents | $ 9,890,405 | $ 2,358,586 | $ 1,716,600 | $ 13,965,591 |
| Restricted cash and cash equivalents | 0 | 1,829,476 | 863,957 | 2,693,433 |
| Receivables (net) | | | | |
| Accounts | 400,600 | 0 | 77,720 | 478,320 |
| Intergovernmental | 66,602 | 0 | 118,821 | 185,423 |
| Taxes | 1,410,656 | 375,284 | 43,902 | 1,829,842 |
| Due from other funds | 55,768 | 0 | 0 | 55,768 |
| Prepaid items | 34,823 | 0 | 5,850 | 40,673 |
| Advances to other funds | 518,352 | 0 | 0 | 518,352 |
| **Total assets** | $ 12,377,206 | $ 4,563,346 | $ 2,826,850 | $ 19,767,402 |
| **LIABILITIES** | | | | |
| Accounts payable | $ 312,693 | $ 93,611 | $ 81,523 | $ 487,827 |
| Accrued salaries and payroll liabilities | 100,227 | 0 | 0 | 100,227 |
| Due to other funds | 96,469 | 100 | 55,668 | 152,237 |
| Other liabilities | 383,215 | 0 | 0 | 383,215 |
| Total liabilities | 892,604 | 93,711 | 137,191 | 1,123,506 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Property taxes levied for subsequent year | 7,008,538 | 0 | 0 | 7,008,538 |
| Unavailable revenue - property taxes | 198,430 | 0 | 0 | 198,430 |
| Unavailable revenue - other | 382,857 | 0 | 0 | 382,857 |
| Total deferred inflows of resources | 7,589,825 | 0 | 0 | 7,589,825 |
| **FUND BALANCES** | | | | |
| Nonspendable: | | | | |
| Prepaid items | 34,823 | 0 | 5,850 | 40,673 |
| Advances to other funds | 518,352 | 0 | 0 | 518,352 |
| Restricted for: | | | | |
| Law library operations | 0 | 0 | 60,342 | 60,342 |
| Judicial activities | 0 | 0 | 734,704 | 734,704 |
| Public safety activities | 0 | 0 | 374,444 | 374,444 |
| Capital outlay | 0 | 4,469,635 | 53,052 | 4,522,687 |
| Debt service | 0 | 0 | 863,957 | 863,957 |
| Assigned for: | | | | |
| Emergency 911 system operations | 0 | 0 | 71,869 | 71,869 |
| Tourism | 0 | 0 | 71,121 | 71,121 |
| Capital outlay | 0 | 0 | 454,320 | 454,320 |
| Unassigned | 3,341,602 | 0 | 0 | 3,341,602 |
| Total fund balances | 3,894,777 | 4,469,635 | 2,689,659 | 11,054,071 |
| **Total liabilities, deferred inflows of resouces, and fund balances** | $ 12,377,206 | $ 4,563,346 | $ 2,826,850 | $ 19,767,402 |

***UNION COUNTY, GEORGIA***
***RECONCILIATION OF THE BALANCE SHEET OF***
***GOVERNMENTAL FUNDS TO THE***
***STATEMENT OF NET POSITION***
***December 31, 2017***

| | | |
|---|---|---|
| **Total fund balance - total governmental funds** | | $ 11,054,071 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Some assets are not financial resources and therefore are not reported in the funds. These are: | | |
| Capital assets, net of accumulated depreciation | | 39,453,441 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. | | 581,287 |
| Some liabilities are not due and payable in the current period and therefore are not reported in the funds. These are: | | |
| Accrued interest payable | $ (6,862) | |
| Compensated absences | (94,658) | |
| Notes payable | (43,331) | |
| Bonds payable | (5,545,000) | |
| Landfill post-closure care costs | (472,316) | (6,162,167) |
| Net position of governmental activities | | $ 44,926,632 |

***UNION COUNTY, GEORGIA***
***STATEMENT OF REVENUES,***
***EXPENDITURES, AND CHANGES IN FUND BALANCES***
***GOVERNMENTAL FUNDS***
***For the year ended December 31, 2017***

| | General | SPLOST IV | Nonmajor Governmental Funds | Totals |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Taxes | $ 13,228,249 | $ 4,156,803 | $ 247,767 | $ 17,632,819 |
| Licenses and permits | 294,725 | 0 | 0 | 294,725 |
| Fines, fees and forfeitures | 452,828 | 0 | 104,385 | 557,213 |
| Charges for services | 614,209 | 0 | 552,942 | 1,167,151 |
| Intergovernmental | 705,883 | 732,215 | 987,774 | 2,425,872 |
| Interest | 53,259 | 25,645 | 852 | 79,756 |
| Contributions | 5,616 | 0 | 9,447 | 15,063 |
| Other | 162,654 | 0 | 3,619 | 166,273 |
| **Total revenues** | 15,517,423 | 4,914,663 | 1,906,786 | 22,338,872 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General Government | 5,643,040 | 0 | 35 | 5,643,075 |
| Judicial | 1,191,216 | 0 | 921,505 | 2,112,721 |
| Public Safety | 5,792,686 | 0 | 630,733 | 6,423,419 |
| Public Works | 1,423,188 | 0 | 0 | 1,423,188 |
| Health and Welfare | 604,587 | 0 | 0 | 604,587 |
| Culture and Recreation | 346,031 | 0 | 198,998 | 545,029 |
| Housing and Development | 717,155 | 0 | 202,294 | 919,449 |
| Capital outlay | 0 | 2,035,879 | 0 | 2,035,879 |
| Debt service | 23,044 | 0 | 1,424,139 | 1,447,183 |
| Intergovernmental | 0 | 323,257 | 0 | 323,257 |
| **Total expenditures** | 15,740,947 | 2,359,136 | 3,377,704 | 21,477,787 |
| Excess (deficiency) of revenues over (under) expenditures | (223,524) | 2,555,527 | (1,470,918) | 861,085 |
| Other financing sources (uses) | | | | |
| Transfers in | 0 | 37,910 | 1,835,932 | 1,873,842 |
| Transfers out | (1,902,176) | (1,477,182) | (60,881) | (3,440,239) |
| Sale of capital assets | 17,505 | 0 | 12,800 | 30,305 |
| Total other financing sources (uses) | (1,884,671) | (1,439,272) | 1,787,851 | (1,536,092) |
| Net change in fund balance | (2,108,195) | 1,116,255 | 316,933 | (675,007) |
| Fund balances, January 1 | 6,002,972 | 3,353,380 | 2,372,726 | 11,729,078 |
| **Fund balances, December 31** | $ 3,894,777 | $ 4,469,635 | $ 2,689,659 | $ 11,054,071 |

See accompanying notes to the financial statements.

## *UNION COUNTY, GEORGIA*
## *RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES*
## *For the year ended December 31, 2017*

| | | | |
|---|---|---|---|
| **Net change in fund balances - total governmental funds** | | | $ (675,007) |
| Amounts reported for governmental activities in the statement of activities are different because: | | | |
| Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. | | | |
| Capital outlays | $ 2,532,511 | | |
| Depreciation | (2,372,274) | | 160,237 |
| In the statement of activities, gains and losses on the sale of capital assets are reported, whereas in the governmental funds, the proceeds from the sale of capital assets increases financial resources. | | | |
| Cost of assets disposed | $ (692,309) | | |
| Related accumulated depreciation | 252,801 | | (439,508) |
| Distributions of capital assets decrease net position in the statement of activities, but do not appear in the governmental funds because they do not require the use of current financial resources. | | | |
| Cost of assets distributed to business-type activities | $ (363,476) | | |
| Related accumulated depreciation | 0 | | (363,476) |
| The proceeds of debt issuance, net of premiums, discounts and issuance costs provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. In addition, interest on long-term debt is not recognized in the governmental funds until due, but is recognized in the statement of activities as it accrues. | | | |
| Debt principal payments | $ 1,341,355 | | |
| Net change in interest payable | 2,806 | | 1,344,161 |
| Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include recognition of unavailable revenue. | | | (12,470) |
| Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. | | | |
| Compensated absences | $ (12,114) | | |
| Landfill post-closure care costs | 28,200 | | 16,086 |
| Change in net position of governmental activities | | | $ 30,023 |

***UNION COUNTY, GEORGIA***
***GENERAL FUND***
***STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP) AND ACTUAL***
***For the year ended December 31, 2017***

| | Budget | | | Variance with |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **REVENUES** | | | | |
| Taxes | $ 12,550,485 | $ 13,225,000 | $ 13,228,249 | $ 3,249 |
| Licenses and permits | 249,000 | 294,000 | 294,725 | 725 |
| Fines, fees and forfeitures | 502,000 | 444,652 | 452,828 | 8,176 |
| Charges for services | 275,058 | 614,000 | 614,209 | 209 |
| Intergovernmental | 679,233 | 705,000 | 705,883 | 883 |
| Interest | 27,000 | 53,000 | 53,259 | 259 |
| Contibutions | 0 | 5,500 | 5,616 | 116 |
| Other | 928,109 | 162,000 | 162,654 | 654 |
| **Total revenues** | 15,210,885 | 15,503,152 | 15,517,423 | 14,271 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General Government | | | | |
| Executive | 323,949 | 331,000 | 330,334 | 666 |
| Elections | 141,265 | 83,000 | 82,403 | 597 |
| General administration | 562,914 | 1,529,000 | 1,528,898 | 102 |
| Financial administration | 167,635 | 180,000 | 179,906 | 94 |
| Tax commissioner | 305,548 | 305,548 | 287,022 | 18,526 |
| Tax assessor | 318,275 | 318,275 | 308,240 | 10,035 |
| Risk management | 258,000 | 2,607,000 | 2,606,124 | 876 |
| General government buildings | 287,309 | 321,000 | 320,113 | 887 |
| Judicial | | | | |
| Judicial administration | 3,300 | 3,300 | 3,130 | 170 |
| Superior court | 128,189 | 103,000 | 102,410 | 590 |
| Drug court | 0 | 12,000 | 11,125 | 875 |
| Clerk of superior court | 258,071 | 255,768 | 254,335 | 1,433 |
| District attorney | 100,211 | 100,211 | 86,780 | 13,431 |
| Magistrate court | 195,560 | 195,560 | 183,688 | 11,872 |
| Probate court | 221,727 | 226,000 | 225,936 | 64 |
| Juvenile court | 173,805 | 228,000 | 227,035 | 965 |
| Grand jury | 2,200 | 2,200 | 1,214 | 986 |
| Public defender | 96,522 | 96,522 | 95,563 | 959 |
| Public Safety | | | | |
| Sheriff | 2,725,389 | 2,561,000 | 2,560,140 | 860 |
| Jail operations | 1,657,887 | 1,728,000 | 1,727,647 | 353 |
| School resource officer | 0 | 152,000 | 151,525 | 475 |
| Fire and emergency management | 997,550 | 1,008,000 | 1,007,096 | 904 |
| Fire stations and buildings | 109,470 | 166,000 | 165,245 | 755 |
| Coroner | 35,155 | 35,155 | 29,092 | 6,063 |
| Animal control | 137,741 | 152,000 | 151,941 | 59 |
| Public Works | | | | |
| Highways and streets | 1,129,020 | 1,216,000 | 1,215,574 | 426 |
| Solid waste | 57,120 | 58,000 | 57,471 | 529 |
| Public education | 15,300 | 15,300 | 9,084 | 6,216 |
| Maintenance and shop | 158,177 | 158,177 | 141,059 | 17,118 |

*UNION COUNTY, GEORGIA*
*GENERAL FUND*
*STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES*
*BUDGET (GAAP) AND ACTUAL*
*For the year ended December 31, 2017*

| | Budget | | | Variance with |
|---|---|---|---|---|
| | Original | Final | Actual | Final Budget |
| **EXPENDITURES (continued)** | | | | |
| Current | | | | |
| Health and Welfare | | | | |
| Public health administration | $ 282,594 | $ 296,000 | $ 295,781 | $ 219 |
| Health department | 0 | 15,000 | 14,399 | 601 |
| Ambulance contract | 250,000 | 0 | 0 | 0 |
| Intergovernmental welfare | 36,900 | 36,900 | 26,164 | 10,736 |
| Senior citizens | 165,617 | 127,000 | 126,271 | 729 |
| Community center | 61,548 | 61,548 | 58,004 | 3,544 |
| Transportation services | 84,654 | 84,654 | 83,968 | 686 |
| Culture and Recreation | | | | |
| Participant recreation | 64,600 | 90,000 | 89,109 | 891 |
| Library admission | 258,851 | 258,851 | 256,922 | 1,929 |
| Housing and Development | | | | |
| Conservation | 54,391 | 54,391 | 53,499 | 892 |
| Agricultural | 71,397 | 75,000 | 74,234 | 766 |
| Building inspection | 209,115 | 224,000 | 223,623 | 377 |
| Planning and zoning | 141,092 | 141,092 | 133,630 | 7,462 |
| Economic development | 248,000 | 248,000 | 232,169 | 15,831 |
| Debt service | | | | |
| Principal | 58,018 | 22,000 | 21,355 | 645 |
| Interest | 0 | 1,700 | 1,689 | 11 |
| **Total expenditures** | 12,554,066 | 15,883,152 | 15,740,947 | 142,205 |
| Excess (deficiency) of revenues over expenditures | 2,656,819 | (380,000) | (223,524) | 156,476 |
| Other financing sources (uses) | | | | |
| Transfers in | 253,000 | 253,000 | 0 | (253,000) |
| Transfers out | (2,812,819) | (1,903,000) | (1,902,176) | 824 |
| Contingency | (102,000) | 0 | 0 | 0 |
| Sale of capital assets | 5,000 | 5,000 | 17,505 | 12,505 |
| Total other financing sources (uses) | (2,656,819) | (1,645,000) | (1,884,671) | (239,671) |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | 0 | (2,025,000) | (2,108,195) | (83,195) |
| Fund balances, January 1 | 0 | 2,025,000 | 6,002,972 | 3,977,972 |
| **Fund balances, December 31** | $ 0 | $ 0 | $ 3,894,777 | $ 3,894,777 |

See accompanying notes to the financial statements.

***UNION COUNTY, GEORGIA***
***STATEMENT OF NET POSITION***
***PROPRIETARY FUNDS***
***December 31, 2017***

| | Business-Type Activities | | |
|---|---|---|---|
| | Golf Course | Meeks Park | Totals |
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | $ 280,297 | $ 270,003 | $ 550,300 |
| Accounts receivable (net) | 0 | 1,445 | 1,445 |
| Inventories | 47,630 | 4,408 | 52,038 |
| Due from other funds | 22,959 | 96,469 | 119,428 |
| Total current assets | 350,886 | 372,325 | 723,211 |
| **Noncurrent assets** | | | |
| Capital assets | | | |
| Non-depreciable | 1,690,345 | 745,152 | 2,435,497 |
| Depreciable (net) | 454,722 | 2,673,550 | 3,128,272 |
| Total noncurrent assets | 2,145,067 | 3,418,702 | 5,563,769 |
| **Total assets** | 2,495,953 | 3,791,027 | 6,286,980 |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Accounts payable | 22,455 | 6,210 | 28,665 |
| Accrued expenses | 2,638 | 7,973 | 10,611 |
| Due to other funds | 0 | 22,959 | 22,959 |
| Compensated absences | 2,504 | 5,557 | 8,061 |
| Capital leases payable | 71,129 | 0 | 71,129 |
| Total current liabilities | 98,726 | 42,699 | 141,425 |
| **Noncurrent liabilities** | | | |
| Advances from other funds | 518,352 | 0 | 518,352 |
| Capital leases payable | 106,693 | 0 | 106,693 |
| Total noncurrent liabilities | 625,045 | 0 | 625,045 |
| **Total liabilities** | 723,771 | 42,699 | 766,470 |
| **NET POSITION** | | | |
| Net investment in capital assets | 1,967,245 | 3,418,702 | 5,385,947 |
| Unrestricted | (195,063) | 329,626 | 134,563 |
| **Total net position** | $ 1,772,182 | $ 3,748,328 | $ 5,520,510 |

See accompanying notes to the financial statements.

***UNION COUNTY, GEORGIA***
***STATEMENT OF REVENUES, EXPENSES,***
***AND CHANGES IN FUND NET POSITION***
***PROPRIETARY FUNDS***
***For the year ended December 31, 2017***

| | Business-Type Activities | | |
|---|---|---|---|
| | Golf Course | Meeks Park | Totals |
| **OPERATING REVENUES** | | | |
| Charges for sales and services | $ 898,755 | $ 383,348 | $ 1,282,103 |
| Other | 16,893 | 123,100 | 139,993 |
| **Total operating revenues** | 915,648 | 506,448 | 1,422,096 |
| **OPERATING EXPENSES** | | | |
| Costs of sales and services | 591,255 | 723,318 | 1,314,573 |
| Personal services | 477,734 | 522,961 | 1,000,695 |
| Depreciation | 91,838 | 252,655 | 344,493 |
| **Total operating expenses** | 1,160,827 | 1,498,934 | 2,659,761 |
| Operating income (loss) | (245,179) | (992,486) | (1,237,665) |
| Non-operating revenues (expenses) | | | |
| Interest expense | (15) | 0 | (15) |
| Gain on sale of capital assets | 5,500 | 0 | 5,500 |
| Total non-operating revenues (expenses) | 5,485 | 0 | 5,485 |
| Net income (loss) before capital contributions and transfers | (239,694) | (992,486) | (1,232,180) |
| Capital contributions | | | |
| Contributions of capital assets from Governmental Activities | 0 | 363,476 | 363,476 |
| Net income (loss) before transfers | (239,694) | (629,010) | (868,704) |
| Transfers in (out) | | | |
| Transfers in | 480,875 | 1,085,522 | 1,566,397 |
| Change in net position | 241,181 | 456,512 | 697,693 |
| Net position, January 1 | 1,531,001 | 3,291,816 | 4,822,817 |
| **Net position, December 31** | $ 1,772,182 | $ 3,748,328 | $ 5,520,510 |

See accompanying notes to the financial statements.

***UNION COUNTY, GEORGIA***
***STATEMENT OF CASH FLOWS***
***PROPRIETARY FUNDS***
***For the year ended December 31, 2017***

| | Business-Type Activities | | |
|---|---|---|---|
| | Golf Course | Meeks Park | Totals |
| **Cash flows from operating activities:** | | | |
| Receipts from customers | $ 899,945 | $ 385,086 | $ 1,285,031 |
| Payments to suppliers | (599,779) | (734,907) | (1,334,686) |
| Payments to employees | (493,045) | (541,659) | (1,034,704) |
| Other receipts | 16,893 | 123,100 | 139,993 |
| Net cash provided (used) by operating activities | (175,986) | (768,380) | (944,366) |
| **Cash flows from non-capital financing activities:** | | | |
| Receipts from other funds | 480,875 | 1,032,832 | 1,513,707 |
| Payments to other funds | (121,063) | (83,887) | (204,950) |
| Net cash provided (used) by non-capital financing activities | 359,812 | 948,945 | 1,308,757 |
| **Cash flows from capital and related financing activities:** | | | |
| Receipts from other funds | 0 | 74,063 | 74,063 |
| Proceeds from sales of capital assets | 5,500 | 21,938 | 27,438 |
| Payments for acquisitions of capital assets | (38,037) | (183,344) | (221,381) |
| Interest paid | (15) | 0 | (15) |
| Principal payments - capital leases | (71,129) | 0 | (71,129) |
| Net cash provided (used) by capital and related financing activities | (103,681) | (87,343) | (191,024) |
| Net increase (decrease) in cash and cash equivalents | 80,145 | 93,222 | 173,367 |
| Cash and cash equivalents, January 1 | 200,152 | 176,781 | 376,933 |
| **Cash and cash equivalents, December 31** | $ 280,297 | $ 270,003 | $ 550,300 |
| **Reconciliation of operating income (loss) to net cash provided (used) by operating activities:** | | | |
| Operating income (loss) | $ (245,179) | $ (992,486) | $ (1,237,665) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | |
| Depreciation expense | 91,838 | 252,655 | 344,493 |
| (Increase) decrease in accounts receivable | 1,190 | 1,738 | 2,928 |
| (Increase) decrease in inventories | 8,995 | (239) | 8,756 |
| Increase (decrease) in accounts payable | (19,192) | (12,725) | (31,917) |
| Increase (decrease) in accrued salaries and payroll liabilities | (10,310) | (12,582) | (22,892) |
| Increase (decrease) in accrued expenses | 1,673 | 1,375 | 3,048 |
| Increase (decrease) in compensated absences | (5,001) | (6,116) | (11,117) |
| Total adjustments | 69,193 | 224,106 | 293,299 |
| Net cash provided (used) by operating activities | $ (175,986) | $ (768,380) | $ (944,366) |

**Noncash investing, capital, and financing activities:**
Contributions of capital assets from Governmental Activities totaled $363,476.

***UNION COUNTY, GEORGIA***
***STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES***
***FIDUCIARY FUNDS***
***December 31, 2017***

| | Agency Funds |
|---|---|
| **ASSETS** | |
| Cash and cash equivalents | $ 415,284 |
| Taxes receivable, net | 1,874,101 |
| Total assets | $ 2,289,385 |
| **LIABILITIES** | |
| Due to others | $ 415,284 |
| Uncollected taxes | 1,874,101 |
| Total liabilities | $ 2,289,385 |

***UNION COUNTY, GEORGIA***
***COMBINING STATEMENT OF NET POSITION***
***COMPONENT UNITS***
***December 31, 2017***

| | Development Authority of Union County | Union County Health Department | Totals |
|---|---|---|---|
| **ASSETS** | | | |
| **Current assets** | | | |
| Cash and cash equivalents | $ 488,577 | $ 619,035 | $ 1,107,612 |
| Accounts receivable (net) | 0 | 9,360 | 9,360 |
| Total current assets | 488,577 | 628,395 | 1,116,972 |
| **Noncurrent assets** | | | |
| Land held for resale | 1,635,919 | 0 | 1,635,919 |
| Capital assets | | | |
| Nondepreciable | 171,001 | 0 | 171,001 |
| Depreciable (net) | 0 | 110 | 110 |
| Total noncurrent assets | 1,806,920 | 110 | 1,807,030 |
| **Total assets** | 2,295,497 | 628,505 | 2,924,002 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | |
| Pension deferred outflows of resources | 0 | 178,762 | 178,762 |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Accounts payable | 0 | 4,519 | 4,519 |
| Accrued salaries and payroll liabilities | 9,447 | 0 | 9,447 |
| Compensated absences | 0 | 38,000 | 38,000 |
| Total current liabilities | 9,447 | 42,519 | 51,966 |
| **Noncurrent liabilities** | | | |
| Compensated absences | 0 | 22,705 | 22,705 |
| Proportionate share of net pension liability | 0 | 636,336 | 636,336 |
| Total noncurrent liabilities | 0 | 659,041 | 659,041 |
| **Total liabilities** | 9,447 | 701,560 | 711,007 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Pension deferred inflows of resources | 0 | 1,471 | 1,471 |
| **NET POSITION** | | | |
| Investment in capital assets | 171,001 | 110 | 171,111 |
| Restricted for health and welfare activities | 0 | 53,258 | 53,258 |
| Unrestricted | 2,115,049 | 50,868 | 2,165,917 |
| **Total net position** | $ 2,286,050 | $ 104,236 | $ 2,390,286 |

See accompanying notes to the financial statements.

***UNION COUNTY, GEORGIA***
***COMBINING STATEMENT OF ACTIVITIES***
***COMPONENT UNITS***
***For the year ended December 31, 2017***

| | Development Authority of Union County | Union County Health Department | Totals |
|---|---|---|---|
| **Expenses** | | | |
| Health and Welfare | $ 0 | $ 864,557 | $ 864,557 |
| Housing and Development | 198,067 | 0 | 198,067 |
| **Total expenses** | 198,067 | 864,557 | 1,062,624 |
| **Program revenues** | | | |
| Charges for services | 20,016 | 397,624 | 417,640 |
| Operating grants and contributions | 5,000 | 327,145 | 332,145 |
| Capital grants and contributions | 171,001 | 0 | 171,001 |
| Total program revenues | 196,017 | 724,769 | 920,786 |
| Net (expense) revenue | (2,050) | (139,788) | (141,838) |
| **General revenues** | | | |
| Interest | 815 | 0 | 815 |
| Payments from Union County | 170,000 | 117,512 | 287,512 |
| Gain on sale of land held for resale | 52,721 | 0 | 52,721 |
| Total general revenues | 223,536 | 117,512 | 341,048 |
| Change in net position | 221,486 | (22,276) | 199,210 |
| Net position - beginning | 2,064,564 | 126,512 | 2,191,076 |
| **Net position - ending** | $ 2,286,050 | $ 104,236 | $ 2,390,286 |

# 1. Description of Government Unit

Union County operates under a commissioner-manager form of government under which a Commissioner is elected to serve the legislative body for the County. The Commissioner is elected at large. The County provides the following services: public safety, judicial, public works, health and welfare, culture and recreation, housing and development, and general administrative services.

# 2. Summary of Significant Accounting Policies

## *A. Description of Government-wide Financial Statements*

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

## *B. Reporting Entity*

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

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 61, the financial statements of component units have been included either as blended or discretely presented component units.

# 2. Summary of Significant Accounting Policies (continued)

## *B. Reporting Entity, continued*

Blended Component Units – Blended component units, although legally separate entities, are, in substance, part of the Government's operations.

The Urban Redevelopment Agency of Union County – The Authority was organized solely for the purpose of acquiring debt and financing the construction of a multi-purpose building location for use by the County, is governed by a three member board appointed by the Union County Commissioner. The assets and debt of the Urban Redevelopment Agency are reported as part of the County's assets and debt, and all activity is reported in a County debt service fund. The Agency had no activity for the current year. Separate financial statements are not prepared for the Urban Redevelopment Agency. Separate financial statements are not issued.

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

The Union County Health Department – The Health Department is governed by a seven member board including the Commissioner and three members appointed by the Commissioner. The County has the authority to modify and approve the Health Department's budget and the ability to approve environmental health service fees. The Health Department has a June 30th year-end and is presented as a governmental type component unit. The Health Department's financial statements can be obtained by writing to the Union County Health Department, 67 Chase Drive, Blairsville, GA 30512.

The Development Authority of Union County – The Authority is governed by a five member board appointed by the Commissioner. The Authority is responsible for promoting economic development within Union County. The Development Authority provides a financial benefit to the County. The Authority is reported as a governmental type component unit. Separate financial statements for the Development Authority are not prepared.

# 2. Summary of Significant Accounting Policies (continued)

## *C. Basis of Presentation – Government-wide Financial Statements*

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

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

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

## *D. Basis of Presentation – Fund Financial Statements*

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

The County reports the following major governmental funds:

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

## 2. Summary of Significant Accounting Policies (continued)

### *D. Basis of Presentation – Fund Financial Statements, continued*

***Special Purpose Local Option Sales Tax IV (SPLOST IV) Capital Projects Fund*** – This fund is used to account for the revenues and expenditures relating to the County's 2015 1% Special Purpose Local Option Sales Tax issues.

The County reports the following major proprietary funds:

***Golf Course Enterprise Fund*** – This fund is used to account for the activities of the Butternut Creek Golf Course.

***Meeks Park Enterprise Fund*** – This fund is used to account for the activities of the County recreation department and community center.

Additionally, the County reports the following fund types:

#### *Governmental Fund Types*

***Special Revenue Funds*** - This fund type is used to account for specific revenues that are legally or donor restricted or committed to expenditure for particular purposes.

***Debt Service Funds*** - This fund type is used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

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

# 2. Summary of Significant Accounting Policies (continued)

## *D. Basis of Presentation – Fund Financial Statements, continued*

### *Fiduciary Fund Types*

***Agency Funds*** - Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held by the County as an agent to be expended in accordance with the conditions of its agency capacity.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

## *E. Measurement Focus and Basis of Accounting*

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

## 2. Summary of Significant Accounting Policies (continued)

### *E. Measurement Focus and Basis of Accounting, continued*

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

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

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

# 2. Summary of Significant Accounting Policies (continued)

## *E. Measurement Focus and Basis of Accounting, continued*

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

## *F. Revenues and Expenditures/Expenses*

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

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

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

## 2. Summary of Significant Accounting Policies (continued)

### *G. Budgetary Information*

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

1. Prior to September, County management submits to the County Commissioner a proposed operating budget for each department for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments, giving notice thereof at least seven days in advance by publication in the official organ of the County.
3. The budget is then adopted by the Commissioner at a public meeting.
4. Budget amounts can be transferred between line items within any department; however, any revisions of the budget must be amended by formal action of the Commissioner in a regular meeting.
5. Budget amounts are adopted on a basis consistent with generally accepted accounting principles (GAAP). Annual budgets are adopted for the General Fund, SPLOST III Fund, the special revenue funds, capital project funds, and debt service funds.
6. Formal budgetary integration is employed as a measurement control device during the year for the General Fund, special revenue funds, capital project funds, and debt service funds. All appropriations lapse at year end.

Budget amounts are as originally adopted, or as amended by the Commissioner. The supplementary budgetary appropriations made are reflected in the final budget amounts.

## 2. Summary of Significant Accounting Policies (continued)

### *H. Cash and Investments*

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

### *I. Intergovernmental Receivables*

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

### *J. Inventories*

The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased. Inventories of the proprietary funds are valued at cost, which approximates market, using the first-in, first-out method.

### *K. Prepaid Items*

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

# 2. Summary of Significant Accounting Policies (continued)

## *L. Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, not including infrastructure are defined by the County as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value. The County has elected to capitalize all general infrastructure assets regardless of the acquisition date and has used the estimated historical cost to value these assets.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at acquisition value. The County has elected to capitalize all general infrastructure assets regardless of acquisition date and has used estimated historical cost to value these assets.

Major outlays for capital assets and improvements are capitalized as projects as constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

| | **Useful Life in Years** |
|---|---|
| Land | N/A |
| Land Improvements | 7-20 |
| Buildings and Improvements | 15-50 |
| Infrastructure | 7-50 |
| Machinery and Equipment | 3-20 |
| Vehicles | 2-15 |
| Furniture and Fixtures | 5-7 |

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

# 2. Summary of Significant Accounting Policies (continued)

## *M. 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.

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 two types of items that qualify for reporting in this category. The governmental funds balance sheet and government wide statement of net position report deferred inflow of resources for property taxes levied for the subsequent year as the amount represents resources associated with an imposed non-exchange revenue transaction reported as a receivable before the period for which the property taxes were levied. These revenues will be recognized as an inflow of resources in the period for which they were levied. Additionally, the governmental funds report unavailable revenues from property taxes and intergovernmental revenues as these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

## *N. Compensated Absences*

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for non-vesting accumulated rights to receive sick pay benefits since the County does not have a policy to pay any amounts when employees separate from service with the County. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

# 2. Summary of Significant Accounting Policies (continued)

## *O. Net Position Flow Assumption*

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

## *P. Fund Balance Flow Assumption*

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

## *Q. Restricted Assets and Restricted Net Position*

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

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

# 2. Summary of Significant Accounting Policies (continued)

## *R. Fund Balances – Governmental Funds*

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

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

In the fund financial statements, governmental funds report the following classifications of fund balance:

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

**Restricted** – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

**Committed** – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Commissioner, the County's highest level of decision making authority, which include the language "committed for the purpose of". Commitments may be modified or rescinded only through adoption of a subsequent resolution, which shall refer to the original resolution by its number.

**Assigned** – includes amounts that are intended to be used by the County for a specific purpose, but do not meet the definition of restricted or committed fund balance. Intent can only be expressed by the Commissioner or their designee. Assigned Fund Balance differs from Committed Fund Balance in that assignments do not require a resolution.

# 2. Summary of Significant Accounting Policies (continued)

## *R. Fund Balances – Governmental Funds, continued*

**Unassigned** – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. In addition, any remaining deficits in the County's governmental funds which remain after all other fund balances have been exhausted are classified as unassigned.

For the purposes of fund balance classification, the County considers restricted amounts spent first when an expenditure is incurred for which both restricted and unrestricted fund balance is available. Furthermore, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance can be used, then committed amounts are spent first, followed by assigned amounts, and then unassigned amounts.

## *S. Net Position*

Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

## 2. Summary of Significant Accounting Policies (continued)

### *T. Long-Term Obligations*

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

### *U. Capital Contributions*

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

### *V. Management Estimates*

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

## 3. Deposit and Investment Risk

**Custodial Credit Risk – Deposits**

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

**Interest Rate Risk**

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

**Credit Risk**

State of Georgia law limits investments to include certificates of deposit, prime bankers' acceptances, repurchase agreements, direct and agency obligations of the United States, obligations of any corporation of the United States government, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County has no investment policy that would further limit its investment choices.

The County participates in the State of Georgia Local Government Investment Pool (Georgia Fund 1). Assets in this pool are invested in the Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Standard and Poor's criteria for AAAf 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). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board.

## 3. Deposit and Investment Risk (continued)

The Georgia Fund 1 is rated AAAf by Standard & Poor's. The weighted average maturity at the end of the current year was 9 days. As of the end of the current year, the County's balance in Georgia Fund 1 was $7,963,686.

**Concentration of Credit Risk**

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

**Foreign Currency Risk**

The County has no investments denominated in a foreign currency.

### *Discretely Presented Component Unit – Development Authority*

**Interest rate risk**

The Development Authority 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.

**Custodial Credit Risk**

As of the end of the current year, all of the Development Authority's deposits and investments were collateralized with the depository financial institution.

### *Discretely Presented Component Unit – Health Department*

**Interest rate risk**

The Health Department 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.

**Custodial Credit Risk**

As of the end of the current year, all of the Health Department's deposits and investments were collateralized with the depository financial institution.

## 4. Accounts Receivable

Net accounts receivable as of the end of the current year consist of the following:

| | | |
|---|---|---|
| **Primary Government:** | | |
| **Major Funds** | | |
| General Fund | | $ 400,600 |
| Enterprise Funds | | |
| Meeks Park | | 1,445 |
| **Nonmajor Funds** | | |
| Special Revenue Funds | | |
| Law Library | $ 711 | |
| Emergency 911 | 77,009 | 77,720 |
| Total primary government | | $ 479,765 |
| **Component Units:** | | |
| Union County Health Department | | $ 9,360 |

## 5. Intergovernmental Receivables

Intergovernmental receivables as of the end of the current year consist of the following:

| | | |
|---|---|---|
| **Primary Government:** | | |
| **Major Funds** | | |
| General Fund | | |
| Union County Board of Education | $ 18,614 | |
| Union County Health Department | 169 | |
| City of Blairsville, Georgia | 2,342 | |
| Fannin County, Georgia | 11,166 | |
| Gilmer County, Georgia | 11,166 | |
| Rabun County, Georgia | 11,166 | |
| Other Governments | 11,979 | $ 66,602 |
| **Nonmajor Funds** | | |
| Multiple Grant Special Revenue Fund | | |
| Georgia Emergency Management Agency | | 5,000 |
| Drug Abuse Special Revenue Fund | | |
| Criminal Justice Coordinating Council | $ 60,821 | |
| Towns County, Georgia | 53,000 | 113,821 |
| Total | | $ 185,423 |

## 6. Property Taxes

Property taxes for the 2017 fiscal year were levied on August 31, 2017, with property values assessed as of January 1, 2017. Bills are payable on or before December 20, 2017, after which the applicable property is subject to lien and penalties and interest as assessed. Property taxes levied during 2017 are for fiscal year 2018. Amounts recorded as a receivable and amounts collected as of December 31, 2017 related to these taxes are recorded as deferred inflows of resources in both the fund and government-wide financial statements.

## 7. Interfund Receivables and Payables

A summary of interfund receivables and payables as of the end of the current year is as follows:

| Receivable Fund | Payable Fund | Amount |
|---|---|---|
| General | SPLOST IV | $ 100 |
| | Golf Course | 518,352 |
| | Nonmajor Governmental | 55,668 |
| Golf Course | Meeks Park | 22,959 |
| Meeks Park | General | 96,469 |
| | | $ 693,548 |

The balances reported as Due to/Due from resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between the funds are made. The $518,352 is reported in the General Fund as an advance to other fund and as an advance from other fund in the Golf Course Fund; this balance is not expected to be repaid within one year. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

## 8. Interfund Transfers

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

| Transfer Out Fund | Transfer In Fund | Amount |
|---|---|---|
| General | SPLOST IV | $ 37,910 |
| | Golf Course | 480,875 |
| | Meeks Park | 1,011,459 |
| | Nonmajor Governmental | 371,932 |
| SPLOST IV | Meeks Park | 13,182 |
| | Nonmajor Governmental | 1,464,000 |
| Nonmajor Governmental | Meeks Park | 60,881 |
| | | 3,440,239 |
| **Transfers of capital assets** | | |
| Governmental activities | Meeks Park | 363,476 |
| | | $ 3,803,715 |

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations, and 3) move capital assets between governmental activities and business-type activities.

Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

## 9. Capital Assets

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

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Governmental activities** | | | | |
| Non-depreciable assets | | | | |
| Land | $ 4,409,850 | $ 874,998 | $ 0 | $ 5,284,848 |
| Construction in progress | 806,585 | 569,478 | (994,105) | 381,958 |
| Total non-depreciable assets | 5,216,435 | 1,444,476 | (994,105) | 5,666,806 |
| Depreciable assets | | | | |
| Buildings and improvements | 31,963,431 | 408,690 | 0 | 32,372,121 |
| Infrastruture | 21,200,630 | 0 | 0 | 21,200,630 |
| Machinery and equipment | 5,298,517 | 250,183 | (56,002) | 5,492,698 |
| Vehicles | 6,004,530 | 1,030,941 | (607,457) | 6,428,014 |
| Furniture and fixtures | 132,433 | 0 | 0 | 132,433 |
| Total depreciable assets | 64,599,541 | 1,689,814 | (663,459) | 65,625,896 |
| Less accumulated depreciation | | | | |
| Buildings and improvements | (7,737,750) | (812,302) | 0 | (8,550,052) |
| Infrastructure | (13,476,352) | (833,437) | 0 | (14,309,789) |
| Machinery and equipment | (4,096,590) | (232,103) | 55,955 | (4,272,738) |
| Vehicles | (4,303,757) | (488,080) | 196,846 | (4,594,991) |
| Furniture and fixtures | (105,339) | (6,352) | 0 | (111,691) |
| Total accumulated depreciation | (29,719,788) | (2,372,274) | 252,801 | (31,839,261) |
| Total depreciable assets, net | 34,879,753 | (682,460) | (410,658) | 33,786,635 |
| Governmental activities capital assets, net | $ 40,096,188 | $ 762,016 | $ (1,404,763) | $ 39,453,441 |

Decreases in construction in progress for the governmental activities consist of projects placed in service in the amount of $601,779, projects transferred to the business-type activities in the amount of $363,476, and projects abandoned in the amount of $28,850.

## 9. Capital Assets (continued)

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Business-type activities** | | | | |
| Non-depreciable assets | | | | |
| Land | $ 2,427,997 | $ 7,500 | $ 0 | $ 2,435,497 |
| Construction in progress | 7,500 | 363,476 | (370,976) | 0 |
| Total non-depreciable assets | 2,435,497 | 370,976 | (370,976) | 2,435,497 |
| Depreciable assets | | | | |
| Land improvements | 950,145 | 27,044 | 0 | 977,189 |
| Buildings and improvements | 2,796,800 | 372,355 | 0 | 3,169,155 |
| Machinery and equipment | 1,427,784 | 143,228 | (10,218) | 1,560,794 |
| Vehicles | 100,116 | 42,230 | (25,810) | 116,536 |
| Total depreciable assets | 5,274,845 | 584,857 | (36,028) | 5,823,674 |
| Less accumulated depreciation | | | | |
| Land improvements | (259,367) | (47,371) | 0 | (306,738) |
| Buildings and improvements | (1,250,607) | (120,121) | 0 | (1,370,728) |
| Machinery and equipment | (783,613) | (169,496) | 10,218 | (942,891) |
| Vehicles | (71,412) | (7,505) | 3,872 | (75,045) |
| Total accumulated depreciation | (2,364,999) | (344,493) | 14,090 | (2,695,402) |
| Total depreciable assets, net | 2,909,846 | 240,364 | (21,938) | 3,128,272 |
| Business-type activities capital assets, net | $ 5,345,343 | $ 611,340 | $ (392,914) | $ 5,563,769 |

Beginning balances for land and land improvements were adjusted to reflect the correct classifications. Business-type activities capital assets, net beginning balance did not change as a result of the reclassifications.

## 9. Capital Assets (continued)

Capital asset activity for the discretely presented component units for the respective year ends was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Development Authority of Union County** | | | | |
| Non-depreciable assets | | | | |
| Construction in progress | $ 0 | $ 171,001 | $ 0 | $ 171,001 |
| Depreciable assets | | | | |
| Machinery and equipment | 4,221 | 0 | 0 | 4,221 |
| Total depreciable assets | 4,221 | 0 | 0 | 4,221 |
| Less accumulated depreciation | | | | |
| Machinery and equipment | (4,221) | 0 | 0 | (4,221) |
| Total accumulated depreciation | (4,221) | 0 | 0 | (4,221) |
| Total depreciable assets, net | 0 | 0 | 0 | 0 |
| Development Authority of Union County capital assets, net | $ 0 | $ 171,001 | $ 0 | $ 171,001 |

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|---|---|---|---|
| **Union County Health Department** | | | | |
| Depreciable assets | | | | |
| Equipment | $ 11,819 | $ 0 | $ 0 | $ 11,819 |
| Less accumulated depreciation | | | | |
| Equipment | (11,048) | (661) | 0 | (11,709) |
| Union County Health Department capital assets, net | $ 771 | $ (661) | $ 0 | $ 110 |

## 9. Capital Assets (continued)

Depreciation expense was charged to functions/programs as follows:

| | |
|---|---|
| **Primary Government** | |
| **Governmental activities** | |
| General Government | $ 568,404 |
| Judicial | 35,607 |
| Public Safety | 602,959 |
| Public Works | 1,031,859 |
| Health and Welfare | 69,031 |
| Culture and Recreation | 44,671 |
| Housing and Development | 19,743 |
| Total depreciation expense for governmental activities | $ 2,372,274 |
| **Business-type activities** | |
| Golf Course | $ 91,838 |
| Meeks Park | 252,655 |
| Total depreciation expense for business-type activities | $ 344,493 |
| **Component units** | |
| Union County Health Department | $ 661 |

# 10. Capital Lease Agreements

## *Business-Type Activities*

In 2016, the County entered into a lease-purchase agreement to finance the acquisition of Golf Course equipment. The lease is for a period of four years, at an interest rate of 0.00%. The remaining balance of the lease as of the end of the current year is $177,822 for business-type activities. As of the end of the current year, the County had $349,055 of equipment, with associated accumulated depreciation of $104,717, financed under the capital leases. Depreciation expense on the leased assets for the current year totaled $69,811.

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

| Year Ending December 31, | Business-type Activities |
|---|---|
| 2018 | $ 71,129 |
| 2019 | 71,129 |
| 2020 | 35,564 |
| | 177,822 |
| Less amounts representing interest | 0 |
| Present value of minimum lease payments | $ 177,822 |

## 11. Operating Lease Agreements

### *Governmental Activities*

The County leases copy machines and several pieces of judicial and public safety equipment under non-cancelable operating leases. Costs for such leases for governmental activities totaled $36,838 for the current year. The future minimum lease payments for these governmental activities leases are as follows:

| Year Ending December 31, | | |
|---|---|---|
| 2018 | $ | 30,141 |
| 2019 | | 20,112 |
| 2020 | | 8,091 |
| Totals | $ | 58,344 |

### *Business-Type Activities*

The County leased golf course equipment under non-cancelable operating leases. Costs for such leases for business-type activities totaled $37,896 for the current year. There is no remaining commitment for these operating leases as of the end of the current year.

### *Development Authority of Union County Component Unit*

The Development Authority of Union County has one vehicle under a non-cancelable operating lease. Costs for the lease totaled $6,109 for the current year. The future minimum lease payments for the lease are as follows:

| Year Ending December 31, | | |
|---|---|---|
| 2018 | $ | 6,156 |
| 2019 | | 6,156 |
| 2020 | | 1,539 |
| Totals | $ | 13,851 |

# 12. Long-Term Debt

## *Governmental Activities*

### *General Obligation Bonds*

During 2015, the County issued $8,185,000 Series 2015 general obligation bond. The 2015 Bond was issued for the purpose of providing funds to finance the costs of various SPLOST IV projects. It bears interest at a rate of 1.69% and is payable on June 1 and December 1 of each year. The 2015 bond matures on June 1, 2021. The County's debt service requirements to maturity on the general obligation bond are as follows:

| Year Ending December 31, | Principal | Interest | Total |
|---|---|---|---|
| 2018 | $ 1,345,000 | $ 82,345 | $ 1,427,345 |
| 2019 | 1,370,000 | 59,403 | 1,429,403 |
| 2020 | 1,400,000 | 35,997 | 1,435,997 |
| 2021 | 1,430,000 | 12,084 | 1,442,084 |
| Totals | $ 5,545,000 | $ 189,829 | $ 5,734,829 |

### *Notes Payable*

In 2013, the County entered into an agreement with Community and Southern Bank to finance the purchase of a rescue fire truck for one of the County's volunteer fire departments. As of the end of the current year, the loan has a balance of $43,331. The note bears interest at a rate of 2.76%. The County's debt service requirements to maturity on the note payable are as follows:

| Year Ending December 31, | Principal | Interest | Total |
|---|---|---|---|
| 2018 | $ 10,175 | $ 892 | $ 11,067 |
| 2019 | 10,258 | 809 | 11,067 |
| 2020 | 10,544 | 523 | 11,067 |
| 2021 | 10,838 | 229 | 11,067 |
| 2022 | 1,516 | 10 | 1,526 |
| Totals | $ 43,331 | $ 2,463 | $ 45,794 |

## 12. Long-Term Debt (continued)

### *Changes in Long - Term Debt*

The following is a summary of changes in long-term debt of the County and the component units for the respective year-ends:

| | Beginning Balance | Additions | Deductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| **Governmental activities** | | | | | |
| Bonds payable | $ 6,865,000 | $ 0 | $ 1,320,000 | $ 5,545,000 | $ 1,345,000 |
| Notes payable | 64,686 | 0 | 21,355 | 43,331 | 10,175 |
| Landfill post-closure care costs | 500,516 | 0 | 28,200 | 472,316 | 28,200 |
| Compensated absences | 82,544 | 94,658 | 82,544 | 94,658 | 94,658 |
| Total governmental activities | $ 7,512,746 | $ 94,658 | $ 1,452,099 | $ 6,155,305 | $ 1,478,033 |
| **Business-type activities** | | | | | |
| Capital leases payable | $ 248,951 | $ 0 | $ 71,129 | $ 177,822 | $ 71,129 |
| Compensated absences | 19,178 | 8,061 | 19,178 | 8,061 | 8,061 |
| Total business-type activities | $ 268,129 | $ 8,061 | $ 90,307 | $ 185,883 | $ 79,190 |
| **Component Units** | | | | | |
| Union County Health Department | | | | | |
| Compensated absences | $ 61,343 | $ 37,744 | $ 38,382 | $ 60,705 | $ 38,000 |

Revenue bond discounts/premiums are amortized over the life of the related debt using the straight-line method. For governmental activities, landfill post-closure care costs and compensated absences are liquidated by the General Fund. The total interest incurred and charged to expense for the current year was $103,022 for governmental activities and $15 for business-type activities.

## 13. Landfill Post-Closure Care Costs

Effective April 8, 1994, the Union County Landfill was closed and no additional waste has been accepted. According to state and federal laws and regulations, the County must perform certain maintenance and monitoring functions at the site for a minimum of 30 years. As of the end of the current year, the County has 6 years of monitoring remaining. Engineering studies estimate post-closure care costs of approximately $472,316 over the 6-year period. These costs are based on what it would cost to perform all post-closure care in the current year, adjusted annually for inflation. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during this post-closure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

## 14. Net Investment in Capital Assets

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

| | Governmental Activities | Business-Type Activities |
|---|---|---|
| Cost of capital assets | $ 71,292,702 | $ 8,259,171 |
| Accumulated depreciation | (31,839,261) | (2,695,402) |
| Book value | 39,453,441 | 5,563,769 |
| Capital-related accounts payable | (75,337) | 0 |
| Capital leases payable | 0 | (177,822) |
| Notes payable | (43,331) | 0 |
| Bonds payable | (5,545,000) | 0 |
| Net investment in capital assets | $ 33,789,773 | $ 5,385,947 |

## 15. Defined Contribution Plan

The County participates in a deferred compensation plan, administered by GEBCorp, for employees under Internal Revenue Code section 457. The plan allows any full time employees to voluntarily defer receipt of their gross compensation, not to exceed the maximum annual contribution established by the Internal Revenue Service. The County offers to match employee contributions up to 6% of the employee's salary. The County's match is deposited into the 401(a). All amounts of compensation under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the participants in the deferred compensation plan.

Additionally, the County provides a single employer 401(a) defined contribution plan established and administered by the County for all full time employees. As of the end of the current year, there were 124 plan members. Employees are not required to contribute to the Plan. Employees are eligible after six months of employment and are fully vested after three years. Plan provisions and contribution requirements are established and may be amended by resolution of the County Commissioner. Separate financial statements are note issued for the Plan.

For the current year, the County's contributions to the 401(a) Plan were $214,843 and the employees contributed $263,998 to the 457 Plan.

## 16. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. A summary of the transactions for the current year follows:

| | | |
|---|---|---|
| Lodging Tax Receipts | $247,767 | |
| Disbursements for trade and tourism | $202,294 | 82% of tax receipts |

## 17. Tax Abatements

Union County is subject to tax incentives granted by the Development Authority of Union County. These incentives are negotiated on an individual basis as a reduction of property taxes and have the stated purpose of increasing business activity and employment in the County by allowing localities to abate property taxes for a variety of economic development purposes, including business relocation, retention, and expansion. The incentives may be granted to any business located within or promising to relocate to a local government's geographic area. The County has not made any commitments as part of the agreements other than to reduce taxes. For the current year, Union County abated property taxes totaling $6,152 under an abatement agreement with a local manufacturer investing in personal property for its manufacturing facility in Union County.

## 18. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. During the current year, the County paid $23,729 in such dues. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the GMRC financial statements can be obtained from GMRC, 1310 West Ridge Road, Gainesville, Georgia 30501.

The County participates with Lumpkin and Towns Counties in the North Georgia Waste Management Authority. The Authority studied solid waste disposal issues, developed a plan to recycle waste paper and has leased those facilities to private entities. Union County has an ongoing financial interest and obligation for funding debt service requirements. The participating counties are annually assessed varying amounts to cover the Authority's inability to service its debt. During the current year, the County made no payments to the Authority. As of the end of the current year, the Authority does not have any debt outstanding. A copy of the Authority's financial statements can be obtained from North Georgia Waste Management Authority, 170 Scoggins Drive, Demorest, Georgia 30535.

## 19. Risk Management

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to employees; and losses resulting from providing accident and health benefits to employees and their dependents.

### *Medical Self-Insurance*

The County provides health coverage for its employees under a plan of partial self-insurance. Under this plan, the County covers claim settlements and judgments out of its General Fund resources. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated.

The County purchases commercial insurance for claims in excess of coverage provided by the County. During the current year, excess coverage was obtained for any individual claim in excess of $30,000. The County pays most of the coverage for eligible employees and their dependents. Employee contributions are used to pay claims and expenses of the plan incurred during the year. The claims liability is reported in other current liabilities.

The following describes the activity for the past three years:

| Fiscal Year | Beginning of Year Claims Liability | Current Year Claims and Changes In Estimates | Claims Paid | End of Year Claims Liability |
|---|---|---|---|---|
| 2017 | $ 377,391 | $ 2,374,847 | $ 2,369,023 | $ 383,215 |
| 2016 | 511,167 | 1,603,549 | 1,737,325 | 377,391 |
| 2015 | 874,378 | 1,915,545 | 2,278,756 | 511,167 |

## 19. Risk Management (continued)

### *General Liability and Workers' Compensation*

The County participates in the Georgia Interlocal Risk Management Agency Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of the risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

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

The County also carries insurance for all other risks of loss, including general liability and errors and omission coverage through a private insurance company. Settled claims have not exceeded insurance coverage in any of the past three years. There have been no significant reductions of insurance coverage from coverage in the prior year.

## 20. Contingencies

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

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

## *NONMAJOR GOVERNMENTAL FUNDS*

### *SPECIAL REVENUE FUNDS*

Special revenue funds are used to account for specific revenues that are legally or donor restricted or committed to expenditure for particular purposes.

Law Library Fund – This fund is used to account for the revenues and related expenditures of operating the County's Law Library. The revenues collected are from legally restricted fines, as provided by State law.

Seizures Fund – This fund is used to account for funds from seizures, which are restricted by law, to be used for law enforcement activities. Funds may be used for any public safety purpose except salaries of law enforcement personnel, as restricted by State law.

Sheriff Donation Fund – This fund is used to account for contributions received from donors that are restricted for use as specified by the donor.

Emergency 911 Fund – This fund is used to account for the monthly 911 charges to help fund the cost of providing emergency 911 services. Revenues are expended for system operations and capital assets, as restricted by State law.

Local Victims Assistance Fund – This fund is used to account for the 4% fee added to Court fines restricted by State law, for the benefit of victims of crime and their families.

Jail Operations Fund – This fund is used to account for collection for penalty assessments in certain court case. Penalty assessments are restricted for construction, operation, and staffing of County correctional and detention center, as required by State law.

Inmate Welfare Fund – This fund is used to account for monies collected from inmates for purchase of supplies. The profit from these sales is used for the benefit of the general inmate population.

Drug Abuse Fund – This fund is used to account for funds collected from fines and forfeitures to be used to create and maintain a Drug Abuse Fund. Proceeds are restricted by State law for drug abuse treatment and education programs.

Juvenile Court Fund – This fund is used to account for funds from fines and forfeitures to be used for law enforcement activities. The allowable expenditures of these fines are restricted under State law.

Multiple Grant Fund – This fund is used to account for governmental grants received and the related expenditures.

Hotel/Motel Tax Fund – This fund is used to account for monies collected from the 5% lodging tax. Revenues collected are restricted by State law for the promotion of tourism.

## *NONMAJOR GOVERNMENTAL FUNDS*

### *DEBT SERVICE FUNDS*

Debt service funds are used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

SPLOST Debt Service Fund – This fund is used to account for the debt service expenditures of the County's various projects funded through sales tax proceeds.

### *CAPITAL PROJECTS FUNDS*

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

Special Purpose Local Option Sales Tax III Fund – This fund is used to account for the expenditures of the 2009 SPLOST.

Capital Projects Fund – This fund is used to account for the resources accumulated and used for the acquisition and construction of major capital projects.

# *COMBINING STATEMENTS*

## *Nonmajor Governmental Funds*

***UNION COUNTY, GEORGIA***
***COMBINING BALANCE SHEET***
***NONMAJOR GOVERNMENTAL FUNDS***
***December 31, 2017***

| | Special Revenue | | | | | | |
|---|---|---|---|---|---|---|---|
| | Law Library | Seizures | Sheriff Donation | Emergency 911 | Local Victims Assistance | Jail Operations | Inmate Welfare |
| **ASSETS** | | | | | | | |
| Cash and cash equivalents | $ 59,631 | $ 12,617 | $ 8,966 | $ 0 | $ 12,054 | $ 331,458 | $ 16,403 |
| Restricted cash and cash equivalents | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Receivables | | | | | | | |
| Accounts | 711 | 0 | 0 | 77,009 | 0 | 0 | 0 |
| Intergovernmental | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Taxes | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Prepaid items | 0 | 0 | 0 | 5,850 | 0 | 0 | 0 |
| **Total assets** | $ 60,342 | $ 12,617 | $ 8,966 | $ 82,859 | $ 12,054 | $ 331,458 | $ 16,403 |
| **LIABILITIES AND FUND BALANCES** | | | | | | | |
| **Liabilities** | | | | | | | |
| Accounts payable | $ 0 | $ 0 | $ 0 | $ 4,293 | $ 0 | $ 0 | $ 0 |
| Due to other funds | 0 | 0 | 0 | 847 | 0 | 0 | 0 |
| Total liabilities | 0 | 0 | 0 | 5,140 | 0 | 0 | 0 |
| **Fund balances** | | | | | | | |
| Nonspendable: | | | | | | | |
| Prepaid items | 0 | 0 | 0 | 5,850 | 0 | 0 | 0 |
| Restricted for: | | | | | | | |
| Law library operations | 60,342 | 0 | 0 | 0 | 0 | 0 | 0 |
| Judicial activities | 0 | 0 | 0 | 0 | 12,054 | 0 | 0 |
| Public safety activities | 0 | 12,617 | 8,966 | 0 | 0 | 331,458 | 16,403 |
| Capital outlay | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Debt service | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Assigned for: | | | | | | | |
| Emergency 911 system operations | 0 | 0 | 0 | 71,869 | 0 | 0 | 0 |
| Tourism | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital outlay | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total fund balances | 60,342 | 12,617 | 8,966 | 77,719 | 12,054 | 331,458 | 16,403 |
| **Total liabilities and fund balances** | $ 60,342 | $ 12,617 | $ 8,966 | $ 82,859 | $ 12,054 | $ 331,458 | $ 16,403 |

| Special Revenue | | | | Debt Service | Capital Projects | | |
|---|---|---|---|---|---|---|---|
| Drug Abuse | Juvenile Court | Mulitple Grant | Hotel/ Motel Tax | SPLOST Debt Service | SPLOST III | Capital Projects | Total Nonmajor Governmental Funds |
| $ 675,601 | $ 16,262 | $ 8,340 | $ 67,896 | $ 0 | $ 53,052 | $ 454,320 | $ 1,716,600 |
| 0 | 0 | 0 | 0 | 863,957 | 0 | 0 | 863,957 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 77,720 |
| 113,821 | 0 | 5,000 | 0 | 0 | 0 | 0 | 118,821 |
| 0 | 0 | 0 | 43,902 | 0 | 0 | 0 | 43,902 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,850 |
| $ 789,422 | $ 16,262 | $ 13,340 | $ 111,798 | $ 863,957 | $ 53,052 | $ 454,320 | $ 2,826,850 |
| $ 28,213 | $ 0 | $ 8,340 | $ 40,677 | $ 0 | $ 0 | $ 0 | $ 81,523 |
| 54,246 | 575 | 0 | 0 | 0 | 0 | 0 | 55,668 |
| 82,459 | 575 | 8,340 | 40,677 | 0 | 0 | 0 | 137,191 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,850 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 60,342 |
| 706,963 | 15,687 | 0 | 0 | 0 | 0 | 0 | 734,704 |
| 0 | 0 | 5,000 | 0 | 0 | 0 | 0 | 374,444 |
| 0 | 0 | 0 | 0 | 0 | 53,052 | 0 | 53,052 |
| 0 | 0 | 0 | 0 | 863,957 | 0 | 0 | 863,957 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 71,869 |
| 0 | 0 | 0 | 71,121 | 0 | 0 | 0 | 71,121 |
| 0 | 0 | 0 | 0 | 0 | 0 | 454,320 | 454,320 |
| 706,963 | 15,687 | 5,000 | 71,121 | 863,957 | 53,052 | 454,320 | 2,689,659 |
| $ 789,422 | $ 16,262 | $ 13,340 | $ 111,798 | $ 863,957 | $ 53,052 | $ 454,320 | $ 2,826,850 |

*UNION COUNTY, GEORGIA*
*COMBINING STATEMENT OF REVENUES, EXPENDITURES,*
*AND CHANGES IN FUND BALANCES*
*NONMAJOR GOVERNMENTAL FUNDS*
*For the year ended December 31, 2017*

| | Special Revenue | | | | | | |
|---|---|---|---|---|---|---|---|
| | Law Library | Seizures | Sheriff Donation | Emergency 911 | Local Victims Assistance | Jail Operations | Inmate Welfare |
| **REVENUES** | | | | | | | |
| Taxes | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 |
| Fines, fees, and forfeitures | 9,989 | 17,639 | 0 | 0 | 23,764 | 21,641 | 0 |
| Charges for services | 0 | 0 | 0 | 372,469 | 0 | 0 | 20,939 |
| Intergovernmental | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interest | 126 | 0 | 0 | 0 | 0 | 159 | 0 |
| Contributions | 0 | 0 | 9,447 | 0 | 0 | 0 | 0 |
| Other | 0 | 1,219 | 0 | 0 | 0 | 0 | 0 |
| **Total revenues** | 10,115 | 18,858 | 9,447 | 372,469 | 23,764 | 21,800 | 20,939 |
| **EXPENDITURES** | | | | | | | |
| Current | | | | | | | |
| General Government | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Judicial | 16,728 | 0 | 0 | 0 | 7,716 | 0 | 0 |
| Public Safety | 0 | 27,718 | 9,513 | 562,060 | 0 | 0 | 9,329 |
| Culture and Recreation | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Housing and Development | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Debt service | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total expenditures** | 16,728 | 27,718 | 9,513 | 562,060 | 7,716 | 0 | 9,329 |
| Excess (deficiency) of revenues over (under) expenditures | (6,613) | (8,860) | (66) | (189,591) | 16,048 | 21,800 | 11,610 |
| Other financing sources (uses) | | | | | | | |
| Transfers in | 0 | 0 | 0 | 196,000 | 0 | 0 | 0 |
| Transfers out | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sale of capital assets | 0 | 12,800 | 0 | 0 | 0 | 0 | 0 |
| Total other financing sources (uses) | 0 | 12,800 | 0 | 196,000 | 0 | 0 | 0 |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | (6,613) | 3,940 | (66) | 6,409 | 16,048 | 21,800 | 11,610 |
| Fund balances, January 1 | 66,955 | 8,677 | 9,032 | 71,310 | (3,994) | 309,658 | 4,793 |
| **Fund balances, December 31** | $ 60,342 | $ 12,617 | $ 8,966 | $ 77,719 | $ 12,054 | $ 331,458 | $ 16,403 |

| Special Revenue | | | | Debt Service | Capital Projects | | |
|---|---|---|---|---|---|---|---|
| Drug Abuse | Juvenile Court | Multiple Grant | Hotel/ Motel Tax | SPLOST Debt Service | SPLOST III | Capital Projects | Total Nonmajor Governmental Funds |
| $ 0 | $ 0 | $ 0 | $ 247,767 | $ 0 | $ 0 | $ 0 | $ 247,767 |
| 31,352 | 0 | 0 | 0 | 0 | 0 | 0 | 104,385 |
| 159,534 | 0 | 0 | 0 | 0 | 0 | 0 | 552,942 |
| 879,832 | 0 | 107,942 | 0 | 0 | 0 | 0 | 987,774 |
| 88 | 8 | 0 | 0 | 146 | 99 | 226 | 852 |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9,447 |
| 2,400 | 0 | 0 | 0 | 0 | 0 | 0 | 3,619 |
| 1,073,206 | 8 | 107,942 | 247,767 | 146 | 99 | 226 | 1,906,786 |
| 0 | 0 | 0 | 0 | 0 | 0 | 35 | 35 |
| 897,061 | 0 | 0 | 0 | 0 | 0 | 0 | 921,505 |
| 5,555 | 0 | 16,558 | 0 | 0 | 0 | 0 | 630,733 |
| 0 | 0 | 198,998 | 0 | 0 | 0 | 0 | 198,998 |
| 0 | 0 | 0 | 202,294 | 0 | 0 | 0 | 202,294 |
| 0 | 0 | 0 | 0 | 1,424,139 | 0 | 0 | 1,424,139 |
| 902,616 | 0 | 215,556 | 202,294 | 1,424,139 | 0 | 35 | 3,377,704 |
| 170,590 | 8 | (107,614) | 45,473 | (1,423,993) | 99 | 191 | (1,470,918) |
| 136 | 0 | 129,539 | 0 | 1,464,000 | 46,257 | 0 | 1,835,932 |
| 0 | 0 | 0 | 0 | 0 | (60,881) | 0 | (60,881) |
| 0 | 0 | 0 | 0 | 0 | 0 | 0 | 12,800 |
| 136 | 0 | 129,539 | 0 | 1,464,000 | (14,624) | 0 | 1,787,851 |
| 170,726 | 8 | 21,925 | 45,473 | 40,007 | (14,525) | 191 | 316,933 |
| 536,237 | 15,679 | (16,925) | 25,648 | 823,950 | 67,577 | 454,129 | 2,372,726 |
| $ 706,963 | $ 15,687 | $ 5,000 | $ 71,121 | $ 863,957 | $ 53,052 | $ 454,320 | $ 2,689,659 |

***UNION COUNTY, GEORGIA***
***LAW LIBRARY SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Fines and forfeitures | $ 16,945 | $ 9,989 | $ (6,956) |
| Interest | 55 | 126 | 71 |
| **Total revenues** | 17,000 | 10,115 | (6,885) |
| **EXPENDITURES** | | | |
| Current | | | |
| Judicial | | | |
| Contract services | 4,445 | 4,092 | 353 |
| Materials and supplies | 12,555 | 12,636 | (81) |
| **Total expenditures** | 17,000 | 16,728 | 272 |
| Excess (deficiency) of revenues over (under) expenditures | 0 | (6,613) | (6,613) |
| Fund balance, January 1 | 0 | 66,955 | 66,955 |
| **Fund balance, December 31** | $ 0 | $ 60,342 | $ 60,342 |

***UNION COUNTY, GEORGIA***
***SEIZURES SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Fines and forfeitures | $ 50,000 | $ 17,639 | $ (32,361) |
| Other | 0 | 1,219 | 1,219 |
| **Total revenues** | 50,000 | 18,858 | (31,142) |
| **EXPENDITURES** | | | |
| Current | | | |
| Public Safety | | | |
| Contract services | 0 | 13 | (13) |
| Materials and supplies | 50,000 | 7,206 | 42,794 |
| Capital outlay | 0 | 20,300 | (20,300) |
| Payments to others | 0 | 199 | (199) |
| **Total expenditures** | 50,000 | 27,718 | 22,282 |
| Excess (deficiency) of revenues over (under) expenditures | 0 | (8,860) | (8,860) |
| Other financing sources (uses) | | | |
| Sale of capital assets | 0 | 12,800 | 12,800 |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | 0 | 3,940 | 3,940 |
| Fund balance, January 1 | 0 | 8,677 | 8,677 |
| **Fund balance, December 31** | $ 0 | $ 12,617 | $ 12,617 |

***UNION COUNTY, GEORGIA***
***SHERIFF DONATION SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Contributions | $ 9,600 | $ 9,447 | $ (153) |
| **Total revenues** | 9,600 | 9,447 | (153) |
| **EXPENDITURES** | | | |
| Current | | | |
| Public Safety | | | |
| Materials and supplies | 9,600 | 9,513 | 87 |
| **Total expenditures** | 9,600 | 9,513 | 87 |
| Excess (deficiency) of revenues over (under) expenditures | 0 | (66) | (66) |
| Fund balance, January 1 | 0 | 9,032 | 9,032 |
| **Fund balance, December 31** | $ 0 | $ 8,966 | $ 8,966 |

***UNION COUNTY, GEORGIA***
***EMERGENCY 911 SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Charges for services | $ 275,000 | $ 372,469 | $ 97,469 |
| **Total revenues** | 275,000 | 372,469 | 97,469 |
| **EXPENDITURES** | | | |
| Current | | | |
| Public Safety | | | |
| Personal services | 430,968 | 409,789 | 21,179 |
| Contract services | 135,445 | 131,353 | 4,092 |
| Materials and supplies | 12,500 | 14,458 | (1,958) |
| Capital outlay | 5,000 | 6,460 | (1,460) |
| **Total expenditures** | 583,913 | 562,060 | 21,853 |
| Excess (deficiency) of revenues over (under) expenditures | (308,913) | (189,591) | 119,322 |
| Other financing sources (uses) | | | |
| Transfers in (out) | | | |
| General Fund | 308,913 | 196,000 | (112,913) |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | 0 | 6,409 | 6,409 |
| Fund balance, January 1 | 0 | 71,310 | 71,310 |
| **Fund balance, December 31** | $ 0 | $ 77,719 | $ 77,719 |

***UNION COUNTY, GEORGIA***
***LOCAL VICTIMS ASSISTANCE SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Fines and forfeitures | $ 18,300 | $ 23,764 | $ 5,464 |
| **Total revenues** | 18,300 | 23,764 | 5,464 |
| **EXPENDITURES** | | | |
| Current | | | |
| Judicial | | | |
| Payments to others | 18,300 | 7,716 | 10,584 |
| **Total expenditures** | 18,300 | 7,716 | 10,584 |
| Excess (deficiency) of revenues over (under) expenditures | 0 | 16,048 | 16,048 |
| Fund balance, January 1 | 0 | (3,994) | (3,994) |
| **Fund balances, December 31** | $ 0 | $ 12,054 | $ 12,054 |

***UNION COUNTY, GEORGIA***
***JAIL OPERATIONS SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Fines and forfeitures | $ 28,380 | $ 21,641 | $ (6,739) |
| Interest | 25 | 159 | 134 |
| **Total revenues** | 28,405 | 21,800 | (6,605) |
| **EXPENDITURES** | | | |
| **Total expenditures** | 28,405 | 0 | 28,405 |
| Excess (deficiency) of revenues over (under) expenditures | 0 | 21,800 | 21,800 |
| Fund balance, January 1 | 0 | 309,658 | 309,658 |
| **Fund balance, December 31** | $ 0 | $ 331,458 | $ 331,458 |

***UNION COUNTY, GEORGIA***
***INMATE WELFARE SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Charges for services | $ 9,400 | $ 20,939 | $ 11,539 |
| **Total revenues** | 9,400 | 20,939 | 11,539 |
| **EXPENDITURES** | | | |
| Current | | | |
| Public Safety | | | |
| Materials and supplies | 9,400 | 9,329 | 71 |
| **Total expenditures** | 9,400 | 9,329 | 71 |
| Excess (deficiency) of revenues over (under) expenditures | 0 | 11,610 | 11,610 |
| Fund balance, January 1 | 0 | 4,793 | 4,793 |
| **Fund balance, December 31** | $ 0 | $ 16,403 | $ 16,403 |

***UNION COUNTY, GEORGIA***
***DRUG ABUSE SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Fines and forfeitures | $ 40,300 | $ 31,352 | $ (8,948) |
| Charges for services | 150,000 | 159,534 | 9,534 |
| Intergovernmental | 717,688 | 879,832 | 162,144 |
| Interest | 12 | 88 | 76 |
| Other | 2,000 | 2,400 | 400 |
| **Total revenues** | 910,000 | 1,073,206 | 163,206 |
| **EXPENDITURES** | | | |
| Current | | | |
| Judicial | | | |
| Contract services | 893,000 | 886,255 | 6,745 |
| Materials and supplies | 9,500 | 9,306 | 194 |
| Payments to others | 1,500 | 1,500 | 0 |
| Public Safety | | | |
| Materials and supplies | 6,000 | 5,555 | 445 |
| **Total expenditures** | 910,000 | 902,616 | 7,384 |
| Excess (deficiency) of revenues over (under) expenditures | 0 | 170,590 | 170,590 |
| Other financing sources (uses) | | | |
| Transfers in (out) | | | |
| General Fund | 0 | 136 | 136 |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | 0 | 170,726 | 170,726 |
| Fund balance, January 1 | 0 | 536,237 | 536,237 |
| **Fund balance, December 31** | $ 0 | $ 706,963 | $ 706,963 |

***UNION COUNTY, GEORGIA***
***JUVENILE COURT SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Fines and forfeitures | $ 400 | $ 0 | $ (400) |
| Interest | 0 | 8 | 8 |
| **Total revenues** | 400 | 8 | (392) |
| **EXPENDITURES** | | | |
| **Total expenditures** | 400 | 0 | 400 |
| Excess (deficiency) of revenues over (under) expenditures | 0 | 8 | 8 |
| Fund balance, January 1 | 0 | 15,679 | 15,679 |
| **Fund balance, December 31** | $ 0 | $ 15,687 | $ 15,687 |

***UNION COUNTY, GEORGIA***
***MULTIPLE GRANT SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Intergovernmental | $ 100,000 | $ 107,942 | $ 7,942 |
| **Total revenues** | 100,000 | 107,942 | 7,942 |
| **EXPENDITURES** | | | |
| Current | | | |
| Public Safety | | | |
| Personal services | 2,000 | 231 | 1,769 |
| Contract services | 18,000 | 16,327 | 1,673 |
| Culture and Recreation | | | |
| Capital outlay | 200,000 | 198,998 | 1,002 |
| **Total expenditures** | 220,000 | 215,556 | 4,444 |
| Excess (deficiency) of revenues over (under) expenditures | (120,000) | (107,614) | 12,386 |
| Other financing sources (uses) | | | |
| Transfers in (out) | | | |
| General Fund | 120,000 | 129,539 | 9,539 |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources | 0 | 21,925 | 21,925 |
| Fund balance, January 1 | 0 | (16,925) | (16,925) |
| **Fund balance, December 31** | $ 0 | $ 5,000 | $ 5,000 |

***UNION COUNTY, GEORGIA***
***HOTEL/MOTEL TAX SPECIAL REVENUE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUES** | | | |
| Hotel/motel taxes | $ 230,000 | $ 247,767 | $ 17,767 |
| **Total revenues** | 230,000 | 247,767 | 17,767 |
| **EXPENDITURES** | | | |
| Current | | | |
| Housing and Development | | | |
| Payments to others | 230,000 | 202,294 | 27,706 |
| **Total expenditures** | 230,000 | 202,294 | 27,706 |
| Excess (deficiency) of revenues over (under) expenditures | 0 | 45,473 | 45,473 |
| Fund balance, January 1 | 0 | 25,648 | 25,648 |
| **Fund balances, December 31** | $ 0 | $ 71,121 | $ 71,121 |

***UNION COUNTY, GEORGIA***
***SPLOST DEBT SERVICE FUND***
***SCHEDULE OF REVENUES, EXPENDITURES***
***AND CHANGES IN FUND BALANCES***
***BUDGET (GAAP BASIS) AND ACTUAL***
***For the year ended December 31, 2017***

| | Final Budget | Actual | Variance |
|---|---|---|---|
| **REVENUE** | | | |
| Interest | $ 0 | $ 146 | $ 146 |
| **Total revenues** | 0 | 146 | 146 |
| **EXPENDITURES** | | | |
| Debt Service | | | |
| Principal | 1,200,000 | 1,320,000 | (120,000) |
| Interest | 300,000 | 104,139 | 195,861 |
| **Total expenditures** | 1,500,000 | 1,424,139 | 75,861 |
| Excess (deficiency) of revenues over (under) expenditures | (1,500,000) | (1,423,993) | 76,007 |
| Other financing sources (uses) | | | |
| Transfers in (out) | | | |
| SPLOST III Fund | 1,500,000 | 1,464,000 | (36,000) |
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | 0 | 40,007 | 40,007 |
| Fund balances, January 1 | 0 | 823,950 | 823,950 |
| **Fund balances, December 31** | $ 0 | $ 863,957 | $ 863,957 |

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***AGENCY FUNDS***

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

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

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

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

***UNION COUNTY, GEORGIA***
***AGENCY FUNDS***
***COMBINING BALANCE SHEET***
***December 31, 2017***

| | Tax Commissioner | Sheriff |
|---|---|---|
| **ASSETS** | | |
| Cash and cash equivalents | $ 37,057 | $ 19,084 |
| Taxes receivable, net | 1,874,101 | 0 |
| Total assets | $ 1,911,158 | $ 19,084 |
| **LIABILITIES** | | |
| Due to others | $ 37,057 | $ 19,084 |
| Uncollected taxes | 1,874,101 | 0 |
| Total liabilities | $ 1,911,158 | $ 19,084 |

| Clerk of Courts | Probate Court | Magistrate Court | Totals |
|---|---|---|---|
| $ 336,767 | $ 16,681 | $ 5,695 | $ 415,284 |
| 0 | 0 | 0 | 1,874,101 |
| $ 336,767 | $ 16,681 | $ 5,695 | $ 2,289,385 |
| $ 336,767 | $ 16,681 | $ 5,695 | $ 415,284 |
| 0 | 0 | 0 | 1,874,101 |
| $ 336,767 | $ 16,681 | $ 5,695 | $ 2,289,385 |

***UNION COUNTY, GEORGIA***
***AGENCY FUNDS***
***STATEMENT OF CHANGES IN ASSETS AND LIABILITIES***
***For the year ended December 31, 2017***

| | Balance January 1 | Additions | Deletions | Balance December 31 |
|---|---|---|---|---|
| **TAX COMMISSIONER** | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | $ 11,427 | $ 27,226,808 | $ 27,201,178 | $ 37,057 |
| Taxes receivable, net | 1,792,623 | 21,128,755 | 21,047,277 | 1,874,101 |
| Total | $ 1,804,050 | $ 48,355,563 | $ 48,248,455 | $ 1,911,158 |
| LIABILITIES | | | | |
| Due to others | $ 11,427 | $ 27,226,808 | $ 27,201,178 | $ 37,057 |
| Uncollected taxes | 1,792,623 | 21,128,755 | 21,047,277 | 1,874,101 |
| Total | $ 1,804,050 | $ 48,355,563 | $ 48,248,455 | $ 1,911,158 |
| **SHERIFF** | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | $ 18,828 | $ 219,670 | $ 219,414 | $ 19,084 |
| LIABILITIES | | | | |
| Due to others | $ 18,828 | $ 219,670 | $ 219,414 | $ 19,084 |
| **CLERK OF COURTS** | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | $ 352,225 | $ 1,271,499 | $ 1,286,957 | $ 336,767 |
| LIABILITIES | | | | |
| Due to others | $ 352,225 | $ 1,271,499 | $ 1,286,957 | $ 336,767 |
| **PROBATE COURT** | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | $ 15,553 | $ 372,991 | $ 371,863 | $ 16,681 |
| LIABILITIES | | | | |
| Due to others | $ 15,553 | $ 372,991 | $ 371,863 | $ 16,681 |
| **MAGISTRATE COURT** | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | $ 3,019 | $ 106,044 | $ 103,368 | $ 5,695 |
| LIABILITIES | | | | |
| Due to others | $ 3,019 | $ 106,044 | $ 103,368 | $ 5,695 |
| **TOTALS - ALL AGENCY FUNDS** | | | | |
| ASSETS | | | | |
| Cash and cash equivalents | $ 401,052 | $ 29,197,012 | $ 29,182,780 | $ 415,284 |
| Taxes receivable, net | 1,792,623 | 21,128,755 | 21,047,277 | 1,874,101 |
| Total | $ 2,193,675 | $ 50,325,767 | $ 50,230,057 | $ 2,289,385 |
| LIABILITIES | | | | |
| Due to others | $ 401,052 | $ 29,197,012 | $ 29,182,780 | $ 415,284 |
| Uncollected taxes | 1,792,623 | 21,128,755 | 21,047,277 | 1,874,101 |
| Total | $ 2,193,675 | $ 50,325,767 | $ 50,230,057 | $ 2,289,385 |

***OTHER REPORTING SECTION***

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

Honorable Commissioner
Union County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Union County, Georgia, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Union County, Georgia's basic financial statements and have issued our report thereon dated June 15, 2018. Our report includes a reference to other auditors who audited the financial statements of the Union County Health Department, as described in our report on Union County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that were reported on separately by those auditors.

### Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control that we consider to be significant deficiencies and which are described as follows:

**2017-001**

*Condition:* While performing audit procedures at the Clerk of Court, we were unable to sight approval for 6 of 10 (60%) voided transactions selected for testing.

*Criteria:* Proper internal controls require that all voided transactions are properly approved.

*Effect:* Failure to maintain proper supporting documentation with evidence of approval for voided transactions subjects the assets of the County to greater risk of misappropriation.

*Recommendation:* Supporting documentation with evidence of approval should be retained at the Court's office.

**2017-001, continued**

*Management Response:* Management has provided a copy of this finding to the appropriate Elected Official and they concur with this finding. This action was taken immediately upon receipt of the comment from our auditors.

**2017-002**

*Condition:* While performing audit procedures on disbursements, we noted no evidence of approval on 21 of 128 (16%) disbursement transactions tested.

*Criteria:* Proper internal controls require that all disbursements transactions are properly approved.

*Effect:* Failure to approve disbursement transactions subjects the assets of the County to greater risk of misappropriation.

*Recommendation:* To ensure that sufficient internal controls, the County should approve all disbursement transactions.

*Management Response:* Management concurs with this finding. The County will immediately begin approving every disbursement transaction. This action was taken immediately upon receipt of the comment from our auditors.

**Compliance and Other Matters**

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

**Union County, Georgia's Responses to Findings**

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

**Purpose of this Report**

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.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
June 15, 2018

## *STATE REPORTING SECTION*

This section contains additional reports required by the State of Georgia.

## *UNION COUNTY, GEORGIA*
## *SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX*
## *For the year ended December 31, 2017*

| Project | Estimated Cost * | | Expenditures | | |
|---|---|---|---|---|---|
| | Original | Current | Prior Years | Current Year | Total |
| **2009 SPLOST** | | | | | |
| Administration Costs | $ 630,000 | $ 500,000 | $ 391,194 | $ 0 | $ 391,194 |
| Roads & Bridges | 11,760,000 | 5,587,341 | 6,628,057 | 0 | 6,628,057 |
| Jail Renovation & Expansion | 1,960,000 | 87,490 | 63,504 | 0 | 63,504 |
| Administrative Annex Renovations | 490,000 | 500,000 | 23,796 | 0 | 23,796 |
| Park & Recreation Facilities | 5,047,000 | 4,296,789 | 4,823,389 | 60,881 | 4,884,270 |
| Library Renovation, Expansion & Books | 882,000 | 937,479 | 937,479 | 0 | 937,479 |
| Public Safety Facilities, Vehicles & Equipment | 2,009,000 | 2,509,759 | 2,579,571 | 0 | 2,579,571 |
| Solid Waste Transfer Station | 833,000 | 287,101 | 80,844 | 0 | 80,844 |
| Farmers Market Facilities | 784,000 | 1,199,860 | 1,193,461 | 0 | 1,193,461 |
| Civic Center Renovation & Expansion | 245,000 | 250,000 | 249,858 | 0 | 249,858 |
| Multi-use Building for Economic Development, Community Center & Golf Course Shop | 3,430,000 | 2,000,000 | 1,422,465 | 0 | 1,422,465 |
| Historic Facilities Renovations | 1,323,000 | 529,091 | 480,455 | 0 | 480,455 |
| Animal Control Facilities | 147,000 | 150,000 | 148,785 | 0 | 148,785 |
| City of Blairsville Facilities | 1,960,000 | 1,286,438 | 1,313,608 | 0 | 1,313,608 |
| Total | $ 31,500,000 | $ 20,121,348 | $ 20,336,466 | $ 60,881 | $ 20,397,347 |

## *UNION COUNTY, GEORGIA*
## *SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX*
## *For the year ended December 31, 2017*

| Project | Estimated Cost * Original | Estimated Cost * Current | Expenditures Prior Years | Expenditures Current Year | Expenditures Total |
|---|---|---|---|---|---|
| **2015 SPLOST** | | | | | |
| Acquisition of Union County Community Center | $ 5,500,000 | $ 5,500,000 | $ 5,454,530 | $ 58,832 | $ 5,513,362 |
| Administrative Facilities Upgrades, Improvements, Equipment & Vehicles | 1,000,000 | 1,000,000 | 412,350 | 137,910 | 550,260 |
| Library Upgrades, Improvements, & Equipment | 100,000 | 100,000 | 28,954 | 19,826 | 48,780 |
| Public Safety Facilities, Vehicles & Equipment | 1,000,000 | 1,000,000 | 870,745 | 403,864 | 1,274,609 |
| Roads, Streets & Bridges | 6,000,000 | 6,000,000 | 2,067,378 | 621,553 | 2,688,931 |
| Parks and Recreation Upgrades, Improvements, Equipment & Vehicles | 3,400,000 | 3,400,000 | 692,036 | 177,607 | 869,643 |
| Solid Waste Upgrades, Improvements & Equipment | 200,000 | 200,000 | 122,157 | 1,318 | 123,475 |
| Economic Development Facilities & Land Acquisition | 300,000 | 300,000 | 5,262 | 57 | 5,319 |
| City of Blairsville | 1,500,000 | 1,500,000 | 519,550 | 323,257 | 842,807 |
| Total | $ 19,000,000 | $ 19,000,000 | $ 10,172,962 | $ 1,744,224 | $ 11,917,186 |
| Transfers to SPLOST Debt Service Fund for sinking fund requirements | | | | 1,464,000 | |
| Interest expenditures in the SPLOST Debt Service Fund | | | | (104,121) | |
| Expenditures financed by intergovernmental revenues | | | | 732,215 | |
| Total SPLOST IV Fund Expenditures and Transfers Out | | | | $ 3,836,318 | |

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

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