

**BULLOCH COUNTY, GEORGIA**  
ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDED JUNE 30, 2015

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners  
Bulloch 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 Bulloch County, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Bulloch County Board of Health, a component unit, which represents 1.9%, .8%, and 3.0%, respectively, of the assets, net position, and revenues of Bulloch County, Georgia. We did not audit the financial statements of the Development Authority of Bulloch County, a component unit, which represents 17.7%, 22.4%, and 1.1%, respectively, of the assets, net position, and revenues of Bulloch County, Georgia.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Bulloch County Board of Health, a component unit, which represents 1.9%, .8%, and 3.0%, respectively, of the assets, net position, and revenues of Bulloch County, Georgia. We did not audit the financial statements of the Development Authority of Bulloch County, a component unit, which represents 17.7%, 22.4%, and 1.1%, respectively, of the assets, net position, and revenues of Bulloch County, Georgia. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Bulloch County Board of Health and the Development Authority of Bulloch County, is based 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

## *Opinions*

In our opinion, 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 Bulloch County, Georgia, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 19 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 the Bulloch County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and schedule of projects paid with SPLOST proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2015, on our consideration of Bulloch 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 Bulloch County, Georgia's internal control over financial reporting and compliance.

*Thigpen, Lanier, Wasterfill + Deal*

Statesboro, Georgia  
December 9, 2015

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of Bulloch County, Georgia's (the "County") annual financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2015. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

### Financial Highlights

- The County had total net position (assets exceeded liabilities) of \$75,270,800 at 2015 fiscal year-end. That is \$1,388,031 (or 1.8%) less than the total net position of \$76,658,831 (restated) at 2014 fiscal year-end.
- Total net position is comprised of the following:
  - (1) Net investment in capital assets of \$57,659,113 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets. The figure for fiscal year 2014 was \$57,567,158. That is an increase of \$91,955 (or 0.16%) for fiscal year 2015.
  - (2) Net position of \$11,171,233 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations. That is \$1,545,621 (or 12.2%) less than the fiscal year 2014 amount of \$12,716,854.
  - (3) Unrestricted net position of \$6,440,454 represents the portion available to maintain the County's continuing obligations to citizens and creditors. This is a \$65,636 (or 1.0%) increase from the fiscal year 2014 total of \$6,374,818 (restated). Unrestricted net position decreased in fiscal years 2014 by \$622,291 and 2013 by \$1,018,095.
- The County's governmental funds reported total ending fund balance of \$21,235,649 in fiscal year 2015, compared to \$27,928,007 in fiscal year 2014. This is a decrease of \$6,692,358 (or 24.0%). This decrease was largely due to a \$6,806,282 decrease in ending fund balance for SPLOST 07, resulting in an ending fund balance of \$98,700. In addition, the combined SPLOST 02 and Series 2012 SPLOST GO bond funds saw a cumulative decrease of \$2,920,339, derived from a \$5,656 decrease in SPLOST 02, and a \$2,914,683 decrease in SPLOST GO bonds. The fiscal year 2015 ending fund balance for SPLOST 13 increased in ending fund balance by \$1,809,630 and the General Fund showed an increase of \$123,623. Other Non-major Governmental Funds increased by \$1,101,010 for an ending fund balance of \$2,472,360 at the end of fiscal year 2015.
- At the end of the current fiscal year, cumulative fund balance for the General Fund was \$5,175,304 (or 16.2%) of total General Fund expenditures and operating transfers out. Of this balance, \$987,601 was non-spendable, which includes amounts that are in a non-spendable form or are required to remain intact (inventories, endowment from a corpus fund, prepaid items, long-term loans and notes receivable etc.) The remaining \$4,187,703 was unassigned (such amounts are the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications). That compares to a cumulative fund balance of \$5,051,681 (or 15.9%) of total General Fund expenditures and operating transfers out in fiscal year 2014.
- Overall, while the local economy continues to improve, the County's operating financial position has been weakened. Thanks largely to low-debt and adequate liquidity, the County meets or exceeds most financial strength ratios. However, the 2008-2009 recession, similar to most local governments, created a structural budget deficit for Bulloch County that has only been balanced with the use of fund balance reserves. Fiscal year 2015 is the first year since fiscal year 2010 that the County did not draw upon fund balance reserves for governmental fund activities. The slight increase in fund balance this year places the county at a 16.2% ratio of fund balance to total expenditures. The county desires a 25% ratio of fund balance to total expenditures. Bulloch County aspires to continue increasing the fund balance in fiscal year 2016 and to move toward the goal of 25% ratio of fund balance to total expenditures. See the "financial analysis" section of this document for more detail.

## Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to Bulloch County's basic financial statements. The County's basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of Bulloch County.

### *Basic Financial Statements*

The first statements of the basic financial statements are the **Government-wide Financial Statements** of the County. They include a Statement of Net Position and a Statement of Activities concerning the County and its discretely presented component units. The government-wide financial statements are presented on pages 20 and 21.

The next statements are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements. The fund financial statements are presented on pages 22-31.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's non-major governmental funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the Official Code of Georgia Annotated also can be found in this part of the statements. The **notes** are presented on pages 32-53.

### *Government-wide Financial Statements*

The government-wide financial statements are designed to provide the reader with a broad overview of the County and its discretely presented component units' finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County and its discretely presented component units' financial status as a whole. The government-wide statements report the County and its discretely presented component units' net position and how they have changed. Net position is the difference between total assets and total liabilities. Measuring net position is one way to gauge the County and its discretely presented component units' financial condition.

The government-wide statements are divided into two categories: 1) governmental activities; and 2) business-type activities. The governmental activities include most of the County's basic services such as general government, public safety, public works, sanitation, community and economic development, and community services. Property taxes and sales taxes finance most of these activities. Also included in governmental activities are multiple special revenue funds where transfers are used to help fund deficits where user charges are insufficient to fund the full direct costs. These activities include, among others, the airport, E-911, and recreation. A summary of the County's discretely presented component units is also included. The county provides partial funding to these units as a part of governmental activities.

The business-type activities are those that assess a charge or user fee to the customers whom they provide services. These activities include the Aquatic Center and the Agribusiness Center. The County also has two internal service funds, which are proprietary funds. The Employee Health Insurance Fund accounts for employee paid premiums collected as revenues, and claims paid to a third party administrator for employee health insurance related expenses. The Correctional Food Service Fund charges fees for food services to the County's correction facilities.

## ***Fund Financial Statements***

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Bulloch County, like all other governmental entities in Georgia, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements or standards, such as the Official Code of Georgia Annotated, Generally Accepted Accounting Principles and the Governmental Accounting Standards Board. All of the funds of Bulloch County can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds:** Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County's basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow in and out, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a current financial resources focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County's programs.

The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Bulloch County adopts an annual budget for its General Fund, as required by the Official Code of Georgia Annotated 36-81-3. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the budget ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the board; 2) the final budget as amended by the board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

The basic governmental fund financial statements are presented on pages 22-27 of this report.

**Proprietary Funds:** Proprietary funds are reported in the fund financial statements and generally report services for which the County assesses fees or user charges. Two of the County's proprietary funds are classified as enterprise funds: the Aquatic Center Fund and the Agribusiness Center Fund. These enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Two of the County's proprietary funds are internal service funds: the Employee Health Insurance Fund and the Correctional Food Service Fund. The Employee Insurance Fund is an internal service fund to account for transactions for the self-funded county group health insurance plan.

The basic proprietary fund financial statements are presented on pages 28-30 of this report.

**Agency Funds:** Agency funds are used to account for assets the County holds on behalf of the Sheriff, Emergency Medical Services, Probation, the Clerk of Courts, Probate Court, the Magistrate Court, Bulloch County Correctional Institute, and the Tax Commissioner.

The basic agency fund financial statement is presented on page 31 of this report.

## *Notes to the Basic Financial Statements*

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 32 of this report.

### *Supplementary Information*

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

During the fiscal year, the Board of Commissioners adopted by resolution several budget amendments, or revisions, to the original budget resolutions. As discussed, the County reports major funds in the basic financial statements. Combining and individual statements and schedules for non-major funds are presented in this section of this report beginning on page 54.

## **Financial Analysis of the County as a Whole**

### *Financial Strength*

As a part of examining the County's past financial trends, Bulloch County financial staff annually measure key financial ratios used by both the credit industry and the Government Finance Officers Association to determine liquidity and debt capacity. These ratios reflect the period ending June 30, 2015 for governmental activities. Below is a description of the indicators used.

**Current Ratio:** This is a measure of the County's ability to meet short-term debt obligations; the higher the ratio, the more liquid the entity is. Current ratio is equal to current assets divided by current liabilities. If the current assets of a county are more than twice the current liabilities, then that county is generally considered to have good short-term financial strength. If current liabilities exceed current assets, then the county may have problems meeting its short-term obligations.

**Total Debt to Equity Ratio:** This is a measure of the County's financial leverage calculated by dividing long-term debt by total net position. It indicates what proportion of equity and debt the entity is using to finance its assets.

**Working Capital (also called Net Current Assets):** This is a measure of current assets minus current liabilities. Working capital measures how much in liquid assets the County has available for operations and growth. The number can be positive or negative, depending on how much debt is carried. In general, counties that have a lot of working capital will be more successful since they can expand and improve their operations and infrastructure. Counties with negative working capital may lack the funds necessary for growth.

**Current Liabilities Ratio:** Current liabilities are those obligations that are currently due at the end of a fiscal year plus the portion of long-term debt that will become due during the next fiscal year. Current liabilities include accounts payable, short-term debt, accrued liabilities, and current maturities of long-term debt.

**Operating Position:** This is a measure of the unrestricted balance or portion of net position available, either in the General Fund, or in an enterprise fund as a percentage of annual operating revenue. This measure shows the ability to withstand financial emergencies or to accumulate funds for capital purchases without having to borrow.

**Ratio of General Debt Outstanding:** This measure is the amount of general obligation debt in the form of bonds backed by the full faith and credit of the government.

**Debt Limit Ratio:** Direct debt is bonded debt for which the local government has pledged its full faith and credit. This long-term debt indicator uses assessed valuation in the denominator and assumes that property taxes are the primary source of debt repayment. This indicator does not include capital lease obligations since they are not "legal" debt.

**Legal Debt Margin:** This is the actual amount which the local government can pledge its full faith and credit.

**Net Overlapping Debt:** The overlapping debt indicator measures the ability of the community's tax base to repay the long-term general obligation debt obligations issued by all of its governmental and quasi-governmental jurisdictions. If other jurisdictions default, the community may have contingent, moral, or political obligations to assume the debt, provide the services, or both.

**Net Direct Long-Term Debt Per Capita:** This measure indicates the net direct obligation of total general obligation debt divided by the population of the community.

Financial Strength Ratios	2015 Governmental Activities	2014 Governmental Activities	Standard	2015 Adherence to Standard
Current Ratio	3.50	3.99	2.0 or >	Positive
Total Debt to Equity Ratio	0.167	0.207	1.0 or <	Positive
Working Capital	\$20,027,600	\$26,199,477	NA (1)	NA (1)
Current Liabilities Ratio	0.117	0.126	0.05 or <	Negative
Operating Position	0.132	0.134	0.25 or >	Negative
Ratio of General Debt Outstanding	0.0%	0.0%	0.0%	Positive
Debt Limit Ratio	0.0%	0.0%	0.0%	Positive
Legal Debt Margin	100.0%	100.0%	100.0%	Positive
Net Overlapping Debt	unavailable (2)	\$13,141,210 (2)	NA (1)	NA (1)
Net Direct Long-Term Debt Per Capita	\$184.53	\$184.53	NA (1)	NA (1)

(1) NA - Not applicable.

(2) Bulloch County Board of Education – 100%. Data for 2015 is not available at the time of this report.

Upon examining Bulloch County financial ratios against developed standards, it's noted that with exception to current liabilities and operating position, the other ratios indicate favorable or positive financial strength.

#### Summary of Net Position

As noted earlier, Bulloch County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County had total net position (assets exceeded liabilities) of \$75,270,800 at 2015 fiscal year-end compared to the fiscal year 2014 figure of \$76,658,831 (restated). The following table provides a summary of the County's net position:

Summary of Net Position

	Governmental Activities		Business-Type Activities		Total		Percentage of Total	
	2015	2014	2015	2014	2015	2014	2015	2014
<b>Assets</b>								
Current Assets	28,050,839	35,112,561	455,615	610,101	28,506,454	35,722,662	29.3%	34.8%
Capital Assets	60,188,794	57,942,862	8,467,476	8,877,705	68,656,270	66,820,567	70.7%	65.2%
<b>Total Assets</b>	<b>88,239,633</b>	<b>93,055,423</b>	<b>8,923,091</b>	<b>9,487,806</b>	<b>97,162,724</b>	<b>102,543,229</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Liabilities</b>								
Current Liabilities	8,023,239	8,751,020	631,721	568,644	8,654,960	9,319,644	39.5%	36.0%
Long-Term Liabilities	11,474,384	14,425,187	1,762,580	2,139,548	13,236,964	16,564,735	60.5%	64.0%
<b>Total Liabilities</b>	<b>19,497,623</b>	<b>23,176,207</b>	<b>2,394,301</b>	<b>2,708,192</b>	<b>21,891,924</b>	<b>25,884,399</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Net Position</b>								
Net Investment in Capital Assets	51,328,770	51,196,730	6,330,343	6,370,428	57,659,113	57,567,158	76.6%	75.0%
Restricted – Capital Projects	8,698,873	11,597,537	-	-	8,698,873	11,597,537	11.5%	15.0%
Restricted – Other Purposes	2,472,360	1,119,317	-	-	2,472,360	1,281,382	3.3%	1.7%
Unrestricted	6,242,007	5,965,632	198,447	409,186	6,440,454	6,374,818	8.6%	8.3%
<b>Total Net Position</b>	<b>68,742,010</b>	<b>69,879,216</b>	<b>6,528,790</b>	<b>6,779,614</b>	<b>75,270,800</b>	<b>76,658,830</b>	<b>100.0%</b>	<b>100.0%</b>

The County reported decreasing balances in total net position for both governmental and business-type activities. Total net position for fiscal year 2015 decreased by \$1,388,301 (or 1.8%), with 81.9% of the decrease occurring in governmental activities (\$1,137,207, or 1.6%), and the remaining decrease by \$250,824 (or 3.7%) for business-type activities.

Note that in fiscal year 2015 and 2014, respectively 76.6% and 75.1% of the total net position was invested in capital assets, net of debt. This documents that the County continues to invest adequately in the capital assets needed to provide services, with minimal reliance on debt for capital investment. On the business type activities, the County has invested a higher ratio, 97.0% in fiscal year 2015, and 94.0% in fiscal year 2014, of its net position on capital assets, net of debt. For governmental activities, unrestricted net position increased from 8.7% of total net position to 9.1% between fiscal years 2014 and 2015. For business-type activities, unrestricted net position was 3.0% of total net position with a decrease of (\$210,739 or 51.5%), between fiscal years 2014 and 2015. Overall, this increased total unrestricted net position from 8.3% to 8.6% of total net position.

#### Summary of Changes in Net Position

	2015				2014			
	Governmental Activities	Business Activities	Total	Percentage of Total	Governmental Activities	Business Activities	Total	Percentage of Total
<b>Program Revenues</b>								
Fees, Fines, Charges for Services	11,934,048	2,178,056	14,112,104	27.2%	12,149,173	2,076,705	14,225,878	28.0%
Operating Grants and Contributions	1,348,961		1,348,961	2.7%	1,227,248		1,227,248	2.4%
Capital Grants and Contributions	1,466,511		1,466,511	2.8%	1,956,970		1,956,970	3.8%
<b>General Revenues</b>								
Taxes	34,486,175		34,486,175	66.4%	32,940,248		32,940,248	64.7%
Other	474,217		474,217	0.9%	544,308		544,308	1.1%
<b>Total Revenues</b>	<b>49,709,912</b>	<b>2,178,056</b>	<b>51,887,968</b>	<b>100.0%</b>	<b>48,817,947</b>	<b>2,076,705</b>	<b>50,894,652</b>	<b>100.0%</b>
<b>Program Expenses</b>								
General Government	4,559,742		4,559,742	8.5%	4,357,830		4,357,830	7.9%
Judicial	3,279,096		3,279,096	6.2%	3,407,810		3,407,810	6.2%
Public Safety	20,762,882		20,762,882	38.9%	20,384,317		20,384,317	37.1%
Public Works	7,674,363		7,674,363	14.4%	8,759,936		8,759,936	15.9%
Sanitation	4,348,549		4,348,549	8.2%	4,178,841		4,178,841	7.6%
Health and Welfare	461,999		461,999	0.9%	482,303		482,303	0.9%
Libraries and Recreation	4,942,127		4,942,127	9.3%	5,051,747		5,051,747	9.2%
Airport	800,289		800,289	1.5%	783,163		783,163	1.4%
Housing and Development	3,566,863		3,566,863	6.7%	4,747,035		4,747,035	8.6%
Education	403,248		403,248	0.7%	378,813		378,813	0.7%
Interest	198,061		198,061	0.4%	224,208		224,208	0.4%
Aquatic Center		2,109,641	2,109,641	4.0%		2,083,571	2,083,571	3.8%
Agribusiness Center		169,139	169,139	0.3%		168,098	168,098	0.3%
<b>Total Expenses</b>	<b>50,997,219</b>	<b>2,278,780</b>	<b>53,275,999</b>	<b>100.0%</b>	<b>52,756,003</b>	<b>2,251,669</b>	<b>55,007,672</b>	<b>100.0%</b>
Excess (Deficiency)	(1,287,307)	(100,724)	(1,388,031)		(3,938,056)	(174,964)	(4,113,020)	
Transfers	150,100	(150,100)			160,581	(160,581)		
Change in Net Position	(1,137,207)	(250,824)	(1,388,031)		(3,777,475)	(335,545)	(4,113,020)	
Prior Period Adjustment	162,065	-	162,065		-	-	-	
<b>Beginning Net Position</b>	<b>69,917,152</b>	<b>6,779,614</b>	<b>78,496,766</b>		<b>73,494,627</b>	<b>7,115,159</b>	<b>80,609,786</b>	
<b>Ending Net Position</b>	<b>68,742,010</b>	<b>6,528,790</b>	<b>75,270,800</b>		<b>69,717,152</b>	<b>6,779,614</b>	<b>76,496,766</b>	

### ***Governmental Activities: Revenues***

Bulloch County is one of only eight counties out of 159 in Georgia that do not receive any of the 1% Local Option Sales Tax (LOST). A local Constitutional Amendment was passed by the Georgia General Assembly in the 1981 Session (Georgia Laws, 1981, p. 1931) which called for a referendum on the question of whether or not the local option sales tax should go to the Bulloch County Board of Education, with a dollar for dollar reduction in the school property tax. The referendum passed on November 2, 1982. Since that time, this money has gone to the Bulloch County Board of Education. Since most Georgia counties and cities negotiate a formula to distribute LOST proceeds among themselves, the absence of this availability puts Bulloch County's basic units of local government at a distinct disadvantage relative to almost all the other cities and counties in the state. Ultimately, it means that the county government and its municipalities have to rely more heavily on the local property tax and user fees than these other cities and counties. For example, although fiscal year 2015 figures are unavailable at this time, if the county and municipal governments had split \$9,942,318 in local option sales taxes in fiscal year 2015 collected by the Board of Education, Bulloch County could have potentially realized as much as 58% in additional revenue, if distribution were made between the county and municipalities based on population.

However, Bulloch County and its municipalities do share the proceeds of a 1% Special Purpose Local Option Sales Tax (SPLOST), which has passed referendums successively in 1997 and 2002 for five-year terms; and 2007 for a six-year term; and 2013 for a six-year term. At first glance it appears that the County may be heavily reliant on sales taxes to support governmental operations. In fiscal year 2015, sales taxes of \$10,404,271 out of \$49,709,912 in total governmental funds revenues (or 20.9%) were received from SPLOST 2013. However, all SPLOST proceeds are defined by law to be spent on capital outlays, not operating costs.

The County has been able to earn \$7,741 in fiscal year 2015, and \$20,380 in fiscal year 2014, in interest to support governmental activities. Also, note that program revenues covered 28.9% in fiscal year 2015, and 29.1% in fiscal year 2014 of governmental operating expenses. This means that the government's taxpayers and the other general revenues funded the remaining 71.1% in fiscal year 2015, and 70.9% in fiscal year 2014 of the governmental activities.

Property taxes are an important source of revenue to Bulloch County's General Fund. In fiscal year 2015, property tax revenues were \$19,572,516 (or 61.9% of total general fund revenues), and in fiscal year 2014, were \$18,661,268 (or 60.8% of total general fund revenues). This further illustrates the County's high dependence on property tax sources noted above.

### ***Governmental Activities: Functional Expenses***

Public safety is the county's largest functional cost, comprising 40.7% of the County's total governmental activity expenses in fiscal year 2015, followed by Public Works (15.0%) and Libraries and Recreation (9.7%). In fiscal year 2014, those figures were 38.6%, 16.6% and 9.6% respectively. The following table presents the cost of each of the County's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the County's taxpayers by each of these functions.

**Governmental Activities**

	2015		2014	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General Government	4,559,742	(3,233,277)	4,357,830	(3,086,668)
Judicial	3,279,096	(2,410,081)	3,407,810	(2,638,122)
Public Safety	20,762,882	(13,298,394)	20,384,317	(12,888,954)
Public Works	7,674,363	(6,532,226)	8,759,936	(6,841,064)
Sanitation	4,348,549	(3,659,089)	4,178,841	(3,227,878)
Health and Welfare	461,999	(461,999)	482,303	(482,303)
Recreation	4,398,621	(2,725,229)	4,513,541	(2,885,618)
Libraries	543,506	(543,506)	538,206	(538,206)
Airport	800,289	174,504	783,163	(38,027)
Housing and Development	3,566,863	(3,360,340)	4,747,035	(4,571,564)
Education	403,248	(1)	378,813	-
Interest	198,061	(198,061)	224,208	(224,208)
<b>Total</b>	<b>50,997,219</b>	<b>(36,247,699)</b>	<b>52,756,603</b>	<b>(37,422,612)</b>

For fiscal year 2015, all functions except the Airport required a subsidy from general revenues comprising 71.1% of all expenses. For fiscal year 2014, all functions required a subsidy from general revenues comprising 70.9% of all expenses.

**Business-Type Activities: Revenues vs. Expenses**

For fiscal year 2015, the aggregate operating revenues for the county enterprise funds were 4.9% above those of 2014 and operating expenses were 1.6% above fiscal year 2014. Within the total business type activities of the County, these activities reported aggregate operating loss of \$20,075 in fiscal year 2015 compared to an operating loss of \$86,539 in fiscal year 2014. After non-operating expense and transfers in and out between other funds, these funds reported a combined loss of \$250,824 in fiscal year 2015 compared to a loss of \$335,545 in fiscal year 2014.

<b>Business-Type Activities: Operating Income (Loss)</b>				
	2015		2014	
	Amount	Percent Change	Amount	Percent Change
Aquatic Center Fund	\$65,714	3,767.1%	(\$1,792)	91.9%
Agribusiness Center Fund	(\$85,789)	(1.2%)	(\$84,747)	(14.9%)

Operating income before transfers for the Aquatic Center Fund (Splash in the 'Boro) increased in fiscal year 2015 with operating revenues increasing by \$101,352 or 5.08%, while operating expenses increased \$33,846 or 1.7%, resulting in a 3,767.1% increase in annual operating income.

The operating income for the Agribusiness Center Fund decreased by 1.2% in fiscal year 2015. Operating revenues remained constant, while operating expenses before depreciation increased by 0.62%. The current operations consist of rental income to help support the 30,000 square foot office complex that house several agribusiness related governmental entities. The rental largely supports the direct operating expenses when building depreciation is not factored into rental prices or costs. However, as the future development of the Phase II mixed-use arena proceeds, it is expected that within three years a new stream of revenue will be established which will aid in improving fund solvency.

The County also began transferring resources from the business-type activities beginning in fiscal year 2006. \$150,100 was transferred out of the Aquatic Center Fund to the general fund in 2015. The County transfers resources between its business-type funds and its governmental funds for the following reasons:

- The County has developed a formula based allocation for charges to its enterprise funds that take the form of transfers out of these funds to help cover the costs of overhead services from the General Fund or other governmental funds. These costs include the various staff departments, such as personnel, finance, purchasing, and records, as well as part of the County Manager's time. If these enterprise funds were privately owned, the County would be entitled to property taxes on the property in service, net of accumulated depreciation, similar to other private service providers. These transfers are made in lieu of property taxes.
- Periodically, capital improvements or investments must be made to enhance the use by the customers and occupants of these facilities. Where appropriated, the Board of Commissioners makes available budgeted resources for transfers into these enterprise funds from the Special Purpose Local Option Sales Tax for these enhancements. This relieves subsidies from property tax payers who commit resources through the General Fund. Because at least one-third of all sales taxes are generated from consumers living outside of Bulloch County, these consumers in fact provide additional tax relief for county taxpayers who may otherwise have to commit local dollars toward the improvement of these facilities.
- Since the County's taxpayers are in fact the investors who started and financed these operations, they are being rewarded with a comparable return on equity in the form of lower property taxes. This return can be made while still maintaining fee or user charges that are at or below the market prices offered by comparable private companies.
- Hosting a sizable regional university and numerous other governmental and non-profit entities results in a considerable amount of property not being subject to property taxation. However, services such as emergency services, courts, road improvements and repair, and sanitation must be provided and expanded as needed, and must be funded from general revenues. Transfers between the enterprise funds and the General Fund help offset this burden, while sharing it more equitably among all citizens and institutions.

## **Financial Analysis of the County's Funds**

### ***Governmental Funds***

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$21,235,649 in fiscal year 2015, compared to \$27,928,007 (restated) in fiscal year 2014. Of these year-end totals, in fiscal year 2015, \$1,074,120 was non-spendable, \$16,238,238 was restricted and \$3,923,291 was unassigned.

The total ending fund balances of governmental funds show a decrease in fiscal year 2015 of \$6,692,358 (or 24.0%) compared to a decrease in fiscal year 2014 of \$5,894,130 (or 17.5%). The decrease in total ending fund balances of governmental funds in fiscal year 2015 is attributed to the use of \$6,806,282 of SPLOST 07 Fund reserves, leaving only \$98,700 in total ending fund balance for this fund.

Total taxes in governmental funds were \$1,649,369 (or 5.01%) more than in fiscal year 2014. Charges for services decreased by \$281,346 (or 3.0%) in fiscal year 2015.

The governmental funds' expenditures decreased by \$245,190 (or 0.43%), in fiscal year 2015 due to the County's strategy of matching expenditures with available funds to manage cash flow.

The County's overall cash flow can vary greatly from month to month. The reason for this is that property tax revenues, which comprise approximately one-half of the General Fund revenue stream, peak during the December-February time line. While other General Fund revenues come in during months when property taxes do not, there exists a declining cash flow environment from March to November. This is why having a standard of 25% of expenditures in the General Fund balance is critical. The standard provides adequate cash flow to handle these monthly fluctuations, while providing a cushion against any major unexpected events, with a residual benefit of improving the County's credit rating when it needs to borrow.

### ***Major Governmental Funds***

The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased by \$123,623 in fiscal year 2015.

### ***The Proprietary Funds***

The proprietary funds statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Each of the fund statements give detailed information about their financial condition, in addition to the Financial Analysis of the County as a whole.

### ***Internal Service Funds***

The County has two internal service funds, the Employee Health Insurance internal service fund and the Correctional Food Service internal service fund. While the General Fund subsidizes the Correctional Food Service fund, the Employee Health Insurance internal service fund had an increase in net position of \$239,168 for the year ended June 30, 2015 primarily due to an increase in premiums revenue compared to fiscal year 2014. Claims expense increased \$19,208 during fiscal year 2015. This fund had claims liability of \$515,000 at June 30, 2015 compared to \$429,646 at the end of fiscal year 2014.

### ***Agency Funds***

An agency fund is used to account for assets held for other funds, governments or individuals. Bulloch County maintains eight agency funds. A statement of fiduciary assets and liabilities for the agency funds is presented on page 31.

### **Budgetary Highlights**

***The General Fund*** – Overall, the County recognized revenues equal to \$31,643,812 or 101.2% of the budgeted revenues in the appropriated budget. Overall, the County recognized expenditures equal to \$29,367,261 or 99.7% of the budgeted expenditures in the appropriated budget.

On the revenue side of the budget, taxes were considerably higher than the budgeted amount.

On the expenditure side, risk management expenditures were considerably lower than the budgeted amount.

### **Capital Assets and Debt Administration**

#### ***Capital Assets***

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2015 was \$68,656,270. That compares to the fiscal year 2014 investment of \$66,820,567.

The fiscal year 2015 totals in this net investment increased by \$2,245,932 (or 3.9%) for governmental activities and decreased by \$410,229 (or 4.6%) for business-type activities. The overall increase was 2.7% for the County as a whole. ***See Note 6*** for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

**Capital Assets**

	Governmental Activities		Business Activities		Total	
	2015	2014	2015	2014	2015	2014
<b>Non-depreciable Assets</b>						
Land	3,534,937	3,534,937	329,177	329,177	3,864,114	3,864,114
Construction in Progress	3,878,304	1,446,738	60,647	60,647	3,938,951	1,507,385
<b>Total Non-Depreciable</b>	<b>7,413,241</b>	<b>4,981,675</b>	<b>389,824</b>	<b>389,824</b>	<b>7,803,065</b>	<b>5,371,499</b>
<b>Depreciable Assets</b>						
Buildings	41,644,783	41,644,783	7,042,188	7,042,188	48,686,971	48,686,971
Improvements Other Than Buildings	7,426,341	6,108,934	5,347,052	5,252,856	12,773,393	11,361,790
Machinery and Equipment	24,901,255	23,247,860	625,562	620,632	25,526,817	23,868,492
Infrastructure	124,048,370	122,466,422	-	-	124,048,370	122,466,422
<b>Total Depreciable Assets</b>	<b>198,020,749</b>	<b>193,467,999</b>	<b>13,014,802</b>	<b>12,915,676</b>	<b>211,035,551</b>	<b>206,383,675</b>
<b>Less Accumulated Depreciation</b>	<b>145,245,196</b>	<b>140,506,812</b>	<b>4,937,150</b>	<b>4,427,795</b>	<b>150,182,346</b>	<b>144,934,607</b>
<b>Book Value: Depreciable Assets</b>	<b>52,775,553</b>	<b>52,961,187</b>	<b>8,077,652</b>	<b>8,487,881</b>	<b>60,853,205</b>	<b>61,449,068</b>
<b>Percentage Depreciated</b>	<b>73.3%</b>	<b>72.6%</b>	<b>37.9%</b>	<b>34.3%</b>	<b>71.2%</b>	<b>70.2%</b>
<b>Total Book Value</b>	<b>60,188,794</b>	<b>57,942,862</b>	<b>8,467,476</b>	<b>8,877,705</b>	<b>68,656,270</b>	<b>66,820,567</b>

The County began reporting its governmental infrastructure constructed each year in fiscal year 2003. The only change in infrastructure between fiscal year 2014 and fiscal year 2015 were additions to the local road system. The decrease in the Business Activities assets is primarily due to building depreciation. In the County's business type activities, 37.9% of the asset values were depreciated at June 30, 2015, compared to 34.3% for fiscal year 2014.

At June 30, 2015, the depreciable capital assets for governmental activities were 73.3% depreciated. This percentage is consistent with the fiscal year 2014 amount of 72.6%. *This indicates, that overall, the County is replacing capital assets at a rate near depreciation expense. The County is trying to maintain and not increase machinery, equipment and infrastructure because of the impact of the recent recession.*

**Long-term Debt**

In July 2012, the County issued \$12,000,000 in General Obligation Sales Tax Bonds Series 2012 primarily to fund economic development, including but not limited to land acquisition and site development and the construction of water and sewer infrastructure located within proximity to Exit 116 at the I-16 and US Route 301 interchange in Bulloch County. To the extent that there are additional bond proceeds remaining, such proceeds will be applied to fund infrastructure, land acquisition or other improvements to an industrial park being developed jointly by the Development Authority of Bulloch County and the Board of Commissioners at I-16 and US-301. The annual debt service requirements run through Fiscal Year 2020. For both governmental and business type-activities, Bulloch County has \$15,886,269 of outstanding long-term debt in the form of capital leases, notes payable and General Obligation Sales Tax Bonds Series 2012, excluding compensated absences. Since 1994, the county has entered into various capital lease agreements for equipment. As they currently exist, they are expected to be paid off by 2019. There are two notes payable to the Georgia Environmental Facilities Authority with outstanding principal amounts of \$40,381 with maturity occurring in 2018 and an outstanding balance of \$544,783 with maturity occurring in 2032. The smaller note is for the acquisition of property for the future Fletcher Memorial Recreation Park. The larger note is for the expansion of the county's solid waste recycling processing center. Additionally, there is a note payable to Synergistic for acquisition of software for the Sheriff's department. The outstanding principal balance of \$115,589 will mature in 2020. The largest note payable in the amount of \$2,137,133 resides in the current Aquatic Center Expansion, which took place during 2009. However, as an enterprise activity, this debt is paid for within the fund, which revenues are generated solely by user fees.

The governmental activities reported capital leases of \$2,045,705, a net decrease of \$1,080,008 or 34.6% from 2014. Notes Payable increased by \$79,495 (or 12.8%). Compensated absences decreased by \$7,360 or 1.1% in fiscal year 2015. The county continues to aggressively follow its plan to pay down its long-term debt obligations in an effort to improve its financial operating position and to maintain structural budget integrity.

	Long-Term Debt Obligations					
	Governmental Activities		Business-Type		Totals	
	2015	2014	2015	2014	2015	2014
Capital Leases	2,045,705	3,125,713	-	-	2,045,705	3,125,713
Notes Payable	700,753	621,258	2,137,133	2,507,277	2,837,886	3,128,535
Bonds Payable	11,002,678	13,139,792	-	-	11,002,678	13,139,792
Compensated Absences	647,189	654,549	9,629	6,873	656,818	661,422
<b>Total</b>	<b>14,396,325</b>	<b>17,541,312</b>	<b>2,146,762</b>	<b>2,514,150</b>	<b>16,543,087</b>	<b>20,055,462</b>

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

### Economic Conditions Affecting the County

According to key economic indicators, the 2015 fiscal year finally saw Bulloch County's local economy beginning to recover from the state and national recession in 2008-2009.

In the first half of calendar year 2012, the local economy began to realize a bottoming-out of the economic decline from the preceding two years, followed by mild growth in 2013 through 2015. Georgia Southern University continues its steady planned enrollment and campus facilities expansion, which has resulted in a substantial increase in student housing on and off campus. Bulloch County also continued its commitment to nurture existing industry and businesses that complement its existing business mix, planning the development of a new industrial park and interstate commercial center at I-16 and US 301 with the investment of Special Purpose Local Option Sales Tax general obligation bonds to develop infrastructure. Continued public infrastructure investment was aided by the establishment of a 30-year tax allocation (increment financing) district approved by County voters, along with a renewed Special Purpose Local Option Sales Tax in November 2011.

Both Briggs and Stratton and Viracon have stable manufacturing operations in Bulloch County. The Wal-Mart Distribution Center remains the most active high-volume warehousing center of its kind within the corporation. Great Dane Trailers, LLC began operations of a 450,000 square foot manufacturing facility in April 2012, employing up to 400 workers. In mid 2014, Viracon, an architectural glass manufacturer began a \$2 million capital expansion, adding 125 new additional jobs. The City of Statesboro is aggressively expanding its commercial base and retail activity. The eleven-year old county-operated Splash in the 'Boro Aquatic Center and Water Park had another outstanding season, after a \$4.1 million expansion in fiscal year 2009, drawing over 60 percent of its nearly 160,000 annual customers from outside Bulloch County. Finally, being on the boundary of the Savannah metropolitan area offers advantages to Bulloch County from a regional perspective. The Savannah MSA is poised to be among the state's fastest recovering regions, especially in the economic sectors related to job growth, tourism, retail, real estate and finance, and information services. The expanding activity of the Port of Savannah, along with the prospect of a harbor expansion project to attract Panamax sized ships, will spur the construction of additional warehouse space for processing for import-export distribution in the region.

In order for Bulloch County to retain its excellent quality of life advantages, the community will have to address many critical issues on its horizon. A primary issue is to address the gradual shifting of the County's economic base from manufacturing to increasing growth in the government, retail, services and construction sectors. Another challenge is to marshal continued growth in the manufacturing sector to retain diversification. Of course, there is intense competition by other communities in the region for new economic development projects. This competition is requiring new models of incentives and inducements that will require the County to be selective and prudent in their use.

The following key economic indicators reflect the economic condition of the County.

- **Positive-to-Neutral:** With the official 2010 Census enumeration, Bulloch County population's in April 2010 was estimated at 70,217. The 2014 Census inter-censal population estimate released in 2015 was 72,087, which is a 1.2% increase from 2013 estimates. Inter-censal estimates, often based on annual building permit data, reflected a cooling of the accelerated building of apartments in the City of Statesboro in 2010 and 2011. Trends are now emerging that show growth in single-family housing construction.
- **Neutral:** While the per capita income for the 2015 calendar year is not yet available; indicators from prior years are as follows: Per capita income for Bulloch County increased from \$27,873 in 2013 to \$28,062 in 2014, or 0.7%.
- **Positive:** County sales taxes collections in fiscal year 2015 increased by 4.9% from \$9,920,972 in fiscal year 2014 to \$10,404,271. Sales tax growth has been relatively static due to the implementation of various tax reform initiatives by the Georgia General Assembly.
- **Positive:** The County's employed workforce increased from 30,367 to 32,838 (or 4.8%) from June 2014 to October 2015.
- **Positive:** The monthly unemployment rate for Bulloch County in October 2015 was 5.7%, which was below the level of 9.2% at the end of the prior fiscal year in June 2014. However, the local rate was equal to the state rate and above the national rate of 4.8%, still falling below the desired rate for frictional unemployment.
- **Neutral:** The Consumer Price Index for the Urban South Consumers decreased by 0.10% during the Fiscal Year 2015 period, which is consistent with the national rate.
- **Neutral:** The comprehensive net countywide tax digest decreased 0.2% from \$1,753,108,779 in 2014 to \$1,749,523,899 in 2015.
- **Neutral:** While weekly wage rates for the 2015 calendar year are not yet available, indicators from the two prior years were somewhat neutral; the average weekly wage for all Bulloch County workers decreased during the 2014 calendar year to \$608 from \$610 in 2013 (or 0.3%), and increased in the 2013 calendar year to \$610, from \$597 in 2012 (or 2.2%).
- **Positive:** While data for the 2015 calendar year is not yet available, indicators from prior years were positive; single-family building permits increased in Bulloch County and its municipalities from 140 units in Calendar Year 2013 to 158 units in 2014, a 12.9% increase.
- **Neutral:** While data for the 2015 calendar year is not yet available, indicators from the two prior years were neutral; model-based estimates indicate that the poverty rate in Bulloch County has increased from 30.6% in 2013 to 31.4% in 2014 and decreased from 31.5% in 2012 to 30.6% in 2013.

It is clear that in the short-term, there are still lingering effects from the recent recession. Yet, Bulloch County has a growing population and is positioned for a strong recovery thanks to its emergence as a regional center for post-secondary education, health care facilities and specialties, and retail and general business services. There is also potential spin-off growth occurring in the greater Savannah area.

Our short-term projection for fiscal year 2016 is that the statewide economy will continue to grow modestly, but virtually all segments of the local and regional economy, will experience growth at a slightly lower rate.

The following represents a qualitative forecast for the local economy for the forward fiscal year ending June 30, 2016.

- Growth and output will increase marginally in all sectors of the local economy, but at modest rates.
- Growth in the labor markets and job creation is likely to increase moderately.
- Short-term inflation is a threat as a recovery takes hold; however, it is dependent on monetary policy and actors in the global market place; the long-term inflation outlook is positive.
- Capital investments, profits, and personal income and investment will grow as the result of continued frugality by businesses and consumers.
- Consumer spending will increase at a better rate due to higher employment, pent up demand and increases in saving and decreases in personal debt. However, spending will be tempered by slower wage growth.

From a long-term perspective, the national and state economies may be significantly affected by many factors, including a growing national debt and trade deficit, monetary issues and health care costs, inflation, increased demands on Social Security as baby-boomers near retirement, the slow recovery of the housing market, threat/acts of terrorism and potential geopolitical instability.

The most critical factor affecting County finances going forward will be whether revenue growth can accelerate without a property tax rate increase at some point in the future. However, several elastic sources of revenue are likely to remain static. If the economy continues to improve as anticipated, there will be approximately a 12-18 month lag for more significant overall revenue growth rates that would be sustainable for a three-to-four year period, if the economy does not decline.

**Summary**

In summary, at the close of June 30, 2015, Bulloch County government currently has adequate, slowly rising financial strength and liquidity. It has a strong capital asset base and minimal debt compared to other counties of its size in Georgia.

The operating position, particularly in the key General Fund, declined in prior fiscal years, reaching lows experienced in fiscal year 2007. Fiscal year 2015 is the first year of growth in the General Fund since fiscal year 2010, albeit slight. Fund balance was \$4.8 million at the close of fiscal year 2014 and \$5.1 million at the close of fiscal year 2015.

In the last several fiscal years, the County has attempted to restrict expenditure growth by minimizing employee wage increases and deferring or eliminating certain operating and capital expenditures. To leverage cash flow, the County institutes limited purchases of needed machinery and equipment through capital or operating leases, relying on SPLOST funds rather than the General Fund where possible. The County has also invested local and federal funds to lower telephone and electric utility costs by retrofitting facilities with energy efficiency fixtures and voice-over-internet protocol phone systems. Several County departments also raised fees and user charges where discretion prevailed, to cover the full cost of providing the service. Furthermore, the County continues to restructure administrative functions, and has periodically and internally audited specific operations for better efficiencies. However, the increasing demand for services by local citizens, unfunded mandates from higher levels of government for additional services, and extraordinary inflation place pressure on some of these austerity measures.

In Fiscal Year 2008, the Board of Commissioners adopted a general ad valorem property tax increase that included a five-year reserve stabilization plan for the General Fund. Bulloch County exceeded its goal in the third year of the plan (FYE 2011) by increasing the unreserved general fund balance to an ideal ratio of 25.4%. However, the steady decline in fund balance in prior fiscal years put the county over \$3 million below its goal of having a 25.0% unreserved fund balance ratio.

*Six-Year General Fund Reserve Performance*

<b>Fiscal Year</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Projected Surplus (\$)</b>	<b>780,000</b>	<b>811,000</b>	<b>844,000</b>	<b>877,000</b>	<b>912,000</b>	-
Actual/ Surplus (\$)	1,595,991	1,429,035	134,231	(1,207,483)	(1,195,064)	(650,226)
FYE Fund Balance (\$ in mil.)	6.200	7.629	7.942	6.734	5.539	4.890
Projected Budget (\$ in mil.)	29.5	31.1	31.3	31.9	32.0	31.9
FYE Fund Balance Ratio (%)	21.0	24.5	25.4	21.1	17.3	15.3

*Proposed General Fund Reserve Stabilization Plan Through 2020*

<b>Fiscal Year</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
<b>Projected Surplus (\$)</b>	<b>123,623</b>	<b>500,000</b>	<b>750,000</b>	<b>800,000</b>	<b>800,000</b>	<b>750,000</b>
FYE Fund Balance (\$ in mil.)	5.175	5.675	6.425	7.225	8.025	8.775
Projected Budget (\$ in mil.)	31.6	36.5	37.5	37.5	38.5	40.0
FYE Fund Balance Ratio (%)	16.3	15.5	17.1	19.3	20.8	22.9

The 2008-2009 recession clearly had a negative impact on County finances, particularly the General Fund. The Board of Commissioners attempted to weather the recessionary effects without raising the general millage rate.

Meanwhile, the County's General Fund budget has remained steady at a \$31-\$32 million level to maintain the existing level of service. In FY 2016, the County will move Parks and Recreation activities away from a special revenue fund, and it will be added to the General Fund to ease accounting efficiency. This will increase the General Fund budget to approximately \$36.5 million.

In FY 2016, a general property tax increase will be recommended at a level of 1.91 mills, raising the M & O millage rate to 12.34 mills. As the County moves forward through 2020, it must take initiatives to adjust service levels to meet the demands of a growing population, despite popular disdain for property tax increases – while at the same time rebuilding fund reserves to a more preferred level with sufficient revenue. The 2014-2020 General Fund Reserve Stabilization reflects this approach. However, this still means that expenditures must be controlled. This will require the following long-term initiatives:

- An examination of the personnel compensation plan that reflects future workforce changes and attrition.
- Leveraging SPLOST capital outlay funds for technology and sustainability improvements.
- Establishing budget accounts for fund reserve stabilization, contingencies and capital outlay to supplement stagnating SPLOST revenues caused by on-going exemptions granted by the State of Georgia.
- Collaboration with local and regional units of government in service delivery initiatives.
- Accelerate economic development initiatives to broaden the commercial and industrial tax base, with incentives policies that do not cause significant erosion or opportunity costs.

The County will be looking at five key implementation items in fiscal year 2016 to continue improving both general efficiency and financial results. They are:

- Recommendation of minimal, strategic pay increases for FY 2016, with no reduction in services.
- Continued implementation of hardware and software upgrades to improve enterprise resource planning for improved management oversight.
- On-going reorganization and improvement of revenue management functions for more timely collections. Restructuring some existing personnel and tasks to form a centralized revenue collection function to improve treasury management and compliance with mandated procedures.
- Utilizing the aforementioned initiatives to progress toward true position control budgeting, fund accounting and a full-fledged modified accrual accounting system.
- Continuing to retrofitting of facilities with energy efficiency and voice-over-internet telephone systems to achieve utility cost savings.

Currently, the County's other special revenue, enterprise and internal fund structures are operating mostly in a favorable condition. However, the General Fund must closely monitor all of these funds to minimize or, in many cases, avoid increased subsidies.

#### **Contacting the County's Financial Management**

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, you may contact:

Thomas M. Couch  
County Manager

Andrew Welch  
Assistant County Manager

Whitney Richland  
Chief Financial Officer

115 North Main Street  
Statesboro, Georgia, 30459  
(912) 764-6245

**BULLOCH COUNTY, GEORGIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Bulloch County Board of Health	Development Authority of Bulloch County
<b>ASSETS</b>					
<b>Current Assets:</b>					
Cash	\$ 24,456,144	\$ 188,269	\$ 24,644,413	\$ 1,670,945	\$ 1,955,129
Receivables:					
Taxes	911,981	-	911,981	-	-
Intergovernmental	1,184,133	-	1,184,133	70,636	-
Internal balances	(267,346)	267,346	-	-	-
Other	691,807	-	691,807	-	75,000
Prepaid items	1,040,680	-	1,040,680	-	-
Inventories	33,440	-	33,440	-	-
<b>Total Current Assets</b>	<b>28,050,839</b>	<b>455,615</b>	<b>28,506,454</b>	<b>1,741,581</b>	<b>2,030,129</b>
<b>Capital Assets:</b>					
Nondepreciable capital assets	7,413,241	389,824	7,803,065	-	12,151,494
Depreciable capital assets, net	52,775,553	8,077,652	60,853,205	72,126	3,012,361
<b>Total Capital Assets</b>	<b>60,188,794</b>	<b>8,467,476</b>	<b>68,656,270</b>	<b>72,126</b>	<b>15,163,855</b>
<b>Total Assets</b>	<b>88,239,633</b>	<b>8,923,091</b>	<b>97,162,724</b>	<b>1,813,707</b>	<b>17,193,984</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Resources related to pensions	-	-	-	137,721	-
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts payable	3,941,137	185,281	4,126,418	-	2,124
Accrued payroll	424,222	49,680	473,902	-	-
Accrued interest payable	139,392	6,367	145,759	-	-
Unearned revenue	19,436	6,211	25,647	-	349,684
Claims payable	515,000	-	515,000	-	-
Other liabilities	62,111	-	62,111	-	-
Compensated absences payable	129,438	1,926	131,364	29,917	-
Bonds payable	1,900,000	-	1,900,000	-	-
Capital leases payable	842,002	-	842,002	-	-
Notes payable	50,501	382,256	432,757	-	-
<b>Total Current Liabilities</b>	<b>8,023,239</b>	<b>631,721</b>	<b>8,654,960</b>	<b>29,917</b>	<b>351,808</b>
<b>Long-Term Liabilities:</b>					
Compensated absences payable (net of current portion)	517,751	7,703	525,454	29,916	-
Net pension obligation liability	-	-	-	1,024,181	-
Bonds payable (net of current portion)	9,102,678	-	9,102,678	-	-
Capital leases payable (net of current portion)	1,203,703	-	1,203,703	-	-
Notes payable (net of current portion)	650,252	1,754,877	2,405,129	-	-
<b>Total Long-Term Liabilities</b>	<b>11,474,384</b>	<b>1,762,580</b>	<b>13,236,964</b>	<b>1,054,097</b>	<b>-</b>
<b>Total Liabilities</b>	<b>19,497,623</b>	<b>2,394,301</b>	<b>21,891,924</b>	<b>1,084,014</b>	<b>351,808</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Resources related to pensions	-	-	-	269,532	-
<b>NET POSITION</b>					
Net investment in capital assets	51,328,770	6,330,343	57,659,113	72,126	15,163,855
Restricted for:					
Capital projects	8,698,873	-	8,698,873	-	-
Other purposes	2,472,360	-	2,472,360	549,636	1,678,321
Unrestricted	6,242,007	198,447	6,440,454	(23,700)	-
<b>Total Net Position</b>	<b>\$ 68,742,010</b>	<b>\$ 6,528,790</b>	<b>\$ 75,270,800</b>	<b>\$ 598,062</b>	<b>\$ 16,842,176</b>

See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2015**

Program/Function	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Units	
		Fees, Fines, and Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	Bulloch County Board of Health	Development Authority of Bulloch County
					Governmental Activities	Business-type Activities			
<b>Primary Government</b>									
<b>Governmental Activities</b>									
General government	\$ 4,559,742	\$ 855,840	\$ 470,625	-	\$ (3,233,277)	-	\$ (3,233,277)		
Judicial	3,279,096	790,573	78,442	-	(2,410,081)	-	(2,410,081)		
Public safety	20,762,882	7,159,104	252,262	\$ 53,122	(13,298,394)	-	(13,298,394)		
Public works	7,674,363	67,938	-	1,074,199	(6,532,226)	-	(6,532,226)		
Sanitation	4,348,549	576,127	113,333	-	(3,659,089)	-	(3,659,089)		
Health and welfare	461,999	-	-	-	(461,999)	-	(461,999)		
Recreation	4,398,621	1,644,752	28,640	-	(2,725,229)	-	(2,725,229)		
Libraries	543,506	-	-	-	(543,506)	-	(543,506)		
Airport	800,289	633,191	2,412	339,190	174,504	-	174,504		
Housing and development	3,566,863	206,523	-	-	(3,360,340)	-	(3,360,340)		
Education	403,248	-	403,247	-	(1)	-	(1)		
Interest and fiscal charges	198,061	-	-	-	(198,061)	-	(198,061)		
<b>Total governmental activities</b>	<b>50,997,219</b>	<b>11,934,048</b>	<b>1,348,961</b>	<b>1,466,511</b>	<b>(36,247,699)</b>	<b>-</b>	<b>(36,247,699)</b>		
<b>Business-type Activities</b>									
Aquatic Center	2,109,641	2,094,706	-	-	-	\$ (14,935)	(14,935)		
Agribusiness Center	169,139	83,350	-	-	-	(85,789)	(85,789)		
<b>Total business-type activities</b>	<b>2,278,780</b>	<b>2,178,056</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(100,724)</b>	<b>(100,724)</b>		
<b>Total - Primary Government</b>	<b>\$ 53,275,999</b>	<b>\$ 14,112,104</b>	<b>\$ 1,348,961</b>	<b>\$ 1,466,511</b>	<b>(36,247,699)</b>	<b>(100,724)</b>	<b>(36,348,423)</b>		
<b>Component Units:</b>									
Bulloch County Board of Health	\$ 1,381,572	\$ 550,471	\$ 1,004,759	-			\$ 173,658	-	
Development Authority of Bulloch County	487,886	300,000	250,000	-			-	\$ 62,114	
<b>Total Component Units</b>	<b>\$ 1,869,458</b>	<b>\$ 850,471</b>	<b>\$ 1,254,759</b>	<b>\$ -</b>			<b>173,658</b>	<b>62,114</b>	
<b>General Revenues</b>									
Property taxes levied for:									
General purposes					19,572,516	-	19,572,516	-	-
Fire protection					1,482,672	-	1,482,672	-	-
Streetlight tax districts					70,993	-	70,993	-	-
Sales taxes					10,404,271	-	10,404,271	-	-
Insurance premium tax					1,941,100	-	1,941,100	-	-
Other taxes					1,014,623	-	1,014,623	-	-
Gain on sale of capital assets					234,882	-	234,882	-	-
Interest earned					3,384	-	3,384	-	2,848
Other					235,951	-	235,951	-	(6,790)
<b>Total General Revenues</b>					<b>34,960,392</b>	<b>-</b>	<b>34,960,392</b>	<b>-</b>	<b>(3,942)</b>
Transfers					150,100	(150,100)	-	-	-
<b>Total General Revenues and Transfers</b>					<b>35,110,492</b>	<b>(150,100)</b>	<b>34,960,392</b>	<b>-</b>	<b>(3,942)</b>
<b>Change in Net Position</b>					<b>(1,137,207)</b>	<b>(250,824)</b>	<b>(1,388,031)</b>	<b>173,658</b>	<b>58,172</b>
<b>Net Position Beginning of Year, As Restated</b>					<b>69,879,217</b>	<b>6,779,614</b>	<b>76,658,831</b>	<b>424,404</b>	<b>16,784,004</b>
<b>Net Position End of Year</b>					<b>\$ 68,742,010</b>	<b>\$ 6,528,790</b>	<b>\$ 75,270,800</b>	<b>\$ 598,062</b>	<b>\$ 16,842,176</b>

See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2015**

	General	Sales Tax Bonds Construction	SPLOST 02	SPLOST 07	SPLOST 13	Total Nonmajor Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash	\$ 3,677,421	\$ 4,889,112	\$ 4,436,653	\$ 2,140,640	\$ 5,307,846	\$ 2,276,183	\$ 22,727,855
Receivables:							
Taxes	885,027	-	-	-	-	26,954	911,981
Intergovernmental	291,520	-	-	-	848,947	43,666	1,184,133
Other	26,085	-	-	400,000	-	234,948	661,033
Due from other funds	1,400,490	-	-	42,497	1,291,637	191,400	2,926,024
Prepaid items	987,601	334	-	18,507	-	34,238	1,040,680
Inventories	-	-	-	-	-	33,440	33,440
<b>TOTAL ASSETS</b>	<u>\$ 7,268,144</u>	<u>\$ 4,889,446</u>	<u>\$ 4,436,653</u>	<u>\$ 2,601,644</u>	<u>\$ 7,448,430</u>	<u>\$ 2,840,829</u>	<u>\$ 29,485,146</u>
<b>LIABILITIES</b>							
Accounts payable	\$ 601,863	\$ -	\$ -	\$ 1,211,307	\$ 1,891,033	\$ 202,110	\$ 3,906,313
Accrued payroll	344,693	-	-	-	-	77,220	421,913
Due to other funds	735,641	-	42,497	1,291,637	1,351,714	54,541	3,476,030
Unearned revenue	11,726	-	-	-	-	7,710	19,436
Other	55,136	-	-	-	-	6,975	62,111
<b>TOTAL LIABILITIES</b>	<u>1,749,059</u>	<u>-</u>	<u>42,497</u>	<u>2,502,944</u>	<u>3,242,747</u>	<u>348,556</u>	<u>7,885,803</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unavailable revenue - property taxes	343,781	-	-	-	-	19,913	363,694
<b>FUND BALANCES</b>							
Nonspendable	987,601	334	-	18,507	-	67,678	1,074,120
Restricted	-	4,889,112	4,394,156	80,193	4,205,683	2,669,094	16,238,238
Unassigned	4,187,703	-	-	-	-	(264,412)	3,923,291
<b>TOTAL FUND BALANCES</b>	<u>5,175,304</u>	<u>4,889,446</u>	<u>4,394,156</u>	<u>98,700</u>	<u>4,205,683</u>	<u>2,472,360</u>	<u>21,235,649</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<u>\$ 7,268,144</u>	<u>\$ 4,889,446</u>	<u>\$ 4,436,653</u>	<u>\$ 2,601,644</u>	<u>\$ 7,448,430</u>	<u>\$ 2,840,829</u>	<u>\$ 29,485,146</u>

See accompanying note to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

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**Total Governmental Fund Balances** \$ 21,235,649

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:

	Cost	\$ 205,433,990	
	Less accumulated depreciation	<u>(145,245,196)</u>	60,188,794

Other long-term assets are not available to pay for current period expenditures and therefore are unavailable in the funds:

	Property taxes		363,694
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Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net position

	Interfund receivables	\$ 3,208,684	
	Interfund payables	<u>(3,208,684)</u>	-

The internal service fund is used by management to charge the costs of the employee health self insurance program to individual funds and the cost of the correctional food service to appropriate funds. Certain assets and liabilities of the internal service funds are included in the governmental activities column in the statement of net position.

1,489,590

Long-term liabilities, including capital leases, notes payable, bonds payable, compensated absences, and accrued interest payable are not due and payable in the current period and therefore are not reported in the funds but are reported on the statement of net position:

	Accrued interest payable	\$ (139,392)	
	Bonds payable	(11,002,678)	
	Capital leases payable	(2,045,705)	
	Notes payable	(700,753)	
	Compensated absences	<u>(647,189)</u>	<u>(14,535,717)</u>

**Net Position Of Governmental Activities** \$ 68,742,010

See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	General	Sales Tax Bonds		SPLOST 02	SPLOST 07	SPLOST 13	Total Nonmajor Funds	Total Governmental Funds
		Construction						
<b>REVENUES</b>								
Taxes	\$ 22,601,466	-	-	-	-	\$ 10,404,271	\$ 1,572,368	\$ 34,578,105
Licenses and permits	453,932	-	-	-	-	-	-	453,932
Charges for services	5,315,297	-	-	-	-	-	3,767,123	9,082,420
Fees, fines and forfeitures	1,512,295	-	-	-	-	-	319,219	1,831,514
Intergovernmental	1,251,415	-	-	\$ 360,738	-	-	1,141,306	2,753,459
Interest	3,375	\$ 769	-	3,264	-	275	58	7,741
Other	506,032	-	\$ 1,589	-	-	-	294,590	802,211
Total revenues	31,643,812	769	1,589	364,002	364,002	10,404,546	7,094,664	49,509,382
<b>EXPENDITURES</b>								
Current:								
General government	4,090,563	-	-	-	-	-	-	4,090,563
Judicial	3,103,451	-	-	-	-	-	1,590	3,105,041
Public safety	15,303,536	-	-	-	-	-	2,990,248	18,293,784
Public works	2,575,068	-	-	-	-	-	73,774	2,648,842
Sanitation	2,133,945	-	-	-	-	-	-	2,133,945
Health and welfare	376,194	-	-	-	-	-	-	376,194
Recreation	-	-	-	-	-	-	3,958,832	3,958,832
Libraries	535,300	-	-	-	-	-	-	535,300
Airport	-	-	-	-	-	-	607,190	607,190
Housing and development	845,956	-	-	-	-	-	13,029	858,985
Capital outlay								
General government	-	-	-	1,822,844	468,416	253,973	-	2,545,233
Judicial	-	18,982	-	14,838	1,700	-	-	35,520
Public safety	-	105,737	-	863,922	-	429,722	-	1,399,381
Sanitation	-	-	-	489,115	1,795,833	-	-	2,284,948
Public works	-	-	7,245	2,667,343	542,445	-	-	3,217,033
Health and welfare	-	-	-	20,900	-	-	-	20,900
Recreation	-	-	-	214,669	8,202	11,098	-	233,969
Airport	-	-	-	341,320	13,693	-	-	355,013
Housing and development	-	2,376,433	-	4,000	46,077	-	-	2,426,510
Debt service:								
Principal	-	-	-	1,075,187	1,860,000	42,786	-	2,977,973
Interest	-	414,300	-	70,942	-	6,928	-	492,170
Intergovernmental	403,248	-	-	11,091	3,858,550	-	-	4,272,889
Total expenditures	29,367,261	2,915,452	7,245	7,596,171	8,594,916	8,389,170	-	56,870,215
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>								
	2,276,551	(2,914,683)	(5,656)	(7,232,169)	1,809,630	(1,294,506)	-	(7,360,833)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	333,058	-	-	-	-	2,333,664	-	2,666,722
Transfers out	(2,486,986)	-	-	-	-	(55,608)	-	(2,542,594)
Proceeds from note payable	-	-	-	-	-	117,460	-	117,460
Sale of capital assets	1,000	-	-	425,887	-	-	-	426,887
Total other financing sources (uses)	(2,152,928)	-	-	425,887	-	2,395,516	-	668,475
<b>NET CHANGE IN FUND BALANCES</b>								
	123,623	(2,914,683)	(5,656)	(6,806,282)	1,809,630	1,101,010	-	(6,692,358)
<b>FUND BALANCES, JULY 1, 2014, AS RESTATED</b>								
	5,051,681	7,804,129	4,399,812	6,904,982	2,396,053	1,371,350	-	27,928,007
<b>FUND BALANCES, JUNE 30, 2015</b>								
	\$ 5,175,304	\$ 4,889,446	\$ 4,394,156	\$ 98,700	\$ 4,205,683	\$ 2,472,360	-	\$ 21,235,649

See accompanying notes to the basic financial statements

**BULLOCH COUNTY, GEORGIA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,**  
**EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2015**

**Net Change In Fund Balances - Total Governmental Funds** \$ (6,692,358)

**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 as depreciation expense. This is the amount by which capitalized capital outlays exceeded depreciation expense in the current period.

Depreciation expense	\$ (5,587,396)	
Capital outlay	<u>8,025,333</u>	2,437,937

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

<b>Property taxes:</b>		
Unavailable @ 6/30/15	363,694	
Unavailable @ 6/30/14	<u>(455,624)</u>	(91,930)

Elimination of transfers between governmental funds:

Transfers in	2,542,594	
Transfers out	<u>(2,542,594)</u>	-

Governmental funds do not report the cost of disposed capital assets but the cost is reported on the statement of activities. (192,005)

The internal service fund used by management to charge the costs of the employee health insurance program to individual funds and the cost of the correctional food service to appropriate funds is not reported in the government-wide statement of activities. Governmental fund expenditures and related internal service fund revenues are eliminated. 239,168

Other financing sources for the inception of capital leases and proceeds from notes payable are reported on the fund level operating statement but are reported as a liability on the government-wide financial statements. (117,460)

Governmental funds report the effects of premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of this difference in the treatment of long-term debt and related items. 277,114

Repayment of notes, bonds and capital leases principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. 2,977,973

Some expenses reported in the statement of activities, such as accrued interest payable and compensated absences reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. 24,354

**Change In Net Position of Governmental Activities** \$ (1,137,207)

See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Taxes:				
Property	\$ 19,348,330	\$ 19,286,241	\$ 19,658,772	\$ 372,531
Alcoholic beverage	27,000	285,610	285,609	(1)
Insurance premium	1,920,000	1,941,100	1,941,100	-
Other	991,000	724,300	715,985	(8,315)
Licenses and permits	420,200	453,936	453,932	(4)
Charges for services	5,651,900	5,223,452	5,315,297	91,845
Fines and forfeitures	1,190,400	1,512,300	1,512,295	(5)
Intergovernmental	1,179,200	1,231,419	1,251,415	19,996
Interest	2,300	3,376	3,375	(1)
Other	720,800	602,546	506,032	(96,514)
Total revenues	<u>31,451,130</u>	<u>31,264,280</u>	<u>31,643,812</u>	<u>379,532</u>
<b>EXPENDITURES</b>				
Current:				
General government:				
Governing body	123,620	126,284	126,278	6
County manager	305,600	319,839	319,832	7
County clerk	72,550	50,542	50,534	8
Financial administration	470,370	451,504	450,648	856
Staff attorney	168,460	190,957	190,949	8
Human resources	364,600	164,810	178,107	(13,297)
Public relations	17,700	13,465	13,463	2
General administration fees	45,440	48,616	48,615	1
Elections	269,170	228,075	228,068	7
General government buildings	653,900	713,299	713,284	15
Risk management/General insurance	501,000	490,126	430,126	60,000
Tax assessor	564,630	587,303	587,295	8
Geographic information system	171,150	135,058	135,051	7
Tax commissioner	602,520	618,322	618,313	9
Total general government	<u>4,330,710</u>	<u>4,138,200</u>	<u>4,090,563</u>	<u>47,637</u>
Judicial:				
Clerk of Courts	750,730	805,022	804,631	391
Superior Court	252,000	236,369	251,314	(14,945)
State Court	261,250	273,739	273,733	6
Mental health Court	116,305	112,153	112,148	5
State Court Solicitor	184,590	183,465	183,461	4
District Attorney	296,700	293,770	293,770	-
Indigent defense	341,310	314,334	314,333	1
Magistrate Court	569,460	571,795	571,786	9
Probate Court	279,170	298,285	298,275	10
Total judicial	<u>3,051,515</u>	<u>3,088,932</u>	<u>3,103,451</u>	<u>(14,519)</u>
Public safety:				
Animal control	93,120	99,774	99,768	6
Animal shelter	309,600	340,004	339,989	15
Coroner	82,600	90,740	90,693	47
County correctional	1,773,640	1,794,752	1,787,294	7,458
Public safety administration	232,000	256,545	256,538	7
Probation	547,980	566,155	566,147	8
Emergency medical service	2,162,350	2,375,225	2,363,929	11,296
Jail	3,752,500	3,860,080	3,844,530	15,550
Rescue	6,900	-	-	-
Sheriff	3,495,220	3,537,855	3,504,865	32,990
Criminal investigations	569,360	617,002	616,996	6
Crime suppression	788,010	784,145	784,135	10
Court security/Sheriff	1,083,920	1,055,018	1,048,652	6,366
Total public safety	<u>14,897,200</u>	<u>15,377,295</u>	<u>15,303,536</u>	<u>73,759</u>

See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**GENERAL FUND**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>EXPENDITURES (Continued)</b>				
Public works:				
Roads	\$ 2,606,370	\$ 2,281,213	\$ 2,275,310	\$ 5,903
Fleet management	262,100	299,771	299,758	13
Total public works	<u>2,868,470</u>	<u>2,580,984</u>	<u>2,575,068</u>	<u>5,916</u>
Sanitation	<u>2,054,630</u>	<u>2,133,251</u>	<u>2,133,945</u>	<u>(694)</u>
Health and welfare:				
Health department	166,000	152,167	166,000	(13,833)
Other health and welfare	198,200	209,946	210,194	(248)
Total health and welfare	<u>364,200</u>	<u>362,113</u>	<u>376,194</u>	<u>(14,081)</u>
Libraries	<u>535,300</u>	<u>535,300</u>	<u>535,300</u>	<u>-</u>
Housing and development:				
Agricultural resources	192,390	208,973	210,004	(1,031)
Building inspections	176,980	182,481	182,474	7
Planning and zoning	97,460	106,177	106,168	9
Code enforcement	64,350	74,991	74,942	49
Economic development	250,000	251,333	272,368	(21,035)
Total housing and development	<u>781,180</u>	<u>823,955</u>	<u>845,956</u>	<u>(22,001)</u>
Intergovernmental - Bulloch County Board of Education	<u>390,250</u>	<u>403,248</u>	<u>403,248</u>	<u>-</u>
Total expenditures	<u>29,273,455</u>	<u>29,443,278</u>	<u>29,367,261</u>	<u>76,017</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<u>2,177,675</u>	<u>1,821,002</u>	<u>2,276,551</u>	<u>455,549</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	340,000	312,150	333,058	20,908
Transfers out	(2,463,780)	(2,486,855)	(2,486,986)	(131)
Sale of capital assets	60,200	1,000	1,000	-
Total other financing sources (uses)	<u>(2,063,580)</u>	<u>(2,173,705)</u>	<u>(2,152,928)</u>	<u>20,777</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 114,095</u>	<u>\$ (352,703)</u>	123,623	<u>\$ 476,326</u>
FUND BALANCE, BEGINNING OF YEAR, AS RESTATED			<u>5,051,681</u>	
FUND BALANCE, END OF YEAR			<u>\$ 5,175,304</u>	

See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**JUNE 30, 2015**

	Business Type Activities - Enterprise Funds			Governmental Activities
	Aquatic Center	Agribusiness Center	Total	Internal Service Funds
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash	\$ 195,117	\$ (6,848)	\$ 188,269	\$ 1,728,289
Accounts receivable	-	-	-	30,774
Due from other funds	267,346	-	267,346	282,660
Total Current Assets	<u>462,463</u>	<u>(6,848)</u>	<u>455,615</u>	<u>2,041,723</u>
<b>Noncurrent Assets</b>				
<b>Capital Assets</b>				
Land	73,305	255,872	329,177	-
Buildings and improvements	9,428,596	2,960,644	12,389,240	-
Machinery and equipment	602,116	23,446	625,562	-
Construction in progress	-	60,647	60,647	-
Less accumulated depreciation	(4,024,575)	(912,575)	(4,937,150)	-
Total Capital Assets	<u>6,079,442</u>	<u>2,388,034</u>	<u>8,467,476</u>	<u>-</u>
Total Assets	<u>6,541,905</u>	<u>2,381,186</u>	<u>8,923,091</u>	<u>2,041,723</u>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Accounts payable	176,565	8,716	185,281	34,824
Accrued payroll	49,680	-	49,680	2,309
Accrued interest payable	6,367	-	6,367	-
Unearned revenue	-	6,211	6,211	-
Note payable	382,256	-	382,256	-
Claims payable	-	-	-	515,000
Compensated absences payable	1,926	-	1,926	-
Due to other funds	-	-	-	-
Total Current Liabilities	<u>616,794</u>	<u>14,927</u>	<u>631,721</u>	<u>552,133</u>
<b>Long-Term Liabilities</b>				
Compensated absences payable (net of current portion)	7,703	-	7,703	-
Note payable (net of current portion)	1,754,877	-	1,754,877	-
Total Long-Term Liabilities	<u>1,762,580</u>	<u>-</u>	<u>1,762,580</u>	<u>-</u>
Total Liabilities	<u>2,379,374</u>	<u>14,927</u>	<u>2,394,301</u>	<u>552,133</u>
<b>NET POSITION</b>				
Net investment in capital assets	3,942,309	2,388,034	6,330,343	-
Unrestricted	220,222	(21,775)	198,447	1,489,590
Total Net Position	<u>\$ 4,162,531</u>	<u>\$ 2,366,259</u>	<u>\$ 6,528,790</u>	<u>\$ 1,489,590</u>

See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Business Type Activities - Enterprise Funds			Governmental Activities
	Aquatic Center	Agribusiness Center	Total	Internal Service Funds
<b>OPERATING REVENUES</b>				
Charges for services	\$ 2,094,706	-	\$ 2,094,706	\$ 858,727
Premiums	-	-	-	4,445,649
Rents	-	\$ 83,350	83,350	-
<b>Total operating revenues</b>	<u>2,094,706</u>	<u>83,350</u>	<u>2,178,056</u>	<u>5,304,376</u>
<b>OPERATING EXPENSES</b>				
Salaries and benefits	805,106	-	805,106	114,546
Materials and supplies	556,701	81,054	637,755	892,473
Purchased/contacted services	236,816	9,099	245,915	569,629
Depreciation	430,369	78,986	509,355	-
Claims	-	-	-	3,514,532
<b>Total operating expenses</b>	<u>2,028,992</u>	<u>169,139</u>	<u>2,198,131</u>	<u>5,091,180</u>
* <b>OPERATING INCOME (LOSS)</b>	<u>65,714</u>	<u>(85,789)</u>	<u>(20,075)</u>	<u>213,196</u>
<b>NON-OPERATING REVENUE(EXPENSE)</b>				
Interest income	-	-	-	-
Interest expense	(80,649)	-	(80,649)	-
<b>Total non-operating revenue (expense)</b>	<u>(80,649)</u>	<u>-</u>	<u>(80,649)</u>	<u>-</u>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	(14,935)	(85,789)	(100,724)	213,196
<b>TRANSFERS IN (OUT)</b>	<u>(150,100)</u>	<u>-</u>	<u>(150,100)</u>	<u>25,972</u>
<b>CHANGE IN NET POSITION</b>	(165,035)	(85,789)	(250,824)	239,168
<b>NET POSITION, JULY 1, 2014</b>	<u>4,327,566</u>	<u>2,452,048</u>	<u>6,779,614</u>	<u>1,250,422</u>
<b>NET POSITION, JUNE 30, 2015</b>	<u>\$ 4,162,531</u>	<u>\$ 2,366,259</u>	<u>\$ 6,528,790</u>	<u>\$ 1,489,590</u>

See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Business Type Activities - Enterprise Funds			Governmental
	Aquatic Center	Agribusiness Center	Total	Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from customers	\$ 2,094,706	\$ 89,561	\$ 2,184,267	-
Cash received from internal charges	-	-	-	\$ 5,021,716
Cash payments to employees for salaries and benefits	(795,058)	-	(795,058)	(112,237)
Cash payments for supplies and services	(1,349,196)	(88,171)	(1,437,367)	(1,702,625)
Cash payments for claims	-	-	-	(3,325,139)
Net cash provided (used) by operating activities	<u>(49,548)</u>	<u>1,390</u>	<u>(48,158)</u>	<u>(118,285)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers in (out)	<u>(150,100)</u>	<u>-</u>	<u>(150,100)</u>	<u>25,972</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Principal paid on note payable	(370,144)	-	(370,144)	-
Interest paid on note payable	(79,719)	-	(79,719)	-
Purchase of capital assets	(99,126)	-	(99,126)	-
Net cash provided (used) by capital and related financing activities	<u>(548,989)</u>	<u>-</u>	<u>(548,989)</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest received	-	-	-	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(748,637)</b>	<b>1,390</b>	<b>(747,247)</b>	<b>(92,313)</b>
<b>CASH AND CASH EQUIVALENTS, JULY 1, 2014</b>	<b>943,754</b>	<b>(8,238)</b>	<b>935,516</b>	<b>1,820,602</b>
<b>CASH AND CASH EQUIVALENTS, JUNE 30, 2015</b>	<b><u>\$ 195,117</u></b>	<b><u>\$ (6,848)</u></b>	<b><u>\$ 188,269</u></b>	<b><u>\$ 1,728,289</u></b>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 65,714	\$ (85,789)	\$ (20,075)	\$ 213,196
Adjustments:				
Depreciation	430,369	78,986	509,355	-
(Increase) decrease in operating assets:				
Accounts receivable	-	-	-	104,039
Prepaid items	-	-	-	-
Due from other funds	(197,911)	-	(197,911)	(282,660)
Increase (decrease) in operating liabilities:				
Accounts payable	37,082	1,982	39,064	(5,300)
Due to other funds	(394,850)	-	(394,850)	(235,223)
Claims payable	-	-	-	85,354
Accrued payroll	7,292	-	7,292	2,309
Unearned revenue	-	6,211	6,211	-
Compensated absences payable	2,756	-	2,756	-
Net cash provided (used) by operating activities	<u>\$ (49,548)</u>	<u>\$ 1,390</u>	<u>\$ (48,158)</u>	<u>\$ (118,285)</u>

See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**JUNE 30, 2015**

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ASSETS

Cash	<u>\$ 761,085</u>
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LIABILITIES

Due to other entities and individuals	<u>\$ 761,085</u>
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See accompanying notes to the basic financial statements.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

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

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

**1-A. Reporting Entity**

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

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

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

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

**Development Authority of Bulloch County** (the Authority) – The Authority was created under Georgia statute to promote the industrial and economic development of Statesboro and Bulloch County. The County appoints a majority of the Authority’s board members, approves the Authority’s budget, and provides a significant portion of the Authority’s revenues. Complete financial statements for the Authority can be obtained from their administrative office at:

Development Authority of Bulloch County  
102 South Main Street  
Statesboro, Georgia

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Bulloch County Board of Health** – The Bulloch County Board of Health provides health care services and health education to residents of Bulloch County. The Health Department receives financial support from Bulloch County, Georgia, the State of Georgia and the Federal Government. The County Commission appoints a majority of the Board of Directors. Complete financial statements for the Bulloch County Board of Health can be obtained from their administrative office at:

Bulloch County Board of Health  
1 West Altman Street  
Statesboro, Georgia

**1-B. Basis of Presentation**

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

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

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

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

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

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

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

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

**SPLOST 02, SPLOST 07 and SPLOST 13 Funds** – These funds account for the special purpose local option sales tax collected pursuant to a referendum for various capital improvements within the County.

**Sales Tax Bonds Construction Fund** – This fund accounts for the general obligation sales tax bonds proceeds to be used for acquisition and construction of major capital assets primarily related to the development of a new industrial park.

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

**Aquatic Center** – This fund accounts for the activities at the County's recreational water park at Mill Creek Regional Park.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Agribusiness Center** – This fund accounts for the activities associated with the operation of the Agribusiness Center building owned by the County.

**Fiduciary Funds** – Fiduciary fund reporting focuses on net position. The County's fiduciary funds are agency funds. These agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Constitutional officers use these funds to temporarily hold assets.

**1-C. Measurement Focus**

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

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

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

**1-D. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

At the fund reporting level, the governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows, and in the presentation of expenses versus expenditures.

**Revenues – Exchange Transactions** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

**Unearned Revenue** – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On both the governmental fund financial statements and the government-wide financial statements, revenues are reported as unearned for grants and entitlements received before eligibility requirements are met (e.g., cash advances).

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

**1-E. Assets, Liabilities and Net Position**

**Cash, Cash Equivalents, and Investments**

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

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

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

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

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Receivables**

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. The Statesboro/Bulloch County Airport special revenue fund reported an allowance for uncollectibles of \$4,250 at June 30, 2015.

**Interfund Balances**

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

**Consumable Inventories**

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

**Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2015, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable as this amount is not available for general appropriation.

**Capital Assets**

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County's infrastructure consists of roads and bridges. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by enterprise funds is capitalized. There was no interest capitalized for the year ended June 30, 2015.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings	15-40 years
Improvements other than buildings	15-40 years
Machinery and equipment	5-15 years
Infrastructure	12-60 years

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

**Compensated Absences**

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

The total compensated absences liability is reported on the government-wide financial statements. Proprietary funds report the total compensated absences liability in each individual fund at the fund reporting level. Governmental funds report the compensated absences liability at the fund reporting level only "when due."

**Accrued Liabilities and Long-term Obligations**

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

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

**Debt, Premiums, Discounts, and Issuance Costs**

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

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

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County does not have any deferred outflows of resources as of June 30, 2015.

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 only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Fund Equity**

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

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

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

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

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

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

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

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

- Committed
- Assigned
- Unassigned

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

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

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for the use of the Aquatic Center, rents collected for the Agribusiness Center, premiums collected for the employee insurance internal service fund, and charges for services by the correctional food service internal service fund. Operating expenses are necessary costs incurred to provide the goods or service that are the primary activity of each fund and include administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Interfund Activity**

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

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

**Estimates**

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

**NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budgetary Information**

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

All budgets are adopted on a basis consistent with GAAP.

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

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

All unexpended annual appropriations lapse at year-end.

**Excess of Expenditures Over Appropriations**

Expenditures exceeded appropriations for the year ended June 30, 2015 in the following departments for the general fund:

	<u>General Fund</u>
Human resources	\$ 13,297
Superior court	14,945
Health department	13,833
Other health and welfare	248
Agricultural resources	1,031
Economic development	21,035

The overexpenditures in these areas were funded by underexpenditures in other areas and available fund balance.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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

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

	<u>Overexpenditures</u>
BCCI Inmate fund	\$ 29,302
Drug education fund	26,158
Jail inmate phone fund	94,212
Grants fund	2,700
Jail commissary	10,051
Sheriff's confiscated assets	197,954

**Deficit Fund Balance**

The Rural Fire Protection Fund had a deficit fund balance of \$256,817 at June 30, 2015 which the County plans to eliminate with future fire tax revenue and operating transfers from the general fund.

**NOTE 3 – DEPOSITS**

At June 30, 2015, the carrying amount of the County's deposits (checking and certificates of deposit) was \$25,405,498, and the bank balance was \$28,847,032. Of the bank balance, \$1,607,959 was covered by federal depository insurance and \$27,239,073 was collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.

Discretely Presented Component Units

The carrying amount of deposits for the Development Authority of Bulloch County was \$1,955,129 and the bank balance was \$1,860,714 of which \$250,000 was covered by federal depository insurance and \$1,610,714 was collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name.

The carrying amount of deposits for the Bulloch County Board of Health was \$1,670,945 and the bank balance was \$1,670,445 which was covered by FDIC insurance or pledged securities held in the Health Department's name.

**NOTE 4 – PROPERTY TAXES**

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are billed on or about October 20<sup>th</sup> of each year and are payable within sixty days. The County bills and collects its own property taxes and also collects taxes for the Bulloch County Board of Education, State of Georgia and cities within the County. Collection of the County's taxes and for the other government agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in an Agency Fund. County property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days). For the year ended June 30, 2015, property taxes were levied on August 19, 2014, and were due December 1, 2014.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2015 is as follows:

Receivable Fund	Payable Fund	Amount
General	E-911	\$ 33,767
	SPLOST 13	1,345,949
	Jail Add-On Fee	20,774
Employee Health Insurance	General	282,660
Rural Fire	SPLOST 13	5,765
SPLOST 07	SPLOST 02	42,497
SPLOST 13	SPLOST 07	1,291,637
Aquatic Center	General	267,346
Parks and Recreation	General	185,635
Total		<u>\$ 3,476,030</u>

Interfund balances at June 30, 2015 represent reimbursable expenses and temporary loans. The County expects to repay all interfund balances within one year.

Interfund transfers for the year ended June 30, 2015, consisted of the following:

Transfers To:	Transfers From:				Total
	General Fund	Non-major Governmental Funds	Aquatic Center	Employee Insurance	
Parks and Recreation Fund	\$ 2,333,664	-	-	-	\$ 2,333,664
General Fund	-	\$ 55,608	\$ 150,100	\$ 127,350	333,058
Correctional Food Service	153,322	-	-	-	153,322
Total	<u>\$ 2,486,986</u>	<u>\$ 55,608</u>	<u>\$ 150,100</u>	<u>\$ 127,350</u>	<u>\$ 2,820,044</u>

Transfers from the general fund are used primarily to help fund the parks and recreation special revenue fund and correctional food service internal service fund. Transfers to the general fund from other funds represent reimbursements for indirect costs paid by the general fund.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2015 was as follows:

	Balance 7/1/2014	Additions	Deductions	Balance 6/30/2015
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 3,534,937	-	-	\$ 3,534,937
Construction in progress	1,446,738	\$ 3,869,332	\$ 1,437,766	3,878,304
Total capital assets not being depreciated	4,981,675	3,869,332	1,437,766	7,413,241
Capital assets being depreciated:				
Buildings	41,644,783	-	-	41,644,783
Improvements other than buildings	6,108,934	1,317,407	-	7,426,341
Machinery and equipment	23,247,860	2,694,412	1,041,017	24,901,255
Infrastructure	122,466,422	1,581,948	-	124,048,370
Total capital assets being depreciated	193,467,999	5,593,767	1,041,017	198,020,749
Total capital assets	198,449,674	9,463,099	2,478,783	205,433,990
Accumulated depreciation:				
Buildings	14,833,436	1,102,000	-	15,935,436
Improvements other than buildings	2,893,486	347,611	-	3,241,097
Machinery and equipment	16,495,044	2,260,993	849,012	17,907,025
Infrastructure	106,284,846	1,876,792	-	108,161,638
Total accumulated depreciation	140,506,812	5,587,396	849,012	145,245,196
Governmental activities capital assets, net	<u>\$ 57,942,862</u>	<u>\$ 3,875,703</u>	<u>\$ 1,629,771</u>	<u>\$ 60,188,794</u>

Governmental activities depreciation expense:

General government	\$ 236,854
Judicial	215,566
Public safety	1,677,873
Public works	2,477,503
Sanitation	238,116
Health and welfare	119,122
Recreation	421,610
Libraries	8,206
Airport	191,561
Housing and development	985
Total governmental activities depreciation expense	<u>\$ 5,587,396</u>

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 6 – CAPITAL ASSETS (Continued)**

Capital asset activity for the year ended June 30, 2015 for the County's enterprise funds was as follows:

	Balance 7/1/2014	Additions	Deductions	Balance 6/30/2015
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 329,177	-	-	\$ 329,177
Construction in progress	60,647	-	-	60,647
Total capital assets not being depreciated	<u>389,824</u>	<u>-</u>	<u>-</u>	<u>389,824</u>
Capital assets being depreciated:				
Buildings	7,042,188	-	-	7,042,188
Improvements other than buildings	5,252,856	\$ 94,196	-	5,347,052
Machinery and equipment	620,632	4,930	-	625,562
Total capital assets being depreciated	<u>12,915,676</u>	<u>99,126</u>	<u>-</u>	<u>13,014,802</u>
Total capital assets	<u>13,305,500</u>	<u>99,126</u>	<u>-</u>	<u>13,404,626</u>
Accumulated depreciation:				
Buildings	2,100,177	207,970	-	2,308,147
Machinery and equipment	508,432	33,114	-	541,546
Improvements other than buildings	1,819,186	268,271	-	2,087,457
Total accumulated depreciation	<u>4,427,795</u>	<u>509,355</u>	<u>-</u>	<u>4,937,150</u>
Business-type activities capital assets, net	<u>\$ 8,877,705</u>	<u>\$ (410,229)</u>	<u>-</u>	<u>\$ 8,467,476</u>

**NOTE 7 – CAPITAL LEASES**

The County has entered into lease agreements as lessee for financing the acquisition and construction of various equipment and buildings costing \$3,350,003. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. Amortization of the cost of the equipment is included in depreciation expense in the government-wide financial statements and accumulated depreciation was \$613,795 at June 30, 2015.

The following is a schedule of future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at June 30, 2015:

Year ending June 30	
2016	\$ 868,628
2017	528,014
2018	403,013
2019	302,259
Total minimum lease payments	<u>2,101,914</u>
Less amount representing interest	<u>56,209</u>
Present value of future minimum lease payments	<u>\$ 2,045,705</u>

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 8 – NOTES PAYABLE**

Notes payable at June 30, 2015 consisted of the following:

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Note payable to Georgia Environmental Finance Authority for acquisition of property for Fletcher Memorial Recreation Park, payable in monthly installments of \$1,278, including interest at 3% through March 1, 2018.	\$ 40,381	
Note payable to Georgia Environmental Finance Authority for Recycle Station, payable in monthly installments of \$3,620, including interest at 3.81% through August 1, 2032.	544,783	
Note payable to Synergistic for acquisition of software for Sheriff department, payable in 60 monthly installments of \$3,636 including interest at 27.7% through April 2020	115,589	
Note payable to Sea Island Bank for expansion of Aquatic Center, payable in bi-annual installments payments of \$224,931 including interest at 3.25% through June 1, 2020		\$ 2,137,133
	<u>\$ 700,753</u>	<u>\$ 2,137,133</u>

As of June 30, 2015, annual debt service requirements to maturity are as follows:

Year ending June 30	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2016	\$ 50,601	\$ 51,792	\$ 102,393	\$ 382,256	\$ 67,607	\$ 449,863
2017	56,091	46,301	102,392	395,652	54,211	449,863
2018	59,062	36,798	95,860	408,704	41,159	449,863
2019	55,902	31,161	87,063	422,187	27,676	449,863
2020	59,009	20,782	79,791	528,334	13,749	542,083
2021-2025	150,817	66,356	217,173	-	-	-
2026-2030	182,412	34,761	217,173	-	-	-
2031-2033	86,859	3,630	90,489	-	-	-
	<u>\$ 700,753</u>	<u>\$ 291,581</u>	<u>\$ 992,334</u>	<u>\$ 2,137,133</u>	<u>\$ 204,402</u>	<u>\$ 2,341,535</u>

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 9 – BONDS PAYABLE**

In July, 2012, the County issued \$12,000,000 in General Obligation Sales Tax Bonds, Series 2012, primarily to fund economic development, including but not limited to land acquisition and site development and the construction of water and sewer infrastructure located within proximity to Exit 116 at the I-16 and US Route 301 interchange in Bulloch County. To the extent that there are additional bond proceeds remaining, such proceeds will be applied to fund (a) roads and bridges, (b) storm water and drainage, (c) public safety facilities and equipment, (d) recreation facilities and equipment and (e) solid waste facilities and equipment.

The bonds have interest rates ranging from two to five percent. The bonds require annual principal payments beginning September 1, 2014 through September 1, 2019, and interest is payable semiannually on March 1 and September 1 each year.

The principal and interest on the bonds are payable from SPLOST funds. As of June 30, 2015, annual debt service requirements for the bonds are as follows:

Year ending June 30	Principal	Interest	Total Debt Service
2016	\$ 1,900,000	\$ 371,950	\$ 2,271,950
2017	1,950,000	323,700	2,273,700
2018	2,005,000	254,350	2,259,350
2019	2,095,000	161,875	2,256,875
2020	2,190,000	54,750	2,244,750
Total	<u>\$ 10,140,000</u>	<u>\$ 1,166,625</u>	<u>\$ 11,306,625</u>

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 10 – CHANGES IN LONG-TERM DEBT**

	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015	Amounts Due In One Year
<b>Governmental Activities</b>					
Bonds payable	\$ 12,000,000	-	\$ 1,860,000	\$ 10,140,000	\$ 1,900,000
Unamortized premium	1,139,792	-	277,114	862,678	-
Total bonds payable	13,139,792	-	2,137,114	11,002,678	1,900,000
Capital leases payable	3,125,713	-	1,080,008	2,045,705	842,002
Notes payable	621,258	\$ 117,460	37,965	700,753	50,501
Compensated absences payable	654,549	63,592	70,952	647,189	129,438
<b>Total Governmental Activities</b>	<b>\$ 17,541,312</b>	<b>\$ 181,052</b>	<b>\$ 3,326,039</b>	<b>\$ 14,396,325</b>	<b>\$ 2,921,941</b>
<b>Business-Type Activities</b>					
Compensated absences payable	\$ 6,873	\$ 2,756	-	\$ 9,629	\$ 1,926
Notes payable	2,507,277	-	\$ 370,144	2,137,133	382,256
<b>Total Business-Type Activities</b>	<b>\$ 2,514,150</b>	<b>2,756</b>	<b>\$ 370,144</b>	<b>\$ 2,146,762</b>	<b>\$ 384,182</b>

The compensated absences liability will be paid from the fund from which the employees' salaries are paid which is primarily the General Fund and the Parks and Recreation special revenue fund for governmental activities and the Aquatic Center for the business-type activities. The capital lease obligations will be paid from the SPLOST 07 capital projects fund. Notes payable will be paid from the SPLOST 07 capital projects funds for governmental activities and the Aquatic Center for the business-type activities. The bonds payable will be paid from the SPLOST 13 capital projects fund.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 11 – FUND BALANCES – GOVERNMENTAL FUNDS**

As of June 30, 2015, governmental fund balances are composed of the following:

	General Fund	Sales Tax Bonds Construction	SPLOST 02	SPLOST 07	SPLOST 13	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid items	\$ 987,601	\$ 334	-	\$ 18,507	-	\$ 34,238	\$ 1,040,680
Inventories	-	-	-	-	-	33,440	33,440
Total nonspendable	<u>987,601</u>	<u>334</u>	<u>-</u>	<u>18,507</u>	<u>-</u>	<u>67,678</u>	<u>1,074,120</u>
Restricted:							
Capital projects	-	4,889,112	\$ 4,394,156	80,193	\$ 4,205,683	-	13,569,144
Sheriff	-	-	-	-	-	94,850	94,850
Correctional facility	-	-	-	-	-	8,291	8,291
Airport	-	-	-	-	-	304,453	304,453
Public safety projects	-	-	-	-	-	82,251	82,251
Drug education	-	-	-	-	-	195,840	195,840
Jail	-	-	-	-	-	107,899	107,899
Urban fire district	-	-	-	-	-	143,666	143,666
E-911 services	-	-	-	-	-	494,421	494,421
Roads	-	-	-	-	-	1,048,294	1,048,294
Greenspace project	-	-	-	-	-	19,888	19,888
Juvenile services	-	-	-	-	-	15,603	15,603
Sanitation	-	-	-	-	-	23,627	23,627
Recreation	-	-	-	-	-	96,702	96,702
Streetlight tax districts	-	-	-	-	-	33,309	33,309
Total restricted	<u>-</u>	<u>4,889,112</u>	<u>4,394,156</u>	<u>80,193</u>	<u>4,205,683</u>	<u>2,669,094</u>	<u>16,238,238</u>
Unassigned	<u>4,187,703</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(264,412)</u>	<u>3,923,291</u>
Total fund balances	<u>\$ 5,175,304</u>	<u>\$ 4,889,446</u>	<u>\$ 4,394,156</u>	<u>\$ 98,700</u>	<u>\$ 4,205,683</u>	<u>\$ 2,472,360</u>	<u>\$ 21,235,649</u>

**NOTE 12 – EMPLOYEE RETIREMENT PLANS**

Defined Contribution Plan

Effective November 1, 1994, the County adopted the Bulloch County Retirement Plan. The plan is administered by Gebcorp, and covers all employees over the age of 21 who have completed one year of service. Employees cannot contribute to the plan. Contributions to the plan are at the discretion of the Board of Commissioners. The Board of Commissioners is assigned the authority to establish and amend any provisions of the plan. During the year ended June 30, 2015, the County contributed \$945,870 or 6.5% of eligible salaries to the plan.

Judges of the Probate Courts Retirement Fund of Georgia

The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses be remitted to the state sponsored pension plan.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 12 – EMPLOYEE RETIREMENT PLANS (Continued)**

Clerk of Superior Court Retirement Fund

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

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

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

Magistrates Retirement Fund of Georgia

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

Georgia Firefighters' Pension Fund

Full-time fire department employees who are certified or are candidates for certification by the Georgia Firefighter Standards and Training Council are eligible to be covered by this pension plan, which is funded primarily by a one percent tax on premiums for fire insurance and monthly dues collected from active members.

Georgia Judicial Retirement System

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

Employee's Retirement System of Georgia

Bulloch County tax officials are covered under this retirement plan.

In the government-wide statement of activities, the County recognized \$57,579 in revenue as support provided by nonemployer contributing entities. This amount was also recognized as expense in the appropriate functional expense category.

Bulloch County Board of Health (component unit)

The employees of the Bulloch County Board of Health participate in the Georgia State Employees Retirement System (ERS). The plan is administered by the State of Georgia. ERS issues a publicly available financial report that can be obtained at [www.ers.ga.gov](http://www.ers.ga.gov). The retirement contributions for the year ended June 30, 2015 were \$140,169. Contributions are fully vested to employees after 10 years of continuous service.

At June 30, 2015, the Board of Health reported \$1,024,181 as a liability for its proportionate share of the net pension liabilities. For the year ended June 30, 2015, the Board of Health recognized pension expense of \$12,357.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 13 – EMPLOYEE INSURANCE FUND**

As of May 1, 1993, the County established an employee insurance fund (an internal service fund) to cover all employee health claims. The County makes payments to this fund on a monthly basis based on estimated premiums provided by the third party administrator to fund this program. Amounts are also withheld from employees by payroll deduction for dependent coverage and paid to the employee insurance fund. A third party administrator pays all claims from funds held in the employee insurance fund's bank account. The County has a co-insurer for claims from one individual within one year exceeding \$75,000 and has a maximum annual liability policy of \$4,760,038.

The claims liability of \$515,000 reported at June 30, 2015 represents known claims incurred on or prior to June 30, 2015 and an estimate for claims that have been incurred but not reported. Changes in the fund's claims liability for the last two fiscal years are as follows:

Year Ended June 30	Claims Liability, Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Claims Liability, End of Year
2013	\$ 509,597	\$ 3,076,201	\$ 3,034,391	\$ 551,407
2014	551,407	3,495,324	3,617,085	429,646
2015	429,646	3,514,532	3,429,178	515,000

**NOTE 14 – RISK MANAGEMENT**

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Association of County Commissioners of Georgia (ACCG) Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia (ACCG) Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management insurance program for member local governments.

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

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

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

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 15 – CONTINGENCIES**

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

**NOTE 16 – JOINT VENTURE**

Under Georgia law, the County, in conjunction with other cities and counties in the ten county Southeast Georgia area, is a member of the Coastal Georgia Regional Commission (RC) and is required to pay annual dues thereto. During its year ended June 30, 2015, the County paid \$39,587 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-33 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

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

**NOTE 17 – HOTEL/MOTEL LODGING TAX**

The county has levied a five percent lodging tax. A summary of the transactions for the year ended June 30, 2015 follows:

		<u>Percentage of tax receipts</u>
Lodging tax receipts	\$ 13,029	
Disbursements to the:		
Statesboro Convention and Visitors Bureau for promotion of tourism	(9,902)	76.0%
Statesboro Arts Council for performing arts center	(2,476)	19.0%
County for administrative costs	(651)	5.0%
Total	<u><u>\$ -</u></u>	

All expenditures were for promotion of tourism as required by O.C.G.A. 48-13-41.

**BULLOCH COUNTY, GEORGIA**  
**NOTES TO FINANCIAL STATEMENTS**

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**NOTE 18 – PRIOR PERIOD ADJUSTMENT**

A prior period adjustment was required for the understatement of retirement plan forfeitures available to offset future retirement plan contributions to the County’s defined contribution plan.

	<u>General Fund</u>
Fund balance, June 30, 2014, as previously reported	\$ 4,889,617
Restatement for asset from retirement plan forfeitures	<u>162,064</u>
Fund balance, July 1, 2014, as restated	<u>\$ 5,051,681</u>

Beginning net position at July 1, 2014 for governmental activities for the government-wide financial statements was increased by the same \$162,064 indicated above.

Bulloch County Board of Health (component unit)

The following restatement was performed to net position at the beginning of the year due to the adoption of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*:

Net position, (government-wide balance), June 30, 2014, as previously reported	\$ 1,667,506
Deferred outflow of resources-employer	113,504
Net pension liability	<u>(1,356,606)</u>
Net position, (government-wide balance), July 1, 2014, as restated	<u>\$ 424,404</u>

**BULLOCH COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2015**

	Total Nonmajor Special Revenue Funds	SPLOST 97 Capital Projects Fund	Total Nonmajor Funds
<b>ASSETS</b>			
Cash	\$ 2,276,183	-	\$ 2,276,183
Receivables:			
Intergovernmental	43,666	-	43,666
Accounts	234,948	-	234,948
Taxes	26,954	-	26,954
Due from other funds	191,400	-	191,400
Prepaid items	34,238	-	34,238
Inventories	33,440	-	33,440
<b>TOTAL ASSETS</b>	<b>\$ 2,840,829</b>	<b>-</b>	<b>\$ 2,840,829</b>
<b>LIABILITIES</b>			
Accounts payable	\$ 202,110	-	\$ 202,110
Accrued payroll	77,220	-	77,220
Unearned revenue	7,710	-	7,710
Due to other funds	54,541	-	54,541
Other	6,975	-	6,975
<b>Total liabilities</b>	<b>348,556</b>	<b>-</b>	<b>348,556</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable revenue - Property taxes	19,913	-	19,913
<b>FUND BALANCE</b>			
Nonspendable	67,678	-	67,678
Restricted	2,669,094	-	2,669,094
Unassigned	(264,412)	-	(264,412)
<b>Total fund balance</b>	<b>2,472,360</b>	<b>-</b>	<b>2,472,360</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 2,840,829</b>	<b>-</b>	<b>\$ 2,840,829</b>

**BULLOCH COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Total Nonmajor Special Revenue Funds	SPLOST 97 Capital Projects Fund	Total Nonmajor Funds
<b>REVENUES</b>			
Taxes	\$ 1,572,368	-	\$ 1,572,368
Charges for services	3,767,123	-	3,767,123
Fees, fines and forfeitures	319,219	-	319,219
Intergovernmental	1,141,306	-	1,141,306
Interest	9	\$ 49	58
Other	292,699	1,891	294,590
Total revenues	<u>7,092,724</u>	<u>1,940</u>	<u>7,094,664</u>
<b>EXPENDITURES</b>			
Current:			
Airport	607,190	-	607,190
Judicial	1,590	-	1,590
Public safety	2,990,248	-	2,990,248
Public works	73,774	-	73,774
Recreation	3,958,832	-	3,958,832
Housing and development	13,029	-	13,029
Capital outlay			
General government	-	253,973	253,973
Public safety	429,722	-	429,722
Recreation	11,098	-	11,098
Debt service:			
Principal	42,786	-	42,786
Interest	6,928	-	6,928
Total Expenditures	<u>8,135,197</u>	<u>253,973</u>	<u>8,389,170</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,042,473)</u>	<u>(252,033)</u>	<u>(1,294,506)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from note payable	117,460	-	117,460
Transfers in	2,333,664	-	2,333,664
Transfers out	(55,608)	-	(55,608)
Total other financing sources (uses)	<u>2,395,516</u>	<u>-</u>	<u>2,395,516</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,353,043	(252,033)	1,101,010
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>1,119,317</u>	<u>252,033</u>	<u>1,371,350</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 2,472,360</u>	<u>\$ -</u>	<u>\$ 2,472,360</u>

**BULLOCH COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2015**

	Statesboro/ Bulloch County Airport Fund	BCCI Inmate Fund	BCCI Designated Special Projects Fund	Drug Education Fund	Jail Inmate Phone Fund	E-911 Fund	Grants Fund	Greenspace Fund	Hotel/ Motel Tax Fund	Urban Fire District Fund
<b>ASSETS</b>										
Cash	\$ 327,160	\$ 8,291	\$ 76,703	\$ 205,967	\$ 57,263	\$ 341,927	\$ 1,055,004	\$ 19,888	\$ 5,321	\$ 156,099
Receivables:										
Intergovernmental	-	-	-	-	-	43,666	-	-	-	-
Accounts	11,752	-	5,982	-	-	172,353	-	-	1,270	-
Taxes	-	-	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-	-	-
Prepaid items	5,638	-	-	-	7,474	12,043	-	-	-	-
Inventories	33,440	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 377,990</b>	<b>\$ 8,291</b>	<b>\$ 82,685</b>	<b>\$ 205,967</b>	<b>\$ 97,274</b>	<b>\$ 569,989</b>	<b>\$ 1,055,004</b>	<b>\$ 19,888</b>	<b>\$ 6,591</b>	<b>\$ 156,099</b>
<b>LIABILITIES</b>										
Accounts payable	\$ 31,143	-	\$ 434	\$ 10,127	\$ 1,806	\$ 16,164	-	-	\$ 6,591	\$ 12,433
Accrued payroll	2,316	-	-	-	-	13,594	-	-	-	-
Unearned revenue	1,000	-	-	-	-	-	\$ 6,710	-	-	-
Due to other funds	-	-	-	-	-	33,767	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total liabilities	<u>34,459</u>	<u>-</u>	<u>434</u>	<u>10,127</u>	<u>1,806</u>	<u>63,525</u>	<u>6,710</u>	<u>-</u>	<u>6,591</u>	<u>12,433</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Unavailable revenue - Property taxes	-	-	-	-	-	-	-	-	-	-
<b>FUND BALANCE</b>										
Nonspendable	39,078	-	-	-	7,474	12,043	-	-	-	-
Restricted	304,453	\$ 8,291	82,251	195,840	87,994	494,421	1,048,294	\$ 19,888	-	143,666
Unassigned	-	-	-	-	-	-	-	-	-	-
Total fund balance	<u>343,531</u>	<u>8,291</u>	<u>82,251</u>	<u>195,840</u>	<u>95,468</u>	<u>506,464</u>	<u>1,048,294</u>	<u>19,888</u>	<u>-</u>	<u>143,666</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 377,990</b>	<b>\$ 8,291</b>	<b>\$ 82,685</b>	<b>\$ 205,967</b>	<b>\$ 97,274</b>	<b>\$ 569,989</b>	<b>\$ 1,055,004</b>	<b>\$ 19,888</b>	<b>\$ 6,591</b>	<b>\$ 156,099</b>

**BULLOCH COUNTY, GEORGIA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**JUNE 30, 2015**

	Jail Add-On Fee Fund	Jail Commissary Fund	Juvenile Services Fund	Keep Bulloch Beautiful Fund	Parks and Recreation Funds	Rural Fire Fund	Sheriff's Confiscated Assets Fund	Sheriff's Fingerprint Fund	Streetlight Tax Districts Fund	Total Nonmajor Special Revenue Funds
<b>ASSETS</b>										
Cash	\$ 20,774	\$ 19,905	\$ 15,603	\$ 23,627	\$ 66,113	\$ (257,317)	\$ 78,586	\$ 16,264	\$ 39,005	\$ 2,276,183
Receivables:										
Intergovernmental	-	-	-	-	-	-	-	-	-	43,666
Accounts	-	-	-	-	1,684	9,370	-	-	-	234,948
Taxes	-	-	-	-	-	26,954	-	-	-	26,954
Due from other funds	-	-	-	-	185,635	5,765	-	-	-	191,400
Prepaid items	-	-	-	-	1,488	7,595	-	-	-	34,238
Inventories	-	-	-	-	-	-	-	-	-	33,440
<b>TOTAL ASSETS</b>	<u>\$ 20,774</u>	<u>\$ 19,905</u>	<u>\$ 15,603</u>	<u>\$ 23,627</u>	<u>\$ 254,920</u>	<u>\$ (207,633)</u>	<u>\$ 78,586</u>	<u>\$ 16,264</u>	<u>\$ 39,005</u>	<u>\$ 2,840,829</u>
<b>LIABILITIES</b>										
Accounts payable	-	-	-	-	\$ 90,407	\$ 27,309	-	-	\$ 5,696	\$ 202,110
Accrued payroll	-	-	-	-	59,348	1,962	-	-	-	77,220
Unearned revenue	-	-	-	-	-	-	-	-	-	7,710
Due to other funds	\$ 20,774	-	-	-	-	-	-	-	-	54,541
Other	-	-	-	-	6,975	-	-	-	-	6,975
<b>Total liabilities</b>	<u>20,774</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>156,730</u>	<u>29,271</u>	<u>-</u>	<u>-</u>	<u>5,696</u>	<u>348,556</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Unavailable revenue - Property taxes	-	-	-	-	-	19,913	-	-	-	19,913
<b>FUND BALANCE</b>										
Nonspendable	-	-	-	-	1,488	7,595	-	-	-	67,678
Restricted	-	\$ 19,905	\$ 15,603	\$ 23,627	96,702	-	\$ 78,586	\$ 16,264	33,309	2,669,094
Unassigned	-	-	-	-	-	(264,412)	-	-	-	(264,412)
<b>Total fund balance</b>	<u>-</u>	<u>19,905</u>	<u>15,603</u>	<u>23,627</u>	<u>98,190</u>	<u>(256,817)</u>	<u>78,586</u>	<u>16,264</u>	<u>33,309</u>	<u>2,472,360</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<u>\$ 20,774</u>	<u>\$ 19,905</u>	<u>\$ 15,603</u>	<u>\$ 23,627</u>	<u>\$ 254,920</u>	<u>\$ (207,633)</u>	<u>\$ 78,586</u>	<u>\$ 16,264</u>	<u>\$ 39,005</u>	<u>\$ 2,840,829</u>

**BULLOCH COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Statesboro/ Bulloch County Airport Fund	BCCI Inmate Fund	BCCI Designated Special Projects Fund	Drug Education Fund	Jail Inmate Phone Fund	E-911 Fund	Grants Fund	Greenspace Fund	Hotel/ Motel Tax Fund	Urban Fire District Fund
<b>REVENUES</b>										
Taxes	-	-	-	-	-	-	-	-	\$ 13,029	\$ 877,604
Charges for services	\$ 535,751	\$ 3,127	-	-	\$ 212,969	\$ 1,352,433	-	-	-	-
Fees, fines and forfeitures	-	-	-	\$ 124,061	-	-	-	-	-	-
Intergovernmental	2,412	-	-	26,159	-	-	\$ 1,057,132	-	-	-
Interest	-	9	-	-	-	-	-	-	-	-
Other	97,440	38,353	\$ 62,374	1,792	-	-	77	-	-	-
Total revenues	<u>635,603</u>	<u>41,489</u>	<u>62,374</u>	<u>152,012</u>	<u>212,969</u>	<u>1,352,433</u>	<u>1,057,209</u>	<u>-</u>	<u>13,029</u>	<u>877,604</u>
<b>EXPENDITURES</b>										
Current:										
Airport	607,190	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	-	-	-	-	-
Public safety	-	49,302	17,230	51,851	79,377	1,236,614	8,915	-	-	877,604
Public works	-	-	-	-	-	-	-	-	-	-
Recreation	-	-	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	-	-	13,029	-
Capital outlay:										
Public safety	-	-	3,916	33,338	157,564	-	-	-	-	51,234
Recreation	-	-	-	-	-	-	-	-	-	-
Debt service:										
Principal	-	-	-	-	1,871	40,915	-	-	-	-
Interest	-	-	-	-	5,400	1,528	-	-	-	-
Total expenditures	<u>607,190</u>	<u>49,302</u>	<u>21,146</u>	<u>85,189</u>	<u>244,212</u>	<u>1,279,057</u>	<u>8,915</u>	<u>-</u>	<u>13,029</u>	<u>928,838</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>28,413</u>	<u>(7,813)</u>	<u>41,228</u>	<u>66,823</u>	<u>(31,243)</u>	<u>73,376</u>	<u>1,048,294</u>	<u>-</u>	<u>-</u>	<u>(51,234)</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from note payable	-	-	-	-	117,460	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	(1,500)	-	(5,480)	(2,000)	-	(31,000)	-	-	-	-
Total other financing sources (uses)	<u>(1,500)</u>	<u>-</u>	<u>(5,480)</u>	<u>(2,000)</u>	<u>117,460</u>	<u>(31,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>26,913</u>	<u>(7,813)</u>	<u>35,748</u>	<u>64,823</u>	<u>86,217</u>	<u>42,376</u>	<u>1,048,294</u>	<u>-</u>	<u>-</u>	<u>(51,234)</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>316,618</u>	<u>16,104</u>	<u>46,503</u>	<u>131,017</u>	<u>9,251</u>	<u>464,088</u>	<u>-</u>	<u>\$ 19,888</u>	<u>-</u>	<u>194,900</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 343,531</u>	<u>\$ 8,291</u>	<u>\$ 82,251</u>	<u>\$ 195,840</u>	<u>\$ 95,468</u>	<u>\$ 506,464</u>	<u>\$ 1,048,294</u>	<u>\$ 19,888</u>	<u>\$ -</u>	<u>\$ 143,666</u>

**BULLOCH COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Jail Add-On Fee Fund	Jail Commissary Fund	Juvenile Services Fund	Keep Bulloch Beautiful Fund	Parks and Recreation Funds	Rural Fire Fund	Sheriff's Confiscated Assets Fund	Sheriff's Fingerprint Fund	Streetlight Tax Districts Fund	Total Nonmajor Special Revenue Funds
<b>REVENUES</b>										
Taxes	-	-	-	-	-	\$ 610,742	-	-	\$ 70,993	\$ 1,572,368
Charges for services	-	\$ 95,380	-	-	\$ 1,552,089	8,204	-	\$ 7,170	-	3,767,123
Fees, fines and forfeitures	\$ 114,325	-	\$ 1,250	-	-	-	\$ 79,583	-	-	319,219
Intergovernmental	-	-	-	-	28,640	-	26,963	-	-	1,141,306
Interest	-	-	-	-	-	-	-	-	-	9
Other	-	-	-	-	92,663	-	-	-	-	292,699
Total revenues	<u>114,325</u>	<u>95,380</u>	<u>1,250</u>	<u>-</u>	<u>1,673,392</u>	<u>618,946</u>	<u>106,546</u>	<u>7,170</u>	<u>70,993</u>	<u>7,092,724</u>
<b>EXPENDITURES</b>										
Current:										
Airport	-	-	-	-	-	-	-	-	-	607,190
Judicial	-	-	1,590	-	-	-	-	-	-	1,590
Public safety	114,325	110,051	-	-	-	424,313	15,484	5,182	-	2,990,248
Public works	-	-	-	-	-	-	-	-	73,774	73,774
Recreation	-	-	-	-	3,958,832	-	-	-	-	3,958,832
Housing and development	-	-	-	-	-	-	-	-	-	13,029
Capital outlay:										
Public safety	-	-	-	-	-	-	183,670	-	-	429,722
Recreation	-	-	-	-	11,098	-	-	-	-	11,098
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	42,786
Interest	-	-	-	-	-	-	-	-	-	6,928
Total expenditures	<u>114,325</u>	<u>110,051</u>	<u>1,590</u>	<u>-</u>	<u>3,969,930</u>	<u>424,313</u>	<u>199,154</u>	<u>5,182</u>	<u>73,774</u>	<u>8,135,197</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>(14,671)</u>	<u>(340)</u>	<u>-</u>	<u>(2,296,538)</u>	<u>194,633</u>	<u>(92,608)</u>	<u>1,988</u>	<u>(2,781)</u>	<u>(1,042,473)</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Proceeds from note payable	-	-	-	-	-	-	-	-	-	117,460
Transfers in	-	-	-	-	2,333,664	-	-	-	-	2,333,664
Transfers out	-	-	(200)	-	-	-	-	-	(15,428)	(55,608)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(200)</u>	<u>-</u>	<u>2,333,664</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(15,428)</u>	<u>2,395,516</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>-</u>	<u>(14,671)</u>	<u>(540)</u>	<u>-</u>	<u>37,126</u>	<u>194,633</u>	<u>(92,608)</u>	<u>1,988</u>	<u>(18,209)</u>	<u>1,353,043</u>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>-</u>	<u>34,576</u>	<u>16,143</u>	<u>\$ 23,627</u>	<u>61,064</u>	<u>(451,450)</u>	<u>171,194</u>	<u>14,276</u>	<u>51,518</u>	<u>1,119,317</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ -</u>	<u>\$ 19,905</u>	<u>\$ 15,603</u>	<u>\$ 23,627</u>	<u>\$ 98,190</u>	<u>\$ (256,817)</u>	<u>\$ 78,586</u>	<u>\$ 16,264</u>	<u>\$ 33,309</u>	<u>\$ 2,472,360</u>

**BULLOCH COUNTY, GEORGIA**  
**STATESBORO/BULLOCH COUNTY AIRPORT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Charges for services	\$ 533,500	\$ 535,751	\$ 2,251
Intergovernmental	-	2,412	2,412
Other	94,000	97,440	3,440
Total revenues	<u>627,500</u>	<u>635,603</u>	<u>8,103</u>
<b>EXPENDITURES</b>			
Current:			
Airport	<u>613,700</u>	<u>607,190</u>	<u>6,510</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	13,800	28,413	14,613
<b>OTHER FINANCING USES</b>			
Transfers out	<u>(600)</u>	<u>(1,500)</u>	<u>(900)</u>
<b>NET CHANGE IN FUND BALANCES</b>	13,200	26,913	13,713
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>316,618</u>	<u>316,618</u>	<u>-</u>
<b>FUND BALANCES, END OF YEAR</b>	<u><u>\$ 329,818</u></u>	<u><u>\$ 343,531</u></u>	<u><u>\$ 13,713</u></u>

**BULLOCH COUNTY, GEORGIA**  
**BCCI INMATE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Charges for services	-	\$ 3,127	\$ 3,127
Vending commissions/other	\$ 20,000	38,353	18,353
Interest	-	9	9
	20,000	41,489	21,489
<b>EXPENDITURES</b>			
Current:			
Public safety	20,000	49,302	(29,302)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	(7,813)	(7,813)
FUND BALANCES, BEGINNING OF YEAR	16,104	16,104	-
FUND BALANCES, END OF YEAR	16,104	\$ 8,291	\$ (7,813)

**BULLOCH COUNTY, GEORGIA**  
**BCCI DESIGNATED SPECIAL PROJECTS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Telephone commissions	\$ 24,000	\$ 62,374	\$ 62,374	\$ -
<b>EXPENDITURES</b>				
Current:				
Public safety	12,020	17,233	17,230	3
Capital outlay:				
Public safety	6,500	3,916	3,916	-
Total expenditures	<u>18,520</u>	<u>21,149</u>	<u>21,146</u>	<u>3</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	5,480	41,225	41,228	3
<b>OTHER FINANCING USES</b>				
Transfers out	<u>(5,480)</u>	<u>(5,480)</u>	<u>(5,480)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	35,745	35,748	3
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>46,503</u>	<u>46,503</u>	<u>46,503</u>	<u>-</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 46,503</u>	<u>\$ 82,248</u>	<u>\$ 82,251</u>	<u>\$ 3</u>

**BULLOCH COUNTY, GEORGIA**  
**DRUG EDUCATION SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Fees, fines and forfeitures	\$ 42,000	\$ 124,062	\$ 124,061	\$ (1)
Intergovernmental	-	-	26,159	26,159
Other	-	1,792	1,792	-
Total revenues	<u>42,000</u>	<u>125,854</u>	<u>152,012</u>	<u>26,158</u>
<b>EXPENDITURES</b>				
Current:				
Public safety	41,000	59,031	51,851	7,180
Capital outlay:				
Public safety	-	-	33,338	(33,338)
Total expenditures	<u>41,000</u>	<u>59,031</u>	<u>85,189</u>	<u>(26,158)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,000	66,823	66,823	-
<b>OTHER FINANCING USES</b>				
Transfers out	(1,000)	(2,000)	(2,000)	-
<b>NET CHANGE IN FUND BALANCES</b>	-	64,823	64,823	-
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>131,017</u>	<u>131,017</u>	<u>131,017</u>	-
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 131,017</u>	<u>\$ 195,840</u>	<u>\$ 195,840</u>	<u>\$ -</u>

**BULLOCH COUNTY, GEORGIA**  
**JAIL INMATE PHONE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Telephone commissions	\$ 150,000	\$ 212,969	\$ 62,969
<b>EXPENDITURES</b>			
Current:			
Public safety	75,000	79,377	(4,377)
Capital outlay:			
Public safety	75,000	157,564	(82,564)
Debt service:			
Principal	-	1,871	(1,871)
Interest	-	5,400	(5,400)
Total expenditures	<u>150,000</u>	<u>244,212</u>	<u>(94,212)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	(31,243)	(31,243)
<b>OTHER FINANCING SOURCES</b>			
Proceeds from note payable		<u>117,460</u>	<u>117,460</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	86,217	86,217
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>9,251</u>	<u>9,251</u>	<u>-</u>
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 9,251</u>	<u>\$ 95,468</u>	<u>\$ 86,217</u>

**BULLOCH COUNTY, GEORGIA**  
**E-911 SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services	\$ 1,265,000	\$ 1,368,180	\$ 1,352,433	\$ (15,747)
EXPENDITURES				
Current:				
Public safety	1,245,000	1,272,664	1,236,614	36,050
Capital outlay:				
Public safety	-	-	-	-
Debt service:				
Principal	-	40,916	40,915	1
Interest	-	1,529	1,528	1
Total expenditures	<u>1,245,000</u>	<u>1,315,109</u>	<u>1,279,057</u>	<u>36,052</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	20,000	53,071	73,376	20,305
OTHER FINANCING USES				
Transfers out	<u>(20,000)</u>	<u>(31,000)</u>	<u>(31,000)</u>	-
NET CHANGE IN FUND BALANCES	-	22,071	42,376	20,305
FUND BALANCES, BEGINNING OF YEAR	<u>464,088</u>	<u>464,088</u>	<u>464,088</u>	-
FUND BALANCES, END OF YEAR	<u>\$ 464,088</u>	<u>\$ 486,159</u>	<u>\$ 506,464</u>	<u>\$ 20,305</u>

**BULLOCH COUNTY, GEORGIA**  
**GRANTS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Intergovernmental	-	\$ 8,838	\$ 1,057,132	\$ 1,048,294
Other	-	522	77	(445)
Total revenues	-	9,360	1,057,209	1,047,849
EXPENDITURES				
Current:				
Public safety	-	6,215	8,915	(2,700)
Total expenditures	-	6,215	8,915	(2,700)
EXCESS OF REVENUES OVER EXPENDITURES	-	3,145	1,048,294	1,045,149
FUND BALANCES, BEGINNING OF YEAR	-	-	-	-
FUND BALANCES, END OF YEAR	-	3,145	1,048,294	1,045,149

**BULLOCH COUNTY, GEORGIA**  
**GREENSPACE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Interest	-	-	-
EXPENDITURES			
Current:			
Recreation	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-
FUND BALANCES, BEGINNING OF YEAR	<u>\$ 19,888</u>	<u>\$ 19,888</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u><u>\$ 19,888</u></u>	<u><u>\$ 19,888</u></u>	<u><u>-</u></u>

**BULLOCH COUNTY, GEORGIA**  
**HOTEL/MOTEL TAX SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes	\$ 2,800	\$ 13,030	\$ 13,029	\$ (1)
EXPENDITURES				
Current:				
Housing and development - Tourism	<u>2,800</u>	<u>13,030</u>	<u>13,029</u>	<u>1</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCES, BEGINNING OF YEAR,	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

**BULLOCH COUNTY, GEORGIA**  
**URBAN FIRE DISTRICT FUND SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes	\$ 860,000	\$ 877,605	\$ 877,604	\$ (1)
EXPENDITURES				
Current:				
Public safety	836,200	877,605	877,604	1
Capital outlay:				
Public safety	<u>160,000</u>	<u>51,234</u>	<u>51,234</u>	-
Total expenditures	<u>996,200</u>	<u>928,839</u>	<u>928,838</u>	<u>1</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(136,200)	(51,234)	(51,234)	-
FUND BALANCES, BEGINNING OF YEAR	<u>194,900</u>	<u>194,900</u>	<u>194,900</u>	-
FUND BALANCES, END OF YEAR	<u>\$ 58,700</u>	<u>\$ 143,666</u>	<u>\$ 143,666</u>	<u>-</u>

**BULLOCH COUNTY, GEORGIA**  
**JAIL ADD-ON FEE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Fees, fines and forfeitures	\$ 96,000	\$ 114,326	\$ 114,325	\$ (1)
EXPENDITURES				
Current:				
Public safety - Jail	96,000	114,326	114,325	1
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, BEGINNING OF YEAR	-	-	-	-
FUND BALANCES, END OF YEAR	\$ -	\$ -	\$ -	\$ -

**BULLOCH COUNTY, GEORGIA**  
**JAIL COMMISSARY SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charges for services	<u>\$ 100,000</u>	<u>\$ 95,380</u>	<u>\$ (4,620)</u>
EXPENDITURES			
Current:			
Public safety	20,000	110,051	(90,051)
Capital outlay:			
Public safety	<u>80,000</u>	-	<u>80,000</u>
Total expenditures	<u>100,000</u>	<u>110,051</u>	<u>(10,051)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(14,671)	(14,671)
FUND BALANCES, BEGINNING OF YEAR	<u>34,576</u>	<u>34,576</u>	-
FUND BALANCES, END OF YEAR	<u><u>\$ 34,576</u></u>	<u><u>\$ 19,905</u></u>	<u><u>\$ (14,671)</u></u>

**BULLOCH COUNTY, GEORGIA**  
**JUVENILE SERVICES SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Fees, fines and forfeitures	\$ 1,500	\$ 1,250	\$ 1,250	\$ -
EXPENDITURES				
Current:				
Judicial	<u>1,500</u>	<u>1,590</u>	<u>1,590</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(340)	(340)	-
OTHER FINANCING USES				
Transfers out	<u>-</u>	<u>(200)</u>	<u>(200)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	-	(540)	(540)	-
FUND BALANCES, BEGINNING OF YEAR	<u>16,143</u>	<u>16,143</u>	<u>16,143</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 16,143</u>	<u>\$ 15,803</u>	<u>\$ 15,603</u>	<u>\$ -</u>

**BULLOCH COUNTY, GEORGIA**  
**KEEP BULLOCH BEAUTIFUL SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original and Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Intergovernmental	-	-	-
Other	-	-	-
Total revenues	-	-	-
EXPENDITURES			
Current:			
Sanitation	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-
OTHER FINANCING USES			
Transfers out	-	-	-
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES, BEGINNING OF YEAR	\$ 23,627	\$ 23,627	-
FUND BALANCES, END OF YEAR	\$ 23,627	\$ 23,627	\$ -

**BULLOCH COUNTY, GEORGIA**  
**PARKS AND RECREATION SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>				
Charges for services	\$ 1,535,545	\$ 1,552,091	\$ 1,552,089	\$ (2)
Intergovernmental	26,100	28,640	28,640	-
Interest	2,000	-	-	-
Other	82,500	91,665	92,663	998
Total revenues	<u>1,646,145</u>	<u>1,672,396</u>	<u>1,673,392</u>	<u>996</u>
<b>EXPENDITURES</b>				
Current:				
Recreation	4,121,940	3,961,234	3,958,832	2,402
Capital Outlay:				
Recreation	-	11,098	11,098	-
Total expenditures	<u>4,121,940</u>	<u>3,972,332</u>	<u>3,969,930</u>	<u>2,402</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(2,475,795)	(2,299,936)	(2,296,538)	3,398
<b>OTHER FINANCING SOURCES</b>				
Transfers in	<u>2,463,760</u>	<u>2,333,664</u>	<u>2,333,664</u>	-
NET CHANGE IN FUND BALANCES	(12,035)	33,728	37,126	3,398
FUND BALANCES, BEGINNING OF YEAR	<u>61,064</u>	<u>61,064</u>	<u>61,064</u>	-
FUND BALANCES, END OF YEAR	<u>\$ 49,029</u>	<u>\$ 94,792</u>	<u>\$ 98,190</u>	<u>\$ 3,398</u>

**BULLOCH COUNTY, GEORGIA**  
**RURAL FIRE SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Taxes	\$ 560,000	\$ 610,756	\$ 610,742	\$ (14)
Charges for services	8,020	8,204	8,204	-
Other	-	-	-	-
Total revenues	<u>568,020</u>	<u>618,960</u>	<u>618,946</u>	<u>(14)</u>
EXPENDITURES				
Current:				
Public safety	<u>568,020</u>	<u>425,528</u>	<u>424,313</u>	<u>1,215</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	193,432	194,633	1,201
FUND BALANCES, BEGINNING OF YEAR	<u>(451,450)</u>	<u>(451,450)</u>	<u>(451,450)</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ (451,450)</u>	<u>\$ (258,018)</u>	<u>\$ (256,817)</u>	<u>\$ 1,201</u>

**BULLOCH COUNTY, GEORGIA**  
**SHERIFF'S CONFISCATED ASSETS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES</b>			
Fees, fines and forfeitures	\$ 12,000	\$ 79,583	\$ 67,583
Intergovernmental revenue	-	26,963	26,963
Total revenues	<u>12,000</u>	<u>106,546</u>	<u>94,546</u>
<b>EXPENDITURES</b>			
Current:			
Public safety	-	15,484	(15,484)
Capital outlay:			
Public safety	1,200	183,670	(182,470)
Total expenditures	<u>1,200</u>	<u>199,154</u>	<u>(197,954)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	10,800	(92,608)	(103,408)
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<u>171,194</u>	<u>171,194</u>	-
<b>FUND BALANCES, END OF YEAR</b>	<u>\$ 181,994</u>	<u>\$ 78,586</u>	<u>\$ (103,408)</u>

**BULLOCH COUNTY, GEORGIA**  
**SHERIFF'S FINGERPRINT SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

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	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Charges for services	\$ 10,000	\$ 7,170	\$ (2,830)
EXPENDITURES			
Current:			
Public safety	<u>10,000</u>	<u>5,182</u>	<u>4,818</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	1,988	1,988
FUND BALANCES, BEGINNING OF YEAR	<u>14,276</u>	<u>14,276</u>	<u>-</u>
FUND BALANCES, END OF YEAR	<u>\$ 14,276</u>	<u>\$ 16,264</u>	<u>\$ 1,988</u>

**BULLOCH COUNTY, GEORGIA**  
**STREETLIGHT TAX DISTRICTS SPECIAL REVENUE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes	\$ 70,000	\$ 70,999	\$ 70,993	\$ (6)
EXPENDITURES				
Current:				
Public works - Street lighting	70,000	73,779	73,774	5
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(2,780)	(2,781)	(1)
OTHER FINANCING USES				
Transfers out	-	-	(15,428)	(15,428)
NET CHANGE IN FUND BALANCES	-	(2,780)	(18,209)	(15,429)
FUND BALANCES, BEGINNING OF YEAR	51,518	51,518	51,518	-
FUND BALANCES, END OF YEAR	<u>\$ 51,518</u>	<u>\$ 48,738</u>	<u>\$ 33,309</u>	<u>\$ (15,429)</u>

**BULLOCH COUNTY, GEORGIA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**JUNE 30, 2015**

	Employee Health Insurance Fund	Correctional Food Service Fund	Total
<b>ASSETS</b>			
Cash	\$ 1,696,658	\$ 31,631	\$ 1,728,289
Accounts receivable	30,774	-	30,774
Due from other funds	282,660	-	282,660
<b>Total Assets</b>	<b>2,010,092</b>	<b>31,631</b>	<b>2,041,723</b>
<b>LIABILITIES</b>			
Accounts payable	5,502	29,322	34,824
Claims payable	515,000	-	515,000
Accrued payroll	-	2,309	2,309
<b>Total Liabilities</b>	<b>520,502</b>	<b>31,631</b>	<b>552,133</b>
<b>NET POSITION</b>			
Unrestricted	\$ 1,489,590	-	\$ 1,489,590

**BULLOCH COUNTY, GEORGIA**  
**COMBINING STATEMENT OF REVENUES,**  
**EXPENSES AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**FOR YEAR ENDED JUNE 30, 2015**

	Employee Health Insurance Fund	Correctional Food Service Fund	Total
<b>OPERATING REVENUES</b>			
Charges for services	-	\$ 858,727	\$ 858,727
Premiums	\$ 4,445,649	-	4,445,649
<b>Total Operating Revenues</b>	<b>4,445,649</b>	<b>858,727</b>	<b>5,304,376</b>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	-	114,546	114,546
Materials and supplies	-	892,473	892,473
Purchased/contracted services	564,599	5,030	569,629
Claims	3,514,532	-	3,514,532
<b>Total Operating Expenses</b>	<b>4,079,131</b>	<b>1,012,049</b>	<b>5,091,180</b>
<b>OPERATING INCOME (LOSS)</b>	<b>366,518</b>	<b>(153,322)</b>	<b>213,196</b>
<b>TRANSFERS IN (OUT)</b>	<b>(127,350)</b>	<b>153,322</b>	<b>25,972</b>
<b>CHANGE IN NET POSITION</b>	<b>239,168</b>	<b>-</b>	<b>239,168</b>
<b>NET POSITION, BEGINNING OF YEAR</b>	<b>1,250,422</b>	<b>-</b>	<b>1,250,422</b>
<b>NET POSITION, END OF YEAR</b>	<b>\$ 1,489,590</b>	<b>-</b>	<b>\$ 1,489,590</b>

**BULLOCH COUNTY, GEORGIA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Employee Health Insurance Fund	Correctional Food Service Fund	Total
<b>Cash Flows from Operating Activities</b>			
Cash received from internal charges	\$ 4,162,989	\$ 858,727	\$ 5,021,716
Cash payments to employees for salaries and benefits	-	(112,237)	(112,237)
Cash payments for supplies and services	(794,320)	(908,305)	(1,702,625)
Cash payments for claims	(3,325,139)	-	(3,325,139)
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>43,530</u>	<u>(161,815)</u>	<u>(118,285)</u>
<b>Cash Flows from Noncapital Financing Activities</b>			
Transfers in (out)	<u>(127,350)</u>	<u>153,322</u>	<u>25,972</u>
<b>Cash Flows From Investing Activities</b>			
Investment Earnings	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Decrease in Cash and Cash Equivalents</b>	(83,820)	(8,493)	(92,313)
<b>Cash and Cash Equivalents, July 1, 2014</b>	<u>1,780,478</u>	<u>40,124</u>	<u>1,820,602</u>
<b>Cash and Cash Equivalents, June 30, 2015</b>	<u>\$ 1,696,658</u>	<u>\$ 31,631</u>	<u>\$ 1,728,289</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities</b>			
<b>Operating Income (Loss)</b>	\$ 366,518	\$ (153,322)	\$ 213,196
Adjustments:			
(Increase) decrease in operating assets:			
Accounts receivable	104,039	-	104,039
Due from other funds	(282,660)	-	(282,660)
Increase (decrease) in operating liabilities:			
Accounts payable	5,502	(10,802)	(5,300)
Due to other funds	(235,223)	-	(235,223)
Claims payable	85,354	-	85,354
Accrued payroll	-	2,309	2,309
<b>Net Cash Provided (Used) By Operating Activities</b>	<u>\$ 43,530</u>	<u>\$ (161,815)</u>	<u>\$ (118,285)</u>

**BULLOCH COUNTY, GEORGIA**  
**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**JUNE 30, 2015**

	Tax Commissioner	Probate Court	Clerk of Courts	Magistrate Court	Sheriff	Emergency Medical Service	Bulloch County Correctional Institute	Probation	Total
<b>ASSETS</b>									
Cash	\$ 7,262	\$ 8,451	\$ 239,430	\$ 10,243	\$ 402,435	\$ -	\$ 8,544	\$ 84,720	\$ 761,085
<b>LIABILITIES</b>									
Due to other entities and individuals	\$ 7,262	\$ 8,451	\$ 239,430	\$ 10,243	\$ 402,435	\$ -	\$ 8,544	\$ 84,720	\$ 761,085

**BULLOCH COUNTY, GEORGIA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2014
<b>Tax Commissioner</b>				
Assets				
Cash	\$ 37,476	\$ 48,548,500	\$ 48,578,714	\$ 7,262
Liabilities				
Due to other entities and individuals	\$ 37,476	\$ 48,548,500	\$ 48,578,714	\$ 7,262
<b>Probate Court</b>				
Assets				
Cash	\$ 12,110	\$ 210,412	\$ 214,071	\$ 8,451
Liabilities				
Due to other entities and individuals	\$ 12,110	\$ 210,412	\$ 214,071	\$ 8,451
<b>Clerk of Courts</b>				
Assets				
Cash	\$ 363,921	\$ 3,418,388	\$ 3,542,879	\$ 239,430
Liabilities				
Due to other entities and individuals	\$ 363,921	\$ 3,418,388	\$ 3,542,879	\$ 239,430
<b>Magistrate Court</b>				
Assets				
Cash	\$ 5,109	\$ 1,020,556	\$ 1,015,422	\$ 10,243
Liabilities				
Due to other entities and individuals	\$ 5,109	\$ 1,020,556	\$ 1,015,422	\$ 10,243
<b>Sheriff</b>				
Assets				
Cash	\$ 341,775	\$ 1,836,258	\$ 1,775,598	\$ 402,435
Liabilities				
Due to other entities and individuals	\$ 341,775	\$ 1,836,258	\$ 1,775,598	\$ 402,435
<b>Emergency Medical Service</b>				
Assets				
Cash	\$ -	\$ 1,895,688	\$ 1,895,688	\$ -
Liabilities				
Due to other entities and individuals	\$ -	\$ 1,895,688	\$ 1,895,688	\$ -
<b>Bulloch County Correctional Institute</b>				
Assets				
Cash	\$ 15,049	\$ 115,702	\$ 122,207	\$ 8,544
Liabilities				
Due to other entities and individuals	\$ 15,049	\$ 115,702	\$ 122,207	\$ 8,544
<b>Probation</b>				
Assets				
Cash	\$ 83,767	\$ 1,193,937	\$ 1,192,984	\$ 84,720
Liabilities				
Due to other entities and individuals	\$ 83,767	\$ 1,193,937	\$ 1,192,984	\$ 84,720
<b>Total Agency Funds</b>				
Assets				
Cash	\$ 859,207	\$ 58,239,441	\$ 58,337,563	\$ 761,085
Liabilities				
Due to other entities and individuals	\$ 859,207	\$ 58,239,441	\$ 58,337,563	\$ 761,085

**BULLOCH COUNTY, GEORGIA**  
**SCHEDULE OF PROJECTS PAID WITH SPECIAL**  
**PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

SPLOST 97 Fund

Project	Original Estimated Cost	Current Estimated Cost	Expenditures		Total	Estimated Percentage of Completion
			Prior Years	Current Year		
Road improvements	\$ 7,420,000	\$ 11,890,810	\$ 11,890,810	-	\$ 11,890,810	100%
City fire	250,000	230,596	230,596	-	230,596	100%
City patrol cars	200,000	196,722	196,722	-	196,722	100%
Solid waste	12,250,000	12,238,138	12,238,138	-	12,238,138	100%
Public safety - communications	2,000,000	1,999,999	1,999,999	-	1,999,999	100%
Airport	500,000	518,322	518,322	-	518,322	100%
Arts center	1,030,000	1,030,000	1,030,000	-	1,030,000	100%
Recreation	2,000,000	2,830,973	2,830,973	-	2,830,973	100%
Public safety	850,000	949,683	949,683	-	949,683	100%
Agribusiness center	2,000,000	3,000,410	3,000,410	-	3,000,410	100%
Brooklet - water/sewer system	500,000	500,000	500,000	-	500,000	100%
Portal - solid waste	80,000	106,073	106,073	-	106,073	100%
Register - roads and streets	20,000	20,001	20,001	-	20,001	100%
Portal - drainage	50,000	34,446	34,446	-	34,446	100%
Voting precinct	50,000	50,002	50,002	-	50,002	100%
Georgia State Patrol building	500,000	725,000	725,000	-	725,000	100%
Administrative building	-	713,599	459,626	\$ 253,973	713,599	100%
Water/sewer system	5,300,000	1,126,611	1,126,611	-	1,126,611	100%
	<u>\$ 35,000,000</u>	<u>\$ 38,161,385</u>	<u>\$ 37,907,412</u>	<u>\$ 253,973</u>	<u>\$ 38,161,385</u>	<u>100%</u>

**BULLOCH COUNTY, GEORGIA**  
**SCHEDULE OF PROJECTS PAID WITH SPECIAL**  
**PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

SPLOST 02 Fund

Project	Original Estimated Cost	Current Estimated Cost	Expenditures		Total	Estimated Percentage of Completion
			Prior Years	Current Year		
Road improvements - County	\$ 5,000,000	\$ 7,193,569	\$ 7,186,324	\$ 7,245	\$ 7,193,569	100%
Solid waste - Air rights - Joint	1,510,000	2,300,823	2,300,823	-	2,300,823	100%
Solid waste - Post closure - Joint	610,000	200,000	200,000	-	200,000	100%
Communications system - Joint	1,500,000	1,538,703	1,538,703	-	1,538,703	100%
Solid waste - recycling - County	640,000	607,353	578,477	-	578,477	95%
Public safety - Sheriff	1,000,000	1,089,060	1,089,060	-	1,089,060	100%
Public safety - Rural Fire	900,000	1,171,550	1,022,833	-	1,022,833	87%
Public safety - EMS	600,000	822,773	822,773	-	822,773	100%
Public safety - Animal control	-	9,338	9,338	-	9,338	100%
Airport - County	750,000	711,445	628,658	-	628,658	88%
Agribusiness Center - County	6,100,000	4,437,186	523,006	-	523,006	12%
Parks and recreation - County	7,000,000	7,100,215	6,891,138	-	6,891,138	97%
Industrial park - County	5,500,000	5,301,277	5,301,278	-	5,301,278	100%
Water/sewer system - County	100,000	29,780	29,780	-	29,780	100%
Community facilities - County	3,143,000	3,955,930	2,937,488	-	2,937,488	74%
BCCI vehicle - County	-	13,958	13,958	-	13,958	100%
Arts center - Statesboro	1,360,000	1,446,932	1,446,932	-	1,446,932	100%
Municipal building/Police Station - Statesboro	2,140,000	3,362,525	3,362,525	-	3,362,525	100%
Public safety vehicles - Statesboro	500,000	437,184	263,674	-	263,674	60%
Water/sewer system - Statesboro	5,000,000	4,372,334	2,574,708	-	2,574,708	59%
City streets, etc. - Statesboro	5,000,000	4,372,334	4,356,069	-	4,356,069	100%
Municipal building - Brooklet	350,000	352,035	352,035	-	352,035	100%
Cultural facility - Brooklet	75,000	-	-	-	-	-
Water system - Brooklet	230,000	140,109	139,567	-	139,567	100%
City streets, etc. - Brooklet	205,000	260,070	260,070	-	260,070	100%
Solid waste - Portal	50,000	17,951	17,951	-	17,951	100%
Cultural facility - Portal	50,000	17,635	17,635	-	17,635	100%
Water system - Portal	200,000	149,262	149,262	-	149,262	100%
Sewer system - Portal	-	46,531	46,531	-	46,531	100%
City streets, etc. - Portal	160,000	116,667	116,667	-	116,667	100%
Centennial Park - Portal	-	54,201	54,201	-	54,201	100%
Water system - Register	27,000	9,468	3,450	-	3,450	36%
Public safety facility - Register	15,000	23,330	23,330	-	23,330	100%
Recreational areas - Register	15,000	19,539	19,539	-	19,539	100%
Cultural facility - Register	45,000	37,926	37,926	-	37,926	100%
City streets, etc. - Register	25,000	20,808	20,808	-	20,808	100%
	<u>\$ 49,800,000</u>	<u>\$ 51,739,801</u>	<u>\$ 44,336,517</u>	<u>\$ 7,245</u>	<u>\$ 44,343,762</u>	<u>86%</u>

**BULLOCH COUNTY, GEORGIA**  
**SCHEDULE OF PROJECTS PAID WITH SPECIAL**  
**PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

SPLOST 07 Fund

Project	Original Estimated Cost	Current Estimated Cost	Expenditures		Total	Estimated Percentage of Completion
			Prior Years	Current Year		
Jail expansion	\$ 10,500,000	\$ 10,872,066	\$ 10,872,066	-	\$ 10,872,066	100%
Solid waste handling facilities and equipment - Joint	7,000,000	6,674,268	6,674,268	-	6,674,268	100%
Economic development - Industrial park	2,875,500	2,543,516	2,539,516	\$ 4,000	2,543,516	100%
Cemetery expansion - Statesboro	900,000	900,000	900,000	-	900,000	100%
Road improvements	12,500,000	9,500,250	6,419,292	3,062,447	9,481,739	99.8%
Community facilities - County	5,138,500	4,733,834	2,902,665	1,831,169	4,733,834	100%
Public safety facilities and equipment	3,655,000	3,904,785	2,771,022	1,133,763	3,904,785	100%
Recreational facilities and equipment	2,874,700	1,874,506	1,644,522	229,984	1,874,506	100%
Solid waste handling facilities and equipment - County	1,200,000	1,458,490	950,941	507,549	1,458,490	100%
Airport facilities and equipment	700,000	506,923	424,601	2,130	426,731	84.2%
Storm water projects	222,000	60,057	60,057	-	60,057	100%
Voting equipment	75,000	35,999	8,586	27,413	35,999	100%
Greenspace preservation	222,000	-	-	-	-	100%
City of Statesboro	20,767,500	16,594,574	16,594,574	-	16,594,574	100%
Town of Brooklet	1,070,000	867,091	856,000	11,091	867,091	100%
City of Portal	1,139,300	1,020,800	1,020,800	-	1,020,800	100%
Town of Register	160,500	128,400	128,400	-	128,400	100%
	<u>\$ 71,000,000</u>	<u>\$ 61,675,559</u>	<u>\$ 54,767,310</u>	<u>\$ 6,809,546</u>	<u>\$ 61,576,856</u>	<u>99.8%</u>

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

Total SPLOST 07 fund expenditures per Statement of Revenues, Expenditures and Changes in Fund Balances	\$ 7,596,171
Less:	
Intergovernmental revenue	(360,738)
Sale of capital assets	(425,887)
Total current year expenditures per above	<u>\$ 6,809,546</u>

**BULLOCH COUNTY, GEORGIA**  
**SCHEDULE OF PROJECTS PAID WITH SPECIAL**  
**PURPOSE LOCAL OPTION SALES TAX PROCEEDS**  
**FOR THE YEAR ENDED JUNE 30, 2015**

SPLOST 13 Fund

Project	Original	Current	Expenditures		Total	Estimated Percentage of Completion
	Estimated Cost	Estimated Cost	Prior Years	Current Year		
Road improvements - County	\$ 14,792,000	\$ 14,792,000	-	\$ 542,445	\$ 542,445	4%
Solid waste - Air rights - Joint	10,775,000	10,775,000	\$ 1,197,222	1,795,833	2,993,055	28%
Elections equipment	150,000	150,000	-	-	-	0%
Solid waste facilities and equipment	3,100,000	3,100,000	-	-	-	0%
Public safety facilities and equipment	5,900,000	5,900,000	-	-	-	0%
Capital improvements to existing facilities	1,995,155	1,995,155	-	470,116	470,116.0	24%
Airport facilities and equipment	780,000	780,000	-	13,693	13,693	2%
Greenspace preservation	150,000	150,000	-	-	-	0%
Recreational facilities and equipment	4,600,000	4,600,000	-	8,202	8,202	0%
Economic development - Industrial park	9,000,000	9,000,000	19,301	1,906,077	1,925,378	21%
City of Statesboro	28,915,844	28,915,844	1,261,834	3,858,550	5,120,384	18%
Town of Brooklet	1,419,468	1,419,468	1,135,574	-	1,135,574	80%
City of Portal	458,083	520,066	520,066	-	520,066	100%
Town of Register	177,166	177,166	147,301	-	147,301	83%
	<u>\$ 82,212,716</u>	<u>\$ 82,274,699</u>	<u>\$ 4,281,298</u>	<u>\$ 8,594,916</u>	<u>\$ 12,876,214</u>	<u>16%</u>

# THIGPEN, LANIER, WESTERFIELD & DEAL

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

To the Board of Commissioners  
Bulloch 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 Bulloch County, Georgia, as of and for the year ended June 30, 2015, which collectively comprise Bulloch County's basic financial statements and have issued our report thereon dated, December 9, 2015. Our report includes a reference to other auditors who audited the financial statements of the Bulloch County Board of Health and the Development Authority of Bulloch County, as described in our report on Bulloch County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

### **Internal Control Over Financial Reporting**

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

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

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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

*Thigpen, Lanier, Waterfield + Dal*

Statesboro, Georgia  
December 9, 2015