

**ROCKDALE COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2017**

Prepared by:
Rockdale County Department of Finance
Rockdale County Administration & Services Building
958 Milstead Avenue, Room 300
Conyers, Georgia 30012

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

Prepared by:
Department of Finance

ROCKDALE COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2017

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ROCKDALE COUNTY, GEORGIA

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ROCKDALE COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
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INTRODUCTORY SECTION



June 26, 2018

Board of Commissioners and
Citizens of Rockdale County
Rockdale County, Georgia

The Comprehensive Annual Financial Report of Rockdale County, Georgia for the fiscal year ended December 31, 2017, is hereby submitted as mandated by both local ordinance and state statutes. These ordinances and statutes require that Rockdale County, Georgia issue an annual report on its financial position and activity and that this report be audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of various funds, account groups, and component units of Rockdale County, Georgia. All disclosures necessary to enable the reader to gain an understanding of the County financial activities have been included.

The management of Rockdale County, Georgia is responsible for establishing and maintaining an effective internal control structure. In developing and evaluating Rockdale County, Georgia's accounting system, consideration is given to the adequacy of its system of internal control. We believe Rockdale County, Georgia's internal accounting controls adequately safeguard assets and provide reasonable assurance for proper recording of financial transactions.

This report has been prepared in accordance with State statutes set forth in an Act providing uniform standards for audits of municipalities and counties within the State of Georgia. The firm of Mauldin & Jenkins was selected to perform an annual audit, and a copy of the auditor's report is included in the financial section of this report.

As a recipient of federal and state financial assistance, Rockdale County, Georgia is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by the management of County. Information related to a Single Audit, including a schedule of expenditures of federal awards, the independent auditor's reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in the single audit report.

Accounting principles generally accepted in the United States of America (U.S. GAAP) require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Rockdale County, Georgia MD&A can be found immediately following the report of the independent auditors.

Profile of the County

Rockdale County was created from parts of Henry and Newton counties in 1870. Its name was inspired by the granite strata underlying the surface soil in the area. From its population in 2000 of 70,576 to its current population estimate of 91,679, the county has experienced a growth change of 21,103. Rockdale County has one municipality, the City of Conyers.

BOARD OF COMMISSIONERS

OZ NESBITT SR., CHAIRMAN

Sherri L. Washington., Commissioner Post I

Dr. Doreen Williams, Commissioner Post II

DEPARTMENT OF FINANCE

ROSELYN MILLER, DIRECTOR

TELEPHONE: 770-278-7555

FACSIMILE: 770- 278-8910

Rockdale County is governed by a three member Board of Commissioners, which includes a full time chairman and two part-time commissioners. Commission members are elected in partisan, at-large elections to serve staggered terms of four years each.

The Chairman of the board is the Chief Executive Officer of the county government and generally directs and controls administration and business operations of the county. Consistent with resolutions of the Board of Commissioners, the Chairman establishes rules and regulates purchasing services for all county departments, offices and agencies.

An organizational chart depicting the current structure associated with the management of the County is included in this introductory section.

The financial statements, schedules, and statistical tables included in this report pertain to all functions and funds directly under the control of Rockdale County Board of Commissioners. Also included are trust and agency funds administered and controlled by various elected or appointed officials which are not reported upon by any other entity. The Conyers-Rockdale Big Haynes Impoundment Authority and the Rockdale County Water and Sewerage Authority are reported as blended component units, and while legally separate from the county, are reported as if they were part of the primary government. The Conyers-Rockdale Library System and the Rockdale County Health Department are included in the financial statements as discretely presented component units.

Local Economy

Rockdale County is one of 159 counties in Georgia. It is part of the Atlanta-Sandy Springs-Roswell, GA Metropolitan Statistical Area (MSA). According to the latest figures available from the U.S. Census Bureau, Rockdale's population ranked 29th in the state.

At December 2017, Rockdale County's unemployment rate was 5.3%; the statewide unemployment rate was 4.7%. This is an indicator of continued improvement in the local economy for both Rockdale and the state of Georgia.

Fortunately, construction shows signs of improvement as building permits increased for the sixth consecutive year. While the county's peak was 874 issued in 2005, and dropped to a low of 56 in 2009, the number has increased steadily each year, topping out at 401 in 2017. We believe this is a sign of economic recovery and we will again experience positive growth and a return of construction jobs. In addition, new development in the county provided construction jobs in the short term, which generate new operational jobs and more visitors in the long term.

Between 2005 and 2008, our Tax Digest increase by 31%. However, like most counties, Rockdale County was negatively impacted by the downturn in the economy beginning in 2009, and by 2013, our Tax Digest had decreased 35% as compared to the 2007 peak. Fortunately, between 2016 and 2017 our Tax Digest increased 3.4%. We anticipate the 2018 Digest will increase approximately 6% in total.

Long-Term Financial Planning

An unassigned fund balance in the general fund (60.9% of total general fund revenues) falls within the policy guidelines set by the Board of Commissioners for budgetary and planning purposes.

The County continued its partnership with the city of Conyers, Rockdale County Public Schools, Rockdale Water and Sewerage Authority, the Conyers-Rockdale Economic Development Council, the Development Authority of Rockdale County, and the Conyers-Rockdale Chamber of Commerce to draw up guidelines that provide uniform oversight and administration of incentives for new business development.

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DEPARTMENT OF FINANCE

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Rockdale County continues to use a capital project based 1% sales tax to finance approximately \$14.4 million of capital assets annually. The Special Purpose Local Option Sales Tax (SPLOST) referendum was voter approved in July 2010. Through SPLOST funds, the county has been committed to the completion of many projects. The funds have been used to make numerous improvements to the county's roads, intersections and bridges. Rockdale County citizens voted to extend the current SPLOST for another six years beginning April 1, 2017.

In July 2001, Rockdale County implemented the Homestead Option Sales Tax (HOST) after being approved by 70 percent of voters in a March 2001 referendum. In 2017, 70% of this sales tax was used to reduce County property taxes in the form of a homestead exemption credit collected for County operations from homestead properties. In 2017, \$2.0 million was committed for capital outlay projects.

Rockdale County's financial condition is demonstrated by the Aa2, Aa2, and Aa3 rating from the national rating agency Moody's for its general obligation bonds, revenue bonds, and certificates of participation, respectively. The County's ratings were reaffirmed in February 2013.

Relevant Financial Policies

Rockdale County operates under a set of fiscal policies, which establishes operational objectives and promotes continuity in fiscal decision-making, and long-term financial stability of the County. These policies cover financial areas in operating budget, reserve fund balances, accounting, auditing and financial reporting, and purchasing.

The County strives to maintain a minimum unassigned fund balance in its General Fund, which is 35% of the subsequent year's budgeted expenditures. This minimum fund balance is to protect against cash flow shortfalls related to timing of projected revenue receipts and to maintain a budget stabilization commitment. Conservative budgeting has enabled the County to adhere to this policy.

The County has established a financial and budgetary policy, which is reviewed and updated as necessary by approval of the Board of Commissioners. Budgetary control is maintained at the department level. No increase in the overall budget can be made without the approval of the Board of Commissioners and amendment to the budget. Unencumbered appropriations in the annual operating budget lapse at fiscal year-end.

Major Initiatives

Rockdale County is a beautiful place, with robust green space and park amenities that are something of a best-kept secret here in the region. Rockdale has miles and miles of hiking trails and bike trails. Arabia Mountain, Randy Pointer Lake and Veteran's Memorial Park are all beautiful destinations in our award winning, green community.

The County has installed smart water meters in most of the meter reading districts. This efficiency and improvement project will correct inaccurate or low reading water meters. The new meters will provide accurate water billing data and enable the County to bill for water that is not currently being accounted. The meters will also provide data that will allow the County to inform customers of leaks on a real-time basis saving the customer money with the ability to aid customers in the management of their water bill with a reduction of water waste.

Rockdale County citizens voted to extend the current SPLOST for another six years beginning April 1, 2017. As approved in the referendum, the County plans to spend \$63.4 million on the following project, Transportation and Development, Infrastructure projects, resurfacing, Fleet for the Sheriff's office, building improvements, construction of new fire station, replacement of a Fire apparatus, implement the Water Resources Radio Read retrofit program, Parks and Recreation improvements.

BOARD OF COMMISSIONERS

OZ NESBITT SR., CHAIRMAN

Sherri L. Washington., Commissioner Post I

Dr. Doreen Williams, Commissioner Post II

DEPARTMENT OF FINANCE

ROSELYN MILLER, DIRECTOR

TELEPHONE: 770-278-7555

FACSIMILE: 770- 278-8910

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Rockdale County, Georgia for its comprehensive annual financial report for the fiscal year ended December 31, 2016.

This was the ninth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation, design and publication of this Comprehensive Annual Financial Report could not have been accomplished without the efficient and dedicated service of the entire finance office staff. We would also like to express our gratitude and appreciation to the firm of Mauldin & Jenkins, LLC for their technical guidance and assistance to make this a quality report.

Sincere appreciation also goes to the various elected officials, and county department directors for their assistance and positive attitude throughout the year in matters pertaining to the financial affairs of the County.

Finally, credit also must be given to the County Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the County's finances.

Respectfully submitted,


Roselyn Miller
Finance Director



Government Finance Officers Association

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

Presented to

**Rockdale County
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

Rockdale County Government Organizational Chart 2017

BOARD OF COMMISSIONERS

Commissioners elected at-large

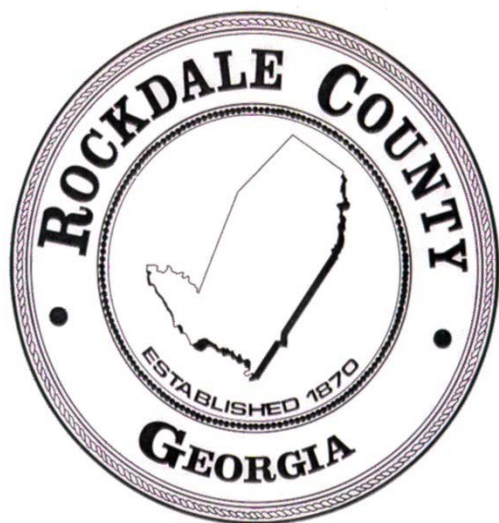
- **Chairman**, Oz Nesbitt, Sr.
- Commissioner Post I, Sherri Washington, Esq.
- Commissioner Post II, Doreen Williams

Report to the full Board of Commissioners

- Corey Hambrick, Chief of Staff
- Finance Department Director, Roselyn Miller
- County Attorney
M. Qader A. Baig & Associates, LLC

County Departments and/or Appointed Officials that Statutorily Report to Commission Chairman

- Board of Assessors: Lamar Sims, Director/Chief
- Executive Assistant to the Chairman: Claire Harris
- Legislative Affairs/Clerk: Jennifer Rutledge, Director
- Fire and Rescue: Dan Morgan, Director/Chief
- Planning and Development: Marshall Walker, Director
- Talent Management: Toni Holmes, Director
- Mgnt. Info. Services (MIS): Vacant, Director
- Public Relations: Jorge Lopez, Director
- Recreation & Maintenance: Sue Sanders, Director
- Water Resources: Dwight Wicks, Director
- Transportation: Miguel Valentin, Director



Updated June 13, 2017

COUNTY ELECTED POSITIONS

Elected by the Voters of Conyers/Rockdale County

- Commissioner, Chairman: Oz Nesbitt, Sr.
- Commissioner, Post I: Sherri Washington, Esq.
- Commissioner, Post II: Doreen Williams
- Clerk of Courts: Ruth A. Wilson
- Coroner: George Levett
- District Attorney: Richard R. Read
- Magistrate Court Chief Judge: Phinia Aten
All other Magistrates Appointed by Chief Magistrate
- Probate Court Judge: Clarence Cuthpert
- Sheriff: Eric Levett
- State Court Judge: Nancy Bills
- Superior Court Judge(s)
Chief Superior Court Judge: David B. Irwin
Superior Court Judge: Robert Mumford
- Tax Commissioner: Tisa Smart-Washington

Appointed by Chief Superior Court Judge

- Juvenile Court, Judge: Maureen Wood
- Public Defender: Steven Purvis

COUNTY PARTNERSHIPS

- Board of Elections & Voter Registration
Board of Elections (*Members appointed by political parties*)
Cynthia Welch, Supervisor of Elections
- Cooperative Extension
Board of Regents/University of Georgia
Brittany Teets, County Agent
- Environmental Health
State Office: East Metro Health District
Suzanne Richardson, Director
- Health Department
State Office: Department of Health & Human Services
Timara Green, Director
- Nancy Guinn Memorial Library
State Office: Georgia Public Library Service
Stacy Brown, Director
- Veterans Services
State Office: Department of Veterans Services
Horace Campbell, Director

ROCKDALE COUNTY, GEORGIA

PRINCIPAL COUNTY OFFICIALS DECEMBER 31, 2017

BOARD OF COMMISSIONERS

Oz Nesbitt, Sr.	Chairman/CEO
Sherri L Washington	Commissioner Post 1
Doreen Williams	Commissioner Post 2

OTHER ELECTED OFFICIALS

Chief Superior Court Judge	David Irwin
Superior Court Judge	Robert Mumford
State Court Judge	Nancy Bills
District Attorney	Richard Read
Chief Magistrate Judge	Phinia Aten
Clerk of Superior Court	Ruth Wilson
Coroner	George Levett
Probate Judge	Clarence Cuthpert, Jr.
Sheriff	Eric Levett
Tax Commissioner	Tisa Smart-Washington

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

**Board of Commissioners
of Rockdale County, Georgia
Conyers, 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 **Rockdale County, Georgia** (the "County"), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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 Conyers-Rockdale County Library System and the Rockdale County Health Department, which represents 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Conyers-Rockdale County Library System and the Rockdale County Health Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rockdale County, Georgia as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons 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 4 through 11), the Schedule of Funding Progress (on page 66), the Schedule of Changes in the County's Net Pension Liability and Related Ratios (on page 67), and the Schedule of County Contributions (on page 68) 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

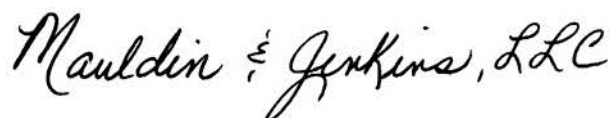
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Rockdale County, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical section listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of special purpose local option sales tax proceeds is presented for purposes of additional analysis as required by the Official Code of Georgia Annotated 48-8-121, and is not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance, and is also not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2018, on our consideration of Rockdale 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 the effectiveness of Rockdale County, Georgia's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Rockdale County, Georgia's internal control over financial reporting and compliance.



Macon, Georgia
June 26, 2018

ROCKDALE COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2017

As management of the Rockdale County, Georgia (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Rockdale County, Georgia for the year ended December 31, 2017. We encourage readers to read the information presented here in conjunction with the additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the most recent year by \$444,092,249 (*net position*). Of this amount, \$24.86 million (*unrestricted net position*) may be used to meet the County's ongoing obligations to citizens and creditors.
- The County's total net position increased by \$4,373,150 in the year ended December 31, 2017.
- As of the close of the current year, the County's governmental funds reported a combined ending fund balance of \$80,726,239 an increase of \$14,438,081 in comparison with the prior year.
- At the end of the current year, fund balance for the General Fund was \$38,025,649, or 60.9% of total General Fund expenditures.
- At the end of December 31, 2017, the County had total bonded debt outstanding of \$89,445,623, which 100% was secured by specified revenue, an Enterprise fund. There were no general obligation bonds outstanding.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to Rockdale County, Georgia'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. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the County's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

MANAGEMENT'S DISCUSSION AND ANALYSIS

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, judicial, public safety, public works, parks and recreation, and housing and development. The business-type activities of the County include water/wastewater and stormwater operations.

The government-wide financial statements can be found on pages 12 and 13 of this report.

Fund financial statements. 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. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The County maintains 26 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Homestead Option Sales Tax Capital Projects Fund, and the 2017 Sales Tax Capital Projects Fund, because they are considered to be major funds. Data from the other 23 governmental funds (14 special revenue funds, eight capital projects funds, and one debt service funds) are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 14 – 19 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Proprietary funds. The County maintains two proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for its Water/Wastewater Fund and Stormwater Utility Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water/Wastewater Fund, which is a major enterprise fund, and the Stormwater Fund, which is considered a nonmajor fund of the County.

The basic proprietary fund financial statements can be found on pages 20 – 23 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page 24 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 – 65 of this report.

Required supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's pension and OPEB plans. Required supplementary information can be found on page 66 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds and enterprise funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 69 - 92 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$444,092,249 at the close of the most recent year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

By far the largest portion of the County's net position (83.24%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that are still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Rockdale County's Net Position As of December 31, 2017 and 2016

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 88,647,623	\$ 73,192,442	\$ 57,534,930	\$ 54,470,562	\$ 146,182,553	\$ 127,663,004
Capital assets	273,736,127	279,506,069	173,011,951	177,740,136	446,748,078	457,246,205
Total assets	<u>362,383,750</u>	<u>352,698,511</u>	<u>230,546,881</u>	<u>232,210,698</u>	<u>592,930,631</u>	<u>584,909,209</u>
Deferred outflows of resources	11,457,562	9,663,925	9,247,118	9,639,466	20,704,680	19,303,391
Other liabilities	5,988,940	5,121,329	6,995,326	6,789,584	12,984,266	11,910,913
Long-term liabilities outstanding	63,804,129	55,169,525	91,697,230	96,396,230	155,501,359	151,565,755
Total liabilities	<u>69,793,069</u>	<u>60,290,854</u>	<u>98,692,556</u>	<u>103,185,814</u>	<u>168,485,625</u>	<u>163,476,668</u>
Deferred inflows of resources	1,057,437	1,016,833	-	-	1,057,437	1,016,833
Net position:						
Net investment in capital assets	271,159,966	269,002,285	98,514,288	98,413,548	369,674,254	367,415,833
Restricted	42,903,776	28,881,548	6,656,822	6,279,345	49,560,598	35,160,893
Unrestricted	(34,151,116)	3,170,916	35,930,333	33,971,457	1,779,217	37,142,373
Total net position	<u>\$ 279,912,626</u>	<u>\$ 301,054,749</u>	<u>\$ 141,101,443</u>	<u>\$ 138,664,350</u>	<u>\$ 421,014,069</u>	<u>\$ 439,719,099</u>

An additional portion of the County's net position (11.2%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$24,857,397) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current year, the County is able to report positive balances in all three categories of net position, both for the County as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior year.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Rockdale County's Changes in Net Position For the Years Ended December 31, 2017 and 2016

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues						
Charges for services	\$ 10,039,318	\$ 9,555,585	\$ 36,075,123	\$ 35,700,296	\$ 46,114,441	\$ 45,255,881
Operating grants and contributions	2,875,754	3,431,925	-	-	2,875,754	3,431,925
Capital grants and contributions	3,499,592	1,245,069	-	-	3,499,592	1,245,069
General revenues:						
Property taxes	35,376,713	29,683,121	-	-	35,376,713	29,683,121
Sales taxes	29,725,984	28,823,965	-	-	29,725,984	28,823,965
Insurance premium tax	4,185,698	3,910,686	-	-	4,185,698	3,910,686
Other taxes	2,107,553	2,263,563	-	-	2,107,553	2,263,563
Unrestricted investment earnings	295,585	290,621	27,825	11,838	323,410	302,459
Total revenues	88,106,197	79,204,535	36,102,948	35,712,134	124,209,145	114,916,669
Expenses:						
General government	13,360,023	12,347,137	-	-	13,360,023	12,347,137
Judicial	9,168,902	8,954,588	-	-	9,168,902	8,954,588
Public safety	40,895,326	38,255,144	-	-	40,895,326	38,255,144
Public works	16,608,677	21,034,046	-	-	16,608,677	21,034,046
Culture and recreation	3,495,774	3,641,966	-	-	3,495,774	3,641,966
Health and welfare	1,848,332	1,742,169	-	-	1,848,332	1,742,169
Housing and development	978,851	1,178,148	-	-	978,851	1,178,148
Interest on long-term debt	839,355	651,793	-	-	839,355	651,793
Water and wastewater	-	-	30,086,442	28,535,175	30,086,442	28,535,175
Stormwater	-	-	2,554,538	2,476,206	2,554,538	2,476,206
Total expenses	87,195,240	87,804,991	32,640,980	31,011,381	119,836,220	118,816,372
Change in net position before transfers	910,957	(8,600,456)	3,461,968	4,700,753	4,372,925	(3,899,703)
Transfers	1,024,875	(466,944)	(1,024,875)	466,944	-	-
Change in net position	1,935,832	(9,067,400)	2,437,093	5,167,697	4,372,925	(3,899,703)
Net position, beginning, as restated	277,976,794	310,122,149	138,664,350	133,496,653	416,641,144	443,618,802
Net position, ending	\$ 279,912,626	\$ 301,054,749	\$ 141,101,443	\$ 138,664,350	\$ 421,014,069	\$ 439,719,099

Governmental activities:

Total governmental revenues increased \$8,901,662 in comparison with the prior year. Property tax revenue saw an increase of \$5.7 million over the previous calendar year because of rising property values. Sales taxes increased by \$902,000 primarily because of HOST and SPLOST tax collections increased compared to the previous year. Capital grants and contributions increased by \$2.2 million primarily related to public works project revenue. There were no significant differences between the original and final budgets for the General Fund. Total expenses of \$87,195,240 decreased by \$609,000 from calendar year 2016. This is primarily due to a decrease in 2010 SPLOST expenditures as many of the planned projects were completed.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Business-type activities. The business-type activities are comprised of the County's water and sewer and stormwater utility operations. Charges for services accounted for 99% of business-type activities revenues and decreased \$390,814 in comparison with 2016. Total expenses increased by \$1,629,599. This is mainly due to increase in purchased and contracted services.

Financial Analysis of the County's Funds

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

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

At the end of 2017 and 2016, the combined ending fund balances of the County's governmental funds were \$80,726,239 and \$66,288,158, respectively. This increase is mainly due to the issuance of installment sales agreement, the refunding deferral amount of \$9.6 million. Approximately 46.7% of ending fund balance or \$37,746,183 constitutes unassigned fund balance, which is available as working capital for current spending in accordance with the purposes of the specific funds. A portion of the fund balance at December 31, 2017, \$5,176, is termed non-spendable to indicate that it is not available for new spending because it is reserve for prepaid items or advances to other funds. An additional \$42,974,880 is restricted for public safety needs, debt service payments, and other capital projects. The remaining \$71,104 is committed for the subsequent year's budget.

The County has only three major governmental funds which include the General Fund, the HOST Fund, and the 2017 SPLOST Fund. The General Fund is the primary operating fund of the County. It accounts for many of the County's core services such as law enforcement, fire protection, planning, roads and streets, and administration. At the end of 2017, the General Fund had a positive fund balance of \$38,025,649. This is a decrease of \$1,523,116 from the beginning fund balance.

In accordance with the Homestead Option Sales Tax (HOST) Legislation, the County may allocate up to 20% of the previous year's receipts to capital outlay projects. The County capital factor has varied over the years from zero to 20%, the maximum allowed under the law. The County has traditionally used its annual capital amounts from HOST for land, buildings and systems, improvements, machinery and equipment, vehicles, roads, highways, and bridges.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The 2017 Sales Tax Fund accounts for the financial resources provided from the 2017 one percent special purpose local option sales tax. Such funds were approved by voter referendum for transportation projects, public safety, parks and recreation, and Water and Sewer projects. At the end of 2017, the 2017 Sales Tax Capital Fund ended with a fund balance of \$10,826,182.

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

The net position of the County's enterprise funds increased by \$2,437,093 in 2017 because of operations in the enterprise funds.

Capital Asset and Debt Administration

Capital Assets. As of the year ended December 31, 2017, governmental activities and business-type activities had capital assets of \$446,748,078 (net of accumulated depreciation) invested in land, buildings, system improvements, infrastructure, and machinery and equipment. The total decrease in the County's investment in capital assets for the current year was \$10,498,127. This is not unusual; typically every year the capital assets decrease because the annual depreciation expense is greater than new purchases and construction.

Rockdale County's Capital Assets (net of depreciation) As of December 31, 2017 and 2016

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 61,688,046	\$ 59,279,118	\$ 13,927,987	\$ 13,927,987	\$ 75,616,033	\$ 73,207,105
Buildings and improvements	56,731,663	58,220,046	2,350,908	2,560,966	59,082,571	60,781,012
Infrastructure	127,710,440	128,572,676	148,162,808	154,610,457	275,873,248	283,183,133
Improvements other than buildings	4,422,820	4,068,422	-	-	4,422,820	4,068,422
Machinery and equipment	10,351,871	10,480,427	5,554,787	5,311,490	15,906,658	15,791,917
Construction in progress	12,831,287	18,885,380	3,015,461	1,329,236	15,846,748	20,214,616
Total	\$ 273,736,127	\$ 279,506,069	\$ 173,011,951	\$ 177,740,136	\$ 446,748,078	\$ 457,246,205

Additional information on the County's capital assets can be found in Note 7 on pages 44 and 45 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Debt Administration. At the end of December 31, 2017, the County had total bonded debt outstanding of \$89,445,623, which 100% was secured by specified revenue, an Enterprise fund. This is a decrease of \$6,328,078 and is due mostly to scheduled principal payments on long term debt.

Rockdale County maintains an "Aa2", "Aa2", and "Aa3" rating from the national rating agency Moody's for its general obligation bonds, revenue bonds, and certificates of participation, respectively.

State statutes limit the amount of general obligation debt a governmental entity may issue to ten percent of its total assessed valuation. The statutory limit at year end for the County was \$250,289,400, which significantly exceeds our obligation, since there are no general obligation bonds outstanding.

Additional information on the County's debt can be found in Note 8 on pages 45 - 52 of this report.

Status of Rockdale County's Economy:

According to the latest information available, the County's 2017 unemployment rate is 5.30%, which is higher than the state's average of 4.70%. The County's employment for 2017 is estimated at 42,284 and will continue to grow as more businesses come to the area.

Beginning in late 2008, the construction industry has suffered from the economic recession. This has affected building permits in most counties. However, over the past years Rockdale County has experienced steady recovery in the issuance of building permits, which we believe is a sign of an improving economy. In 2007, there were 508 building permits issued, this dropped to 56 in 2009, but has rebounded significantly to 401 in 2017.

Rockdale County is in a period posing both significant challenges and opportunities. Management is committed to working with all stakeholders to create solutions that will most effectively use the available resources to continue to provide excellent services to the residents of the County.

Requests for information:

This financial report is designed to provide a general overview of Rockdale County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Department of Finance, 958 Milstead Avenue, Suite 300, Conyers, Georgia 30012.

ROCKDALE COUNTY, GEORGIA

STATEMENT OF NET POSITION DECEMBER 31, 2017

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Conyers- Rockdale Library System	Rockdale County Health Department
ASSETS					
Cash and cash equivalents	\$ 62,028,327	\$ 42,832,013	\$ 104,860,340	\$ 1,029,000	\$ 2,194,189
Investments	12,793,847	-	12,793,847	154,811	231,182
Taxes receivable	2,588,336	-	2,588,336	-	-
Accounts receivable, net of allowances	392,215	3,810,207	4,202,422	42,738	92,741
Due from other governments	9,625,931	-	9,625,931	-	-
Internal balances	265,602	(265,602)	-	-	-
Prepaid expenses	5,176	-	5,176	-	-
Restricted assets:					
Cash and cash equivalents	-	11,158,312	11,158,312	-	-
Other noncurrent asset - interest rate swap	948,189	-	948,189	-	-
Capital assets:					
Nondepreciable	74,519,333	16,943,448	91,462,781	320,200	-
Depreciable, net	199,216,794	156,068,503	355,285,297	7,716,138	33,207
Total assets	362,383,750	230,546,881	592,930,631	9,262,887	2,551,319
DEFERRED OUTFLOWS OF RESOURCES					
Pension	11,457,562	1,805,204	13,262,766	272,860	406,521
Deferred charge on refunding	-	7,441,914	7,441,914	-	-
Total deferred outflows of resources	11,457,562	9,247,118	20,704,680	272,860	406,521
LIABILITIES					
Accounts payable	4,245,655	686,274	4,931,929	17,289	82,032
Accrued liabilities	1,497,669	1,502,544	3,000,213	-	-
Unearned revenues	245,616	-	245,616	-	-
Customer deposits payable	-	4,806,508	4,806,508	-	-
Noncurrent liabilities:					
Due within one year	3,894,946	6,448,650	10,343,596	18,425	38,990
Due in more than one year	59,909,183	85,248,580	145,157,763	875,791	1,542,685
Total liabilities	69,793,069	98,692,556	168,485,625	911,505	1,663,707
DEFERRED INFLOWS OF RESOURCES					
Pension	-	-	-	82,819	10,040
Deferred revenue - effective hedge	948,189	-	948,189	-	-
Deferred charge on refunding	109,248	-	109,248	-	-
Total deferred inflows of resources	1,057,437	-	1,057,437	82,819	10,040
NET POSITION					
Net investment in capital assets	271,159,966	98,514,288	369,674,254	8,036,338	33,207
Restricted for debt service	792,919	6,656,822	7,449,741	-	-
Restricted for judicial programs	461,647	-	461,647	-	-
Restricted for public safety programs	3,620,110	-	3,620,110	-	-
Restricted for other capital projects	38,029,100	-	38,029,100	252,857	-
Restricted for health and welfare	-	-	-	-	714,353
Unrestricted	(11,072,936)	35,930,333	24,857,397	252,228	536,533
Total net position	\$ 302,990,806	\$ 141,101,443	\$ 444,092,249	\$ 8,541,423	\$ 1,284,093

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2017

Functions/Programs	Program Revenues				Net (Expenses) Revenues and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Conyers- Rockdale Library System	Rockdale County Health Department
Primary government:									
Governmental activities:									
General government	\$ 13,360,023	\$ 3,492,297	\$ 23,390	\$ -	\$ (9,844,336)	\$ -	\$ (9,844,336)	\$ -	\$ -
Judicial	9,168,902	2,666,268	1,667,933	-	(4,834,701)	-	(4,834,701)	-	-
Public safety	40,895,326	2,566,215	514,843	-	(37,814,268)	-	(37,814,268)	-	-
Public works	16,608,677	182,117	-	3,499,592	(12,926,968)	-	(12,926,968)	-	-
Culture and recreation	3,495,774	1,060,384	-	-	(2,435,390)	-	(2,435,390)	-	-
Health and welfare	1,848,332	72,037	526,100	-	(1,250,195)	-	(1,250,195)	-	-
Housing and development	978,851	-	143,488	-	(835,363)	-	(835,363)	-	-
Interest on long-term debt	839,355	-	-	-	(839,355)	-	(839,355)	-	-
Total governmental activities	<u>87,195,240</u>	<u>10,039,318</u>	<u>2,875,754</u>	<u>3,499,592</u>	<u>(70,780,576)</u>	<u>-</u>	<u>(70,780,576)</u>	<u>-</u>	<u>-</u>
Business-type activities:									
Water and sewer	30,086,442	34,171,815	-	-	-	4,085,373	4,085,373	-	-
Stormwater	2,554,538	1,903,308	-	-	-	(651,230)	(651,230)	-	-
Total business-type activities	<u>32,640,980</u>	<u>36,075,123</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,434,143</u>	<u>3,434,143</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 119,836,220</u>	<u>\$ 46,114,441</u>	<u>\$ 2,875,754</u>	<u>\$ 3,499,592</u>	<u>(70,780,576)</u>	<u>3,434,143</u>	<u>(67,346,433)</u>	<u>-</u>	<u>-</u>
Component units:									
Conyers-Rockdale Library System	\$ 1,634,170	\$ 141,362	\$ 260,191	\$ -	-	-	-	(1,232,617)	-
Rockdale County Health Department	1,847,158	786,289	605,623	-	-	-	-	-	(455,246)
Total component units	<u>\$ 3,481,328</u>	<u>\$ 927,651</u>	<u>\$ 865,814</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,232,617)</u>	<u>(455,246)</u>
General revenues:									
Property taxes					35,376,713	-	35,376,713	-	-
Sales taxes					29,725,984	-	29,725,984	-	-
Insurance premium tax					4,185,698	-	4,185,698	-	-
Alcoholic beverage taxes					621,127	-	621,127	-	-
Business occupational taxes					407,825	-	407,825	-	-
Franchise taxes					890,568	-	890,568	-	-
Other taxes					188,033	-	188,033	-	-
Unrestricted investment earnings					295,585	27,825	323,410	-	-
Grants and contributions not restricted to specific purpose					-	-	-	972,250	683,459
Transfers					1,024,875	(1,024,875)	-	-	-
Total general revenues and transfers					<u>72,716,408</u>	<u>(997,050)</u>	<u>71,719,358</u>	<u>972,250</u>	<u>683,459</u>
Change in net position					1,935,832	2,437,093	4,372,925	(260,367)	228,213
Net position, beginning of year					301,054,974	138,664,350	439,719,324	8,801,790	1,055,880
Net position, end of year	<u>\$ 302,990,806</u>	<u>\$ 141,101,443</u>	<u>\$ 444,092,249</u>	<u>\$ 8,541,423</u>	<u>\$ 1,284,093</u>	<u>\$ 1,284,093</u>	<u>\$ 1,284,093</u>	<u>\$ 1,284,093</u>	<u>\$ 1,284,093</u>

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

ROCKDALE COUNTY, GEORGIA

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2017

	General	Homestead Option Sales Tax Capital Projects	2017 Sales Tax Capital Projects	Nonmajor Governmental Funds	Totals Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 24,693,792	\$ 2,973,289	\$ 462,910	\$ 33,898,336	\$ 62,028,327
Investments	3,869,803	-	8,924,044	-	12,793,847
Taxes receivable, net	2,518,215	-	-	70,121	2,588,336
Accounts receivable, net	189,814	-	-	202,401	392,215
Due from other governments	3,445,316	1,487,346	1,489,230	3,204,039	9,625,931
Due from other funds	10,686,522	-	-	1,704,224	12,390,746
Prepaid expenditures	5,176	-	-	-	5,176
Advances to other funds	-	-	-	-	-
Total assets	<u>\$ 45,408,638</u>	<u>\$ 4,460,635</u>	<u>\$ 10,876,184</u>	<u>\$ 39,079,121</u>	<u>\$ 99,824,578</u>
LIABILITIES					
Accounts payable	\$ 3,398,585	\$ -	\$ 48,002	\$ 799,068	\$ 4,245,655
Accrued liabilities	1,374,239	-	-	-	1,374,239
Unearned revenue	245,616	-	-	-	245,616
Due to other funds	1,259,573	4,614,794	2,000	6,248,777	12,125,144
Advances from other funds	-	-	-	-	-
Total liabilities	<u>6,278,013</u>	<u>4,614,794</u>	<u>50,002</u>	<u>7,047,845</u>	<u>17,990,654</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	1,104,976	-	-	2,709	1,107,685
Total deferred inflows of resources	<u>1,104,976</u>	<u>-</u>	<u>-</u>	<u>2,709</u>	<u>1,107,685</u>
FUND BALANCES (DEFICIT)					
Nonspendable:					
Prepaid expenditures	5,176	-	-	-	5,176
Advances to other funds	-	-	-	-	-
Restricted for:					
Judicial programs	-	-	-	461,647	461,647
Public safety programs	-	-	-	3,620,110	3,620,110
Debt service	-	-	-	792,919	792,919
Other capital projects	-	-	10,826,182	27,202,918	38,029,100
Committed - subsequent years budget	71,104	-	-	-	71,104
Unassigned	37,949,369	(154,159)	-	(49,027)	37,746,183
Total fund balances (deficit)	<u>38,025,649</u>	<u>(154,159)</u>	<u>10,826,182</u>	<u>32,028,567</u>	<u>80,726,239</u>
Total liabilities, deferred inflows of resources, and fund balances (deficit)	<u>\$ 45,408,638</u>	<u>\$ 4,460,635</u>	<u>\$ 10,876,184</u>	<u>\$ 39,079,121</u>	<u>\$ 99,824,578</u>

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

ROCKDALE COUNTY, GEORGIA

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

Total fund balances for governmental funds:		\$ 80,726,239
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.		273,736,127
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.		1,107,685
The deferred outflows of resources related to the pension is not a financial asset and, therefore, is not reported in governmental funds.		11,457,562
Certain long term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. All liabilities, both current and long-term, are reported in the statement of net position net of issuance premiums and discounts, and refunding deferral amounts.		
Certificates of participation	\$ (3,900,000)	
Fair value of interest rate swap	948,189	
Deferred fair value of interest rate swap	(948,189)	
Installments sales agreement	(9,625,000)	
Contractual obligation - revenue bonds payable	(4,200,000)	
Unamortized premium on contractual obligations	(20,623)	
Unamortized refunding deferral amount on certificates of participation	(109,248)	
Compensated absences payable	(2,779,928)	
Landfill post-closure	(420,000)	
General liability claims	(180,745)	
Net pension liability	(18,297,449)	
Net OPEB liability	(24,380,384)	
Total long-term liabilities	(63,913,377)	(63,913,377)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.		(123,430)
Net position of governmental activities		\$ 302,990,806

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

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

	General	Homestead Option Sales Tax Capital Projects	2017 Sales Tax Capital Projects	Nonmajor Governmental Funds	Totals Governmental Funds
REVENUES					
Property taxes	\$ 34,984,274	\$ -	\$ -	\$ 51,101	\$ 35,035,375
Sales taxes	-	14,862,034	11,399,176	3,464,774	29,725,984
Other taxes	6,239,936	-	-	53,315	6,293,251
Charges for services	3,972,088	-	-	2,027,624	5,999,712
Licenses and permits	575,578	-	-	569,307	1,144,885
Intergovernmental	514,220	-	-	5,824,601	6,338,821
Fines and forfeitures	2,016,035	-	-	494,040	2,510,075
Interest revenue	233,002	19,528	13,099	66,481	332,110
Contributions and donations	15,013	-	-	-	15,013
Other revenues	289,499	-	-	80,134	369,633
Total revenues	<u>48,839,645</u>	<u>14,881,562</u>	<u>11,412,275</u>	<u>12,631,377</u>	<u>87,764,859</u>
EXPENDITURES					
Current:					
General government	10,851,130	-	-	78,839	10,929,969
Judicial	6,473,430	-	-	2,224,177	8,697,607
Public safety	33,297,113	-	-	2,375,519	35,672,632
Public works	6,284,934	-	-	44,993	6,329,927
Culture and recreation	2,513,385	-	-	3,945	2,517,330
Health and welfare	1,475,235	-	-	198,429	1,673,664
Housing and development	294,480	-	-	591,359	885,839
Intergovernmental	-	-	586,093	1,768,701	2,354,794
Capital outlay	-	2,185,035	-	5,976,124	8,161,159
Debt service:					
Principal	897,708	-	-	5,335,000	6,232,708
Interest	302,620	-	-	98,255	400,875
Issuance costs	-	-	-	152,374	152,374
Total expenditures	<u>62,390,035</u>	<u>2,185,035</u>	<u>586,093</u>	<u>18,847,715</u>	<u>84,008,878</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(13,550,390)</u>	<u>12,696,527</u>	<u>10,826,182</u>	<u>(6,216,338)</u>	<u>3,755,981</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	11,995,049	-	-	-	11,995,049
Transfers out	-	(10,958,549)	-	(11,625)	(10,970,174)
Installment sale agreement proceeds	-	-	-	9,625,000	9,625,000
Proceeds from the sale of capital assets	32,225	-	-	-	32,225
Total other financing sources (uses)	<u>12,027,274</u>	<u>(10,958,549)</u>	<u>-</u>	<u>9,613,375</u>	<u>10,682,100</u>
Net change in fund balances	(1,523,116)	1,737,978	10,826,182	3,397,037	14,438,081
Fund balances (deficit), beginning of year	<u>39,548,765</u>	<u>(1,892,137)</u>	<u>-</u>	<u>28,631,530</u>	<u>66,288,158</u>
Fund balances (deficit), end of year	<u>\$ 38,025,649</u>	<u>\$ (154,159)</u>	<u>\$ 10,826,182</u>	<u>\$ 32,028,567</u>	<u>\$ 80,726,239</u>

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

ROCKDALE COUNTY, GEORGIA

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

Net change in fund balances - total governmental funds	\$	14,438,081
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay	\$	5,951,589	
Depreciation expense		<u>(11,721,531)</u>	(5,769,942)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		341,338
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. Also, the refunding deferral amount, which is the difference in the amount that is sent to the paying agent to be escrowed for payment of refunded debt and the principal amount of debt refunded, is amortized as an adjustment of interest expense in the statement of activities. The effects of these items are as follows:

Repayment of the principal of long-term debt	\$	6,232,708	
Issuance of installment sales agreement debt		(9,625,000)	
Amortization of premium on long-term debt		(102,315)	
Amortization of the refunding deferral amount on the refunding certificates of participation		<u>(60,361)</u>	(3,554,968)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The following amounts represent the net liability changes using the full accrual method of accounting:

General liability claims	\$	96,447	
Compensated absences		(45,434)	
Landfill post-closure liability		70,000	
Accrued interest on long-term debt		(123,430)	
Net pension liability		(692,199)	
OPEB liability		<u>(2,824,061)</u>	<u>(3,518,677)</u>

Change in net position - governmental activities	\$	<u>1,935,832</u>
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The accompanying notes are an integral part of these financial statements.

ROCKDALE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (BUDGET BASIS) AND ACTUAL GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES:				
Property taxes	\$ 30,020,677	\$ 34,984,274	\$ 34,984,274	\$ -
Other taxes	5,739,714	6,239,936	6,239,936	-
Charges for services	4,095,110	3,972,088	3,972,088	-
Licenses and permits	423,429	575,578	575,578	-
Intergovernmental	502,805	514,220	514,220	-
Fines and forfeitures	2,057,629	2,016,035	2,016,035	-
Interest revenue	184,936	233,002	233,002	-
Contributions and donations	16,465	15,013	15,013	-
Other revenues	204,286	289,499	289,499	-
Total revenues	43,245,051	48,839,645	48,839,645	-
EXPENDITURES:				
Current:				
General government:				
Board of commissioners	640,048	897,884	897,884	-
Finance	2,820,539	1,332,137	1,332,137	-
Personnel	871,499	974,773	974,773	-
Information systems	1,472,765	1,774,682	1,774,682	-
Public affairs	281,633	359,395	359,395	-
Legal	456,100	619,801	619,801	-
Tax assessor	757,656	683,831	683,831	-
Tax commissioner	884,391	817,169	817,169	-
Public buildings	1,883,841	1,833,603	1,833,603	-
Election and registrars	319,976	312,994	312,994	-
General appropriations	923,507	1,244,861	1,244,861	-
Total general government	11,311,955	10,851,130	10,851,130	-
Judicial:				
Clerk of Superior Court	1,259,769	1,195,938	1,195,938	-
Clerk of State Court	575,243	555,672	555,672	-
Superior Court	414,756	401,809	401,809	-
State Court	456,202	416,852	416,852	-
Juvenile Court	819,792	858,087	858,087	-
Probate Court	515,900	478,598	478,598	-
District attorney	1,526,013	1,349,685	1,349,685	-
Magistrate Court	594,769	574,831	574,831	-
Public defender	620,268	641,957	641,957	-
Total judicial	6,782,712	6,473,429	6,473,429	-
Public safety:				
Sheriff	12,332,767	12,640,688	12,640,688	-
Jail	8,359,443	8,760,370	8,760,370	-
Fire department	10,789,516	10,581,711	10,581,711	-
Coroner	166,638	180,265	180,265	-
Communications	1,804,728	434,462	434,462	-
Animal control	321,245	323,782	323,782	-
Total public safety	33,774,337	32,921,278	32,921,278	-
Public works				
	6,304,480	6,356,038	6,356,038	-
Culture and recreation:				
Recreation	1,487,476	1,582,701	1,582,701	-
Library	930,684	930,684	930,684	-
Total culture and recreation	2,418,160	2,513,385	2,513,385	-

(Continued)

ROCKDALE COUNTY, GEORGIA

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
BUDGET (BUDGET BASIS) AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
EXPENDITURES: (CONTINUED)				
Current:				
Health and welfare:				
Community services - aging program	\$ 939,090	\$ 977,894	\$ 977,894	\$ -
General health	364,200	364,291	364,291	-
General welfare	133,000	133,050	133,050	-
Total health and welfare	<u>1,436,290</u>	<u>1,475,235</u>	<u>1,475,235</u>	<u>-</u>
Housing and development:				
Conservation	4,853	2,353	2,353	-
Cooperative extension service	239,569	193,995	193,995	-
Economic development	150,000	98,132	98,132	-
Total housing and development	<u>394,422</u>	<u>294,480</u>	<u>294,480</u>	<u>-</u>
Debt service	<u>2,743,303</u>	<u>1,200,328</u>	<u>1,200,328</u>	<u>-</u>
Total expenditures	<u>65,165,659</u>	<u>62,085,303</u>	<u>62,085,303</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(21,920,608)</u>	<u>(13,245,658)</u>	<u>(13,245,658)</u>	<u>-</u>
OTHER FINANCING SOURCES				
Transfers in	21,909,625	11,995,049	11,995,049	-
Proceeds from the sale of capital assets	10,983	32,225	32,225	-
Total other financing sources	<u>21,920,608</u>	<u>12,027,274</u>	<u>12,027,274</u>	<u>-</u>
Net change in fund balances	-	(1,218,384)	(1,218,384)	-
Fund balances, beginning of year	<u>39,548,765</u>	<u>39,548,765</u>	<u>39,548,765</u>	<u>-</u>
Fund balances, end of year	<u>\$ 39,548,765</u>	<u>\$ 38,330,381</u>	<u>\$ 38,330,381</u>	<u>\$ -</u>

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

ROCKDALE COUNTY, GEORGIA

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2017

	Water and Sewer	Nonmajor Stormwater	Totals
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 38,386,722	\$ 4,445,291	\$ 42,832,013
Restricted assets, cash and cash equivalents	11,158,312	-	11,158,312
Accounts receivable, net of allowances	3,769,223	40,984	3,810,207
Due from other funds	258,488	6,150	264,638
Total current assets	53,572,745	4,492,425	58,065,170
NONCURRENT ASSETS			
Capital assets:			
Nondepreciable	16,179,531	763,917	16,943,448
Depreciable, net of accumulated depreciation	155,236,523	831,980	156,068,503
Total noncurrent assets	171,416,054	1,595,897	173,011,951
Total assets	224,988,799	6,088,322	231,077,121
DEFERRED OUTFLOWS OF RESOURCES			
Pension	1,565,741	239,463	1,805,204
Deferred charge on refunding	7,441,914	-	7,441,914
Total deferred outflows of resources	9,007,655	239,463	9,247,118
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	564,802	121,472	686,274
Accrued liabilities	253,977	32,500	286,477
Compensated absences, current portion	208,292	25,358	233,650
Customer deposits payable	4,781,939	24,569	4,806,508
Due to other funds	464,608	65,632	530,240
Payable from restricted assets:			
Accrued interest	1,216,067	-	1,216,067
Revenue bonds payable, current portion	6,215,000	-	6,215,000
Total current liabilities	13,704,685	269,531	13,974,216
NONCURRENT LIABILITIES			
Compensated absences, net of current portion	69,430	8,452	77,882
Revenue bonds payable, net of current portion	79,010,000	-	79,010,000
Net pension liability	2,427,428	322,672	2,750,100
Net OPEB liability	3,078,641	331,957	3,410,598
Total noncurrent liabilities	84,585,499	663,081	85,248,580
Total liabilities	98,290,184	932,612	99,222,796
NET POSITION			
Net investment in capital assets	96,918,391	1,595,897	98,514,288
Restricted for debt service	6,656,822	-	6,656,822
Unrestricted	32,131,057	3,799,276	35,930,333
Total net position	\$ 135,706,270	\$ 5,395,173	\$ 141,101,443

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

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

	<u>Water and Sewer</u>	<u>Nonmajor Stormwater</u>	<u>Totals</u>
OPERATING REVENUES			
Charges for services:			
Water and sewer sales (security for water revenue bonds)	\$ 31,782,100	\$ -	\$ 31,782,100
Stormwater charges	-	1,901,877	1,901,877
Connection charges (security for water revenue bonds)	1,219,448	-	1,219,448
Late charges (security for water revenue bonds)	774,973	-	774,973
Miscellaneous	395,294	1,431	396,725
Total operating revenues	<u>34,171,815</u>	<u>1,903,308</u>	<u>36,075,123</u>
OPERATING EXPENSES			
Personnel services	6,677,111	1,011,546	7,688,657
Purchased or contracted services	7,326,907	282,080	7,608,987
Supplies and other expenses	4,420,533	185,636	4,606,169
Repair and maintenance	926,594	972,681	1,899,275
Depreciation	7,607,341	102,595	7,709,936
Total operating expenses	<u>26,958,486</u>	<u>2,554,538</u>	<u>29,513,024</u>
Operating income (loss)	<u>7,213,329</u>	<u>(651,230)</u>	<u>6,562,099</u>
NONOPERATING INCOME (EXPENSES)			
Interest income	-	27,825	27,825
Interest expense	(3,127,956)	-	(3,127,956)
Total nonoperating income (expenses)	<u>(3,127,956)</u>	<u>27,825</u>	<u>(3,100,131)</u>
Income (loss) before transfers	<u>4,085,373</u>	<u>(623,405)</u>	<u>3,461,968</u>
TRANSFERS			
Transfers in	11,625	-	11,625
Transfers out	(1,036,500)	-	(1,036,500)
Total transfers	<u>(1,024,875)</u>	<u>-</u>	<u>(1,024,875)</u>
Change in net position	3,060,498	(623,405)	2,437,093
Net position, beginning of year	<u>132,645,772</u>	<u>6,018,578</u>	<u>138,664,350</u>
Net position, end of year	<u>\$ 135,706,270</u>	<u>\$ 5,395,173</u>	<u>\$ 141,101,443</u>

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

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

	<u>Water and Sewer</u>	<u>Nonmajor Stormwater</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 32,963,094	\$ 1,051,088	\$ 34,014,182
Payments to suppliers	(12,727,639)	(1,377,525)	(14,105,164)
Payments to employees	(6,159,384)	(911,725)	(7,071,109)
Net cash provided (used in) by operating activities	<u>14,076,071</u>	<u>(1,238,162)</u>	<u>12,837,909</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers out	(1,036,500)	-	(1,036,500)
Transfers in	11,625	-	11,625
Net cash used in noncapital financing activities	<u>(1,024,875)</u>	<u>-</u>	<u>(1,024,875)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(2,948,862)	(32,889)	(2,981,751)
Principal paid on bonds	(5,520,000)	-	(5,520,000)
Interest paid	(2,466,005)	-	(2,466,005)
Net cash used in capital and related financing activities	<u>(10,934,867)</u>	<u>(32,889)</u>	<u>(10,967,756)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends received	-	27,825	27,825
Net cash provided by investing activities	<u>-</u>	<u>27,825</u>	<u>27,825</u>
Net increase (decrease) in cash and cash equivalents	2,116,329	(1,243,226)	873,103
Cash and cash equivalents:			
Beginning of year	<u>47,428,705</u>	<u>5,688,517</u>	<u>53,117,222</u>
End of year	<u>\$ 49,545,034</u>	<u>\$ 4,445,291</u>	<u>\$ 53,990,325</u>
Classified as:			
Cash and cash equivalents	\$ 38,386,722	\$ 4,445,291	\$ 42,832,013
Restricted assets, cash	11,158,312	-	11,158,312
	<u>\$ 49,545,034</u>	<u>\$ 4,445,291</u>	<u>\$ 53,990,325</u>

(Continued)

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

	<u>Water and Sewer</u>	<u>Nonmajor Stormwater</u>	<u>Totals</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 7,213,329	\$ (651,230)	\$ 6,562,099
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	7,607,341	102,595	7,709,936
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	19,945	(3,793)	16,152
(Increase) decrease in due from other funds	(55)	25,441	25,386
Decrease in prepaids and other assets	-	11,506	11,506
Increase in deferred outflows of resources-pension	(259,714)	(43,285)	(302,999)
Increase (decrease) in accounts payable	(53,605)	51,366	(2,239)
Increase in accrued liabilities	89,886	9,661	99,547
Increase in net pension liability	356,300	59,383	415,683
Increase in net OPEB liability	409,532	65,555	475,087
Increase (decrease) in compensated absences	(78,277)	8,507	(69,770)
Increase in customer deposits	141,830	-	141,830
Decrease in due to other funds	(1,370,441)	(873,868)	(2,244,309)
Net cash provided by (used in) operating activities	<u>\$ 14,076,071</u>	<u>\$ (1,238,162)</u>	<u>\$ 12,837,909</u>

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

ROCKDALE COUNTY, GEORGIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2017

	<u>Agency Funds</u>
ASSETS	
Cash and cash equivalents	\$ 3,878,718
Taxes receivable	4,649,163
Total assets	<u>\$ 8,527,881</u>
LIABILITIES	
Due to others	\$ 8,527,881
Total liabilities	<u>\$ 8,527,881</u>

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

NOTES TO THE FINANCIAL STATEMENTS

ROCKDALE COUNTY, GEORGIA

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. The Financial Reporting Entity

The County is a political subdivision of the State of Georgia created by legislative act in 1870. The County is governed by an elected Board of Commissioners who is governed by state statutes and regulations. As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the County (the primary government), its pension plan and its component units. Also, the fiduciary activities of various constitutional officers, judges, and other judicial officials are included in the Agency Funds. These include the Tax Commissioner, Superior Court, State Court, Sheriff, Probate Court, Juvenile Court, and Magistrate Court.

The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationship with the County.

In conformity with generally accepted accounting principles, as set forth in GASB Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 61, *The Financial Reporting Entity—Omnibus*, the component units' financial statements have been included as both blended and discretely presented. Blended component units, although legally separate entities, are, in substance, part of the County's operations and so financial data from these units are combined with the financial data of the primary government. The discretely presented component units' financial data is reported in a separate column in the statement of net position and the statement of activities to emphasize that it is legally separate from the County. The component units' financial information disclosed within these statements reflect the most recently audited financial statements.

Blended Component Units

The **Conyers-Rockdale Big Haynes Impoundment Authority** (the "BHIA") is governed by a five-member board appointed by the City of Conyers and the Rockdale County Board of Commissioners. Although it is legally separate from the County, the BHIA is reported as if it were part of the primary government because its sole purpose is as a financing authority to acquire, construct and equip, on a limited basis, capital assets for the County. The BHIA board is essentially the same as the County's and the County can impose its will on the BHIA. No separate financial statements for the BHIA are issued.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Blended Component Units (Continued)

The **Rockdale County Water and Sewerage Authority** (the “W&S Authority”) is governed by a seven-member board appointed by the Rockdale County Board of Commissioners. The W&S Authority provides a means to issue revenue bonds. Although it is legally separate from the County, the W&S Authority is reported as if it were part of the primary government because its sole purpose is to provide adequate water and sewerage services and to manage, lease or own water and sewerage treatment facilities and other related facilities. Such responsibilities have been assigned to the County as part of a lease agreement as discussed in Note 17. No separate financial statements for the W&S Authority are issued.

Discretely Presented Component Units

The **Rockdale County Health Department** (the “Health Department”) is governed by a seven-member board: The Chief Executive Officer of the County, the Chief Executive Office of the City of Conyers, the Rockdale County School Superintendent, three members appointed by the Rockdale County Board of Commissioners and one member appointed by City of Conyers Council. The County, by virtue of its appointments and the presence of the Chief Executive Officer on the board, controls a majority of the Health Department’s governing body positions. Although the County does not have the authority to approve or modify the Health Department’s operational and capital budgets, it does have the ability to control the amount of funding it provides to the Health Department. Such funding is significant to the overall operations of the Health Department.

The **Conyers-Rockdale Library System** (the “Library”) is governed by a nine-member board, appointed by the Rockdale County Board of Commissioners. Two of the nine members are selected for appointment from recommendations provided by the President of the Conyers Civic League. Three of the nine members are selected for appointment from recommendations provided by the City of Conyers. Although the County does not have the authority to approve or modify the Library’s operational or capital budgets, it does have the ability to control the amount of funding it provides. Such funding is significant to the overall operations of the Library.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. The Financial Reporting Entity (Continued)

Discretely Presented Component Units (Continued)

The Health Department and Library operate on a June 30 fiscal year end. The financial information presented is as of June 30, 2017. Complete financial statements of the individual component units may be obtained directly from their administrative offices.

Addresses of the administrative offices are as follows:

Rockdale County Health Department
985 Taylor Street
Conyers, Georgia 30012

Conyers-Rockdale Library System
864 Green Street
Conyers, Georgia 30012

B. Government-wide and Fund Financial Statements

The basic financial statements consist of government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the County.

Government-wide financial statements include a statement of net position and a statement of activities. These statements report on the government as a whole, both the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from discretely presented component units. Fiduciary funds of the government are excluded from the government-wide financial statements since these resources are not available for general government funding purposes. Interfund activity is eliminated from the government-wide financial statements.

The statement of net position reports all financial and capital resources and includes, net of accumulated depreciation, non-current capital assets and non-current liabilities.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements (Continued)

The statement of activities reports functional categories of programs provided by the County and demonstrates how and to what degree those programs are supported by specific revenue. Program revenues are classified into three categories; 1) charges for services to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, 2) operating grants and contributions that are restricted to meeting the operational requirements of a function, and 3) capital grants and contributions that are restricted to meeting the capital requirements of a particular function. General revenues are comprised of taxes and other items collected, which support all functions of the County and contribute to the change in the net position for the year. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Administrative overhead charges are included in direct expenses for the business-type activities.

The fund financial statements report additional information about the County's operations for major funds individually and in the aggregate for nonmajor funds. Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis* of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current period, with the exception of grants, which are recognized when all eligibility requirements have been met. Property taxes, sales taxes, franchise taxes, licenses, and investment income associated with the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

In accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-exchange Transactions*, the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

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

The **Homestead Option Sales Tax Fund** accounts for the receipt and disbursement of the financial resources provided by the homestead option sales tax (HOST). The HOST is used to replace funds lost as a result of the County providing for a homestead exemption from County ad valorem taxes.

The **2017 Sales Tax Fund** accounts for the financial resources to be provided from the 2017 one percent Special Purpose Local Option Sales Tax and the proceeds from the issuance of general obligation sales tax bonds. The sales tax is required to be used for debt service payments on the sales tax general obligation bonds, certain County and City of Conyers road improvements, enhancements of the County jail facility, water line infrastructure, and various other County and City of Conyers public safety and recreational projects.

The County reports the following major proprietary fund:

The **Water and Sewer Fund** accounts for the provision of water and sewer services to the residents of the County. All activities necessary to provide such services are accounted for in this fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for revenue sources that are legally restricted to expenditure for specific purposes.

The ***capital projects funds*** account for the acquisition of capital assets and construction or improvement of major capital projects, such as construction of new roads.

The ***agency funds*** are used to account for the collection and disbursement of monies by the Government on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the County's water and wastewater function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services provided. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting

An operating budget is legally adopted each year for the General Fund, Special Revenue Funds and Debt Service Funds. The Capital Project Funds adopt project-length budgets. An annual operating budget is prepared for the Enterprise Fund for planning, control, cost allocation, and evaluation purposes.

The level of controls (the level at which expenditures may not legally exceed appropriations) for each legally adopted annual operating budget is at the department level. During the year, supplemental appropriations are approved by the Board of Commissioners to cover unforeseen expenditures and are funded out of contingency accounts, from positive revenue and expenditure variances or unappropriated fund balances.

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

1. Prior to December 1, the Chairman submits to the Board of Commissioners a proposed operating budget for the year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to January 1, the budget is legally enacted through the passage of an ordinance.
4. The enacted budget may be amended only by formal action by the Board of Commissioners in public meetings, except that the Director of Finance may make interdepartmental amendments not associated with personnel services as long as the Board of Commissioners is notified of the changes.
5. Expenditures may not legally exceed appropriations.
6. Unencumbered appropriations lapse at year-end, with the exception of capital project funds.

E. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the appropriation, is employed in the governmental funds. Encumbrances outstanding at year-end are reported as committed fund balances in the governmental funds, as they do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with an original maturity date of three months or less. Investments are stated at fair value, based on quoted market prices. Georgia law authorizes the County to invest in obligations of the State of Georgia or of any other states; obligations issued by the United States; obligations fully insured or guaranteed by the United States government or governmental agency; prime bankers' acceptances; The State of Georgia Local Government Investment Pool (Georgia Fund 1); repurchase agreements; and obligations of other political subdivisions of the State of Georgia. The investment in the Georgia Fund 1 represents the County's portion of a pooled investment account operated by the Office of the State Treasurer. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The pool also adjusts the value of its investments to fair value as of year-end and the County's investment in the Georgia Fund 1 is reported at fair value. The County considers amounts held in Georgia Fund 1 as cash equivalents for financial statement presentation.

The remaining investments are recorded at fair value.

G. Receivables and Payables

Transactions between governmental funds that are representative of lending/borrowing arrangements have been eliminated in the government-wide statement of net position. Such transactions between the governmental and business-type activities are reported in the government-wide statement of net position as "internal balances." In the governmental funds balance sheets, these receivables and payables are classified as "due from other funds" or "due to other funds."

All account and property tax receivables are shown net of an allowance for uncollectible accounts. The allowance for uncollectible receivable balances represents estimates based on historical collection rates and account balance aging reports.

H. Inventories and Prepaid Items

Inventories are determined by actual physical count and are stated at cost generally using the first-in, first-out method (FIFO). In the governmental funds, the cost of inventory items are recorded as expenditures at the time of purchase (purchase method).

Prepaid items are accounted for using the consumption method. A prepaid item is recognized when a cash expenditure is made for goods or services that were purchased for consumption, but not consumed as of December 31.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems, water and sewer distribution systems, and similar assets), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Governmental (general) capital assets are recorded as expenditures in the governmental funds statement of revenues, expenditures and changes in fund balances and capitalized at cost in the government-wide statement of net position. Purchased or constructed capital assets are reported at cost or estimated historical cost. General infrastructure assets acquired prior to the implementation of GASB Statement No. 34, consist of the streets network that were acquired or that received substantial improvements subsequent to January 1, 1980. Donated capital assets are recorded at their acquisition value at the date of donation. The County's capitalization threshold is \$5,000 for equipment, \$50,000 for computer software, \$25,000 for buildings and improvements, and \$100,000 for infrastructure assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred. Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets of the proprietary funds is included as part of the capitalized value of the assets. The amount of interest capitalized is calculated by offsetting interest expense incurred with interest earned on investment proceeds over the same period. During 2017, the County capitalized \$35,384 of interest.

Donated capital assets are recorded at their acquisition value at the date of donation.

Depreciation is calculated using the straight-line method over the following estimated useful lives.

	<u>Life Years</u>
Buildings and Improvements	10-50
Infrastructure	20-50
Improvements (other than buildings)	10-20
Machinery and Equipment	5-10

J. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts and deferred losses on refunded debt, are deferred and amortized over the life of the bonds using the bonds outstanding method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Long-Term Obligations (Continued)

Bond issuance costs, with the exception of any portion related to prepaid insurance costs, are expensed in the period incurred.

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

K. Landfill Post-closure Cost

Federal and state laws and regulations require the operator of a sanitary landfill to perform certain maintenance and monitoring functions at a closed site for 30 years after closure. The County is a party to an operating agreement for a sanitary landfill that was closed on September 1, 1993. The County includes its portion of the estimated post-closure cost liability as a government activities non-current liability in the government-wide statement of net position. The amount is based on what it would cost to perform all post-closure in 2017. Actual cost may be higher or lower due to inflation/deflation, changes in technology, or changes in regulations.

L. Deferred Outflows/Inflows of Resources

GASB Statements No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and No. 65, *Items Previously Reported as Assets and Liabilities*, establish accounting and financial reporting for deferred outflows/inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has five items that qualify for reporting in this category. The first is the deferred charge on refunding reported in the government-wide and proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt. The remaining four items, the investment earnings difference, the change in assumption difference, the experience difference, and the County's contributions subsequent to the measurement date, relate to the County's defined benefit pension plan and are consumptions of net position that apply to future periods. As such, they will be recognized as expense/expenditures when consumed.

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net 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 fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has three types of items which qualify for reporting in this category, one of which only arises under the modified accrual basis of accounting. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available. The second element relates to the offset of the fair market value of the County's derivative. As the derivative qualifies as an effective hedge, the change in fair market value occurs each year, the asset and deferred inflow are adjusted. The third element is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or the refunding debt.

M. Compensated Absences

The County maintains a paid time off policy ("PTO policy") pursuant to which employees earn annual leave at the rate of 12 days during the first year of service, 18 days per year after one year of service up to a maximum of 30 days per year after 20 years of service. The maximum allowed accumulation under the PTO policy is 60 days for regular full-time employees and 78 days for employees of the Fire Department (suppression personnel only). Any hours at the end of the year that exceed the respective limits will be forfeited.

Liabilities for compensated absences have been accrued in the proprietary funds and the government-wide statement of net position as compensated absences. A liability for compensated absences is accrued in the governmental fund type's balance sheets only when the liability has matured.

N. 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."

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Fund Equity (Continued)

Fund Balance – Generally, fund balance represents the difference between the assets plus deferred outflows of resources and liabilities plus deferred inflows of resources under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific 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 County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County's Chief Financial Officer, Finance Director, or Director of Administrative Services 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.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

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

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

NOTES TO FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 and were levied for the year ended December 31, 2017 on August 22, 2017, by the Board of Commissioners. Tax bills were mailed on September 26, 2017 and were due November 15, 2017. All unpaid amounts were delinquent and subject to collection efforts pursuant to the O.C.G.A. on November 16. Liens were placed on delinquent accounts on March 31, 2018.

Rockdale County bills and collects its own real and personal property taxes as well as property taxes for the County School System and State of Georgia. The County also collects automobile ad valorem and mobile home taxes for itself, the County School System, the State of Georgia and the City of Conyers. Collections and remittance of taxes are accounted for in the Tax Commissioner Agency Fund.

P. Restricted Assets

Certain debt proceeds from the Water and Sewer Authority's revenue bonds, as well as resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable covenants and agreements. When an expense is incurred for purposes for which both restricted and unrestricted net position are available, restricted assets are utilized first.

Q. Interest Rate Swap Agreements

The County has entered into an interest rate swap agreement, as further discussed in Note 8, to modify interest rates on outstanding debt. The net interest due, pursuant to the agreement, is recorded in the financial statements.

R. Statement of Cash Flows

For purposes of the statement of cash flows, investments purchased with an original maturity date of three months or less are considered cash equivalents.

S. Estimates

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

NOTES TO FINANCIAL STATEMENTS

NOTE 2. BUDGETARY COMPLIANCE AND DEFICIT FUND EQUITY

Budgetary Compliance. Appropriations for the General Fund, debt service funds, and special revenue funds are budgeted on a basis that is not consistent with generally accepted accounting principles (GAAP). The major difference between the budget basis and GAAP basis is that encumbrances are recognized as expenditures (budget) as opposed to commitments of fund balance (GAAP). Adjustments necessary to convert the results of operations at the end of the year on the budget basis to the GAAP basis are as follows:

	Net Change in Fund Balances			Fund Balances at the End of Year		
	General Fund	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	General Fund	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds
GAAP basis	\$ (1,523,116)	\$ 305,589	\$ 55,190	\$ 38,025,649	\$ 5,121,210	\$ 792,919
Increase (decrease)						
due to Encumbrances:						
Encumbrances						
December 31, 2017	(71,104)	-	-	(71,104)	-	-
Encumbrances						
December 31, 2016	375,836	-	-	375,836	-	-
Budget basis	<u>\$ (1,218,384)</u>	<u>\$ 305,589</u>	<u>\$ 55,190</u>	<u>\$ 38,330,381</u>	<u>\$ 5,121,210</u>	<u>\$ 792,919</u>

The original budgeted appropriations for the year ended December 31, 2017, were amended through supplemental appropriations as follows:

	Original Appropriation Budget	Increase (Decrease)	Amended Appropriation Budget
General Fund	\$ 65,165,659	\$ (3,080,356)	\$ 62,085,303
Special Revenue Funds	4,965,900	443,522	5,409,422
General Obligation Bonds			
Debt Service Fund	360	-	360
	<u>\$ 70,131,919</u>	<u>\$ (2,636,834)</u>	<u>\$ 67,495,085</u>

The General Fund budget decrease resulted from amendments for decreased expenditures to coincide with decreased HOST proceeds. The special revenue funds' increases were made primarily to increase budgeted expenditures for additional expenditures resulting from additional grant revenues. The G.O. bonds debt service fund's increase resulted from amendments for increased expenditures.

For the year ended December 31, 2017, expenditures exceeded budget in the applicable governmental funds, as follows:

Department	Excess
Public Safety	\$ 107,479

NOTES TO FINANCIAL STATEMENTS

NOTE 2. BUDGETARY COMPLIANCE AND DEFICIT FUND EQUITY (CONTINUED)

Deficit Fund Equity. As of December 31, 2017, the NSP Grant, 1996 Road and Recreation Sales Tax, and Homestead Option Sales Tax funds had deficit fund balances of \$36,378, \$12,649, and \$154,159, respectively. It is expected that additional grant revenues will provide positive net position in future years.

NOTE 3. CASH AND INVESTMENTS

A reconciliation of cash and cash equivalents and investments as shown on the government-wide and fiduciary funds statements of net position follows:

As reported in the statement of net position:

Primary government	
Cash and cash equivalents	\$ 104,860,340
Investments	12,793,847
Restricted assets:	
Cash and cash equivalents	11,158,312
Agency Funds - cash and cash equivalents	3,878,718
	<u>\$ 132,691,217</u>
Cash deposited with financial institutions	\$ 31,054,464
Cash on hand	12,344
Investment in Georgia Fund 1	97,754,606
Repurchase Agreement	3,869,803
	<u>\$ 132,691,217</u>

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Interest rate risk

While the County does not have a formal investment policy relating to specific investment related risk, the County manages its exposure to declines in fair values of its investment portfolio by generally limiting its investment in securities with maturities that are less than two years.

At December 31, 2017, information related to credit risk and interest rate risk related to the County's investments is disclosed as follows:

<u>Investment</u>	<u>Weighted Average Maturity (Years)</u>	<u>Credit Rating</u>	<u>Fair Value</u>
Guaranteed Investment Contract	14.5	(a)	\$ 3,869,803

(a) This is a guaranteed contract with the Georgia Municipal Association and is not rate

NOTES TO FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements. The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The County does not have any fair value measurements as of December 31, 2017.

The Guaranteed Investment Contract is a nonparticipating interest-earning investment contract and, accordingly, is recorded at cost of \$3,869,803.

Custodial credit risk-deposits

This is the risk that, in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of December 31, 2017, the total carrying amount of the County's deposits was \$31,054,464 and the bank balance was \$32,562,919. Of the bank balance, \$1,107,550 was insured through the Federal Deposit Insurance Corporation (FDIC) and the remaining \$31,455,369 was collateralized with securities held by the pledging financial institution's trust department or agent.

Custodial credit risk-investments

This is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The County does not have a deposit policy for the custodial credit risk associated with investments. Of the repurchase agreements investment of \$3,869,803, the County has a custodial credit risk exposure of \$3,869,803 because the related securities are uninsured, unregistered and held by the County's brokerage firm, which is also the counterparty for the securities.

Credit risk

Georgia law authorizes the County to invest in obligations of the State of Georgia or of any other states; obligations issued by the United States; obligations fully insured or guaranteed by the United States government or governmental agency; prime bankers' acceptances; The State of Georgia Local Government Investment Pool; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. It is the County's policy to limit its investments to these types of investments.

The local government investment pool, created by O.C.G.A. 36-83-8, is a stable net asset value investment pool which has an AAf rating by Standard & Poor's. The pool consists of U.S. treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in the Georgia Fund 1 is valued at fair value. The County's fair value position in the pool is the same as the value of the pool shares. The Georgia Office of the State Treasurer is the agency with regulatory oversight for the local government investment pool. At December 31, 2017, Georgia Fund 1 Investments had a weighted average maturity of nine days.

NOTES TO FINANCIAL STATEMENTS

NOTE 3. CASH AND INVESTMENTS (CONTINUED)

Concentration of credit risk

Excluding investments issued or explicitly guaranteed by the U.S. Government and investments in mutual funds, external investments pools, and other pooled investments, the County does not invest more than 5% of its total investments in any one issuer.

NOTE 4. RECEIVABLES

Receivables at December 31, 2017, consist of the following:

	General Fund	Nonmajor Governmental Funds	Total Governmental Activities
Taxes	\$ 2,518,215	\$ 70,121	\$ 2,588,336
Accounts	189,814	202,401	392,215
	2,708,029	272,522	2,980,551
Less: allowance for uncollectibles	-	-	-
	\$ 2,708,029	\$ 272,522	\$ 2,980,551
	Water and Sewer	Nonmajor Proprietary Fund	Total Business-type Activities
Accounts	\$ 4,294,079	\$ 2,265,653	\$ 6,559,732
	4,294,079	2,265,653	6,559,732
Less: allowance for uncollectibles	(524,856)	(2,224,669)	(2,749,525)
	\$ 3,769,223	\$ 40,984	\$ 3,810,207

NOTES TO FINANCIAL STATEMENTS

NOTE 5. DUE FROM OTHER GOVERNMENTS

The County is due amounts from the State of Georgia for sales tax collected by the state and not remitted to the County as of December 31, 2017, an estimated amount for insurance premium taxes, and amounts due from federal and state grantor agencies. These amounts, as well as other miscellaneous amounts, comprise “due from other governments” in the statement of net position as follows:

Due From	Purpose	Amount
Governmental activities:		
City of Conyers	Miscellaneous	\$ 67,289
State of Georgia	Sales tax - SPLOST	1,897,857
State of Georgia	Sales tax - HOST	1,489,230
State of Georgia	Insurance premium tax	3,445,316
State of Georgia	Department of Transportation - grants	2,289,455
State of Georgia	Miscellaneous grants	436,784
		\$ 9,625,931

The component units “due from other governments” represent amounts due from federal and state grant programs.

NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Balances due to/from other funds at December 31, 2017, consist of the following:

Receivable Fund	Payable Fund	Amount
General Fund	Water and Sewer Fund	\$ 302,529
	Homestead Option Sales Tax	
	Capital Projects Fund	4,584,418
	2017 Sales Tax Capital Projects	2,000
	Nonmajor Enterprise Fund	65,632
	Nonmajor Governmental Funds	5,731,943
Total General Fund		\$ 10,686,522

The above balances are the result of the payment of expenditures by the General Fund on behalf of the other respective funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 6. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor Governmental Funds	General Fund	\$ 1,259,573
	Homestead Option Sales Tax	
	Capital Projects Fund	30,376
	Water and Sewer Fund	155,929
	Nonmajor Governmental Funds	258,346
Total Nonmajor Governmental Funds		<u>\$ 1,704,224</u>

The above balances represent expenditures incurred by the Nonmajor Governmental Funds for which the respective fund is responsible for the cost.

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor Enterprise Fund	Water and Sewer Fund	<u>\$ 6,150</u>

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Water and Sewer Fund	Nonmajor Governmental Funds	<u>\$ 258,488</u>

The above balances represent the payment of expenditures on behalf of the other respective funds.

Interfund transfers for the year ended December 31, 2017, consist of the following:

<u>Transfer To</u>	<u>Transfer From</u>	<u>Amount</u>
General Fund	Homestead Option Sales Tax	
	Capital Projects Fund	\$ 10,958,549
Transfer to the General Fund for the homestead tax exemption.		
General Fund	Water and Sewer Fund	1,036,500
Transfer of funds for General Fund expenditures.		
Water and Sewer Fund	Nonmajor Governmental Funds	11,625
Transfer of funds for SPLOST projects.		
		<u>\$ 12,006,674</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS

The County's capital asset activity for the year ended December 31, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 59,279,118	\$ 2,408,928	\$ -	\$ -	\$ 61,688,046
Construction in progress	18,885,380	221,753	-	(6,275,846)	12,831,287
Total capital assets, not being depreciated	<u>78,164,498</u>	<u>2,630,681</u>	<u>-</u>	<u>(6,275,846)</u>	<u>74,519,333</u>
Capital assets, being depreciated:					
Buildings and improvements	83,055,389	72,158	-	-	83,127,547
Infrastructure	362,597,320	-	-	6,275,846	368,873,166
Improvements (other than buildings)	10,265,850	1,052,842	-	-	11,318,692
Machinery and equipment	38,761,459	2,195,908	(287,571)	-	40,669,796
Total capital assets, being depreciated	<u>494,680,018</u>	<u>3,320,908</u>	<u>(287,571)</u>	<u>6,275,846</u>	<u>503,989,201</u>
Less accumulated depreciation for:					
Buildings and improvements	(24,835,343)	(1,560,541)	-	-	(26,395,884)
Infrastructure	(234,024,644)	(7,138,082)	-	-	(241,162,726)
Improvements (other than buildings)	(6,197,428)	(698,444)	-	-	(6,895,872)
Machinery and equipment	(28,281,032)	(2,324,464)	287,571	-	(30,317,925)
Total accumulated depreciation	<u>(293,338,447)</u>	<u>(11,721,531)</u>	<u>287,571</u>	<u>-</u>	<u>(304,772,407)</u>
Total capital assets, being depreciated, net	<u>201,341,571</u>	<u>(8,400,623)</u>	<u>-</u>	<u>6,275,846</u>	<u>199,216,794</u>
Governmental activities capital assets, net	<u>\$ 279,506,069</u>	<u>\$ (5,769,942)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 273,736,127</u>
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 13,927,987	\$ -	\$ -	\$ -	\$ 13,927,987
Construction in progress	1,329,236	1,686,225	-	-	3,015,461
Total capital assets, not being depreciated	<u>15,257,223</u>	<u>1,686,225</u>	<u>-</u>	<u>-</u>	<u>16,943,448</u>
Capital assets, being depreciated:					
Buildings and improvements	10,126,744	-	-	-	10,126,744
Infrastructure	248,929,059	-	-	-	248,929,059
Machinery and equipment	15,112,932	1,295,526	-	-	16,408,458
Total capital assets, being depreciated	<u>274,168,735</u>	<u>1,295,526</u>	<u>-</u>	<u>-</u>	<u>275,464,261</u>
Less accumulated depreciation for:					
Buildings and improvements	(7,565,778)	(210,058)	-	-	(7,775,836)
Infrastructure	(94,318,602)	(6,447,649)	-	-	(100,766,251)
Machinery and equipment	(9,801,442)	(1,052,229)	-	-	(10,853,671)
Total accumulated depreciation	<u>(111,685,822)</u>	<u>(7,709,936)</u>	<u>-</u>	<u>-</u>	<u>(119,395,758)</u>
Total capital assets, being depreciated, net	<u>162,482,913</u>	<u>(6,414,410)</u>	<u>-</u>	<u>-</u>	<u>156,068,503</u>
Business-type activities capital assets, net	<u>\$ 177,740,136</u>	<u>\$ (4,728,185)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 173,011,951</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 7. CAPITAL ASSETS (CONTINUED)

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

Governmental activities:		
General government	\$	229,337
Judicial		22,630
Public safety		2,861,458
Public works		8,429,985
Culture and recreation		80,592
Health and welfare		97,529
Total depreciation expense - governmental activities	<u>\$</u>	<u>11,721,531</u>
Business-type activities:		
Water and sewer	\$	7,607,341
Stormwater		102,595
Total depreciation expense - business-type activities	<u>\$</u>	<u>7,709,936</u>

NOTE 8. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended December 31, 2017.

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
Governmental activities:					
Certificates of participation (2006)	\$ 3,560,000	\$ -	\$ (3,560,000)	\$ -	\$ -
COPs 2006 premium	6,138	-	(6,138)	-	-
Certificates of participation (1998)	3,900,000	-	-	3,900,000	-
Certificates of participation (2013)	1,775,000	-	(1,775,000)	-	-
Notes payable - GEFA loan	97,708	-	(97,708)	-	-
Contractual obligation -					
Revenue bonds	5,000,000	-	(800,000)	4,200,000	800,000
Revenue bonds premium	28,701	-	(8,078)	20,623	-
Installment sales agreement	-	9,625,000	-	9,625,000	860,000
Compensated absences	2,734,494	2,566,950	(2,521,516)	2,779,928	2,084,946
Landfill post-closure	490,000	-	(70,000)	420,000	70,000
General liability claims	277,192	-	(96,447)	180,745	80,000
Net pension liability	15,743,969	9,341,818	(6,788,338)	18,297,449	-
Net OPEB liability	21,556,323	2,824,061	-	24,380,384	-
Governmental activity long-term liabilities	<u>\$ 55,169,525</u>	<u>\$ 24,357,829</u>	<u>\$ (15,723,225)</u>	<u>\$ 63,804,129</u>	<u>\$ 3,894,946</u>
Business-type activities:					
Revenue bonds	\$ 90,745,000	\$ -	\$ (5,520,000)	\$ 85,225,000	\$ 6,215,000
Compensated absences	381,302	251,711	(321,481)	311,532	233,650
Net pension liability	2,334,417	1,520,770	(1,105,087)	2,750,100	-
Net OPEB liability	2,935,511	475,087	-	3,410,598	-
Business-type activity long-term liabilities	<u>\$ 96,396,230</u>	<u>\$ 2,247,568</u>	<u>\$ (6,946,568)</u>	<u>\$ 91,697,230</u>	<u>\$ 6,448,650</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

A. Governmental Activities

1. Certificates of Participation

The County issued certificates of participation through the Association County Commissioners of Georgia and the Georgia Municipal Association, Inc. public purpose master lease agreements as follows:

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2017
6/1/1998	Equipment	4.75%	6/1 - 2/1	6/1/2028	\$ 3,900,000	-	\$ 3,900,000

Effective June 1, 1998, the County entered into a 1998A master lease and option agreement with the Georgia Municipal Association, Inc. The lease agreement, among other things, obligates the County for \$3,900,000 of 1998A certificates of participation issued by the Georgia Municipal Association, Inc. The proceeds from the certificates were deposited with an escrow agent in an irrevocable trust fund in the name of the County. The County's use of the money is restricted for the purchase of certain equipment and must be repaid to the trust fund over lease terms pursuant to the 1998A Master Lease and Option Agreement.

As part of the issuance of the certificates of participation, the County entered into an interest rate swap agreement. Under the Swap Agreement, the County is required to pay (1) a semiannual (and beginning July 1, 2003, a monthly) floating rate of interest based on the Securities Industry and Financial Markets Association (SIFMA) Municipal Swap Index (plus a 31 basis points spread) to, or on behalf of, the Swap Counterparty (the "Swap Payment"); and the Swap Counterparty will pay to, or on behalf of, the County a semi-annual payment based on a rate equal to the fixed rate on the certificates of participation (4.75%) times a notional amount specified in the Swap Agreement, but generally equal to the outstanding unpaid principal portion of such Contract, less the amount originally deposited in the Reserve Fund relating to the Contract, and (2) a one-time Swap Premium to be paid on the effective date of the Swap Agreement. The semiannual payments from the Swap Counterparty with respect to the County are structured, and expected to be sufficient to make all interest payments due under the Contract, and related distributions of interest on the Certificates. Monthly interest payments between the County, the holders of the Certificates of Participation, and the Swap Counterparty can be made in net settlement form as part of this agreement. Under the Swap Agreement, the County's obligation to pay floating payments to the Swap Counterparty in any calendar year may not exceed an amount equal to the SIFMA Municipal Swap Index plus 5% to be determined on the first business day of December in the preceding year. This agreement matures on June 1, 2028, at the same time of the certificates of participation. This derivative qualifies as a fair market hedge.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

1. Certificates of Participation (Continued)

In the unlikely event that the Swap Counterparty becomes insolvent, or fails to make payments as specified in the Swap Agreement, the County would be exposed to credit risk in the amount of the Swap's fair value. To minimize this risk, the County executed this agreement with counterparties of appropriate credit strength, with the counterparty being rated Aa3 by Moody's. At December 31, 2017, the floating rate being paid by the County is 2.02% and the market value of this agreement is \$948,189, a decrease of \$68,644 from the market value at the end of the previous year. The market value of the hedge was determined using settlement prices at the end of the day on December 31, 2017, based on the derivative contract. This market value is reported as a component of the certificates of participation in long-term debt in the statement of net position. As this derivative is an effective hedge, qualifying for hedge accounting, the inflow from the hedge (any change in fair value from inception until year end) is deferred and reported as a deferred inflow of resources in the statement of net position.

The annual estimated debt service requirements as of December 31, 2017, on the 1998A certificates of participation are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	\$ 185,250	\$ 185,250
2019	-	185,250	185,250
2020	-	185,250	185,250
2021	-	185,250	185,250
2022	-	185,250	185,250
2023 - 2027	-	926,250	926,250
2028	3,900,000	77,188	3,977,188
	<u>\$ 3,900,000</u>	<u>\$ 1,929,688</u>	<u>\$ 5,829,688</u>

2. Notes Payable - GEFA Loan

In September 2007, the County borrowed \$861,000 from the Georgia Environmental Facilities Authority (GEFA), pursuant to two promissory note agreements. The proceeds were used to purchase 10.6 acres of land to begin the South River Trail Project in South Rockdale County. The loans require repayment over 10 years in monthly installments. The installment notes bear interest at 3%, per annum, and the combined monthly payment is \$8,314. Principal payments of \$97,708 through November 1, 2017 paying off the note in full.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

3. Contractual Obligations

The following is a summary of the County's outstanding contractual obligations:

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2017
11/25/2008	Big-Haynes Impoundment	3.5 - 5.0%	1/1 - 7/1	7/1/2022	\$ 10,000,000	\$ 5,800,000	\$ 4,200,000

On November 1, 1998, the County entered into a contract with the Conyers-Rockdale Big Haynes Impoundment Authority (the "Authority"). The Authority, on November 20, 1998, issued \$13,300,000 of variable rate revenue bonds for the purpose of retiring \$12,600,000 of principal and approximately \$463,400 of interest on a series 1997 bond issue that matured December 31, 1998. In November 2008, the variable rate bonds were redeemed in a current refunding as part of a remarketing of the previous variable rate bonds with new fixed rate bonds. The total proceeds of the refunding net of \$162,000 of issuance cost plus a \$186,143 premium, were \$10,024,143. The amount of \$10,000,000 was used to retire the variable rate bonds. The refunding was undertaken to eliminate the interest rate risk associated with the variable rate bonds. The reacquisition price and the carrying amount of the variable rate bonds were the same. Pursuant to the County's contract with the Authority, the County has agreed to pay the Authority amounts sufficient to pay the debt service on the bonds, pledging the full faith and credit of the County.

Annual debt service requirements for the Big Haynes Impoundment Authority revenue bonds contractual obligation as of December 31, 2017, are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 800,000	\$ 196,500	\$ 996,500
2019	800,000	156,500	956,500
2020	800,000	122,500	922,500
2021	900,000	85,500	985,500
2022	900,000	42,750	942,750
	<u>\$ 4,200,000</u>	<u>\$ 603,750</u>	<u>\$ 4,803,750</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

4. Installment Sales Agreement

The following is a summary of the County's Installment Sales Agreement:

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2017
6/30/2017	Refund Series 2006 and 2013 Certificates of Participation	2.50%	1/1 - 7/1	7/1/2027	<u>\$ 9,625,000</u>	<u>\$ -</u>	<u>\$ 9,625,000</u>

In April 2017, the County entered into an Installment Sales agreement debt in the amount of \$9,625,000. The proceeds from the debt agreement were used to refund the Series 2006 and 2013 certificates of participation maturing July 1, 2020 and June 1, 2028, respectively, and used to provide financing for other capital outlay projects. The difference between the cash flows required to service the old debt, Series 2006 and 2013 certificates of participation, and the cash flows required to service the new debt, and complete refunding was \$5,313,334 with the County retaining \$4,000,000 for future projects. The current refunding resulted in an economic loss of \$133,265.

Annual debt service requirements for the Installment Sales Agreement outstanding as of December 31, 2017 are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 860,000	\$ 244,635	\$ 1,104,635
2019	880,000	222,168	1,102,168
2020	900,000	200,410	1,100,410
2021	925,000	177,050	1,102,050
2022	950,000	153,604	1,103,604
2023 - 2027	5,110,000	395,576	5,505,576
	<u>\$ 9,625,000</u>	<u>\$ 1,393,443</u>	<u>\$ 11,018,443</u>

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

5. Other Obligations

(a) Compensated absences – Earned and vested paid time off is recorded as a liability in the government-wide statement of net position. The compensated absences have been paid in prior years by the General Fund.

(b) Landfill post-closure cost – As discussed in Note 12, the County is obligated for a portion of the expenses related to the post-closure costs of a landfill jointly operated and maintained by the City of Conyers and the County. The County's portion of the post-closure costs are estimated to be \$420,000 based on what it would cost to perform the anticipated post-closure costs at December 31, 2017. The post-closure costs have been paid in prior years by the General Fund. This is an estimate and is subject to inflation or deflation due to economic conditions.

(c) General liability claims – Various claims and legal proceedings arising in the course of providing general government services are pending against the County. The County, as discussed in Note 11, maintains insurance coverage for losses arising from claims and legal proceedings. The County is exposed to a per occurrence deductible of \$25,000 and to amounts that exceed policy limits. Management has estimated the County's liability for claims and legal proceedings to be approximately \$180,745 as of December 31, 2017.

(d) Other Post-Employment Benefits, (OPEB) – The County provides OPEB through a single-employer defined benefit post-employment plan. The plan and related liability are discussed in detail in Note 15. The OPEB obligation affects the actuarial calculation of future annual required contributions and thus does not represent a liability with a current portion. Accordingly, all of the liability is reported as long-term. Payment of the liability is expected to occur from the General Fund.

(e) Net Pension Liability – The County provides pension benefits through a multiple-employer defined benefit pension plan. The plan and related liability are discussed in detail in Note 10. Payment of the liability is expected to occur from the General Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

B. Business-type Activities

1. Revenue Bonds

Issue Date	Purpose	Interest Rate %	Interest Dates	Maturity Date	Authorized and Issued	Retired	Balance at December 31, 2017
4/11/2013	Refund Series 2005 revenue bonds	.35 - 3.71%	1/1 - 7/1	7/1/2029	\$ 98,770,000	\$ 13,545,000	\$ 85,225,000

In April 2013, the Water Authority issued the Series 2013 Revenue Refunding Bonds for the purpose of advance refunding \$85,550,000 of the Water Authority's outstanding series 2005 Revenue Bonds maturing on July 1, 2029. The County used the net proceeds along with other resources to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all debt service payments beginning with the July 2016 debt service payment through maturity of the 2005 series bonds. As a result, that portion of the 2005 series bonds is considered defeased, and the County has removed the liability from its accounts.

Annual debt service requirements for the Series 2013 Revenue Bonds outstanding at December 31, 2017, are as follows:

<u>Fiscal Year Payable</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 6,215,000	\$ 2,432,135	\$ 8,647,135
2019	6,315,000	2,336,424	8,651,424
2020	6,425,000	2,223,385	8,648,385
2021	6,555,000	2,090,388	8,645,388
2022	6,705,000	1,941,589	8,646,589
2023 - 2027	36,615,000	6,641,785	43,256,785
2028 - 2029	16,395,000	905,586	17,300,586
	<u>\$ 85,225,000</u>	<u>\$ 18,571,292</u>	<u>\$ 103,796,292</u>

2. Other Obligations

- (a) Compensated absences – Earned and vested paid time off is recorded as a liability in the proprietary fund statement of net position. The amount \$277,722 of the compensated absences are payable by the Water and Sewer Fund and \$33,810 are payable by the Stormwater Fund.
- (b) Other Post-Employment Benefits, (OPEB) – The County provides OPEB through a single-employer defined benefit post-employment plan. The plan and related liability are discussed in detail in Note 15. The OPEB obligation affects the actuarial calculation of future annual required contributions and thus does not represent a liability with a current portion. Accordingly, all of the liability is reported as long-term. The amount of \$3,078,641 of the liability is expected to be paid from the Water and Sewer Fund and \$331,957 is expected to be paid by the Stormwater Fund.

NOTES TO FINANCIAL STATEMENTS

NOTE 8. LONG-TERM OBLIGATIONS (CONTINUED)

- (c) Net Pension Liability – The County provides pension benefits through a multiple-employer defined benefit pension plan. The plan and related liability are discussed in detail in Note 10, and \$2,427,428 of the liability is expected to be paid from the Water and Sewer Fund and \$322,672 is expected to be paid by the Stormwater Fund.

C. Advance Refundings

In prior years, the County advance refunded governmental activities debt, which includes certain jailhouse construction bonds (Series 1984), jailhouse refunding bonds (Series 1986), certificates of participation (Series 1997), and business activities debt, which includes a portion of the Water and Sewer Authority Series 1996 and 1999A revenue bonds and a portion of the Series 2005 Water and Sewerage Authority revenue refunding bonds. The proceeds of new bonds and certificates of participation were deposited in an irrevocable trust to provide for all future debt service payments on the refunded debt. At year-end, the aggregate principal amount of all such refunded debt outstanding was \$2,705,000 from governmental activities and \$132,630,000 from business-type activities. For financial accounting and reporting purposes, all of the refunded debt is considered retired, and along with the funds held in trust, are not included in the accompanying financial statements.

NOTE 9. COMMITMENTS AND CONTINGENCIES

A. Grant Contingencies

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

B. Litigation

Various claims and legal proceedings arising in the course of providing general governmental services are pending against the County seeking monetary damages and other relief. The amount of liability from all claims and actions cannot be determined with certainty, but in the opinion of management and legal counsel, the ultimate liability from such claims in excess of the accrued general liability claims amount should not materially affect the financial position of the County at December 31, 2017.

C. Outstanding Construction Commitments

Outstanding construction commitments as of December 31, 2017, were \$17,391,462 and \$6,980,850 for the governmental and business-type activities, respectively.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLANS

Primary Government

A. ACCG Defined Benefit Pension Plan

Effective January 1, 2005, the County began sponsoring the Association County Commissioners of Georgia Restated Pension Plan, (the Plan). The Plan is a defined benefit pension plan that covers the majority of Rockdale County Employees. Employees covered by other plans are discussed in Note 10, B.

(1) Plan Description

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan, administered by the Government Employee Benefits Corporation of Georgia, (GEBCorp). The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County, through its Board of Commissioners, has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. A separately issued financial report for the ACCG Plan may be obtained by writing to GEBCorp at 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Plan membership as of January 1, 2017, (the most recent actuarial valuation date) is as follows.

Retirees and beneficiaries receiving benefits	167
Terminated plan members entitled to, but not receiving, benefits	100
Active plan members	874
Total	<u>1,141</u>

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes. The County's required contribution for the 2017 Plan year is \$3,155,944 or 9.6% of covered payroll. Plan members other than Public Safety members are required to contribute 3% of compensation and Public Safety members contribute 7% of compensation.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLANS (CONTINUED)

Primary Government (Continued)

(2) Net Pension Liability of the County

The County's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2016.

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

Inflation	3.00%
Salary increases	2.5% - 5.0%, including inflation
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the January 1, 2016, valuation were based on the results of an actuarial experience study for December 31, 2015.

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLANS (CONTINUED)

Primary Government (Continued)

(2) Net Pension Liability of the County (Continued)

Actuarial Assumptions (Continued). The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2016, are summarized in the following table:

Asset Class	Target allocation	Long-term expected real rate of return *
Fixed income	30%	5.60%
Large cap equity	30%	7.91%
International equity	15%	4.66%
Other equity	20%	7.90%
Real estate	5%	10.79%
Total	100%	

* Rates shown are net of the 3.0% assumed rate of inflation.

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

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLANS (CONTINUED)

Primary Government (Continued)

(2) Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the year ended December 31, 2017, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2016	\$ 68,144,920	\$ 50,066,534	\$ 18,078,386
<i>Changes for the year:</i>			
Service cost	1,814,947	-	1,814,947
Interest	4,954,575	-	4,954,575
Liability Experience (Gain)/Loss	1,498,113	-	1,498,113
Assumption Change	2,204,541	-	2,204,541
Contributions-employer	-	2,434,065	(2,434,065)
Contributions-employee	-	1,768,869	(1,768,869)
Net investment income	-	3,690,482	(3,690,482)
Benefit payments, including refunds of employee contributions	(4,167,839)	(4,167,839)	-
Administrative expense	-	(133,378)	133,378
Other changes	-	(257,025)	257,025
<i>Net changes</i>	<u>6,304,337</u>	<u>3,335,174</u>	<u>2,969,163</u>
Balances at December 31, 2017	<u>\$ 74,449,257</u>	<u>\$ 53,401,708</u>	<u>\$ 21,047,549</u>

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.25%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
County's net pension liability	\$ 30,987,344	\$ 21,047,549	\$ 12,807,456

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLANS (CONTINUED)

Primary Government (Continued)

(2) Net Pension Liability of the County (Continued)

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

(3) Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended December 31, 2017, the County recognized pension expense of \$3,397,807. At December 31, 2017, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Investment earnings difference	\$ 2,508,957
Differences between expected and actual experience	4,736,740
Changes in assumptions	3,418,727
Contributions subsequent to the measurement date	<u>2,598,342</u>
 Total	 <u><u>\$ 13,262,766</u></u>

County contributions subsequent to the measurement date of \$2,598,342 are reported as a deferred outflow of resources and will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. The investment earnings difference reported as a deferred outflow of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:	
2018	\$ 2,015,080
2019	2,015,080
2020	1,960,705
2021	1,245,395
2022	1,245,395
Thereafter	<u>2,182,769</u>
Total	<u><u>\$ 10,664,424</u></u>

NOTES TO FINANCIAL STATEMENTS

NOTE 10. RETIREMENT PLANS (CONTINUED)

Primary Government (Continued)

B. Defined Contribution Plan

The County, through December 31, 2004, provided benefits for the majority of its full-time employees through a defined contribution plan (the "Plan") which was administered by GEB Corp. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees were eligible to participate after six months from the date of employment. The Plan as established by the Rockdale County Board of Commissioners required that the County contribute an amount equal to 5% of the employee's salary each month. Plan members were not required to make contributions. The County's contributions for each employee (and interest allocated to the employee's account) were fully vested after five years of continuous service. Benefit provisions and contribution requirements were established and may be amended by the Board of Commissioners. There were no contributions made by the County in 2017.

Effective January 1, 2005, the County adopted the ACCG Defined Benefit Pension Plan as noted above. Each participant in the defined contribution plan was given an option to use his/her account balance under the existing defined contribution plan to purchase 100% of past service credit. As noted in the statement of fiduciary net position, as of December 31, 2017, there was \$825,471 of net position remaining in the plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. 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 is a member of the Georgia Interlocal Risk Management Agency (GIRMA). This membership allows the County to share liability, crime, motor vehicle and property damage risks.

Coverages are as follows:

Coverage Description - Property:

Building and Contents (Blanket)	\$ 160,806,279
Automobile Physical Damage	\$ 14,237,572
Inland Marine for Movable Equipment	\$ 4,261,711

Coverage Description - Casualty:

General Liability and Police Professional Liability	\$ 1,000,000
Automobile Liability	\$ 1,000,000
Public Officials Liability	\$ 1,000,000

Coverage Description - Crime:

Employee Dishonesty	\$ 50,000
Depositor's Forgery	\$ 150,000
Money and Securities - Loss Inside the Premises	\$ 150,000
Money and Securities - Loss Outside the Premises	\$ 150,000
Computer Theft and Funds Transfer Fraud	\$ 150,000
Money Orders and Counterfeit Currency	\$ 150,000

Deductible:

All coverages are subject to a per occurrence deductible of:	\$ 25,000
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Coverage Exceptions:

Coverages Subject to a Retroactive Date:

Coverages shown as Coverage Exceptions only are subject to a retroactive date of:	7/1/1991
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Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorized Georgia municipalities to form interlocal risk management agencies. The ACCG Interlocal Risk Management Agency (IRMA) is a County interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member counties. IRMA provides risk management and safety and loss control services to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of county government. IRMA is to defend and protect in accordance with the Coverage Agreement and related coverage descriptions any member of IRMA against liability or loss.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT (CONTINUED)

Rockdale County's responsibilities as a member of IRMA are as follows:

- To pay all contributions, assessments or other sums due to IRMA at such times and in such amounts as shall be established by IRMA.
- To select a person to serve as a Member representative.
- To allow IRMA and its agents reasonable access to all facilities of the County and all records, including, but not limited to, financial records, which relate to the purposes of IRMA.
- To allow attorneys appointed by IRMA 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 prevention furnished by the Fund or Funds established by IRMA.
- To assist and cooperate in the defense and settlement of claims against the County.
- To furnish full cooperation to IRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of IRMA relating to the purposes of IRMA.
- To follow all loss reduction and prevention procedures established by IRMA.
- To furnish to IRMA such budget, operating and underwriting information as may be requested.
- To report as promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in IRMA or any Fund established by IRMA being required to pay claims for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of IRMA.

Rockdale County retains the first \$25,000 of each risk of loss in the form of a deductible. The County files all claims with IRMA. IRMA bills the County for any risk of loss up to the \$25,000 deductible. During the year ended December 31, 2017, the County paid 20 claims. The County has included \$180,745 in the government-wide statement of net position as an estimate of the amount (up to \$25,000 per claim) to be subsequently paid for unpaid claims existing at December 31, 2017. The estimate of the liability was based on historical trends for reported claims and the amount of per claim pay outs.

Pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated, the County became a member of the Association County Commissioners of Georgia – Group Self Insurance Workers' Compensation Fund (ACCG-GSIWCF). The liability of the fund to the employees of any employer (Rockdale County) is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability. The Fund is to defend, in the name of and in behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

NOTES TO FINANCIAL STATEMENTS

NOTE 11. RISK MANAGEMENT (CONTINUED)

Rockdale County's responsibilities as a member of the ACCG-GSIWCF are as follows:

- To pay all contributions, assessments or other sums due to ACCG-GSIWCF at such times and in such amounts as established by ACCG-GSIWCF.
- To select a person to serve as a contact person and safety representative.
- To allow ACCG-GSIWCF and its agents reasonable access to all facilities of the County and all records, including, but not limited to, financial records, which relate to the purposes of ACCG-GSIWCF.
- To allow attorneys appointed by ACCG-GSIWCF 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 prevention furnished by ACCG-GSIWCF.
- To assist and cooperate in the defense and settlement of claims against the County.
- To furnish full cooperation to ACCG-GSIWCF attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of ACCG-GSIWCF relating to the purposes of ACCG-GSIWCF.
- To furnish to ACCG-GSIWCF such remuneration and underwriting information as may be requested.
- To report as promptly as possible, all incidents which could result in ACCG-GSIWCF being required to pay workers' compensation on behalf of the County.

NOTE 12. CITY OF CONYERS - SOLID WASTE CONTRACT

Operating Agreement – The City of Conyers and Rockdale County have mutually agreed to a certain operating contract for the operation of a joint sanitary landfill project.

The original term of the Operating Contract commenced March 12, 1991, and continued until midnight, January 2, 2004. The County and the City have agreed to renew the Operating Contract by mutual acquiescence on a year-to-year basis commencing on the Termination Date. The operating Contract sets forth the terms and conditions under which the Project, as currently located and as expanded on contiguous property for the benefit of the citizens of the City and of the County, shall be operated. Pursuant to the Operating Contract, the City is responsible for the day-to-day operations of the Project. The budgetary requirements for the operation of the Project shall be mutually determined by the City and the County and shall include day-to-day operation costs, capital improvements and various other items more fully described in the Contract.

The landfill was permanently closed on September 1, 1993. Pursuant to the Contract, the County is responsible for a portion of the expenses incurred in connection with the post-closure costs. The County's agreed upon portion is 70%. Total anticipated post-closure care costs for the County as of December 31, 2017, are estimated to be \$470,000. During 2017, the County paid \$14,563 of landfill operating cost.

NOTES TO FINANCIAL STATEMENTS

NOTE 13. JOINT VENTURE

Rockdale County, in conjunction with cities and counties in the 10-county Atlanta Region are members of the Atlanta Regional Commission (ARC). Membership in the ARC is automatic for each municipality and county in the state. The Official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organization structure of the ARC. Each county and municipality in the state is required by law to pay minimum annual dues to the ARC. The ARC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The county board members and the municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the county or municipality) to serve as the non-public Board member from a county.

O.C.G.A. 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional commission beyond its resources. During the year ended December 31, 2017, the County paid \$101,990 in dues to the ARC.

Complete financial statements of the ARC can be obtained directly from their administrative office at the following address.

Atlanta Regional Commission, Inc.
40 Courtland Street, NE
Atlanta, Georgia 30303

NOTE 14. RELATED ORGANIZATIONS

The County is also responsible for appointing the members of the Rockdale Development Authority and the Rockdale County Hospital Authority, but the County's accountability for these Authorities does not extend beyond making the appointments.

NOTE 15. OTHER POST-EMPLOYMENT BENEFITS

The County provides other postemployment benefits, (OPEB), through a single-employer defined benefit post-employment plan (the "OPEB Plan").

(1) Plan Description

The name of the plan is the Rockdale County Post Retirement Benefits Plan. The OPEB Plan was established to provide medical benefits for all of its retirees and beneficiaries of retirees who are eligible for such benefits pursuant to the policies of the County. Benefit provisions and contribution requirements are established and may be amended by approval of the Commissioners. Information about the OPEB Plan is provided below. There are no other reports issued by this OPEB Plan.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Plan membership as of January 1, 2017, (the most recent measurement date) is as follows:

Retirees receiving benefits	104
Active plan members	756
Total	<u>860</u>

(2) Funding Policy

Medical benefits are available to all retirees with 10 years of credited service and the attained age of 50. The County pays a portion of the insurance premium cost at rates ranging from 20% to 100% depending on the sum of the employee's age at retirement and years of service. The retiree is required to pay the full insurance premium cost for the spouse. Premium rates for employee only coverage range from \$577 to \$328 and family coverage rates range from \$1,509 to \$1,903. The annual required contribution of the County is determined using actuarial methods and assumptions approved by the Commissioners. The Commissioners establish and may amend the funding policy for the OPEB Plan.

(3) Annual OPEB Cost

The County's annual OPEB cost and net OPEB liability for the current year are as follows:

Annual Required Contribution	\$ 2,920,704
Interest on Net OPEB Obligation	979,656
Adjustment to Annual Required Contributions	113,529
Annual OPEB Cost	<u>4,013,889</u>
Actual Contribution Made	714,299
Increase in Net OPEB Obligation	<u>3,299,590</u>
Net OPEB Obligation, Beginning of the Year	24,491,392
Net OPEB Obligation, End of the Year	<u>\$ 27,790,982</u>

The net OPEB obligation has been included in the non-current liabilities due in more than one year, in the statement of net position.

NOTES TO FINANCIAL STATEMENTS

NOTE 15. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

(4) Basis of Valuation

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information immediately following the notes to the financial statements, presents trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits. The actuarial methods and assumptions described below are designed to reflect a long-term perspective. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and the plan members to that point. In addition, the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The initial unfunded accrued liability was amortized over 30 years on a level dollar and closed group basis.

The measurement date of the calculations is January 1, 2017, based on the OPEB Plan in effect on that date.

Actuarial Cost Method:	Projected Unit Credit
Asset Valuation Method:	N/A
Assumed Rate of Return on Investments	4.0%
Healthcare Cost Initial Trend Rate	9.0%
Ultimate Healthcare Trend Rate	5.0%
Year of Ultimate Trend Rate	2018
Amortization of Initial UAL	30 years
Payroll Inflation Rate	N/A

(5) Funded Status

The funded status of the OPEB Plan as of January 1, 2017, the most recent valuation date, was as follows.

Actuarial Accrued Liability	\$ 40,563,120
Actuarial Value of Plan Assets	\$ -
Unfunded Actuarial Accrued Liability	\$ 40,563,120
Funded Ratio	0.0%
Annual Covered Payroll	\$ 28,338,521
Percentage of UAL to Annual Covered Payroll	136.0%

NOTES TO FINANCIAL STATEMENTS

NOTE 15. OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

(6) Trend Information

Fiscal Year Ending	Annual OPEB Cost	Amount Contributed	Percentage Contributed	Net OPEB Obligation
12/31/2010	\$ 2,121,754	\$ 187,086	8.8 %	\$ 5,455,668
12/31/2011	2,630,975	231,124	8.8	7,855,519
12/31/2012	3,683,369	350,663	9.5	11,188,225
12/31/2013	4,346,375	413,782	9.5	15,120,818
12/31/2014	3,422,435	349,287	10.2	18,193,966
12/31/2015	3,656,763	405,887	11.1	21,444,842
12/31/2016	3,799,736	753,185	19.8	24,491,392
12/31/2017	4,013,889	714,299	17.8	27,790,982

NOTE 16. HOTEL/MOTEL LODGING TAX

Rockdale County has levied a 5% lodging tax, which is accounted for in the Hotel/Motel Tax Special Revenue Fund. The use of lodging taxes collected is restricted to expenditures for the promotion of tourism and convention trade within the County. Hotel/Motel taxes received by the County have been paid to the Rockdale County Chamber of Commerce. During 2017, the County collected \$53,315 and expended 100% of such taxes. Expenditures by the Chamber of Commerce were for the promotion of tourism as required by O.C.G.A. 48-13-51.

NOTE 17. WATER AND SEWER CONTRACTS AND AGREEMENTS

Effective November 11, 1996, the County entered into a lease contract (the "Lease") with the Water and Sewer Authority (the "Authority") for a period expiring the later of July 2, 2022, or the date all bonds have been paid in full, but in no event in excess of 50 years from the effective date. The Lease requires the Authority to lease to the County all of its water and sewerage facilities. The County is obligated under the Lease to make certain payments to the Authority, including payments sufficient to enable the Authority to pay the principal and interest on all Bonds issued by the Authority and to comply with certain other funding requirements as defined in the Lease, the Series 1996 Bond Resolution, the Series 1999 A Bond Resolution, the Series 2005 Bond Resolution, and the Series 2013 Bond Resolution. Upon expiration of the lease, the County has a bargain option to purchase the Water and Sewerage facilities from the Authority.

The County entered into an agreement with ESG Operations, Inc., ("ESG"), effective August 1, 2012, for the management of the County's waste water facilities. The initial term of this agreement is three years and may be renewed thereafter for two successive one-year terms. The contract requires a base fee which covers certain repairs and maintenance, chemicals, and sludge disposal. ESG is liable in any calendar year for fines or civil penalties to a maximum aggregate of \$225,000 imposed for violations of certain effluent quality requirements that result from ESG's negligent operation, willful misconduct or material breach of the agreement. The contracted base fee for 2017 is \$8,229,420. The base fee will be negotiated each year.

REQUIRED SUPPLEMENTARY INFORMATION

ROCKDALE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF FUNDING PROGRESS

OTHER POST-EMPLOYMENT BENEFIT PLAN						
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll
January 1, 2008	\$ -	\$ 15,033,000	\$ 15,033,000	- %	\$ 23,596,412	63.7 %
January 1, 2009	-	16,779,000	16,779,000	-	26,180,858	64.1
January 1, 2010	-	18,652,488	18,652,488	-	27,628,081	67.5
January 1, 2012	-	24,881,824	24,881,824	-	25,910,588	96.0
January 1, 2014	-	40,368,771	40,368,771	-	27,207,286	148.4
January 1, 2016	-	37,083,127	37,083,127	-	27,273,235	136.0

The assumptions used in the preparation of the above schedule are disclosed in Note 15 to the financial statements.

ROCKDALE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS FOR THE YEAR ENDED DECEMBER 31,

	2017	2016	2015
Total pension liability			
Service cost	\$ 1,814,947	\$ 1,642,176	\$ 1,583,418
Interest on total pension liability	4,954,575	4,334,837	4,313,195
Changes of benefit terms			
Differences between expected and actual experience	1,498,113	4,462,926	-
Changes of assumptions	2,204,541	1,922,998	-
Benefit payments, including refunds of employee contributions	<u>(4,167,839)</u>	<u>(4,031,680)</u>	<u>(3,592,222)</u>
Net change in total pension liability	6,304,337	8,331,257	2,304,391
Total pension liability - beginning	68,144,920	59,813,663	57,509,272
Total pension liability - ending (a)	<u>\$ 74,449,257</u>	<u>\$ 68,144,920</u>	<u>\$ 59,813,663</u>
Plan fiduciary net position			
Contributions - employer	\$ 2,434,065	\$ 2,357,617	\$ 2,287,097
Contributions - employee	1,768,869	1,717,976	1,687,468
Net investment income	3,690,482	404,343	3,459,906
Benefit payments, including refunds of employee contributions	(4,167,839)	(4,031,680)	(3,462,383)
Administrative expenses	(133,378)	(128,853)	(116,027)
Other	<u>(257,025)</u>	<u>(238,713)</u>	<u>(253,685)</u>
Net change in fiduciary net position	3,335,174	80,690	3,602,376
Plan fiduciary net position - beginning	50,066,534	49,985,844	46,383,468
Plan fiduciary net position - ending (b)	<u>\$ 53,401,708</u>	<u>\$ 50,066,534</u>	<u>\$ 49,985,844</u>
County's net pension liability - ending (a) - (b)	<u>\$ 21,047,549</u>	<u>\$ 18,078,386</u>	<u>\$ 9,827,819</u>
Plan fiduciary net position as a percentage of total pension liability	71.7%	73.5%	83.6%
Covered-employee payroll	\$ 33,428,856	\$ 31,838,484	\$ 30,009,120
County's net pension liability as a percentage of covered-employee payroll	63.0%	56.8%	32.7%

Notes to the Schedule

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

ROCKDALE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF COUNTY CONTRIBUTIONS FOR THE YEAR ENDED DECEMBER 31,

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 3,155,944	\$ 2,782,471	\$ 2,293,627	\$ 2,017,676
Contributions in relation to the actuarially determined contribution	<u>2,598,342</u>	<u>2,439,483</u>	<u>2,361,750</u>	<u>2,287,097</u>
Contribution deficiency (excess)	<u>\$ 557,602</u>	<u>\$ 342,988</u>	<u>\$ (68,123)</u>	<u>\$ (269,421)</u>
Covered-employee payroll	\$ 34,598,866	\$ 32,952,831	\$ 31,838,484	\$ 30,009,120
Contributions as a percentage of covered-employee payroll	7.5%	7.4%	7.4%	7.6%

Notes to the Schedule

Valuation Date	January 1, 2017
Cost Method	Entry age normal
Actuarial Asset Valuation Method	Smoothed market value with a five-year smoothing period
Assumed Rate of Return	
On Investments	7.25%
Projected Salary Increases	3.55% - 5.50% (including 3.0% inflation)
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

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

COMBINING STATEMENTS AND SCHEDULES

ROCKDALE COUNTY, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	Special Revenue Funds						
	Drug Abuse Treatment and Education	Supplemental Juvenile Services	Inmate Welfare Services	Law Enforcement Confiscated Monies	County Jail	Emergency Telephone System	Tower Fund
ASSETS							
Cash and cash equivalents	\$ 137,529	\$ 203,567	\$ 151,319	\$ 497,631	\$ 1,395,241	\$ 1,270,646	\$ 679,828
Taxes receivable	-	-	-	-	-	-	-
Accounts receivable, net	-	-	-	-	-	202,401	-
Due from other governments	3,428	-	-	-	57,231	-	-
Due from other funds	-	-	-	-	41,255	-	-
Total assets	<u>\$ 140,957</u>	<u>\$ 203,567</u>	<u>\$ 151,319</u>	<u>\$ 497,631</u>	<u>\$ 1,493,727</u>	<u>\$ 1,473,047</u>	<u>\$ 679,828</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	84,250	10,615	-	52,321	-	-	-
Advance from other funds	-	-	-	-	-	-	-
Total liabilities	<u>84,250</u>	<u>10,615</u>	<u>-</u>	<u>52,321</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	-	-	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS)							
Restricted for:							
Judicial programs	-	192,952	-	-	-	-	-
Public safety programs	56,707	-	151,319	445,310	1,493,727	1,473,047	-
Debt service	-	-	-	-	-	-	-
Other capital projects	-	-	-	-	-	-	679,828
Unassigned	-	-	-	-	-	-	-
Total fund balances (deficits)	<u>56,707</u>	<u>192,952</u>	<u>151,319</u>	<u>445,310</u>	<u>1,493,727</u>	<u>1,473,047</u>	<u>679,828</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 140,957</u>	<u>\$ 203,567</u>	<u>\$ 151,319</u>	<u>\$ 497,631</u>	<u>\$ 1,493,727</u>	<u>\$ 1,473,047</u>	<u>\$ 679,828</u>

(Continued)

Special Revenue Funds							Debt Service Fund
Victim Assistance Program	Drug Testing Lab	Law Library	Hotel/Motel Tax	District Attorney EMDET	General Grants	NSP Grant	G.O. Bonds Debt Service
\$ 42,058	\$ 705	\$ 114,523	\$ -	\$ 29,427	\$ 713,478	\$ 612,230	\$ 2,502,828
-	-	-	58,806	-	-	-	11,315
-	-	-	-	-	-	-	-
6,630	-	-	-	-	436,784	-	-
-	106,397	-	-	-	-	-	-
<u>\$ 48,688</u>	<u>\$ 107,102</u>	<u>\$ 114,523</u>	<u>\$ 58,806</u>	<u>\$ 29,427</u>	<u>\$ 1,150,262</u>	<u>\$ 612,230</u>	<u>\$ 2,514,143</u>
\$ -	\$ -	\$ 31,045	\$ 58,806	\$ -	\$ 6,614	\$ 144,226	\$ -
-	-	-	-	-	747,645	504,382	1,718,515
-	-	-	-	-	-	-	-
-	-	31,045	58,806	-	754,259	648,608	1,718,515
-	-	-	-	-	-	-	2,709
-	-	-	-	-	-	-	2,709
48,688	107,102	83,478	-	29,427	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	792,919
-	-	-	-	-	396,003	-	-
-	-	-	-	-	-	(36,378)	-
<u>48,688</u>	<u>107,102</u>	<u>83,478</u>	<u>-</u>	<u>29,427</u>	<u>396,003</u>	<u>(36,378)</u>	<u>792,919</u>
<u>\$ 48,688</u>	<u>\$ 107,102</u>	<u>\$ 114,523</u>	<u>\$ 58,806</u>	<u>\$ 29,427</u>	<u>\$ 1,150,262</u>	<u>\$ 612,230</u>	<u>\$ 2,514,143</u>

(Continued)

ROCKDALE COUNTY, GEORGIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017**

	Capital Projects Funds							Totals
	1996 Road and Recreation Sales Tax	GRTA Capital Projects	1999 Sales Tax Capital Projects	2004 Sales Tax Capital Projects	Impact Fee	2010 Sales Tax Capital Projects	Other Capital Projects	
ASSETS								
Cash and cash equivalents	\$ 303,901	\$ 3,540,978	\$ 1,029,576	\$ 2,824,322	\$ 1,862,166	\$ 14,420,230	\$ 1,566,153	\$ 33,898,336
Taxes receivable	-	-	-	-	-	-	-	70,121
Accounts receivable, net	-	-	-	-	-	-	-	202,401
Due from other governments	-	2,289,455	-	-	-	410,511	-	3,204,039
Due from other funds	-	72,850	-	47,389	-	1,298,903	137,431	1,704,225
Total assets	<u>\$ 303,901</u>	<u>\$ 5,903,283</u>	<u>\$ 1,029,576</u>	<u>\$ 2,871,711</u>	<u>\$ 1,862,166</u>	<u>\$ 16,129,644</u>	<u>\$ 1,703,584</u>	<u>\$ 39,079,122</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ 29,492	\$ -	\$ 528,886	\$ -	\$ 799,069
Due to other funds	316,550	2,715,805	57,976	-	-	-	40,718	6,248,777
Advance from other funds	-	-	-	-	-	-	-	-
Total liabilities	<u>316,550</u>	<u>2,715,805</u>	<u>57,976</u>	<u>29,492</u>	<u>-</u>	<u>528,886</u>	<u>40,718</u>	<u>7,047,846</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	-	-	-	-	-	-	-	2,709
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,709</u>
FUND BALANCES (DEFICITS)								
Restricted for:								
Judicial programs	-	-	-	-	-	-	-	461,647
Public safety programs	-	-	-	-	-	-	-	3,620,110
Debt service	-	-	-	-	-	-	-	792,919
Other capital projects	-	3,187,478	971,600	2,842,219	1,862,166	15,600,758	1,662,866	27,202,918
Unassigned	(12,649)	-	-	-	-	-	-	(49,027)
Total fund balances (deficits)	<u>(12,649)</u>	<u>3,187,478</u>	<u>971,600</u>	<u>2,842,219</u>	<u>1,862,166</u>	<u>15,600,758</u>	<u>1,662,866</u>	<u>32,028,567</u>
Total liabilities, deferred inflows of resources, and fund balances (deficits)	<u>\$ 303,901</u>	<u>\$ 5,903,283</u>	<u>\$ 1,029,576</u>	<u>\$ 2,871,711</u>	<u>\$ 1,862,166</u>	<u>\$ 16,129,644</u>	<u>\$ 1,703,584</u>	<u>\$ 39,079,122</u>

(Concluded)

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

	Special Revenue Funds						
	Drug Abuse Treatment and Education	Supplemental Juvenile Services	Inmate Welfare Services	Law Enforcement Confiscated Monies	County Jail	Emergency Telephone System	Tower Fund
Revenues:							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-
Charges for services	-	-	213,612	-	-	1,289,898	241,568
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	-	443,764	-	-	-
Fines and forfeitures	56,149	24,564	-	-	254,851	-	-
Interest revenue	-	-	-	3	23,180	-	-
Other revenues	-	-	-	-	-	-	-
Total revenues	<u>56,149</u>	<u>24,564</u>	<u>213,612</u>	<u>443,767</u>	<u>278,031</u>	<u>1,289,898</u>	<u>241,568</u>
Expenditures:							
Current:							
General government	-	-	-	-	-	-	-
Judicial	-	21,931	-	-	-	-	-
Public safety	118,395	-	-	177,310	-	1,592,801	231,032
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	187,952	-	-	-	-
Housing and development	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Debt service:							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Issuance costs	-	-	-	-	-	-	-
Total expenditures	<u>118,395</u>	<u>21,931</u>	<u>187,952</u>	<u>177,310</u>	<u>-</u>	<u>1,592,801</u>	<u>231,032</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(62,246)</u>	<u>2,633</u>	<u>25,660</u>	<u>266,457</u>	<u>278,031</u>	<u>(302,903)</u>	<u>10,536</u>
Other financing sources (uses)							
Issuance of debt	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(62,246)</u>	<u>2,633</u>	<u>25,660</u>	<u>266,457</u>	<u>278,031</u>	<u>(302,903)</u>	<u>10,536</u>
Fund balances (deficits), beginning of year	<u>118,953</u>	<u>190,319</u>	<u>125,659</u>	<u>178,853</u>	<u>1,215,696</u>	<u>1,775,950</u>	<u>669,292</u>
Fund balances (deficits), end of year	<u>\$ 56,707</u>	<u>\$ 192,952</u>	<u>\$ 151,319</u>	<u>\$ 445,310</u>	<u>\$ 1,493,727</u>	<u>\$ 1,473,047</u>	<u>\$ 679,828</u>

(Continued)

Special Revenue Funds							Debt Service Fund
Victim Assistance Program	Drug Testing Lab	Law Library	Hotel / Motel Tax	District Attorney EMDT	General Grants	NSP Grant	G.O. Bonds Debt Service
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,101
-	-	-	53,315	-	-	-	-
-	282,546	-	-	-	-	-	-
-	-	-	-	18,336	1,917,065	765,027	-
98,592	-	59,884	-	-	-	-	-
-	-	26	-	6	-	-	4,449
-	-	-	-	-	80,104	-	-
<u>98,592</u>	<u>282,546</u>	<u>59,910</u>	<u>53,315</u>	<u>18,342</u>	<u>1,997,169</u>	<u>765,027</u>	<u>55,550</u>
-	-	-	53,315	-	25,164	-	360
101,707	326,748	88,832	-	17,896	1,667,063	-	-
-	-	-	-	-	255,981	-	-
-	-	-	-	-	44,993	-	-
-	-	-	-	-	10,477	-	-
-	-	-	-	-	24,808	566,551	-
-	-	-	-	-	3,945	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>101,707</u>	<u>326,748</u>	<u>88,832</u>	<u>53,315</u>	<u>17,896</u>	<u>2,032,431</u>	<u>566,551</u>	<u>360</u>
<u>(3,115)</u>	<u>(44,202)</u>	<u>(28,922)</u>	<u>-</u>	<u>446</u>	<u>(35,262)</u>	<u>198,476</u>	<u>55,190</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>(3,115)</u>	<u>(44,202)</u>	<u>(28,922)</u>	<u>-</u>	<u>446</u>	<u>(35,262)</u>	<u>198,476</u>	<u>55,190</u>
<u>51,803</u>	<u>151,304</u>	<u>112,400</u>	<u>-</u>	<u>28,981</u>	<u>431,265</u>	<u>(234,854)</u>	<u>737,729</u>
<u>\$ 48,688</u>	<u>\$ 107,102</u>	<u>\$ 83,478</u>	<u>\$ -</u>	<u>\$ 29,427</u>	<u>\$ 396,003</u>	<u>\$ (36,378)</u>	<u>\$ 792,919</u>

(Continued)

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

	Capital Projects Funds							Totals
	1996 Road and Recreation Sales Tax	GRTA Capital Projects	1999 Sales Tax Capital Projects	2004 Sales Tax Capital Projects	Impact Fee	2010 Sales Tax Capital Projects	Other Capital Projects	
Revenues:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,101
Sales taxes	-	-	-	-	-	3,464,774	-	3,464,774
Other taxes	-	-	-	-	-	-	-	53,315
Charges for services	-	-	-	-	-	-	-	2,027,624
Licenses and permits	-	-	-	-	569,307	-	-	569,307
Intergovernmental	-	-	-	-	-	2,680,409	-	5,824,601
Fines and forfeitures	-	-	-	-	-	-	-	494,040
Interest revenue	2,515	-	9,287	24,723	2,292	-	-	66,481
Other revenues	-	-	-	-	30	-	-	80,134
Total revenues	<u>2,515</u>	<u>-</u>	<u>9,287</u>	<u>24,723</u>	<u>571,629</u>	<u>6,145,183</u>	<u>-</u>	<u>12,631,377</u>
Expenditures:								
Current:								
General government	-	-	-	-	-	-	-	78,839
Judicial	-	-	-	-	-	-	-	2,224,177
Public safety	-	-	-	-	-	-	-	2,375,519
Public works	-	-	-	-	-	-	-	44,993
Health and welfare	-	-	-	-	-	-	-	198,429
Housing and development	-	-	-	-	-	-	-	591,359
Culture and recreation	-	-	-	-	-	-	-	3,945
Intergovernmental	-	-	-	-	-	1,768,701	-	1,768,701
Capital outlay	-	530,472	-	237,142	3,825	2,663,967	2,540,718	5,976,124
Debt service:								
Principal	-	-	-	-	-	-	5,335,000	5,335,000
Interest	-	-	-	-	-	-	98,255	98,255
Issuance costs	-	-	-	-	-	-	152,374	152,374
Total expenditures	<u>-</u>	<u>530,472</u>	<u>-</u>	<u>237,142</u>	<u>3,825</u>	<u>4,432,668</u>	<u>8,126,347</u>	<u>18,847,715</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,515</u>	<u>(530,472)</u>	<u>9,287</u>	<u>(212,419)</u>	<u>567,804</u>	<u>1,712,515</u>	<u>(8,126,347)</u>	<u>(6,216,338)</u>
Other financing sources (uses)								
Issuance of debt	-	-	-	-	-	-	9,625,000	9,625,000
Transfers out	-	-	-	-	-	(11,625)	-	(11,625)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(11,625)</u>	<u>9,625,000</u>	<u>9,613,375</u>
Net change in fund balances	2,515	(530,472)	9,287	(212,419)	567,804	1,700,890	1,498,653	3,397,037
Fund balances (deficits), beginning of year	<u>(15,164)</u>	<u>3,717,950</u>	<u>962,313</u>	<u>3,054,638</u>	<u>1,294,362</u>	<u>13,899,868</u>	<u>164,213</u>	<u>5,553,350</u>
Fund balances (deficits), end of year	<u>\$ (12,649)</u>	<u>\$ 3,187,478</u>	<u>\$ 971,600</u>	<u>\$ 2,842,219</u>	<u>\$ 1,862,166</u>	<u>\$ 15,600,758</u>	<u>\$ 1,662,866</u>	<u>\$ 8,950,387</u>

(Concluded)

**ROCKDALE COUNTY, GEORGIA
G.O. BONDS DEBT SERVICE**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Property taxes	\$ 50,000	\$ 51,101	\$ 51,101	\$ -
Interest revenue	-	4,449	4,449	-
Total revenues	<u>50,000</u>	<u>55,550</u>	<u>55,550</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	360	360	360	-
Total expenditures	<u>360</u>	<u>360</u>	<u>360</u>	<u>-</u>
Net change in fund balance	49,640	55,190	55,190	-
FUND BALANCES, beginning of year	<u>737,729</u>	<u>737,729</u>	<u>737,729</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 787,369</u>	<u>\$ 792,919</u>	<u>\$ 792,919</u>	<u>\$ -</u>

**ROCKDALE COUNTY, GEORGIA
DRUG ABUSE TREATMENT AND EDUCATION**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ 50,000	\$ 56,149	\$ 56,149	\$ -
Total revenues	<u>50,000</u>	<u>56,149</u>	<u>56,149</u>	<u>-</u>
EXPENDITURES				
Public safety	385,975	118,395	118,395	-
Total expenditures	<u>385,975</u>	<u>118,395</u>	<u>118,395</u>	<u>-</u>
Net change in fund balance	(335,975)	(62,246)	(62,246)	-
FUND BALANCES, beginning of year	<u>118,953</u>	<u>118,953</u>	<u>118,953</u>	<u>-</u>
FUND BALANCES (DEFICIT), end of year	<u>\$ (217,022)</u>	<u>\$ 56,707</u>	<u>\$ 56,707</u>	<u>\$ -</u>

**ROCKDALE COUNTY, GEORGIA
SUPPLEMENTAL JUVENILE SERVICES**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ 15,000	\$ 24,564	\$ 24,564	\$ -
Total revenues	<u>15,000</u>	<u>24,564</u>	<u>24,564</u>	<u>-</u>
EXPENDITURES				
Judicial	14,025	21,931	21,931	-
Total expenditures	<u>14,025</u>	<u>21,931</u>	<u>21,931</u>	<u>-</u>
Net change in fund balance	975	2,633	2,633	-
FUND BALANCES, beginning of year	<u>190,319</u>	<u>190,319</u>	<u>190,319</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 191,294</u>	<u>\$ 192,952</u>	<u>\$ 192,952</u>	<u>\$ -</u>

**ROCKDALE COUNTY, GEORGIA
INMATE WELFARE SERVICES**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services	\$ 150,000	\$ 213,612	\$ 213,612	\$ -
Total revenues	<u>150,000</u>	<u>213,612</u>	<u>213,612</u>	<u>-</u>
EXPENDITURES				
Health and welfare	150,000	187,952	187,952	-
Total expenditures	<u>150,000</u>	<u>187,952</u>	<u>187,952</u>	<u>-</u>
Net change in fund balance	-	25,660	25,660	-
FUND BALANCES, beginning of year	<u>125,659</u>	<u>125,659</u>	<u>125,659</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 125,659</u>	<u>\$ 151,319</u>	<u>\$ 151,319</u>	<u>\$ -</u>

**ROCKDALE COUNTY, GEORGIA
LAW ENFORCEMENT CONFISCATED MONIES**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 200,000	\$ 69,043	\$ 443,764	\$ 374,721
Interest revenue	-	-	3	3
Total revenues	<u>200,000</u>	<u>69,043</u>	<u>443,767</u>	<u>374,724</u>
EXPENDITURES				
Public safety	200,000	69,831	177,310	(107,479)
Total expenditures	<u>200,000</u>	<u>69,831</u>	<u>177,310</u>	<u>(107,479)</u>
Net change in fund balance	-	(788)	266,457	267,245
FUND BALANCES, beginning of year	<u>178,853</u>	<u>178,853</u>	<u>178,853</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 178,853</u>	<u>\$ 178,065</u>	<u>\$ 445,310</u>	<u>\$ 267,245</u>

**ROCKDALE COUNTY, GEORGIA
COUNTY JAIL**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ 330,000	\$ 251,356	\$ 254,851	\$ 3,495
Interest revenue	5,000	23,180	23,180	-
Total revenues	<u>335,000</u>	<u>274,536</u>	<u>278,031</u>	<u>3,495</u>
Net change in fund balance	335,000	274,536	278,031	3,495
FUND BALANCES, beginning of year	<u>1,215,696</u>	<u>1,215,696</u>	<u>1,215,696</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 1,550,696</u>	<u>\$ 1,490,232</u>	<u>\$ 1,493,727</u>	<u>\$ 3,495</u>

**ROCKDALE COUNTY, GEORGIA
EMERGENCY TELEPHONE SYSTEM**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services	\$ 1,400,000	\$ 1,329,749	\$ 1,289,898	\$ (39,851)
Total revenues	<u>1,400,000</u>	<u>1,329,749</u>	<u>1,289,898</u>	<u>(39,851)</u>
EXPENDITURES				
Public safety	1,400,000	1,592,801	1,592,801	-
Total expenditures	<u>1,400,000</u>	<u>1,592,801</u>	<u>1,592,801</u>	<u>-</u>
Net change in fund balance	-	(263,052)	(302,903)	(39,851)
FUND BALANCES, beginning of year	<u>1,775,950</u>	<u>1,775,950</u>	<u>1,775,950</u>	-
FUND BALANCES, end of year	<u>\$ 1,775,950</u>	<u>\$ 1,512,898</u>	<u>\$ 1,473,047</u>	<u>\$ (39,851)</u>

**ROCKDALE COUNTY, GEORGIA
TOWER FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services	\$ 150,000	\$ 241,568	\$ 241,568	\$ -
Total revenues	<u>150,000</u>	<u>241,568</u>	<u>241,568</u>	<u>-</u>
EXPENDITURES				
Public safety	150,000	231,032	231,032	-
Total expenditures	<u>150,000</u>	<u>231,032</u>	<u>231,032</u>	<u>-</u>
Net change in fund balance	-	10,536	10,536	-
FUND BALANCES, beginning of year	<u>669,292</u>	<u>669,292</u>	<u>669,292</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 669,292</u>	<u>\$ 679,828</u>	<u>\$ 679,828</u>	<u>\$ -</u>

**ROCKDALE COUNTY, GEORGIA
VICTIM ASSISTANCE PROGRAM**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ 105,000	\$ 98,092	\$ 98,592	\$ 500
Total revenues	<u>105,000</u>	<u>98,092</u>	<u>98,592</u>	<u>500</u>
EXPENDITURES				
Judicial	105,000	101,707	101,707	-
Total expenditures	<u>105,000</u>	<u>101,707</u>	<u>101,707</u>	<u>-</u>
Net change in fund balance	-	(3,615)	(3,115)	500
FUND BALANCES, beginning of year	<u>51,803</u>	<u>51,803</u>	<u>51,803</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 51,803</u>	<u>\$ 48,188</u>	<u>\$ 48,688</u>	<u>\$ 500</u>

**ROCKDALE COUNTY, GEORGIA
DRUG TESTING LAB**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services	\$ 250,000	\$ 252,545	\$ 282,546	\$ 30,001
Total revenues	<u>250,000</u>	<u>252,545</u>	<u>282,546</u>	<u>30,001</u>
EXPENDITURES				
Judicial	300,000	326,748	326,748	-
Total expenditures	<u>300,000</u>	<u>326,748</u>	<u>326,748</u>	<u>-</u>
Net change in fund balance	(50,000)	(74,203)	(44,202)	30,001
FUND BALANCES, beginning of year	<u>151,304</u>	<u>151,304</u>	<u>151,304</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 101,304</u>	<u>\$ 77,101</u>	<u>\$ 107,102</u>	<u>\$ 30,001</u>

**ROCKDALE COUNTY, GEORGIA
LAW LIBRARY**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Fines and forfeitures	\$ 50,000	\$ 59,910	\$ 59,884	\$ (26)
Interest revenue	-	-	26	26
Total revenues	<u>50,000</u>	<u>59,910</u>	<u>59,910</u>	<u>-</u>
EXPENDITURES				
Judicial	<u>80,000</u>	<u>88,832</u>	<u>88,832</u>	<u>-</u>
Total expenditures	<u>80,000</u>	<u>88,832</u>	<u>88,832</u>	<u>-</u>
Net change in fund balance	(30,000)	(28,922)	(28,922)	-
FUND BALANCES, beginning of year	<u>112,400</u>	<u>112,400</u>	<u>112,400</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 82,400</u>	<u>\$ 83,478</u>	<u>\$ 83,478</u>	<u>\$ -</u>

**ROCKDALE COUNTY, GEORGIA
HOTEL/MOTEL TAX**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Other taxes	\$ 63,000	\$ 53,315	\$ 53,315	\$ -
Total revenues	<u>63,000</u>	<u>53,315</u>	<u>53,315</u>	<u>-</u>
EXPENDITURES				
General government	63,000	53,315	53,315	-
Total expenditures	<u>63,000</u>	<u>53,315</u>	<u>53,315</u>	<u>-</u>
Net change in fund balance	-	-	-	-
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>

**ROCKDALE COUNTY, GEORGIA
DISTRICT ATTORNEY EMDT**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 11,000	\$ 18,336	\$ 18,336	\$ -
Interest revenue	-	6	6	-
Total revenues	<u>11,000</u>	<u>18,342</u>	<u>18,342</u>	<u>-</u>
EXPENDITURES				
Judicial	11,000	17,896	17,896	-
Total expenditures	<u>11,000</u>	<u>17,896</u>	<u>17,896</u>	<u>-</u>
Net change in fund balance	-	446	446	-
FUND BALANCES, beginning of year	<u>28,981</u>	<u>28,981</u>	<u>28,981</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 28,981</u>	<u>\$ 29,427</u>	<u>\$ 29,427</u>	<u>\$ -</u>

**ROCKDALE COUNTY, GEORGIA
GENERAL GRANTS**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance
REVENUES				
Intergovernmental	\$ 1,917,066	\$ 1,917,065	\$ 1,917,065	\$ -
Other revenues	80,104	80,104	80,104	-
Total revenues	<u>1,997,170</u>	<u>1,997,169</u>	<u>1,997,169</u>	<u>-</u>
EXPENDITURES				
Current:				
General government	25,000	25,164	25,164	-
Judicial	1,600,000	1,667,063	1,667,063	-
Public safety	200,000	255,981	255,981	-
Public works	44,000	44,993	44,993	-
Health and welfare	10,000	10,477	10,477	-
Culture and recreation	24,000	24,808	24,808	-
Capital outlay	3,900	3,945	3,945	-
Total expenditures	<u>1,906,900</u>	<u>2,032,431</u>	<u>2,032,431</u>	<u>-</u>
Net change in fund balance	90,270	(35,262)	(35,262)	-
FUND BALANCES, beginning of year	<u>431,265</u>	<u>431,265</u>	<u>431,265</u>	<u>-</u>
FUND BALANCES, end of year	<u>\$ 521,535</u>	<u>\$ 396,003</u>	<u>\$ 396,003</u>	<u>\$ -</u>

**ROCKDALE COUNTY, GEORGIA
NSP GRANT**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET (BUDGET BASIS) AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 700,000	\$ 765,027	\$ 765,027	\$ -
Total revenues	<u>700,000</u>	<u>765,027</u>	<u>765,027</u>	<u>-</u>
EXPENDITURES				
Housing and development	500,000	566,551	566,551	-
Total expenditures	<u>500,000</u>	<u>566,551</u>	<u>566,551</u>	<u>-</u>
Net change in fund balance	200,000	198,476	198,476	-
FUND BALANCES (DEFICIT), beginning of year	<u>(234,854)</u>	<u>(234,854)</u>	<u>(234,854)</u>	<u>-</u>
FUND BALANCES (DEFICIT), end of year	<u>\$ (34,854)</u>	<u>\$ (36,378)</u>	<u>\$ (36,378)</u>	<u>\$ -</u>

ROCKDALE COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF
SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS
FOR THE YEAR ENDED DECEMBER 31, 2017

Project Description Per SPLOST Referendum	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
1996 Road and Recreation Sales Tax:					
Gymnasium and pool	\$ 2,500,000	\$ 3,078,204	\$ 3,077,491	\$ -	\$ 3,077,491
Roads, streets and bridges	32,500,000	38,508,091	38,508,091	-	38,508,091
	<u>35,000,000</u>	<u>41,586,295</u>	<u>41,585,582</u>	<u>-</u>	<u>41,585,582</u>
1999 Special Purpose Sales Tax:					
Water treatment plant and related infrastructure	59,508,571	55,368,638	55,379,648	-	55,379,648
Water line extensions	7,203,086	11,203,338	9,188,141	-	9,188,141
Debt reduction	1,288,343	9,361,142	9,361,142	-	9,361,142
	<u>68,000,000</u>	<u>75,933,118</u>	<u>73,928,931</u>	<u>-</u>	<u>73,928,931</u>
2004 Special Purpose Sales Tax:					
Jail	25,926,918	25,926,918	24,171,237	-	24,171,237
Fire stations and equipment	3,877,958	3,877,958	3,759,822	-	3,759,822
Roads, streets and bridges	43,028,658	43,028,658	33,093,255	237,142	33,330,397
Library expansion - intergovernmental	5,665,000	7,665,000	7,665,000	-	7,665,000
Various recreation projects	4,487,351	4,487,351	4,223,582	-	4,223,582
Library books - intergovernmental	1,000,000	1,000,000	1,000,000	-	1,000,000
County health department	4,154,955	8,251,203	8,251,203	-	8,251,203
Senior center	882,512	1,226,425	1,226,425	-	1,226,425
Arbitrage	-	-	740,667	-	740,667
City of Conyers - intergovernmental	10,602,067	10,602,067	10,558,584	-	10,558,584
	<u>99,625,419</u>	<u>106,065,580</u>	<u>94,689,775</u>	<u>237,142</u>	<u>94,926,917</u>
2010 Special Purpose Sales Tax:					
Jail	5,000,000	5,000,000	4,068,267	72,158	4,140,425
Fire stations and equipment	10,000,000	10,000,000	7,196,793	459,149	7,655,942
Roads, streets and bridges	31,366,470	31,366,470	35,415,554	1,413,524	36,829,078
Water projects	12,000,000	12,000,000	3,622,101	-	3,622,101
Recreation projects	5,000,000	5,000,000	947,850	719,136	1,666,986
City of Conyers - intergovernmental	10,883,530	10,883,530	11,479,311	1,768,701	13,248,012
	<u>74,250,000</u>	<u>74,250,000</u>	<u>62,729,876</u>	<u>4,432,668</u>	<u>67,162,544</u>
2017 Special Purpose Sales Tax:					
Roads, streets and bridges	38,700,000	38,700,000	-	1,865	1,865
Fire stations and equipment	9,300,000	9,300,000	-	-	-
Sheriff	200,000	200,000	-	-	-
Recreation and senior service projects	4,951,000	4,951,000	-	132,412	132,412
Water and wastewater projects	3,300,000	3,300,000	-	-	-
Library	1,000,000	1,000,000	-	-	-
City of Conyers - intergovernmental	7,159,880	7,159,880	-	451,816	451,816
	<u>64,610,880</u>	<u>64,610,880</u>	<u>-</u>	<u>586,093</u>	<u>586,093</u>
Total	\$ 341,486,299	\$ 362,445,873	\$ 272,934,164	\$ 5,255,903	\$ 278,190,067

Total per Combining Statement of Revenues, Expenditures and Changes in Fund Balance \$ 5,255,903

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

	December 31, 2016	Increases	Decreases	December 31, 2017
Tax Commissioner				
ASSETS				
Cash and cash equivalents	\$ 16,166,720	\$ 125,793,471	\$ (139,757,375)	\$ 2,202,816
Taxes receivable	4,263,897	2,962,690	(2,577,424)	4,649,163
Total assets	<u>\$ 20,430,617</u>	<u>\$ 128,756,161</u>	<u>\$ (142,334,799)</u>	<u>\$ 6,851,979</u>
LIABILITIES				
Due to others	\$ 20,430,617	\$ 128,756,161	\$ (142,334,799)	\$ 6,851,979
Total liabilities	<u>\$ 20,430,617</u>	<u>\$ 128,756,161</u>	<u>\$ (142,334,799)</u>	<u>\$ 6,851,979</u>
Clerk of Superior Court				
ASSETS				
Cash and cash equivalents	\$ 1,046,226	\$ 3,632,975	\$ (3,533,537)	\$ 1,145,664
Total assets	<u>\$ 1,046,226</u>	<u>\$ 3,632,975</u>	<u>\$ (3,533,537)</u>	<u>\$ 1,145,664</u>
LIABILITIES				
Due to others	\$ 1,046,226	\$ 3,632,975	\$ (3,533,537)	\$ 1,145,664
Total liabilities	<u>\$ 1,046,226</u>	<u>\$ 3,632,975</u>	<u>\$ (3,533,537)</u>	<u>\$ 1,145,664</u>
Clerk of State Court				
ASSETS				
Cash and cash equivalents	\$ 279,305	\$ 1,907,603	\$ (1,905,979)	\$ 280,929
Total assets	<u>\$ 279,305</u>	<u>\$ 1,907,603</u>	<u>\$ (1,905,979)</u>	<u>\$ 280,929</u>
LIABILITIES				
Due to others	\$ 279,305	\$ 1,907,603	\$ (1,905,979)	\$ 280,929
Total liabilities	<u>\$ 279,305</u>	<u>\$ 1,907,603</u>	<u>\$ (1,905,979)</u>	<u>\$ 280,929</u>
Sheriff				
ASSETS				
Cash and cash equivalents	\$ 91,306	\$ 1,155,940	\$ (1,147,187)	\$ 100,059
Total assets	<u>\$ 91,306</u>	<u>\$ 1,155,940</u>	<u>\$ (1,147,187)</u>	<u>\$ 100,059</u>
LIABILITIES				
Due to others	\$ 91,306	\$ 1,155,940	\$ (1,147,187)	\$ 100,059
Total liabilities	<u>\$ 91,306</u>	<u>\$ 1,155,940</u>	<u>\$ (1,147,187)</u>	<u>\$ 100,059</u>

(Continued)

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

	December 31, 2016	Increases	Decreases	December 31, 2017
Probate Court				
ASSETS				
Cash and cash equivalents	\$ 16,293	\$ 434,128	\$ (441,922)	\$ 8,499
Total assets	<u>\$ 16,293</u>	<u>\$ 434,128</u>	<u>\$ (441,922)</u>	<u>\$ 8,499</u>
LIABILITIES				
Due to others	\$ 16,293	\$ 434,128	\$ (441,922)	\$ 8,499
Total liabilities	<u>\$ 16,293</u>	<u>\$ 434,128</u>	<u>\$ (441,922)</u>	<u>\$ 8,499</u>
Juvenile Court				
ASSETS				
Cash and cash equivalents	\$ 3,904	\$ 48,333	\$ (45,557)	\$ 6,680
Total assets	<u>\$ 3,904</u>	<u>\$ 48,333</u>	<u>\$ (45,557)</u>	<u>\$ 6,680</u>
LIABILITIES				
Due to others	\$ 3,904	\$ 48,333	\$ (45,557)	\$ 6,680
Total liabilities	<u>\$ 3,904</u>	<u>\$ 48,333</u>	<u>\$ (45,557)</u>	<u>\$ 6,680</u>
Magistrate Court				
ASSETS				
Cash and cash equivalents	\$ 98,462	\$ 695,579	\$ (659,970)	\$ 134,071
Total assets	<u>\$ 98,462</u>	<u>\$ 695,579</u>	<u>\$ (659,970)</u>	<u>\$ 134,071</u>
LIABILITIES				
Due to others	\$ 98,462	\$ 695,579	\$ (659,970)	\$ 134,071
Total liabilities	<u>\$ 98,462</u>	<u>\$ 695,579</u>	<u>\$ (659,970)</u>	<u>\$ 134,071</u>
Totals				
ASSETS				
Cash and cash equivalents	\$ 17,702,216	\$ 133,668,029	\$ (147,491,527)	\$ 3,878,718
Taxes receivable	4,263,897	2,962,690	(2,577,424)	4,649,163
Total assets	<u>\$ 21,966,113</u>	<u>\$ 136,630,719</u>	<u>\$ (150,068,951)</u>	<u>\$ 8,527,881</u>
LIABILITIES				
Due to others	\$ 21,966,113	\$ 136,630,719	\$ (150,068,951)	\$ 8,527,881
Total liabilities	<u>\$ 21,966,113</u>	<u>\$ 136,630,719</u>	<u>\$ (150,068,951)</u>	<u>\$ 8,527,881</u>

(Concluded)

ROCKDALE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The **Drug Abuse Treatment and Education Fund** accounts for monies collected under Georgia law related to additional penalties on controlled substances offenses. Such monies are restricted for drug abuse treatment and education programs relating to controlled substances and marijuana.

The **Supplemental Juvenile Services Fund** accounts for monies collected under Georgia law for probation services to juvenile offenders. Such monies are restricted to providing treatment to juvenile offenders.

The **Inmate Welfare Services Fund** accounts for monies collected from inmates for purchase of supplies. The profits from these sales are used for the benefit of the general inmate population.

The **Law Enforcement Confiscated Monies Fund** accounts for monies confiscated under Georgia law by Rockdale County law enforcement officers related to controlled substances offenses. Such monies are restricted to defray the cost of complex investigations and to purchase equipment relating to said investigations.

The **County Jail Fund** accounts for monies collected as a result of a 10% penalty on certain court cases. These funds are legally restricted for the construction, operation, and staffing of County detention facilities.

The **Emergency Telephone System Fund** accounts for monies collected under Georgia law by telephone providers on behalf of Rockdale County. These monies are remitted to the County and are restricted to providing emergency 911 services to residents of the County.

The **Tower Fund** accounts for monies resulting from the rental and operation of the County's radio transmission tower.

The **Victim Assistance Program Fund** accounts for monies collected from fines for the purpose of providing counseling services to victims of crime.

The **Drug Testing Lab Fund** accounts for monies collected from individuals, departments, agencies and organizations for the purchase of drug testing services. Such monies are to be utilized for the Rockdale DUI Court program operations.

The **Law Library Fund** provides for the operation and maintenance of the County's Law Library.

The **Hotel/Motel Tax Fund** accounts for taxes collected by hotels and motels within the County. These funds are legally restricted for the promotion of tourism and convention trade within the County.

The **District Attorney EMDET Fund** accounts for monies received from the East Metro Drug Enforcement Task Force.

ROCKDALE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS (CONTINUED)

The **General Grants Fund** accounts for funds, which are not used to finance general government operations, received under federal and state grant programs and the matching transfers from other funds.

The **NSP Grant Fund** accounts for funds received under the federal American Reinvestment and Recovery Act of 2009 program to aid in the Neighborhood Stabilization Program.

DEBT SERVICE FUNDS

The Debt Service Funds are used to account for the accumulation of resources for the payment of general long-term debt principal and interest County.

The **General Obligation Bonds Debt Service Fund** accounts for property taxes collected for the payment of general obligation bonds' principal and interest.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities for the County's governmental funds.

The **1996 Road and Recreation Sales Tax Fund** accounts for the collection of the 1996 special purpose sales tax and the specific expenditures which are limited to recreational facilities and road, street and bridge purposes.

The **GRTA Capital Projects Fund** accounts for the receipt and expenditure of proceeds received from the Georgia Regional Transportation Authority pursuant to an intergovernmental agreement with the Georgia Regional Transportation Authority, State of Georgia Road and Tollway Authority, and the Georgia Department of Transportation.

The **1999 Sales Tax Capital Projects Fund** accounts for the financial resources provided from the 1999 one percent special purpose local option sales tax and the proceeds of the series 1999B revenue bonds.

The **2004 Sales Tax Capital Projects Fund** accounts for the resources to be provided from the 2004 one percent special purpose local option sales tax which are required to be used for debt service payments on the sales tax general obligation bonds, certain County and City of Conyers road improvements, construction of a new County jail facility, expansion of the Library, and various other County and City of Conyers public safety and recreational projects.

The **Impact Fee Fund** accounts for the financial resources provided from the Rockdale County Development Impact Fee.

ROCKDALE COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUNDS (CONTINUED)

The **2010 Sales Tax Capital Projects Fund** accounts for the financial resources to be provided from the 2010 one percent Special Purpose Local Option Sales Tax and the proceeds from the issuance of general obligation sales tax bonds. The sales tax is required to be used for debt service payments on the sales tax general obligation bonds, certain County and City of Conyers road improvements, enhancements of the County jail facility, water line infrastructure, and various other County and City of Conyers public safety and recreational projects.

The **Other Capital Projects Fund** accounts for the financial resources to be used for the purchase and construction of major capital facilities, other than those accounted for in specific funds.

STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends	93 - 97
<i>These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.</i>	
Revenue Capacity	98 - 102
<i>These schedules contain information to help the reader assess the County's most significant local revenue sources.</i>	
Debt Capacity	103 - 106
<i>These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	107 and 108
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.</i>	
Operating Information	109 - 112
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.</i>	

ROCKDALE COUNTY, GEORGIA

**NET POSITION BY ACTIVITY
LAST TEN FISCAL YEARS**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental activities										
Net investment in capital assets	\$ 261,360,437	\$ 273,980,956	\$ 278,260,202	\$ 297,076,620	\$ 284,633,827	\$ 280,456,955	\$ 278,277,189	\$ 275,407,123	\$ 269,002,285	\$ 271,159,966
Restricted	48,506,614	39,285,315	49,231,290	40,731,982	34,966,105	33,229,850	32,225,515	25,399,672	28,881,548	42,903,776
Unrestricted	23,401,129	22,949,147	12,977,135	6,392,169	18,697,029	18,356,293	17,841,366	9,315,354	3,170,916	(34,151,116)
Total governmental activities net position	<u>\$ 333,268,180</u>	<u>\$ 336,215,418</u>	<u>\$ 340,468,627</u>	<u>\$ 344,200,771</u>	<u>\$ 338,296,961</u>	<u>\$ 332,043,098</u>	<u>\$ 328,344,070</u>	<u>\$ 310,122,149</u>	<u>\$ 301,054,749</u>	<u>\$ 279,912,626</u>
Business-type activities										
Net investment in capital assets	\$ 113,154,794	\$ 111,400,460	\$ 109,368,867	\$ 106,164,918	\$ 99,138,015	\$ 89,239,309	\$ 100,962,653	\$ 99,012,328	\$ 98,413,548	\$ 98,514,288
Restricted	12,035,733	2,335,194	1,835,946	1,550,015	1,328,554	101,505	101,005	6,077,606	6,279,345	6,656,822
Unrestricted	6,152,378	15,830,420	17,888,120	20,833,028	27,585,753	37,400,671	30,333,718	28,406,719	33,971,457	35,930,333
Total business-type activities net position	<u>\$ 131,342,905</u>	<u>\$ 129,566,074</u>	<u>\$ 129,092,933</u>	<u>\$ 128,547,961</u>	<u>\$ 128,052,322</u>	<u>\$ 126,741,485</u>	<u>\$ 131,397,376</u>	<u>\$ 133,496,653</u>	<u>\$ 138,664,350</u>	<u>\$ 141,101,443</u>
Primary government										
Net investment in capital assets	\$ 374,515,231	\$ 385,381,416	\$ 387,629,069	\$ 403,241,538	\$ 383,771,842	\$ 369,696,264	\$ 379,239,842	\$ 374,419,451	\$ 367,415,833	\$ 369,674,254
Restricted	60,542,347	41,620,509	51,067,236	42,281,997	36,294,659	33,331,355	32,326,520	31,477,278	35,160,893	49,560,598
Unrestricted	29,553,507	38,779,567	30,865,255	27,225,197	46,282,782	55,756,964	48,175,084	37,722,073	37,142,373	1,779,217
Total primary government net position	<u>\$ 464,611,085</u>	<u>\$ 465,781,492</u>	<u>\$ 469,561,560</u>	<u>\$ 472,748,732</u>	<u>\$ 466,349,283</u>	<u>\$ 458,784,583</u>	<u>\$ 459,741,446</u>	<u>\$ 443,618,802</u>	<u>\$ 439,719,099</u>	<u>\$ 421,014,069</u>

ROCKDALE COUNTY, GEORGIA

**CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(In Thousands)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Expenses										
Primary government:										
Governmental activities:										
General government	\$ 8,532	\$ 8,443	\$ 7,977	\$ 12,326	\$ 11,624	\$ 11,699	\$ 14,389	\$ 12,869	\$ 12,347	\$ 13,360
Judicial	5,630	5,740	5,716	6,189	6,602	7,033	7,285	7,722	8,955	9,169
Public safety	28,629	31,019	32,150	32,139	33,361	34,182	35,993	35,688	38,255	40,895
Public works	22,746	20,591	17,918	14,808	18,902	22,035	17,557	23,420	21,034	16,609
Culture and recreation	4,010	8,575	4,678	2,907	2,826	3,407	3,024	3,243	3,642	3,496
Health and welfare	1,634	1,908	1,642	1,605	1,721	1,719	1,631	3,167	1,742	1,848
Housing and development	324	1,302	2,234	1,251	1,649	1,915	2,290	1,002	1,178	979
Interest and fiscal changes	2,509	2,002	1,792	1,487	1,005	998	711	580	652	839
Total governmental activities expenses	<u>74,014</u>	<u>79,580</u>	<u>74,107</u>	<u>72,712</u>	<u>77,690</u>	<u>82,988</u>	<u>82,880</u>	<u>87,691</u>	<u>87,805</u>	<u>87,195</u>
Business-type activities:										
Water and Sewer	26,880	26,472	27,548	26,033	26,534	27,456	27,411	28,410	28,535	30,086
Stormwater	1,159	1,250	1,643	1,316	1,299	1,896	1,676	1,525	2,476	2,555
Total business-type activities expenses	<u>28,039</u>	<u>27,722</u>	<u>29,191</u>	<u>27,349</u>	<u>27,833</u>	<u>29,352</u>	<u>29,087</u>	<u>29,935</u>	<u>31,011</u>	<u>32,641</u>
Total primary government expenses	<u>102,053</u>	<u>107,302</u>	<u>103,298</u>	<u>100,061</u>	<u>105,523</u>	<u>112,340</u>	<u>111,967</u>	<u>117,626</u>	<u>118,816</u>	<u>119,836</u>
Program revenues										
Primary government:										
Governmental activities:										
Charges for services	8,672	8,942	(1)							
General government			1,065	1,975	2,213	2,931	3,290	3,337	3,370	3,492
Judicial			3,011	3,060	2,833	2,423	2,582	2,598	2,694	2,666
Public safety			3,371	3,923	2,876	2,338	2,377	2,418	2,338	2,566
Other			1,123	1,122	1,177	1,481	1,018	1,034	1,152	1,314
Operating grants and contributions	586	1,597	2,844	2,005	2,891	2,987	4,242	5,444	3,432	2,876
Capital grants and contributions	14,215	9,682	4,873	1,337	1,121	2,184	4,238	378	1,245	3,500
Total governmental activities program revenues	<u>23,473</u>	<u>20,221</u>	<u>16,287</u>	<u>13,422</u>	<u>13,111</u>	<u>14,344</u>	<u>17,747</u>	<u>15,209</u>	<u>14,231</u>	<u>16,414</u>
Business-type activities:										
Charges for services	23,128	25,625								
Water and wastewater			25,795	26,006	26,057	26,665	30,530	32,755	33,786	34,172
Stormwater			2,114	1,706	1,950	1,916	1,891	1,935	1,914	1,903
Operating grants and contributions			3	-	-	-	-	-	-	-
Capital grants and contributions	2,620	188	-	63	-	-	-	-	-	-
Total business-type activities program revenues	<u>25,748</u>	<u>25,813</u>	<u>27,912</u>	<u>27,775</u>	<u>28,007</u>	<u>28,581</u>	<u>32,421</u>	<u>34,690</u>	<u>35,700</u>	<u>36,075</u>
Total primary government program revenues	<u>49,221</u>	<u>46,034</u>	<u>44,199</u>	<u>41,197</u>	<u>41,118</u>	<u>42,925</u>	<u>50,168</u>	<u>49,899</u>	<u>49,931</u>	<u>52,489</u>

(Continued)

ROCKDALE COUNTY, GEORGIA

CHANGES IN NET POSITION LAST TEN FISCAL YEARS (In Thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net (expense) revenue										
Governmental activities	\$ (50,541)	\$ (59,359)	\$ (57,820)	\$ (59,290)	\$ (64,579)	\$ (68,644)	\$ (65,133)	\$ (72,482)	\$ (73,574)	\$ (70,781)
Business-type activities	(2,291)	(1,909)	(1,279)	426	174	(771)	3,334	4,755	4,689	3,434
Total primary government	<u>(52,832)</u>	<u>(61,268)</u>	<u>(59,099)</u>	<u>(58,864)</u>	<u>(64,405)</u>	<u>(69,415)</u>	<u>(61,799)</u>	<u>(67,727)</u>	<u>(68,885)</u>	<u>(67,347)</u>
General revenues and other changes in net position										
Primary government:										
Governmental activities:										
Property taxes	23,918	26,038	28,378	30,046	25,865	28,989	29,055	31,038	29,683	35,377
Sales taxes	28,886	24,882	25,673	26,849	28,047	27,587	28,026	28,512	28,824	29,726
Other taxes	8,956	10,332	7,809	4,942	5,159	5,143	5,539	5,675	6,174	6,293
Unrestricted investment earnings	1,362	376	161	183	101	99	104	251	291	296
Miscellaneous	97	325	449	-	7	-	-	-	-	-
Transfers	770	353	(397)	1,001	(71)	570	(1,290)	998	(467)	1,025
Total governmental activities general revenues and other changes in net position	<u>63,989</u>	<u>62,306</u>	<u>62,073</u>	<u>63,021</u>	<u>59,108</u>	<u>62,388</u>	<u>61,434</u>	<u>66,474</u>	<u>64,505</u>	<u>72,717</u>
Business-type activities:										
Unrestricted investment earnings	598	124	58	31	33	30	32	5	12	28
Miscellaneous	67	361	350	-	(412)	-	-	-	-	-
Transfers	(770)	(353)	397	(1,001)	71	(570)	1,290	(998)	467	(1,025)
Total business type activities general revenues and other changes in net position	<u>(105)</u>	<u>132</u>	<u>805</u>	<u>(970)</u>	<u>(308)</u>	<u>(540)</u>	<u>1,322</u>	<u>(993)</u>	<u>479</u>	<u>(997)</u>
Total primary government general revenues and other changes in net position	<u>63,884</u>	<u>62,438</u>	<u>62,878</u>	<u>62,051</u>	<u>58,800</u>	<u>61,848</u>	<u>62,756</u>	<u>65,481</u>	<u>64,984</u>	<u>71,720</u>
Change in net position										
Governmental activities	13,448	2,947	4,253	3,731	(5,471)	(6,256)	(3,699)	(6,008)	(9,069)	1,936
Prior period adjustment	-	-	-	-	-	-	-	-	-	-
Business-type activities	(2,396)	(1,777)	(474)	(544)	(134)	(1,311)	4,656	3,762	5,168	2,437
Total primary government change in net position	<u>\$ 11,052</u>	<u>\$ 1,170</u>	<u>\$ 3,779</u>	<u>\$ 3,187</u>	<u>\$ (5,605)</u>	<u>\$ (7,567)</u>	<u>\$ 957</u>	<u>\$ (2,246)</u>	<u>\$ (3,901)</u>	<u>\$ 4,373</u>
	(2)									

(1) Adopted new recommendation per CAFR.

(2) Amounts were reclassified for comparative purposes with the current year.

(3) Changes in Net Position from the Statement of Activities increased in this table due to the prior period adjustment.

ROCKDALE COUNTY, GEORGIA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$ 3,927,008	\$ 3,340,705	\$ 3,389,030							
Unreserved	25,939,153	29,933,985	34,155,818							
Total General fund	<u>\$ 29,866,161</u>	<u>\$ 33,274,690</u>	<u>\$ 37,544,848</u>							
All Other Governmental Funds										
Reserved	\$ -	\$ 2,592,690	\$ 3,971,867							
Unreserved, reported in:										
Special revenue funds	3,754,138	4,269,002	4,124,402							
Debt service funds	14,654,276	12,087,416	11,779,025							
Capital projects funds	22,658,017	10,689,051	21,150,338							
Total all other governmental funds	<u>\$ 41,066,431</u>	<u>\$ 29,638,159</u>	<u>\$ 41,025,632</u>							
Total all governmental funds	<u>\$ 70,932,592</u>	<u>\$ 62,912,849</u>	<u>\$ 78,570,480</u>							
General Fund										
Nonspendable				\$ 641,473	\$ 6,023	\$ 231,058	\$ 4,011,328	\$ 2,840,406	\$ 2,189,310	\$ 5,176
Committed				-	-	225,971	-	-	375,836	71,104
Assigned				-	91,476	-	-	-	-	-
Unassigned				39,817,549	39,652,409	39,632,110	33,475,134	36,564,030	36,983,619	37,949,369
Total General fund				<u>\$ 40,459,022</u>	<u>\$ 39,749,908</u>	<u>\$ 40,089,139</u>	<u>\$ 37,486,462</u>	<u>\$ 39,404,436</u>	<u>\$ 39,548,765</u>	<u>\$ 38,025,649</u>
All Other Governmental Funds										
Restricted, reported in:										
Special revenue funds				\$ 5,168,815	\$ 4,512,975	\$ 4,433,194	\$ 5,281,572	\$ 5,036,460	\$ 5,050,475	\$ 5,157,588
Debt service funds				3,997,848	3,956,140	3,971,678	4,006,607	676,044	737,729	792,919
Capital projects funds				31,565,319	26,496,990	24,824,978	22,937,336	19,687,168	23,093,344	26,127,087
Committed				-	-	-	323,719	197,509	-	-
Unassigned				-	-	-	(339,900)	(38,661)	(2,142,155)	(203,186)
Total all other governmental funds				<u>\$ 40,731,982</u>	<u>\$ 34,966,105</u>	<u>\$ 33,229,850</u>	<u>\$ 32,209,334</u>	<u>\$ 25,558,520</u>	<u>\$ 26,739,393</u>	<u>\$ 31,874,408</u>
Total all governmental funds				<u>\$ 81,191,004</u>	<u>\$ 74,716,013</u>	<u>\$ 73,318,989</u>	<u>\$ 69,695,796</u>	<u>\$ 64,962,956</u>	<u>\$ 66,288,158</u>	<u>\$ 69,900,057</u>

Note: GASB 54 was implemented during fiscal year 2011.

ROCKDALE COUNTY, GEORGIA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues:										
Taxes	\$ 61,224,502	\$ 58,943,523	\$ 61,860,488	\$ 62,176,220	\$ 58,655,536	\$ 61,093,491	\$ 62,688,957	\$ 65,200,554	\$ 65,951,783	\$ 71,054,610
Licenses and permits	600,845	335,710	298,702	135,647	303,250	444,988	672,821	736,948	915,071	1,144,885
Intergovernmental	3,325,946	11,762,984	7,467,852	3,342,044	3,859,555	5,159,334	7,450,085	4,562,974	4,472,922	6,338,821
Charges for services	5,033,498	5,528,830	5,613,516	5,621,006	5,674,293	5,483,265	5,550,119	5,846,513	5,868,658	5,999,712
Fines and forfeitures	3,330,139	3,340,748	3,211,045	3,060,033	2,989,408	2,698,857	2,718,119	2,501,037	2,447,014	2,510,075
Investment earnings	1,799,920	375,632	161,868	183,300	101,233	110,758	122,060	274,641	494,693	332,110
Miscellaneous	152,642	327,671	1,303,848	1,263,592	282,238	547,289	326,599	302,471	324,842	384,646
Total revenues	<u>75,467,492</u>	<u>80,615,098</u>	<u>79,917,319</u>	<u>75,781,842</u>	<u>71,865,513</u>	<u>75,537,982</u>	<u>79,528,760</u>	<u>79,425,138</u>	<u>80,474,983</u>	<u>87,764,859</u>
Expenditures:										
Current:										
General government	9,219,487	8,492,378	8,537,643	8,429,229	8,741,031	8,765,489	9,435,386	9,042,083	9,744,174	10,929,969
Judicial	5,384,246	5,535,027	5,517,869	6,002,082	6,252,331	6,642,745	7,009,483	7,486,772	8,640,838	8,697,607
Public safety	26,045,061	28,161,449	29,175,068	30,084,202	29,718,247	30,293,290	34,434,581	33,564,426	33,631,524	35,672,632
Public works	5,503,676	5,481,087	5,837,270	4,915,502	4,913,716	5,019,216	5,070,871	5,425,939	5,850,610	6,329,927
Culture and recreation	3,211,760	2,369,941	2,156,589	2,199,329	2,060,018	2,032,929	2,095,550	2,258,763	2,292,981	2,517,330
Health and welfare	1,565,334	1,804,320	1,526,024	1,478,843	1,579,450	1,591,663	1,483,290	1,548,815	1,600,889	1,673,664
Housing and development	310,817	1,285,905	2,215,588	1,256,962	1,669,555	1,915,011	2,294,557	1,004,847	1,171,391	885,839
Capital outlay	26,690,021	14,892,666	6,784,706	3,084,216	14,077,366	12,470,554	13,610,292	16,576,735	11,132,284	8,161,159
Debt service:										
Principal	11,428,289	12,183,847	13,148,876	14,162,534	5,751,150	5,680,456	5,799,950	5,284,856	1,990,505	6,232,708
Interest and fiscal charges	3,149,804	2,393,105	2,271,999	1,772,993	1,411,835	1,416,735	841,226	627,301	684,197	400,875
Intergovernmental	2,324,997	6,414,870	1,953,695	783,742	2,124,991	2,100,906	2,121,078	2,346,174	2,002,420	2,354,794
Total expenditures	<u>94,833,492</u>	<u>89,014,595</u>	<u>79,125,327</u>	<u>74,169,634</u>	<u>78,299,690</u>	<u>77,928,994</u>	<u>84,196,264</u>	<u>85,166,711</u>	<u>78,741,813</u>	<u>83,856,504</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(19,366,000)</u>	<u>(8,399,497)</u>	<u>791,992</u>	<u>1,612,208</u>	<u>(6,434,177)</u>	<u>(2,391,012)</u>	<u>(4,667,504)</u>	<u>(5,741,573)</u>	<u>1,733,170</u>	<u>3,908,355</u>
Other financing sources (uses)										
Refunding bond proceeds	10,000,000	-	13,000,000	-	-	-	-	-	-	-
Proceeds from debt	-	-	-	-	-	2,880,000	-	-	-	9,625,000
Bond premium	186,143	-	836,881	-	-	-	-	-	-	-
Bond issuance	-	-	-	-	-	-	-	-	-	-
Payments to escrow account	(10,000,000)	-	-	-	-	(2,845,000)	-	-	-	-
Transfers in	28,862,322	21,418,548	24,226,295	20,352,385	18,847,250	18,572,148	18,504,913	15,253,289	15,386,477	11,995,049
Transfers out	(28,092,192)	(21,065,066)	(23,207,020)	(19,351,110)	(18,917,801)	(17,616,523)	(17,474,788)	(14,255,539)	(15,853,421)	(10,970,174)
Proceeds from the sale of capital assets	21,739	26,272	9,483	7,041	29,737	3,363	14,186	10,983	58,976	32,225
Total other financing sources (uses)	<u>978,012</u>	<u>379,754</u>	<u>14,865,639</u>	<u>1,008,316</u>	<u>(40,814)</u>	<u>993,988</u>	<u>1,044,311</u>	<u>1,008,733</u>	<u>(407,968)</u>	<u>10,682,100</u>
Net change in fund balances	<u>\$ (18,387,988)</u>	<u>\$ (8,019,743)</u>	<u>\$ 15,657,631</u>	<u>\$ 2,620,524</u>	<u>\$ (6,474,991)</u>	<u>\$ (1,397,024)</u>	<u>\$ (3,623,193)</u>	<u>\$ (4,732,840)</u>	<u>\$ 1,325,202</u>	<u>\$ 14,590,455</u>
Debt Service as a Percentage of Noncapital Expenditures	<u>20.34%</u>	<u>18.83%</u>	<u>20.91%</u>	<u>22.60%</u>	<u>10.41%</u>	<u>9.83%</u>	<u>8.69%</u>	<u>7.56%</u>	<u>3.59%</u>	<u>8.51%</u>
	(1)	(1)	(1)							

(1) Calculation has been revised as discussed with GFOA representative.

ROCKDALE COUNTY, GEORGIA

**GROSS DIGEST BY REVENUE SOURCE
LAST TEN FISCAL YEARS
(In Thousands)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Residential	\$ 2,001,404	\$ 1,998,418	\$ 1,747,525	\$ 1,569,465	\$ 1,470,682	\$ 1,130,841	\$ 1,214,912	\$ 1,266,453	\$ 1,348,017	\$ 1,440,817
Commercial	625,075	621,672	646,893	620,688	620,067	560,991	554,807	562,752	602,654	616,200
Industrial	295,136	294,300	293,403	281,649	276,730	255,779	259,162	267,684	277,299	284,155
Utilities	71,237	71,497	65,235	64,262	64,521	60,080	63,428	64,351	61,917	62,154
Vehicles	218,009	221,978	189,746	185,649	189,675	203,460	169,055	114,533	86,580	64,395
Other	66,680	67,199	63,483	62,794	47,071	40,416	37,381	35,681	35,388	35,173
	<u>\$ 3,277,541</u>	<u>\$ 3,275,064</u>	<u>\$ 3,006,285</u>	<u>\$ 2,784,507</u>	<u>\$ 2,668,746</u>	<u>\$ 2,251,567</u>	<u>\$ 2,298,745</u>	<u>\$ 2,311,454</u>	<u>2,411,855</u>	<u>\$ 2,502,894</u>
Residential	61.06%	61.02%	58.13%	56.36%	55.11%	50.22%	52.85%	54.79%	55.89%	57.57%
Commercial	19.07%	18.98%	21.52%	22.29%	23.23%	24.92%	24.14%	24.35%	24.99%	24.62%
Industrial	9.00%	8.99%	9.76%	10.11%	10.37%	11.36%	11.27%	11.58%	11.50%	11.35%
Utilities	2.17%	2.18%	2.17%	2.31%	2.42%	2.67%	2.76%	2.78%	2.57%	2.48%
Vehicles	6.65%	6.78%	6.31%	6.67%	7.11%	9.04%	7.35%	4.96%	3.59%	2.57%
Other	2.03%	2.05%	2.11%	2.26%	1.76%	1.80%	1.63%	1.54%	1.47%	1.41%
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: Rockdale County Tax Commissioner

ROCKDALE COUNTY, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND ELEVEN YEARS AGO

2017				2008			
Rank	Taxpayer	Assessed Valuation	% of County Gross Assessed Valuation	Rank	Taxpayer	Assessed Valuation	% of County Gross Assessed Valuation
1	Bio Lab Inc	\$ 42,163,003	1.68%	1	Visy Board Industrial	\$ 47,442,459	1.83%
2	Pratt/Visy Industries	32,599,873	1.30%	2	Acuity/L & C Lighting Group Inc	34,705,658	1.34%
3	Rockdale Hospital LLC	25,140,649	1.00%	3	Bio Lab Inc	17,438,762	0.67%
4	Golden State Foods	22,951,246	0.92%	4	Sweetheart Cup Co.	14,557,757	0.56%
5	A T & T Corporation	17,811,592	0.71%	5	Bellsouth Telecommunications	13,547,131	0.52%
6	Acuity	15,633,349	0.62%	6	Lake St James TIC	13,160,846	0.51%
7	Diversitech	15,315,947	0.61%	7	Snapping Shoals EMC	10,597,527	0.41%
8	HH Conyers Crossroads LLC	15,171,360	0.61%	8	Georgia Power	8,926,150	0.34%
9	Georgia Power Company	14,523,870	0.58%	9	AT&T Communications	8,819,597	0.34%
10	Snapping Shoals EMC	11,798,145	0.47%	10	Liochem Inc.	8,302,256	0.32%
		<u>\$ 213,109,034</u>	<u>8.52%</u>			<u>\$ 177,498,143</u>	<u>6.86%</u>
Total Gross Digest Assessment		<u>\$ 2,502,592,773</u>		Total Gross Digest Assessment		<u>\$ 2,589,222,000</u>	

Note: The 2007 data was not readily available.
Source: Rockdale County Tax Commissioner

ROCKDALE COUNTY, GEORGIA

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Year	TAXABLE PROPERTY (In Thousands)										Total Direct Tax Rate Applied	Assessed Value to Estimated Value
	Residential		Commercial		Industrial		Other		Total Assessed Value	Total Estimated Actual Value		
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value				
2008	2,001,404	5,003,510	625,075	1,562,688	295,136	737,840	355,926	889,815	3,277,541	8,193,853	14.73	40%
2009	1,998,418	4,996,045	621,672	1,554,180	294,300	735,750	360,674	901,685	3,275,064	8,187,660	14.73	40%
2010	1,747,525	4,368,813	646,893	1,617,233	293,403	733,508	318,464	796,160	3,006,285	7,515,713	15.75	40%
2011	1,569,465	3,923,663	620,688	1,551,720	281,649	704,123	312,705	781,763	2,784,507	6,961,269	17.15	40%
2012	1,470,682	3,676,705	620,067	1,550,168	276,730	691,825	301,267	753,168	2,668,746	6,671,866	17.15	40%
2013	1,130,841	2,827,103	560,991	1,402,478	255,779	639,448	303,956	759,890	2,251,567	5,628,919	21.01	40%
2014	1,214,912	3,037,280	554,807	1,387,018	259,162	647,905	269,864	674,660	2,298,745	5,746,863	20.55	40%
2015	1,266,453	3,166,133	562,752	1,406,880	267,684	669,210	214,565	536,413	2,311,454	5,778,635	20.19	40%
2016	1,348,017	3,370,043	602,654	1,506,635	277,299	693,248	183,885	459,713	2,411,855	6,029,638	20.19	40%
2017	1,440,817	3,602,043	616,200	1,540,500	284,155	710,388	161,722	404,305	2,502,894	6,257,235	20.19	40%

Source: Rockdale County Tax Commissioner

ROCKDALE COUNTY, GEORGIA

**DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$1,000 of assessed value)**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Rockdale County:										
Maintenance and operations	14.53	14.53	15.53	16.91	16.91	20.70	20.24	20.19	20.19	20.19
Debt service	0.20	0.20	0.22	0.24	0.24	0.31	0.31	-	-	-
Total Rockdale County	<u>14.73</u>	<u>14.73</u>	<u>15.75</u>	<u>17.15</u>	<u>17.15</u>	<u>21.01</u>	<u>20.55</u>	<u>20.19</u>	<u>20.19</u>	<u>20.19</u>
City of Conyers maintenance and operations	<u>9.41</u>	<u>9.41</u>	<u>9.41</u>	<u>9.90</u>	<u>9.90</u>	<u>13.85</u>	<u>13.62</u>	<u>13.59</u>	<u>15.99</u>	<u>15.58</u>
Rockdale County Board of Education										
Maintenance and operations	21.00	21.00	22.99	24.50	24.50	26.00	25.39	25.32	25.32	25.32
Total Rockdale County Board of Education	<u>21.00</u>	<u>21.00</u>	<u>22.99</u>	<u>24.50</u>	<u>24.50</u>	<u>26.00</u>	<u>25.39</u>	<u>25.32</u>	<u>25.32</u>	<u>25.32</u>
State of Georgia	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	<u>0.25</u>	<u>0.15</u>	<u>0.10</u>	<u>0.05</u>	<u>-</u>	<u>-</u>
Total	<u><u>45.39</u></u>	<u><u>45.39</u></u>	<u><u>48.40</u></u>	<u><u>51.80</u></u>	<u><u>51.80</u></u>	<u><u>61.01</u></u>	<u><u>59.66</u></u>	<u><u>59.15</u></u>	<u><u>61.50</u></u>	<u><u>61.09</u></u>

Source: Rockdale County Tax Commissioner

ROCKDALE COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Year Ended ^a	Taxes Levied for the Year ^b	Collected within the Year of the Levy		Collections in Subsequent Years ^d	Total Collections to Date	
		Amount ^c	Percentage of Levy		Amount	Percentage of Levy
2008	75,104,201	69,099,892	92.01%	5,827,297	75,003,666	99.87%
2009	80,221,440	73,648,913	91.81%	6,399,933	80,117,645	99.87%
2010	81,033,223	75,168,086	92.76%	5,662,519	81,033,223	100.00%
2011	77,037,313	74,009,147	96.07%	2,804,447	77,037,313	100.00%
2012	70,077,590	64,959,226	92.70%	4,830,267	70,070,414	99.99%
2013	65,284,448	58,765,556	90.01%	6,192,022	65,284,448	100.00%
2014	65,797,112	59,963,414	91.13%	5,284,095	65,663,961	99.80%
2015	70,673,255	69,139,562	97.83%	1,405,800	69,139,562	97.83%
2016	77,435,400	71,617,527	92.49%	4,080,477	75,968,004	98.11%
2017	79,286,891	72,678,772	91.67%	6,571,075	79,249,847	99.95%

^a Fiscal year, January through December 31

^b Includes net taxes levied for the State of Georgia; County M&O and Bond; School M&O and Bond; and Street Lights net of credit for HTRG and HOST.

^c Collections as of December 31 of the year of the levy.

^d Delinquent collections through December 31, 2016.

Sources: Rockdale County Tax Commissioner's Office and Rockdale County Department of Finance.

ROCKDALE COUNTY, GEORGIA

RATIOS OF GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS

Year	Population	Property Assessed Value (In Thousands) ^a	General Bonded Debt Outstanding			Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
			Gross Bonded Debt ^b	Restricted Debt Service Funds ^b	Net Bonded Debt		
2008	83,558	3,277,541	35,610,000	14,654,276	20,955,724	0.64%	250.79
2009	84,600	3,275,064	25,175,000	13,247,640	11,927,360	0.36%	140.99
2010	85,215	3,006,285	26,960,000	16,044,108	10,915,892	0.36%	128.10
2011	85,600	2,784,507	14,830,000	3,997,848	10,832,152	0.39%	126.54
2012	86,100	2,668,746	11,110,000	3,956,140	7,153,860	0.27%	83.09
2013	86,700	2,251,567	7,418,075	3,971,678	3,446,397	0.15%	39.75
2014	87,900	2,298,745	3,394,787	3,394,787	-	0.00%	-
2015	89,400	2,311,454	-	-	-	0.00%	-
2016	90,900	2,411,855	-	-	-	0.00%	-
2017	91,679	2,502,894	-	-	-	0.00%	-

Source:

^(a) Rockdale County Tax Commissioner

^(b) Rockdale County Audited Financial Statements

ROCKDALE COUNTY, GEORGIA

LEGAL DEBT MARGIN INFORMATION LAST TEN FISCAL YEARS (In Thousands)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Assessed Value of Taxable Property	\$ 3,277,541	\$ 3,275,064	\$ 3,006,285	\$ 2,784,507	\$ 2,668,746	\$ 2,251,567	\$ 2,298,745	\$ 2,311,545	\$ 2,411,855	\$ 2,502,894
Less: Bond Exemptions	99,891	100,104	96,666	95,284	98,702	104,368	109,255	-	-	-
Net Tax Digest for Bond Purposes	<u>\$ 3,177,650</u>	<u>\$ 3,174,960</u>	<u>\$ 2,909,619</u>	<u>\$ 2,689,223</u>	<u>\$ 2,570,044</u>	<u>\$ 2,147,199</u>	<u>\$ 2,189,490</u>	<u>\$ 2,311,545</u>	<u>\$ 2,411,855</u>	<u>\$ 2,502,894</u>
Legal Debt Limit	\$ 317,765	\$ 317,496	\$ 290,962	\$ 268,922	\$ 257,004	\$ 214,720	\$ 218,949	\$ 231,155	\$ 241,186	\$ 250,289
Net Debt Applicable to Limit	20,956	13,248	16,044	11,386	7,442	3,446	-	-	-	-
Legal debt margin	<u>\$ 296,809</u>	<u>\$ 304,248</u>	<u>\$ 274,918</u>	<u>\$ 257,536</u>	<u>\$ 249,562</u>	<u>\$ 211,274</u>	<u>\$ 218,949</u>	<u>\$ 231,155</u>	<u>\$ 241,186</u>	<u>\$ 250,289</u>
Total net debt applicable to the limit as a percentage of debt limit	6.59%	4.17%	5.51%	4.23%	2.90%	1.60%	0.00%	0.00%	0.00%	0.00%

Note: Under state finance law, the County's outstanding general obligation debt should not exceed 10% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

ROCKDALE COUNTY, GEORGIA

OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities:										
General obligation bonds	\$ 36,023,586	\$ 25,335,056	\$ 27,823,133	\$ 15,383,609	\$ 11,398,748	\$ 7,418,075	\$ 3,394,787	\$ -	\$ -	\$ -
Certificates of Participation	17,086,996	16,267,181	15,406,655	13,921,875	12,967,888	12,670,747	11,579,908	10,440,060	9,241,138	3,900,000
Installment sales agreement	-	-	-	-	-	-	-	-	-	9,625,000
Revenue bonds	10,186,143	9,645,336	9,016,779	8,394,126	7,775,313	7,159,320	6,448,146	5,737,975	5,028,701	4,220,623
Notes Payable	2,349,881	1,961,035	1,527,159	1,044,625	598,475	368,019	278,069	193,213	97,708	-
Total Governmental Activities	\$ 65,646,606	\$ 53,208,608	\$ 53,773,725	\$ 38,744,235	\$ 32,740,424	\$ 27,616,161	\$ 21,700,910	\$ 16,371,248	\$ 14,367,547	\$ 17,745,623
Business-type Activities										
Revenue bonds	\$ 108,860,492	\$ 106,398,746	\$ 103,811,163	\$ 101,103,185	\$ 98,192,669	\$ 105,876,226	\$ 100,939,924	\$ 95,895,000	\$ 90,745,000	\$ 85,225,000
Notes payable	105,973	86,488	65,803	43,841	20,524	-	-	-	-	-
Total Business-type Activities	\$ 108,966,466	\$ 106,485,234	\$ 103,876,966	\$ 101,147,026	\$ 98,213,193	\$ 105,876,226	\$ 100,939,924	\$ 95,895,000	\$ 90,745,000	\$ 85,225,000
Total Primary Government	\$ 174,613,071	\$ 159,693,842	\$ 157,650,691	\$ 139,891,261	\$ 130,953,617	\$ 133,492,387	\$ 122,640,834	\$ 112,266,248	\$ 105,112,547	\$ 102,970,623
Personal Income	\$ 2,733,356,000	\$ 2,695,660,000	2,734,213,000	2,730,734,000	2,842,488,000	2,827,838,000	2,759,008,000	2,866,370,000	N/A	N/A
Outstanding Debt to Personal Income	6.39%	5.92%	5.77%	5.12%	4.61%	4.72%	4.45%	3.92%	N/A	N/A
Population	83,558	84,625	85,215	85,600	86,100	86,700	87,900	89,400	90,900	91,679
Outstanding Debt Per Capita	\$ 2,090	\$ 1,887	\$ 1,850	\$ 1,634	\$ 1,521	\$ 1,540	\$ 1,395	\$ 1,256	\$ 1,156	\$ 1,123

N/A - Not available

ROCKDALE COUNTY, GEORGIA

**PLEDGED REVENUE COVERAGE
LAST TEN FISCAL YEARS
(In Thousands)**

Year	Operating Revenue ^a	Direct Operating Expenses ^o	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2008	\$ 21,620	\$ 14,783	\$ 6,837	\$ 2,475	\$ 5,467	\$ 7,942	0.86
2009	24,048	14,083	9,965	2,730	5,680	8,410	1.18
2010	26,192	15,802	10,390	2,825	5,512	8,337	1.25
2011	26,031	13,825	12,206	2,920	5,408	8,328	1.47
2012	25,886	14,369	11,517	3,100	5,249	8,349	1.38
2013	26,656	15,368	11,288	3,290	3,819	7,109	1.59
2014	30,298	16,603	13,695	4,790	2,913	7,703	1.78
2015	32,687	17,619	15,068	4,970	2,744	7,714	1.95
2016	33,621	17,704	15,917	5,150	2,549	7,699	2.07
2017	33,777	19,351	14,425	5,520	2,498	8,018	1.80

Source:

^(a) Operating revenue includes operating revenues and interest of the Water and Sewer fund.

^(b) Direct operating expenses excludes depreciation

ROCKDALE COUNTY, GEORGIA

DEMOGRAPHIC STATISTICS LAST TEN FISCAL YEARS

Fiscal Year	Population ^a	Personal Income ^b	Per Capital Personal Income	School Enrollment ^c	County Unemployment Rate ^d	State Unemployment Rate ^e	National Unemployment Rate ^e
2008	83,558	\$ 2,742,664,000	\$ 32,823	15,763	6.90%	6.30%	5.80%
2009	84,625	2,669,965,000	31,551	15,891	10.90%	9.70%	9.30%
2010	85,215	2,734,213,000	32,086	15,974	11.60%	10.20%	9.60%
2011	85,765	2,730,734,000	31,840	15,746	9.50%	9.80%	8.90%
2012	86,100	2,842,488,000	33,014	15,913	9.60%	8.90%	8.10%
2013	86,700	2,827,838,000	32,354	16,238	9.00%	8.20%	7.40%
2014	87,900	2,759,008,000	31,440	16,530	7.90%	7.20%	6.20%
2015	89,400	2,866,370,000	40,306	16,550	6.40%	5.90%	5.30%
2016	90,900	N/A	N/A	16,621	5.70%	5.40%	4.90%
2017	91,679	N/A	N/A	16,700	5.30%	4.70%	4.40%

^{a)} Bureau of Economic Analysis; estimates for 2015 from the Atlanta Regional Commission

^{b)} Bureau of Economic Analysis

^{c)} Rockdale County Board of Education

^{d)} Georgia Department of Labor; Not Seasonally Adjusted Annual Averages

^{e)} U.S. Department of Labor; Not Seasonally Adjusted Annual Averages

N/A - Not available

ROCKDALE COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO

2017				2008			
Rank	Employer	Number of Employees	% of Employed	Rank	Employer	Number of Employees	% of Employed
1	Rockdale County Public Schools	2,483	5.87%	1	Rockdale County Public Schools	1,945	5.07%
2	Acuity Brands Lighting	1,280	3.03%	2	Acuity Brands Lighting	1,500	3.91%
3	Rockdale Medical Center	1,250	2.96%	3	Rockdale Medical Center	1,300	3.39%
4	Rockdale County Government	960	2.27%	4	Solo Cup / Sweetheart	1,000	2.61%
5	Hill-Phoenix	800	1.89%	5	Hill-Phoenix	850	2.22%
6	Golden State Foods	600	1.42%	6	Pratt Industries	800	2.09%
7	Pratt Industries	600	1.42%	7	Bio-Lab	631	1.65%
8	Southeast Connections, LLC	500	1.18%	8	Wal-Mart	525	1.37%
9	AT&T	400	0.95%	9	Practiv Advanced Packaging	500	1.30%
10	Dart Inc.	350	0.83%	10	Golden State Foods	400	1.04%
Total Employed in Rockdale County		42,284 *		Total Employed in Rockdale County		38,349 *	

* Georgia Department of Labor, Workforce Information & Analysis, Local Area Unemployment Statistics Unit

Note: 2007 data was not readily available

Source of 2017 Top Employers: Employers Human Resources Department

ROCKDALE COUNTY, GEORGIA

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental Activities										
General Administration										
Board of Commissioners	4	5	6	6	5	6	6	6	9	9
Finance	10	10	11	11	10	12	12	12	14	14
Human Resources	8	6	3	5	7	9	9	10	10	10
Tax Assessors	14	14	14	14	12	13	13	13	13	13
Tax Commissioners	17	17	17	16	14	17	17	16	17	11
MIS	7	7	7	8	6	10	10	9	10	10
Elections	4	4	4	4	5	5	5	5	5	5
Capital and Community	3	-	1	1	1	1	1	1	1	1
Public Buildings	17	18	14	15	15	16	16	16	16	16
Legal	3	-	-	-	-	-	-	-	-	-
Public Affairs	4	3	2	1	2	3	3	3	3	3
Total General Administration	<u>91</u>	<u>84</u>	<u>79</u>	<u>81</u>	<u>77</u>	<u>92</u>	<u>92</u>	<u>91</u>	<u>98</u>	<u>92</u>
Judicial										
Clerk of Superior Court	20	19	18	19	22	21	21	21	20	17
Clerk of State Court	8	9	9	9	8	10	10	10	12	9
Juvenile Court	9	9	9	9	9	10	10	10	10	10
Superior Court	2	3	3	3	3	3	3	3	8	8
Magistrate	8	8	7	8	9	8	8	11	11	8
State Court	2	3	3	3	4	4	4	5	5	5
District Attorney	27	27	28	28	30	28	28	30	32	32
Probate Court	6	6	6	6	7	8	8	9	8	8
Public Defender	7	7	7	6	8	9	9	8	9	8
Accountability Court	-	-	-	-	-	-	-	-	18	18
Total Judicial	<u>89</u>	<u>91</u>	<u>90</u>	<u>91</u>	<u>100</u>	<u>101</u>	<u>101</u>	<u>107</u>	<u>133</u>	<u>123</u>
Public Safety										
Fire	121	132	122	135	130	141	144	148	148	148
Sheriff/Jail	250	263	276	286	273	272	272	307	307	307
Animal Control	5	7	5	4	4	5	5	6	6	4
Coroner	2	2	2	2	2	2	2	4	6	3
Communications	23	21	22	18	20	29	29	31	31	31
Total Public Safety	<u>401</u>	<u>425</u>	<u>427</u>	<u>445</u>	<u>429</u>	<u>449</u>	<u>452</u>	<u>496</u>	<u>498</u>	<u>493</u>

(Continued)

ROCKDALE COUNTY, GEORGIA

**FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES
BY FUNCTION
LAST TEN FISCAL YEARS**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental Activities (Continued)										
Public Works										
Planning and Development	17	15	8	10	11	11	12	13	19	19
Fleet	11	10	9	9	9	9	9	11	11	11
Public Works	21	18	17	17	18	18	18	19	18	18
GIS	1	1	1	1	1	1	1	1	1	1
Code Enforcement	3	4	4	4	4	4	4	7	4	4
PS&E	4	3	3	2	1	1	1	2	1	1
Roads	25	25	26	27	27	27	27	26	27	27
Total Public Works	<u>82</u>	<u>76</u>	<u>68</u>	<u>70</u>	<u>71</u>	<u>71</u>	<u>72</u>	<u>79</u>	<u>81</u>	<u>81</u>
Parks	10	8	6	5	5	7	7	8	7	7
Senior Services	11	15	15	16	18	22	22	22	23	23
Cooperative Extension	4	4	4	3	3	2	2	3	2	2
Total Governmental Activities	<u>688</u>	<u>703</u>	<u>689</u>	<u>711</u>	<u>703</u>	<u>744</u>	<u>748</u>	<u>806</u>	<u>842</u>	<u>821</u>
Business-Type Activities										
Stormwater	<u>6</u>	<u>6</u>	<u>8</u>	<u>7</u>	<u>12</u>	<u>11</u>	<u>11</u>	<u>16</u>	<u>17</u>	<u>18</u>
Water	<u>81</u>	<u>86</u>	<u>85</u>	<u>87</u>	<u>89</u>	<u>97</u>	<u>101</u>	<u>112</u>	<u>101</u>	<u>101</u>
Total Business-Type Activities	<u>87</u>	<u>92</u>	<u>93</u>	<u>94</u>	<u>101</u>	<u>108</u>	<u>112</u>	<u>128</u>	<u>118</u>	<u>119</u>
Total Primary Government	<u>775</u>	<u>795</u>	<u>782</u>	<u>805</u>	<u>804</u>	<u>852</u>	<u>860</u>	<u>934</u>	<u>960</u>	<u>940</u>

** Headcounts estimated using budgeted headcounts and derivatives of dollars spent.
Source: Rockdale County Payroll Data

ROCKDALE COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General government										
Tax Commissioners										
Vehicle Tags Issued	86,662	83,261	83,370	79,598	79,702	80,170	79,370	84,870	80,625	83,419
Public Safety										
E-911 - Calls for service	117,726	116,868	155,625	130,671	122,316	139,573	156,578	170,578	178,346	131,215
Number of Fire Stations	8	8	8	9	9	9	9	9	9	9
Public Services and Public Works										
New Construction Building Permits (Residential and Commercial)	121	56	146	138	162	184	289	317	200	401
Culture and recreation										
Programs	**	**	**	8,274	11,372	13,965	16,270	21,521	19,568	23,099
Facility events	**	**	**	1,361	1,450	1,468	1,685	1,217	1,937	1,075
Therapeutic recreation	**	**	**	227	230	297	405	700	595	2,235
Senior Services										
Wellness Programs per year	711	887	896	946	952	910	871	954	907	893
Center Activities per year	2,354	2,326	2,304	2,238	2,902	3,081	3,008	3,326	3,084	3,084
Library										
Computer Use Per Year	64,861	62,393	75,502	93,838	104,894	**	**	**	93,200	94,132

** Data not available

Source: County Department manager within each function.

ROCKDALE COUNTY, GEORGIA
GOVERNMENTAL CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS
(In Thousands)

FUNCTION & ACTIVITY	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Governmental										
Board of Commissioners / Finance	\$ 70	\$ 86	\$ 86	\$ 86	\$ 86	\$ 86	\$ 86	\$ 104	\$ 104	\$ 70
Personnel	31	31	31	31	31	31	31	31	31	31
Information systems	2,071	2,227	2,264	2,264	2,264	2,264	2,264	2,264	2,306	2,395
Public Affairs	76	76	100	120	120	44	44	75	75	109
Legal / Code Enforcement	57	57	57	36	36	36	36	36	54	54
Tax assessor	88	83	83	72	72	83	83	83	83	90
Tax commissioner	9	-	-	-	92	92	92	92	92	92
Public Buildings	6,087	6,115	6,115	6,126	6,126	6,126	6,126	6,126	6,126	6,126
Other	31	38	38	79	109	109	109	109	109	109
Total General Governmental	8,520	8,713	8,774	8,814	8,936	8,871	8,871	8,920	8,980	9,076
Judicial										
District Attorney	142	121	148	152	152	112	112	112	112	112
Clerk of Superior Court	747	747	747	732	732	732	732	732	732	732
Clerk of State Court	10	10	10	10	10	10	10	10	10	10
Other Judicial	411	392	392	398	398	412	435	435	452	452
Courthouse Complex	5,881	5,881	5,881	5,881	5,861	5,845	5,845	5,845	5,834	6,141
Total Judicial	7,191	7,151	7,178	7,173	7,153	7,111	7,134	7,134	7,140	7,447
Public Safety										
Sheriff	16,674	16,952	17,593	18,494	18,355	18,530	20,056	20,342	20,707	21,549
Jail	31,408	33,239	33,279	33,960	34,351	34,651	34,767	37,312	37,312	37,384
Fire Department	7,728	8,715	9,452	9,460	14,029	10,610	11,178	12,638	12,990	13,239
Communication	2,593	2,593	3,187	3,217	3,217	7,740	8,242	8,242	8,284	8,539
Animal Control	875	875	875	877	877	883	903	903	903	949
Other Public Safety	-	-	-	23	23	23	23	32	32	32
Total Public Safety	59,278	62,374	64,386	66,031	70,852	72,437	75,169	79,470	80,228	81,692
Other										
Public Works	418,841	424,513	426,461	424,882	428,275	428,890	430,566	432,537	432,464	432,610
Parks & Recreation	25,095	29,706	29,893	31,594	32,313	33,812	36,729	37,387	37,545	38,299
Health & Social Serv	3,829	3,829	3,829	3,829	3,829	3,829	3,860	3,831	3,831	3,831
Aging Program	1,488	1,483	1,483	1,510	1,659	1,676	1,695	1,696	1,780	1,780
Cooperative Extension	75	75	75	75	75	75	64	64	64	89
Total Other	449,329	459,606	461,741	461,890	466,151	468,282	472,914	475,515	475,684	476,609
Total of All Functions	\$ 524,318	\$ 537,844	\$ 542,079	\$ 543,908	\$ 553,092	\$ 556,701	\$ 564,088	\$ 571,039	\$ 572,032	\$ 574,824

Source: Rockdale County Audited Financial Statements and Fixed Asset Files

COMPLIANCE SECTION



**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***

**Board of Commissioners
of Rockdale County, Georgia
Conyers, 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 Rockdale County, Georgia (the "County"), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise Rockdale County, Georgia's basic financial statements and have issued our report thereon dated June 26, 2018. Our report includes a reference to other auditors who audited the financial statements of the Conyers-Rockdale County Library System and the Rockdale County Health Department, as described in our report on the County'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 the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purposes of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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.

Mauldin & Jenkins, LLC

Macon, Georgia
June 26, 2018



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

To the Honorable Members
of the Board of Commissioners
Rockdale County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Rockdale County, Georgia's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect of the County's major federal program for the year ended December 31, 2017. The County's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on the Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2017.

Report on Internal Control Over Compliance

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

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

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

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

Mauldin & Jenkins, LLC

Macon, Georgia
June 26, 2018

ROCKDALE COUNTY, GEORGIA

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Identification Number</u>	<u>Expenditures</u>
<u>U.S. Department of Health and Human Services</u>			
(Passed through the Atlanta Regional Commission)			
Aging Cluster			
NSIP - Home Delivered Meals	93.053	AG1509	\$ 15,726
NISP State	93.053	AG1509	20,590
NSIP SSBG	93.053	AG1509	4,997
NSIP SSBG	93.053	AG1509	4,079
			<u>9,076</u>
Title III, Part B - Supportive Services (Aging Cluster)	93.044	AG0410.1	47,353
Title III, Part B - Supportive Services (Aging Cluster)	93.044	AG1509	28,279
			<u>75,632</u>
Title III, Part C1 - Nutrition Services (Aging Cluster)	93.045	AG0410.1	108,221
Title III, Part C1 - Nutrition Services (Aging Cluster)	93.045	AG1509	43,076
Title III, Part C2 - Nutrition Services (Aging Cluster)	93.045	AG1509	18,615
Community Based Services - Respite Care	93.045	AG1509	12,428
			<u>182,340</u>
Total Aging Cluster			<u>303,364</u>
Community Based Services	93.Unknown	AG0410.1	58,044
Community Based Services	93.Unknown	AG1509	38,254
			<u>96,298</u>
Community Based Services	93.052	AG1509	3,764
Title III, Part E - Family Caregiver Support	93.052	AG1509	12,929
ITCK - Income Tax Check	93.052	AG1509	298
Alzheimer's	93.052	AG1509	9,014
(Passed through the Substance Abuse and Mental Health Services Administration)			
DUI Court	93.243	1H79-TI-025000-01	187,248
DUI Court	93.243	1H79-SM-061692-01	270,320
			<u>457,568</u>
Total U.S. Department of Health and Human Services			<u>883,235</u>
<u>U.S. Department of Justice</u>			
(Passed through Office of Justice Programs)			
Justice Assistance Grant (JAG)	16.738	2015-DJ-BX-0406	109,362
Justice Assistance Grant (JAG)	16.738	2016-AJBX0397	17,776
			<u>127,138</u>
(Passed through the Bureau of Justice Assistance)			
Bulletproof Vest Program	16.607	1008592	4,129
(Passed through the Bureau of Justice Assistance)			
DUI Court	16.585	2014-DC-BX-0042	23,296
(Passed through the Office of Civil Rights)			
Byrne Criminal Justice Innovation Program	16.817	2014-RWBX-0011	118,914
Byrne Criminal Justice Innovation Program	16.817	2016-AJBX-0011	35,399
			<u>154,313</u>
(Passed through the Office on Violence Against Women)			
Court Training and Improvements Program	16.013	2012-WC-AX-0001	54,454
Total U.S. Department of Justice			<u>363,330</u>

ROCKDALE COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

<u>Federal Grantor/Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant Identification Number</u>	<u>Expenditures</u>
<u>U.S. Department of Homeland Security</u>			
(Passed through Georgia Emergency Management Agency)			
Homeland Security Program	97.067	EMW-2014-SS-00092-SO1	\$ 1,742
Emergency Management Performance Grant	97.042	OEM14-124	24,349
Total U.S. Department of Homeland Security			<u>26,091</u>
<u>U.S. Department of Transportation</u>			
(Passed through Georgia Department of Transportation)			
New Freedom Program	20.251	GA-57-X015-00	7,134
Highway Planning and Construction	20.205	MSL00-0004-00(433)	265,183
Total U.S. Department of Transportation			<u>272,317</u>
<u>U.S. Department of Housing and Urban Development</u>			
(Passed through Georgia Department of Community Affairs)			
Neighborhood Stabilization Program I (State Administered CDBG Cluster)	14.228	08-NS-5069	423,241
Neighborhood Stabilization Program III (State Administered CDBG Cluster)	14.228	11-NS-6010	143,310
Total U.S. Department of Housing and Urban Development			<u>566,551</u>
Total Expenditures of Federal Awards			<u>\$ 2,111,524</u>
Total Federal Awards Passes Through to Subrecipients			

ROCKDALE COUNTY, GEORGIA

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017**

NOTE I. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Rockdale County, Georgia (the "County"), and is presented on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the proprietary fund types. The County reporting entity is defined in Note 1.A. to the County's basic financial statements. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE II. CLUSTER PROGRAMS

The programs included in the schedule of expenditures of federal awards with CFDA No. 93.044, 93.045, and 93.053 are considered cluster programs for purposes of performing internal control and compliance testing.

NOTE III. NONCASH ASSISTANCE AND LOANS

There were no federal awards expended in the form of noncash assistance during the year. There were also no loans or loan guarantees outstanding at year end.

NOTE IV. DE MINIMIS INDIRECT COST RATE

The County did not use the 10% de minimis indirect cost rate.

ROCKDALE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:
Material weaknesses identified? Yes No

Significant deficiencies identified not considered to be material weaknesses? Yes None Reported

Noncompliance material to financial statements noted? Yes No

Federal Awards

Internal Control over major programs:
Material weaknesses identified? Yes No

Significant deficiencies identified not considered to be material weaknesses? Yes None Reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance? Yes No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
93.243	U.S. Department of Health and Human Services – Substance Abuse and Mental Health Services

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes No

ROCKDALE COUNTY, GEORGIA

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2017**

**SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES**

None reported.

**SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS**

None reported.

ROCKDALE COUNTY, GEORGIA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED DECEMBER 31, 2017

None reported.