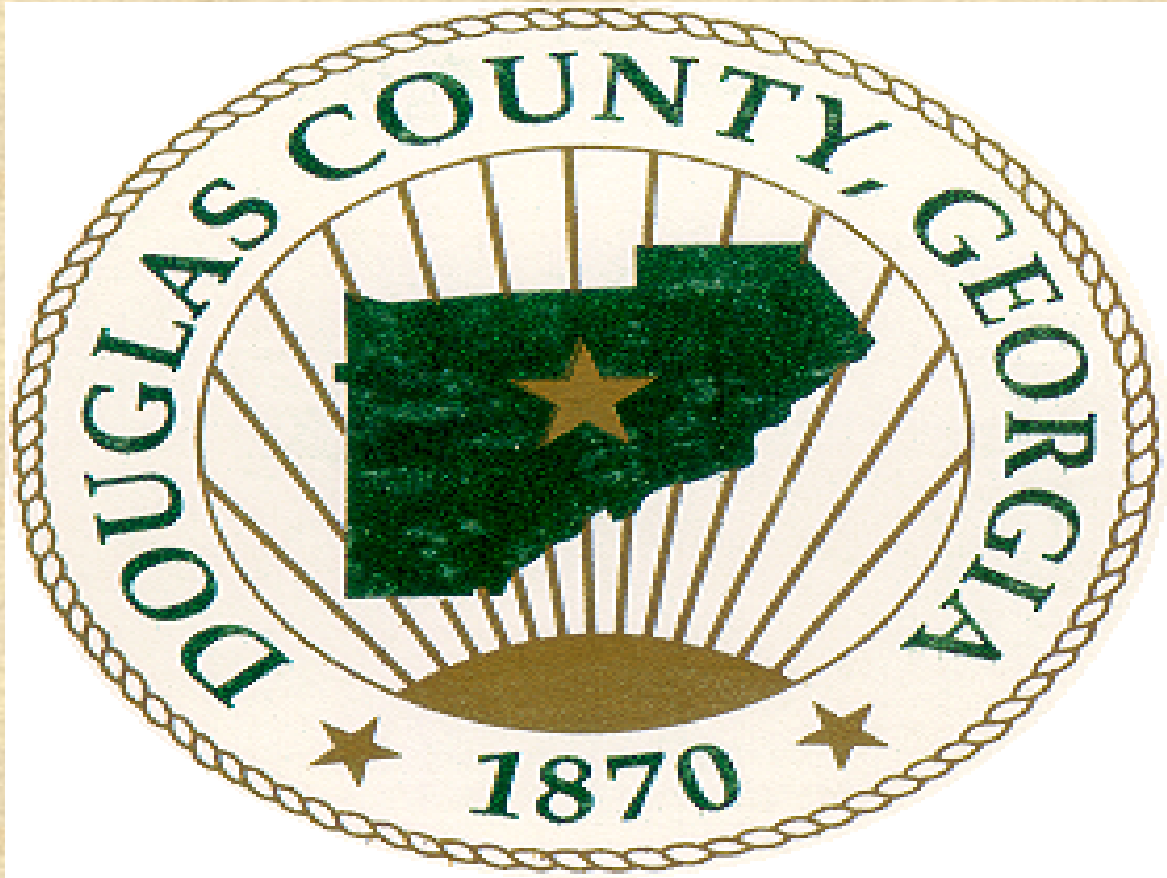


DOUGLAS COUNTY, GEORGIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT For the Fiscal Year Ended December 31, 2017

DOUGLAS COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Fiscal Year Ended
December 31, 2017**

Prepared By: Finance Department

**DOUGLAS COUNTY, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2017**

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INTRODUCTORY SECTION

The introductory section includes a transmittal letter from the County Administrator and Finance Director, the GFOA Certificate of Achievement awarded for the prior year's CAFR, a general government organizational chart, and a list of principal officials.

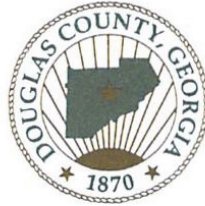
Dr. ROMONA JACKSON JONES
Chairman

HENRY MITCHELL III
District I

KELLY ROBINSON
Vice Chairman, District II

MICHAEL MULCARE
District III

ANN JONES GUIDER
District IV



MARK TEAL, P.E.
County Administrator

LISA WATSON
County Clerk

KENNETH R. BERNARD
County Attorney

JENNIFER MOORE
Staff Paralegal

DOUGLAS COUNTY BOARD OF COMMISSIONERS

8700 Hospital Drive • Douglasville, GA 30134
Telephone (770) 920-7266 • Fax (770) 920-7357

June 22nd, 2018

Honorable Members of the Douglas County Board of Commissioners and Citizens of Douglas County, Georgia.

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements based on accounting principles presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of Douglas County (the County), Georgia for the calendar year ended December 31, 2017.

This report of the financial condition of the County as of December 31, 2017, and the activity which brought about that condition meets the state requirements as well as provides full financial disclosure in accordance with GAAP.

The Finance Department prepared this report in conformance with standards of the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants and the Government Finance Officers Association. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County's management.

The purpose of the CAFR is to provide citizens, investors, grantor agencies and other interested parties with reliable information concerning the financial condition of the County. The County management believes the data as presented is accurate in all material respects. The data is presented in a manner designed to set forth fairly the financial position and results of County operations as measured by the financial activity of its various funds. Also, all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

Management of the County is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the County are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and, (2) the valuation of costs and benefits requires estimates and judgments by management.

As an enhancement to internal financial controls the Finance Department prepares and distributes to the County's Finance Committee, Board of Commissioners and County Administrator a monthly financial status report which compares estimated revenues to actual revenues, and estimated expenditures (appropriations) to actual expenditures.

All accounting records for general governmental operations at the fund level are maintained on a modified accrual basis with the revenues recorded when measurable and available, and expenditures recorded when the services or goods are received and the liabilities incurred.

The County's financial statements have been audited by Mauldin & Jenkins, LLC, a firm of certified public accountants. The independent auditing firm has audited the basic financial statements and related note disclosures.

The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the calendar year ended December 31, 2017, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the calendar year ended December 31, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that the County's management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a "*Management's Discussion and Analysis*" (MD&A). This transmittal letter should be read in conjunction with MD&A.

PROFILE OF THE COUNTY

The County is governed by a full-time Chairman, elected on a countywide basis, for a four-year term, and by four part-time district Commissioners, elected within their respective districts to staggered, four-year terms. Collectively known as the "Douglas County Board of Commissioners," they appoint a full-time County Administrator, who is responsible for the administration of the County operations. The Board of Commissioners establishes policy for the operation of the government, enacts ordinances for the safety, welfare, and orderly interaction of the citizens of the County, adopts an annual budget, adopts a millage rate (including the Board of Education's levy), appoints Department Heads and the County Attorney, as well as, members to various boards, agencies, and authorities within the County, and hires an independent auditor.

The County provides a full range of services including a system of courts, law enforcement, tax collection, fire protection, emergency medical services, road construction and maintenance, solid waste disposal, code enforcement, parks and recreation programs, public transportation, libraries, planning and zoning, 911 emergency dispatching, emergency management, vehicle maintenance, tax appraisal, agricultural extension services, and general administration. In addition, the County protects the health of County residents by supporting a Board of Health and supplements social and welfare services provided by an agency of the State of Georgia, the Department of Family and Children Services. The County also has an elected coroner.

There are three municipalities located in the County. The largest city and county seat is Douglasville, with a population of 33,675 residents (census.gov). The other two municipalities are only partially located in the County. They are Villa Rica and Austell, and they are mainly located in other counties, Carroll and Cobb Counties, respectively.

ECONOMIC CONDITION AND OUTLOOK

Economic development is vital to the long-term success of Douglas County. We have a lot to offer with a reliable water supply, a good school system, a well maintained transportation system, relatively low taxes, a competitive fiber grid, and a capable work force. Partnering with the Development Authority, the County will continue to actively provide opportunities for companies to locate here and create new jobs in the future. Quality of life is an issue that is addressed with these offerings. New jobs reduce unemployment and provide local jobs for residents who are currently spending time and resources leaving the County to work. In recent years we've become home to ResMed, Coloplast, and most recently Google. Businesses like these help attract other businesses. These companies also attract persons wanting to relocate to our community which strengthens our housing market. An additional \$65,000 was appropriated in the 2018 budget for the Tourism and Economic Development department to work closely with the Authority in the area of tourism.

The 2018 budget shows a strong commitment to our infrastructure and alternative transportation. Funds previously set aside in a Capital Transportation Fund, will be used to match state funds for resurfacing. The 2016 SPLOST funds will be used to extend the resurfaced miles, and a total of \$3 million is expected to be spent on the County road resurfacing. The SPLOST has a total of \$15 million intersection improvements, six of which will be underway in 2018. The 2018 year will see \$1 million in equipment for the department of transportation to also be funded from the SPLOST. The Board's commitment to not raise taxes has the Capital Transportation Fund providing the funds for capital needs within the Rideshare program. As previously mentioned, these projects will include: transportation center expansion; furniture, fixtures, and equipment for the expansion; replacement of ten rideshare vans; pigeon deterrent on the bus platform at the center; security camera replacement at the center; discretionary projects.

While ensuring that we are fiscally responsible with tax dollars is paramount, we cannot continue to absorb budget cuts to an already restrictive budget without detrimental effects to programs and services. The County's tax digest and property tax revenues that had been significantly declining since 2008 have just begun to show an increase. A slight increase to the 2013 millage rate showed the Board's commitment to infrastructure improvements necessary to the sustainability of this community. This increase was necessary to meet the continued increased demands for services. There have been no increases since that time and the 2018 budget is a plan to continue to maintain roads and traffic signals, provide public safety, provide for public welfare and offer recreational facilities and activities, all without a tax increase.

The County's 2018 budget does include a reserve fund to be used in emergencies so that our response to emergencies can be appropriate and timely.

Strong emphasis in 2018 will be placed on building our community. Douglas County will remain dedicated to providing services to the public in an efficient, responsible, and professional manner. Services will be delivered in a caring, humane environment. Douglas County is dedicated to providing a work environment where we respect the dignity, and recognize the merit, of each individual employee. Douglas County is committed to a policy of open government. Economic development continues to be a top priority for 2018. Funding for the Development Authority, tourism,

infrastructure, transportation alternatives and public safety will help promote Douglas County to businesses and industries looking for a great place to locate.

The County will operate within the 2018 budget with no planned increase in taxes, and a steadfast assurance to continue to offer quality services to our citizens and to continue to address issues that had been deferred due to the decline in the economy. Operations will remain relatively the same. The results of a Comprehensive Plan funded with the 2017 budget, are expected to be in October 2018. As the County begins to implement this plan, it will serve as our guide for living, growing, and prospering as a community.

Public Safety is our highest priority and receives 39.77% (a nominal decrease of 0.50%) of the General Fund's operating budget, with a total of \$54.7 million across funds being planned for areas of public safety. Funding for additional staff (deputies, and animal control technicians and E-911 employees), vehicles (23 new Sheriff vehicles), and equipment. Security camera replacement at the transportation center is included in the budget, along with E-911 technology enhancements, and backup equipment.

Our accountability courts have seen great success in recent years with their treatment programs in three areas – misdemeanor drugs, DUI, and felony drug cases. These programs have served well in removing more drunk drivers offering offenders a chance to make better life choices as well as ultimately prevent them from causing harm to themselves or others. All these programs keep people out of jail, and put them back into their families and community with tools to become successful and productive contributors to both. Grant funding was the initial source for these programs. As these funds diminish, participant fees, and County funds are covering the cost of operations. For the 2018 budget year, additional commitments are made to these programs. Funding is included for accountability mental health, children's mental health, and expansion of the Felony Drug Court housing and services.

The 2018 focus will be to continue working towards the planned renovations funded from funds rolled over from 2016. In 2015 the County purchased a building in close proximity to the Courthouse for \$1.5 million. The 2018 budget includes funds to complete the renovations, and provide security for this building to house three non-judicial functions, and to renovate the courthouse to relocate judicial departments and provide additional security required. Fleet is one of the oldest County buildings and is in a location that is inconvenient to most other County operations. These operations will be moved to this new building, providing a greater accessibility and more cost effective operations. Work on this area of the new building and the purchase of some new equipment began in 2016 and will be completed in the 2018 year. In conjunction with the renovations at the courthouse, the relocation of judicial departments presently scattered throughout the courthouse will result in gained efficiencies that will better serve the departments as well as citizens. The relocation of the Tax Commissioner's office to the new facility will better serve the public with adequate parking and reduced time required to conduct business with the tax or tag offices.

All these renovations, repairs and upgrades will serve the growing population that utilizes our facilities and our employees who need a safe and pleasant work environment.

SPLOST proceeds are planned for use in many needed areas of transportation, with the County's portion projected to be at least \$51 million. The County's Department of Transportation will continue to leverage Federal and State grants for roadway and transportation projects that will allow us to continue to make progress on much needed projects. For 2018 the funding over and above the

SPLOST dollars allows for projects across the County. An anticipated 25 miles of road will be paved as part of the LMIG program, and an additional 17 miles through the SPLOST resurfacing program.

Work continues on approximately \$5 million in projects with funding from the Atlanta Regional Commission and local funds. The County's Intelligent Transportation System continues to be augmented with two projects which will extend fiber optic interconnect cables along major corridors such as Highway 5 and Thornton Road. The traffic signals along those corridors will be interconnected and re-timed to improve traffic flows. Work also continues on other long term road improvement projects that are in the design phase and will move to construction in future years.

To strengthen the confidence the public has in this County, its transparency and integrity in the new year begins with adopted budgets not only for the General Fund, but for the funds such as the Unincorporated Area, Fire Services and EMS, and Animal Control.

Healthcare costs have continued to rise during the recession of recent years. The County has not been immune to these increases. Our Healthcare and Workers' Comp Funds are self-insured and while claims have been paid timely, the funding of the healthcare internal service fund has not kept pace with the rising cost. A substantial financial commitment to reducing the negative fund balances in recent years resulted in the Workers' Comp Fund ending 2014 with a positive fund balance that increased in 2015, 2016, and again in 2017. This fund balance will continue to remain positive in 2018 and there is no planned additional contribution for this fiscal year. The result of a benefits study in 2015 was implemented in 2016. Each year following the County takes another step forward in containing these costs. Cost reduction efforts continue to be made to reduce and eventually eliminate deficits in this fund and create a sustainable healthcare fund that is paid for each year with current dollars while still providing employees with attractive benefits.

The County begins 2018 with the only long-term debt being the debt service associated with the Special Purpose Local Option Sales Tax. The most fiscally responsible way to handle the projects to be funded by the new Special Purpose Local Option Sales Tax was the issuance of bonds for some of the projects. Even with this debt, the County is still in a good financial position. Maintaining reserves of at least 10% of the General Fund budget is a policy that we take seriously and have been able to continue to do for 2018, with planned reserves of approximately 13 to 14%.

AWARDS AND ACKNOWLEDGEMENTS

As demonstrated by the statements and schedules included in the financial and required supplemental information sections of this report, the County continues meeting its responsibility for sound financial management.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its comprehensive annual financial report for the calendar year ended December 31, 2016. This was the twelfth 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 GFOA to determine its eligibility for another certificate.

The County has received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the calendar year beginning January 1, 2017. The County's budget document has been judged by the GFOA to be proficient as a policy document, as an operations guide, as a financial plan and as a communication device, and thus the County has received this award nineteen times.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department, as well as, the assistance and contributions by the County Administrator's Office. Credit must also be given to the Chairman and members of the Douglas County Board of Commissioners for their unfailing support for maintaining the highest standards of professionalism in the management of the County's finances.

Respectfully submitted,



Mark Teal, PE
County Administrator



Jennifer Hallman, CPFO
Finance Director



Government Finance Officers Association

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

Presented to

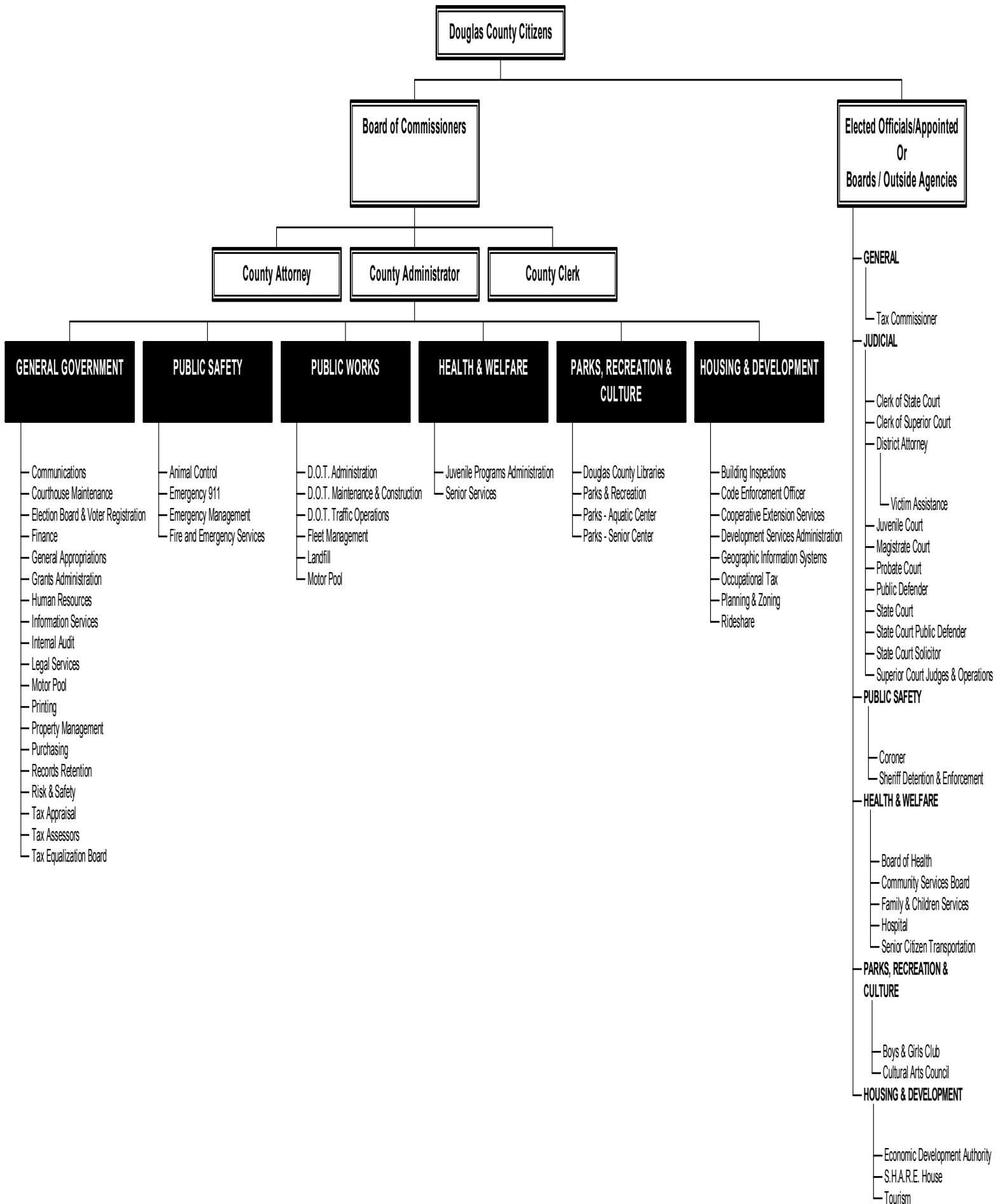
**Douglas County
Georgia**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO



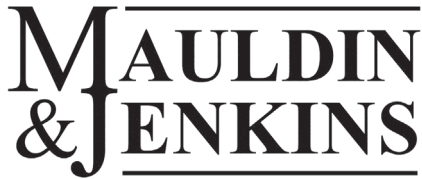
DOUGLAS COUNTY, GEORGIA

LIST OF OFFICIALS

COMMISSIONER, MADAME CHAIR	DR. ROMONA JACKSON JONES
COMMISSIONER, VICE CHAIRMAN	KELLY ROBINSON
COMMISSIONER	HENRY MITCHELL III
COMMISSIONER	MIKE MULCARE
COMMISSIONER	ANN JONES GUIDER
COUNTY ADMINISTRATOR	MARK TEAL
COUNTY ATTORNEY	KENNETH BERNARD
COUNTY CLERK	LISA WATSON
CHIEF APPRAISER	BENNY WALDROP
CHIEF MAGISTRATE	SUSAN CAMP
CHIEF REGISTRAR	MILTON KIDD
CLERK OF SUPERIOR COURT	TAMMY HOWARD
COMMUNICATIONS DIRECTOR	RICK MARTIN
CORONER	RENEE GODWIN
DEVELOPMENT SERVICES DIRECTOR	JAMES WORTHINGTON
DISTRICT ATTORNEY	RYAN LEONARD
EMA DIRECTOR	JASON MILHOLLIN
EMERGENCY/E-911 DIRECTOR	GREG WHITAKER
FINANCE DIRECTOR	JENNIFER HALLMAN
FIRE CHIEF	SCOTT SPENCER
FLEET SERVICES DIRECTOR	DANNY AGAN
GOVERNMENT SERVICES DIRECTOR	GARY JENKINS
HUMAN RESOURCES DIRECTOR	FREDERICK PERRY
INFORMATION SERVICES DIRECTOR	RUSS MARTIN
JUVENILE COURT JUDGE	PEGGY WALKER
LIBRARIAN	LINDY MOORE
MAPPING AND GIS	EDWARD DEAN
PARKS AND RECREATION DIRECTOR	GARY DUKES
PLANNING/ZONING DIRECTOR	RON ROBERTS
PROBATE JUDGE	HAL HAMRICK
PUBLIC DEFENDER	MONICA MYLES
PURCHASING DIRECTOR	BILL PEACOCK
RECORD RETENTION	AUBREY BRITT
RIDESHARE COORDINATOR	GARY WATSON
RISK AND SAFETY DIRECTOR	MATT LAVERNE
SHERIFF	TIM POUNDS
SOLICITOR-GENERAL	MATTHEW KRULL
TAX COMMISSIONER	GREG BAKER
TRANSPORTATION DIRECTOR	MIGUEL VALENTIN

FINANCIAL SECTION

The financial section includes the independent auditor's report on the financial statements, the MD&A which provides a narrative introduction, overview and analysis of the financial statements, the basic financial statements including footnotes, the required supplementary information, and the combining and individual fund presentations, and supplementary information.



INDEPENDENT AUDITOR'S REPORT

**To the Board of Commissioners
of Douglas County, Georgia
Douglasville, Georgia**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of **Douglas 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 Douglas County Board of Health, which represents 100 percent of the assets, net position, and revenues of the discretely presented component unit. 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 Douglas County Board of Health, 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Douglas County, Georgia as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof 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 16), General Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (on pages 65 and 66), Unincorporated Service Area Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (on page 67), the schedule of funding progress - OPEB (on page 68), the schedule of changes in the County's net pension liability and related ratios (on page 69), and the schedule of County contributions (on page 70) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, the combining and individual fund financial statements and schedules, the schedule of projects constructed with special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, the statistical section, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules, schedule of projects constructed with special purpose local option sales tax proceeds, and the schedule of expenditures of federal awards (collectively, “the supplementary information”) 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 supplementary information is 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 22, 2018, on our consideration of Douglas 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County’s internal control over financial reporting and compliance.



Atlanta, Georgia
June 22, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis (MD&A) is a narrative introduction, overview and analysis of the basic financial statements prepared by the County's Finance Director.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the comprehensive annual financial report for Douglas County (the County), the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the year ended December 31, 2017. Within the context of the accompanying financial statements and disclosures following this section, the County's financial performance is discussed and analyzed.

2017 FINANCIAL HIGHLIGHTS

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$199,651,851 (total net position) as of December 31, 2017.
- Total net position is comprised of the following:
 - (1) Capital assets net of related debt of \$229,289,020, include property and equipment net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
 - (2) Net position of \$28,236,208 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
 - (3) Unrestricted net position reports a deficit of \$57,873,377.
- The County's governmental funds reported total ending fund balance of \$116,413,719 at December 31, 2017. This compares to the prior year ending fund balance of \$46,788,603 showing an increase of \$69,625,116 during the current year.
- At the end of the current year, the unassigned fund balance for the General Fund was \$9,975,041 or 12.6% of total General Fund expenditures.
- Overall, the County continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Comparative data is presented to allow comparison to the prior year.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference 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 as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid.

An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County principally supported by taxes from business-type activities intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, parks, recreation and culture, planning and community development, and health and welfare. Business-type activities include the solid waste disposal activities.

The government-wide financial statements are presented on pages 17 to 19 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for Nonmajor funds is provided in the form of combining statements in a later section of this report.

The County has three kinds of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 20 to 23 of this report.

Individual fund information for nonmajor governmental funds is found in combining statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. The County's proprietary funds are classified as an enterprise fund and two internal service funds. The enterprise fund essentially encompasses the same function reported as business-type activities in the government-wide statements. The internal service funds are reported as part of the governmental activities at the government-wide financial reporting level.

The basic proprietary fund financial statements are presented on pages 24 to 26 of this report.

Fiduciary funds (i.e., the agency funds) are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs. These funds are used primarily by the County's constitutional officers.

The basic fiduciary fund financial statement is presented on page 27 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 28 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this section presents certain required supplementary information concerning budgetary comparisons, the Association of County Commissioners of Georgia Pension Plan (ACCG Plan) and The Healthcare Plan of Douglas County. Required supplementary information can be found on pages 65 to 70 of this report.

Supplementary Information

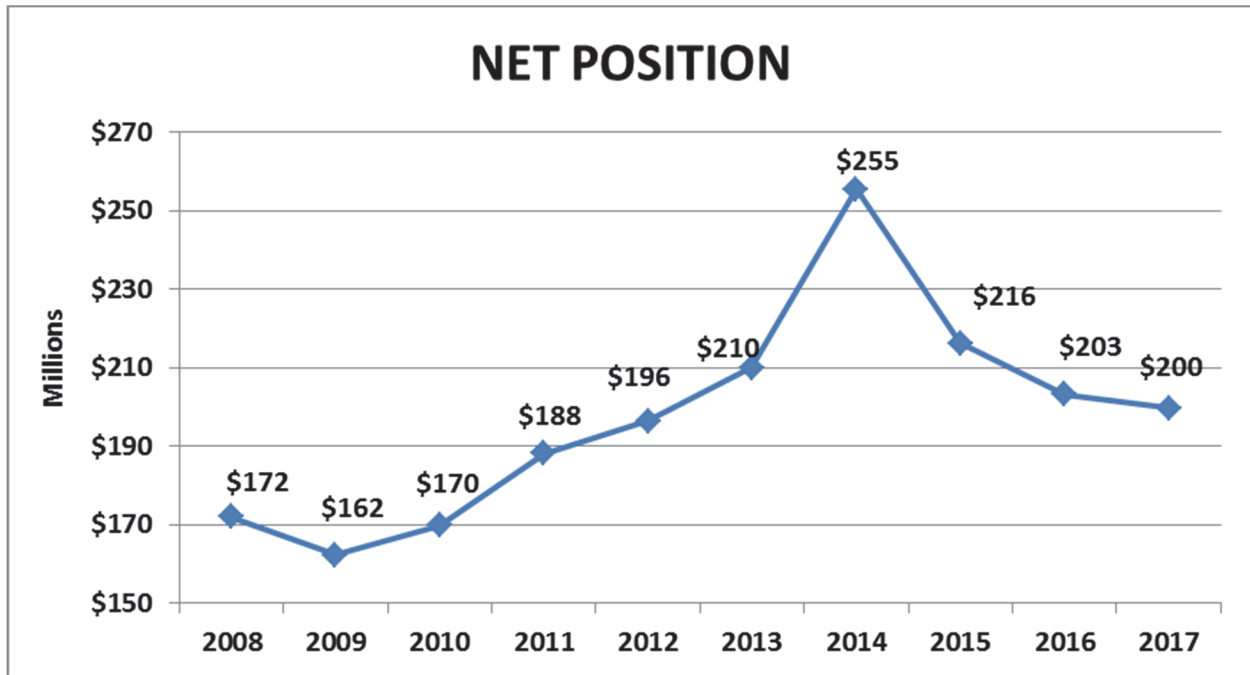
As discussed, the County reports major funds in the basic financial statements. Comparative information for major funds and combining and individual statements and schedules for nonmajor funds are presented in a supplementary information section of this report beginning on page 71.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

The County's net position at year-end is \$199,651,851. The following table provides a summary of the County's net position:

	Summary of Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current assets	\$ 104,806,177	\$ 54,241,477	\$ 1,276,764	\$ 769,237	\$ 106,082,941	\$ 55,010,714
Non-current assets	252,916,970	236,087,516	1,896,590	1,851,457	254,813,560	237,938,973
Total assets	<u>357,723,147</u>	<u>290,328,993</u>	<u>3,173,354</u>	<u>2,620,694</u>	<u>360,896,501</u>	<u>292,949,687</u>
Deferred Outflows of Resources	20,087,280	20,535,842	185,988	206,983	20,273,268	20,742,825
Liabilities:						
Current liabilities	16,972,985	9,641,414	116,411	137,808	17,089,396	9,779,222
Long-term liabilities	160,045,687	98,278,621	4,382,835	2,361,639	164,428,522	100,640,260
Total liabilities	<u>177,018,672</u>	<u>107,920,035</u>	<u>4,499,246</u>	<u>2,499,447</u>	<u>181,517,918</u>	<u>110,419,482</u>
Net Position:						
Net investment in capital assets	227,392,430	235,318,802	1,896,590	1,851,457	229,289,020	237,170,259
Restricted	28,236,208	21,004,690	-	-	28,236,208	21,004,690
Unrestricted	(54,836,883)	(53,378,692)	(3,036,494)	(1,523,227)	(57,873,377)	(54,901,919)
Total net position	<u>\$ 200,791,755</u>	<u>\$ 202,944,800</u>	<u>\$ (1,139,904)</u>	<u>\$ 328,230</u>	<u>\$ 199,651,851</u>	<u>\$ 203,273,030</u>

The following chart reports the County's total net position balances from years 2008 – 2017 (2016 restated).



Current assets in governmental activities increased in the current year by approximately \$67.5 million and for business-type activities increased approximately \$552,660. Current liabilities increased approximately \$7.3 million for governmental activities and for business-type activities decreased approximately \$21,000.

The County continues to maintain high current ratios. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 6.1 to 1 as compared to 11.0 to 1 at December 31, 2016. For the business type activities, the current ratio was 5.6 to 1 at December 31, 2017 as compared to 5.6 to 1 at December 31, 2016.

The County reported a positive balance in net position for the governmental and a negative net position for the business-type activities. During 2017, net position for governmental activities decreased \$2.1 million and for the business-type activities decreased \$1.5 million.

The unrestricted net position reported a governmental activities net position deficit, which primarily relates to the implementation of GASB 68 and an increase in the other postemployment benefit obligations since currently we are not funding this cost. In total, the County's total net position decreased approximately \$3.6 million.

Note that approximately 65.1% of the governmental activities' total assets are tied up in capital assets. The County uses these capital assets to provide services to its citizens.

(This page is continued on the subsequent page)

The following table provides a summary of the County's changes in net position at December 31, 2017 and 2016:

	Summary of Changes in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program:						
Charges for services, fines, and permits	\$ 14,619,526	\$ 18,740,398	\$ 2,501,772	\$ 2,214,002	\$ 17,121,298	\$ 20,954,400
Operating grants	4,681,075	5,163,232	-	-	4,681,075	5,163,232
Capital grants	5,722,412	3,562,732	-	-	5,722,412	3,562,732
General:						
Property taxes	49,950,104	48,000,205	-	-	49,950,104	48,000,205
Sales taxes	33,313,454	22,148,775	-	-	33,313,454	22,148,775
Insurance premium taxes	5,725,981	5,351,530	-	-	5,725,981	5,351,530
Other taxes	3,907,606	3,023,370	-	-	3,907,606	3,023,370
Other	235,495	655,264	137	222	235,632	655,486
Total revenues	118,155,653	106,645,506	2,501,909	2,214,224	120,657,562	108,859,730
Program expenses:						
General government	18,528,308	15,389,401	-	-	18,528,308	15,389,401
Judicial	14,954,928	15,378,975	-	-	14,954,928	15,378,975
Public safety	58,515,533	60,075,835	-	-	58,515,533	60,075,835
Public works	13,101,481	7,732,602	-	-	13,101,481	7,732,602
Parks, recreation, and culture	8,274,499	8,072,633	-	-	8,274,499	8,072,633
Planning/community development	2,777,680	3,859,861	-	-	2,777,680	3,859,861
Health and welfare	2,911,299	1,915,695	-	-	2,911,299	1,915,695
Interest and fiscal charges	1,244,970	225,416	-	-	1,244,970	225,416
Solid waste	-	-	3,970,043	1,864,035	3,970,043	1,864,035
Total expenses	120,308,698	112,650,418	3,970,043	1,864,035	124,278,741	114,514,453
Revenues over(under) expenses	(2,153,045)	(6,004,912)	(1,468,134)	350,189	(3,621,179)	(5,654,723)
Transfers	-	(5,054)	-	5,054	-	-
Beginning net position	210,288,346	216,298,312	260,017	(95,226)	210,548,363	216,203,086
Restatement	(7,343,546)	-	68,213	-	(7,275,333)	-
Ending net position	\$ 200,791,755	\$ 210,288,346	\$ (1,139,904)	\$ 260,017	\$ 199,651,851	\$ 210,548,363

Governmental Activities Revenues

The County is heavily reliant on both property taxes and sales taxes to support governmental operations. Property taxes provided 42.3% of total revenues as compared to 45.0% in 2016, and sales and use taxes provided 28.2% of total revenues as compared 20.8% in 2016. Special Purpose Local Option Sales Tax saw an increase of 202.1% as a new SPLOST began April 1, 2017. Insurance premium taxes saw a \$374,451 increase. Other tax collections increased \$0.9 million, which consists of a number of small taxes as well as larger revenues sources such as intangible taxes, which had an increase of \$116,432 over the prior year. The hotel/motel tax saw an increase over 2016 of \$126,630.

Charges for services and fines decreased \$4.1 million or 22% primarily related to a change in the County's estimates for the estimated allowance on the operations of the EMS service charges.

Operating grants vary from year to year, and 2017 saw a decrease in grant funds received. In total, operating grant revenue in 2017 was under those of 2016 by \$482,157. Capital Grants and contributions for 2017 were \$2.2 million over those of 2016. The right of way acquisition process from the GRTA is coming to a close. This resulted in \$1.1 million more in reimbursements in 2017 than 2016. Funding for the Capital Transportation Fund is primarily from intergovernmental grants. FTA grants were under those of the prior year by \$539,246. In 2017, the neighborhood stabilization funding had a slight increase of approximately \$28,000. These revenues fluctuate with time taken to renovate a home and then to match it with a qualified buyer. Other grants fluctuate with the timing of reimbursement request being filed.

In 2017, there was approximately \$540,925 in investment earnings. This is more than the \$36,455 of 2016 because there were more resources available for investment. The increase in investment earnings actually reflects a strengthening in the County's financial position.

Note that program revenues covered just 20.9% and 24.4% of governmental operating expenses for 2017 and 2016, respectively. This means the government's taxpayers and the County's other general revenues normally fund 79.1% of the governmental activities, primarily from property and sales taxes. As a result, the general economy and the success of local businesses have a major impact on the County's revenue streams.

Governmental Activities Expenses

The following table presents the cost of each of the County's programs, including the net cost (i.e., total cost less revenues generated by the activities). The net cost illustrates the financial burden that was placed on the County's taxpayers by each of these functions.

Governmental Activities				
	Total Cost of Services	Percentage of Total	Net Cost of Services	Percentage of Total
General government	\$ 18,528,308	15.4%	\$ (16,747,987)	17.6%
Judicial	14,954,928	12.4%	(8,996,763)	9.4%
Public safety	58,515,533	48.7%	(49,330,444)	51.7%
Public works	13,101,481	10.9%	(6,817,081)	7.2%
Parks, recreation, and culture	8,274,499	6.9%	(7,526,731)	7.9%
Planning & community development	2,777,680	2.3%	(2,089,725)	2.2%
Health and welfare	2,911,299	2.4%	(2,531,984)	2.7%
Interest on long-term debt	1,244,970	1.0%	(1,244,970)	1.3%
Total	\$ 120,308,698	100.0%	\$ (95,285,685)	100.0%

The public safety expenses total 48.7% of gross costs and 51.7% of net costs. As noted, total cost and net costs do not differ substantially by percentage for each function.

Business-Type Activities

Solid Waste Disposal Fund - The business-type activity is the Solid Waste Disposal Fund. Total assets increased \$552,660. Total liabilities increased \$2 million.

In total, operating revenues were up \$287,685 or 13.0%. Dumping fees were \$135,883 or 13.4% above the 2016 amount. The economy has improved in general thereby increasing consumer consumption resulting in the increased amount of municipal solid waste generated and disposed. Recycling fees increased \$84,866 or 30.5%. In an effort to generate all revenue possible the Solid Waste Department has been diligent in assuring the best prices for recyclable commodities by continuing to monitor market pricing and re-negotiated prices as well as implementing new programs such as mattress recycling and sale of re-use items. Transfer fees increased \$69,569 or 7.5% over last year.

In total, operating expenses increased \$2,106,008 or 113.0%. New information obtained warranted additional expenses for closure and post closure in the amount of \$2 million. This accounts for substantially all of the increase over the prior year. The addition of the fleet field services division for heavy equipment repair and maintenance allowed the recent years' focus placed specifically on bringing equipment back up to industry standard conditions. The 2017 year began with equipment being in better condition and in 2017, greater efficiencies continue to be achieved. The majority of work is done in house now, rather than being outsourced at a higher cost. Staff to cover this work resulted in personnel services increased \$47,731 or 6.7% over the prior year. Sanitation fees increased \$18,476 or 3.0% over the prior year.

During 2017, the Solid Waste Disposal Fund reported a net loss of \$1,468,134 as compared to a net loss of \$350,189 in 2016. This is due to the closure and post closure cost mentioned in the previous paragraph.

FUND ANALYSIS

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$116,413,719 compared to \$46,788,603 in 2016. The majority of this \$69.6 million increase can be attributed to the increase in the 2016 SPLOST fund of \$66.6 million. The GRTA Arterial Road Fund reported a decrease to the negative fund balance by \$688,734 primarily due to a transfer in from the General Fund to cover expenditures that will not be reimbursed from the State of Georgia.

Of this year-end total \$7,991,418 is unassigned indicating availability for continuing County service delivery requirements.

Restricted fund balances include \$89,302,772 restricted for specific purposes. Assignments of fund balance include just under \$9 million for 2018 operations. There is approximately \$4.4 million assigned for capital projects and \$1.1 million in fund balance assigned for fire protection services.

Major Governmental Funds

General Fund - The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance decreased by \$3,808,896 or 13.4% as compared to a 13.0% decrease in 2016. The ending unassigned fund balance is considered adequate, although not excessive, representing the equivalent of 12.6% of annual expenditures for 2017.

General property taxes increased \$1.9 million or 4.8%. The collection rate was anticipated to be 94.5% but collections were better than projected and revenues came in at 96.0%. Local option sales tax (LOST) decreased \$669,288 or 4.1%. In November 2012, the County's percentage of the LOST received decreased from 79.06% to 73.90% because of the required distribution renegotiations with the cities. This percentage decreased again in 2014 to 71.21%, in 2015 to 70.14%, in 2016 to 67.74%, and then in November of 2017 to 66.30%. Despite the continued decline in the percentage the County receives, and the net loss over the prior year, the revenues collected indicate a steadily improving economy. Revenues for taxes received for motor vehicles and mobile homes are recorded together. These two revenue sources decreased \$344,349 or 26.8%. In 2013, the State of Georgia implemented a title ad valorem tax (TAVT) which replaced sales tax on vehicle purchases and became a one-time tax as an alternative to the "birthday" tax for vehicle tag purchases. The motor vehicle and mobile home tax includes \$3.5 million in TAVT. Intangible taxes are collected when citizens refinance their loans. In recent years, there has been a steady increase in this revenue source; during 2017 this source experienced an increase of \$116,432 or 14.4%.

Overall 2017 saw a \$326,175 increase in intergovernmental revenues. Intergovernmental revenues are primarily grants and these vary from year to year with the types of grants awarded and the timing of the payment of the funds. The addition of accountability courts brought in new grants and there is a steady increase in grant funding for juvenile programs, which are reimbursable grants.

Total charges for services increased \$437,147. A total of \$202,534 in revenues for retiree insurance is the largest contributor to this increase. This has always been a revenue source, but in prior years, it was recorded in the Healthcare Fund. This is the first year this revenue is in the General Fund. Giving consideration to this, the increase to charges for services was \$234,613. Tree replacement fees increased \$110,538 as developers pay the fees to replace trees removed on construction projects. Inmate boarding fees vary with the number of inmates and the length of stay from other jurisdictions. This revenue increased over the prior year \$92,800. The increased inmate population is also driving charges for phone usage to be \$42,982 over the prior year. The increased tax revenues mentioned above have resulted in increased commissions of \$33,685. Some sources of these revenues experienced slight decreases that offset these increases for a total of \$138,628. The largest decrease over the prior year of \$59,145 is from rideshare fees. Lower gas prices resulted in many participants dropping off the vanpool and commuting to work on their own.

In total, fines and forfeitures decreased \$373,318 or 7.26%. State Court is the largest contributor with revenues for 2016 exceeding those in 2017 by \$258,110 or 10.87%. These revenues continue to decline as the number of defendants that claim indigent status increases. The Clerk of Superior Court decreased \$79,795 or 8.7% as fewer probation fees are being received. Jail surcharges are down \$50,030 or 10.7%. A couple of revenue sources are up. For 2017, the DUI Court and the Misdemeanor Drug Court combined. The 2017 year ended with a net increase of \$19,972. The Magistrate Court experienced a 2017 increase of \$19,194 or 3.1% over the 2016 year. All these sources vary with caseloads and disposition of cases of each court.

Investment earnings increased in 2017 by a slight \$1,757 or 12.3%. This varies with the resources available for investment. Contributions and donations were down from 2016 by \$26,114, while miscellaneous revenues decreased \$46,907.

In 2017, funds of approximately \$3.1 million were transferred to the General Fund compared to \$5.2 million in 2016. The primary reason for the change is in 2016 \$5.2 million was transferred into the General Fund from the 2010 SPLOST excess. In 2017, only \$116,721 was excess SPLOST. In 2017, the Unincorporated Fund reimbursed the General Fund for partial construction of the animal shelter in the amount of \$3 million.

The 2017 General Fund expenditures are \$6.7 million or 9.27% more than 2016 expenditures. Described on the following page are the most significant changes from the prior year.

General government expenditures are \$4.9 million or 37.1% more than those of 2016. In 2015, a building was purchased for \$1.5 million with the plans to renovate and use it to house various County departments. The cost of renovations, land improvements, equipment, etc. in 2017 exceeded those in 2016 by \$2.2 million.

The tax commissioner's department expenditures for 2017 exceeded those of 2016 by \$218,516 or 18.4%. The newly elected tax commissioner added additional staff, reorganized the department, and purchased some new equipment to better serve the citizens. The addition of an external affairs director in 2017 is the major contributor to the board of commissioners' department being \$197,244 or 23.3% over 2016. The purchase of a vehicle for this department is also contributing to this increase. The salaries and benefits related to a new position in human resources is the driving factor in this department's expenditures for 2017 exceeding those of 2016 by \$98,625 or 32.9%. Public relations also added a new position in 2017, which resulted in their 2017 expenditures to exceed 2016 by \$93,246 or 22.1%.

Judicial expenditures exceed those of the prior year by \$525,911 or 3.8%. The increase in expenditures during the year was attributable to the caseload and the types of cases. The increases are in many of the judicial departments: superior court \$250,903 or 34.1%; district attorney \$204,307 or 8.1%; state court solicitor \$142,402 or 11.5%; public defender \$52,330 or 2.5%; probate court \$49,173 or 12.6%. Departments that had expenditures less than 2016 included state court \$90,654 or 11.1% and clerk of superior court \$85,772 or 4.4%.

Public safety is a priority in the County. General fund public safety expenditures are in total \$1 million over 2016 amounts. Sheriff enforcement and detention 2017 expenditures exceeded those of 2016 by \$956,066 or 3.1%. These departments were more fully staffed than in the prior year. Increases to the County's contribution to benefits have a greater impact in larger departments such as the Sheriff's Office. The related salaries and benefits were \$1.2 million more in 2017 than in 2016. This increase is offset by some expenditures being down in 2017. One such decrease is in the vehicle purchases. In 2017, purchases totaled \$249,802 less than 2016. The Coroner expenditures increased \$80,425 over 2016. The newly elected Coroner implemented several changes to improve the operations of the department. Such changes included but are not limited to: implementation of record keeping software; extensive training; equipping County vehicles to eliminate the need for contracted transportation.

The public works expenditures decreased a slight \$137,964 or 2.7%. The department of transportation (DOT) activity for road paving and resurfacing projects are accounted for in the Capital Transportation Fund. Traffic operations, DOT administration, and roadwork were in total \$90,017 less than the prior year. In 2017, the expenditures for vehicle maintenance were less than 2017 by \$47,947 or 3.9%. In 2016, there were problems with data entry into fleet's inventory software. This resulted in an inventory variance in 2016 of \$33,934. In 2017, addressing this was a priority and the variance was a negative \$14,459.

Parks, recreation and culture expenditures are under the prior year by \$79,784 or 1.4%. The departments that experienced nominal increases are: senior services center \$6,280 or 1.7%; aquatic center \$6,165 or 0.7%; libraries \$4,492 or 0.3%. These increases are offset by a \$96,721 decrease in parks and recreation. This is a 3.3% decrease from 2016 to 2017 primarily due to the decrease in funds expended on vehicles, utilities, and buildings. These expenditures were down in 2017 by \$104,622, \$57,944, and \$41,218 respectively. In 2016 parks and recreation purchased a 24-passenger van and two security vehicles. There were no vehicle purchases in 2017. Utility cost for electricity, gas, and water fluctuate with usage and the cost per wattage, gallon, etc. In 2016, the parks added a mobile restroom at one of their facilities. This is recorded in buildings. There were no expenditures for buildings in 2017. The decreases are offset by an increase of \$71,866 or 3.9% increase to salaries and benefits due primarily to the addition of a program coordinator position in 2017. Land improvements increased \$49,989 or 68.1% in 2017 as work was done to improve an existing park and to prepare some donated land for use as a passive park.

Planning and community development expenditures increased by \$233,383 or 14.3% from 2016. Rideshare spent \$175,972 or 17.7% more in 2017 than in 2016. In 2017, \$131,000 was spent automotive equipment to be housed at the County's new fleet facility to be occupied in 2018. This equipment is for the exclusive use on rideshare vans. In 2017 \$39,750 was spent on this building's renovations for the rideshare portion of the building. In 2016, only \$17,450 was spent on architect fees for an expansion to the transportation center. Grant expenditures for the rideshare new freedom grant were \$10,975 more in 2017 than 2016. These expenditures provide transportation to elderly and disabled persons as needed. Economic development is a priority for the County so an additional \$100,000 was expensed in 2017 to be utilized by the Douglas County Economic Development Authority. Offsets to these increase is a decrease in geographic information systems from 2016 to 2017 by

\$33,160 or 13.4%. In 2016, there was a software purchase in the amount of \$41,398. This cost was shared with several entities and their portions are recorded in revenues. There were no expenditures for software in 2017.

Health and welfare decreased by \$4,150 or 0.2%. For senior services, in 2016, upgrades were made to the center's flooring and furniture for a cost of \$60,380. There were no such expenditures in 2017. Senior services are gradually changing their staffing from contract services to employees. As they become employees, they incur the added expense of benefits. The net change to salaries, benefits, and contract labor was an increase of \$36,775 or 4.9%. Supply cost increased \$13,795 or 6.8%. All other contributions to outside agencies remained the same from 2016 to 2017.

Unincorporated Services Area Fund

This fund is utilized to account for the revenues restricted to provide services to the unincorporated areas within the County. The fund includes the operations of the fire services, EMS services, animal services, and other services provided to the unincorporated residents of the County. During 2017, the expenditures of the fund decreased \$3.0 million as compared to 2016 due to a decrease over \$1 million related to new vehicles purchased in 2016. Additionally, there was a \$2 million decrease in the building outlays related to the new animal shelter project from 2016. The fund received \$6.0 million less interfund support in 2017, resulting in a decrease in the fund balance of \$3.2 million.

2016 SPLOST Capital Projects Fund

This fund is utilized to account for the proceeds of a 1 percent Special Purpose Local Option Sales Tax (SPLOST), approved on November 8, 2016, for the raising of not more than \$160,000,000 for the purpose of funding a capital outlay project consisting of the acquisition, construction and equipping of major projects and facilities for the County. Funds have been allocated as follows: Transportation 51%; Fire, EMS and Public Radio System 32%; Parks and Recreation 17%. SPLOST collections began April 1, 2017. During the first year, this fund received approximately \$17,652,602 of sales tax collections. As discussed in the debt section of this discussion and analysis, the County issued \$60,385,000 in GO sales tax bonds. The proceeds from this bond issuance are included with this fund.

GRTA Arterial Road Fund

This fund is utilized to account for the improvements to Lee Road and the Dura Lee Lane Extension capital projects.

During 2017, \$736,762 was expended as capital outlays. At December 31, 2017, fund deficit is \$1,983,623. With a total of \$1,978,990 due to be reimbursed from the Georgia Department of Transportation, this leaves the deficit at \$4,633.

Proprietary Funds

Proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. The business-type activities analysis above discusses the County's enterprise fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund's revenue budget was amended upward in 2017, by \$671,680 or 0.9%.

Tax revenues were above the final budget by \$3.2 million. General property taxes were \$3.7 million or 9.1% over budget, title ad valorem taxes for LOST, SPLOST, and true up together were \$336,334 or 10.77% over budget, and intangible taxes were \$174,321 or 23.3% over budget. Local option sales taxes were under budget by \$983,780 or 5.9% and motor vehicle and mobile home taxes were under budget by \$123,485 or 11.6%. Taxes were collected at a much faster pace than anticipated. The 2017 tax collection rate exceeded the projected rate by 1.5% and we experienced 5.5% new growth in the digest.

In addition to general property taxes, other tax revenues exceeded the 2017 budget. These include real and personal penalties, real estate transfer, payment in lieu of taxes, and execution fees.

In total, intergovernmental revenue was below budget by \$526,625. Federal capital grants as compared to budget account for most of this. This is due to the timing of the grants. Most grants are reimbursable, so until the expenditures are incurred, the application for reimbursement is not submitted. Revenues not received in 2017 will be received in the 2018 budget year. Some inter-governmental revenues exceeded budget: state aid projects \$150,000; revenue from local governments \$142,298; federal operating \$102,596.

Charges for services exceeded the final budget by \$536,678 or 14.8%. During the year it was determined that the retiree insurance payments should be recorded in the general fund rather than our self-insured healthcare fund. There was no budget in this line for 2017, so the actual exceeded budget by \$202,534. Inmate boarding fees vary with the number of prisoners other jurisdictions house in our jail and their length of stay. For 2017, boarding fees exceeded budget by \$138,865 or 57.9%. Tree replacement fees exceeded budgets by \$119,913. Other charges for services revenues both exceeded and were below budget by nominal amounts.

Total fines and forfeitures were \$476,872 or 9.2% under the final budget. The largest variance is the state court, which was under budget by \$307,710. Clerk of superior court fines were also under budget in the amount of \$125,982 and jail surcharges ended the year \$85,984 under budget. Clerk of superior court general fees are the largest revenue over budget. For 2017, these revenues exceeded budget by \$80,092. Other variances from budget were nominal.

The General Fund's expenditure budget was increased by \$9,175,743 or 11.8%.

The general government was under budget by approximately \$2.7 million. General appropriations were under by \$1.8 million or 20.3%. The largest portion of this is for funds assigned for the renovations of a building purchased in 2015 and the courthouse. These renovations will be completed in 2018. With the exception of a \$482 variance where the print shop exceeds the small budget of \$130,055, all other general government departments came in under budget. Building maintenance was under budget by \$286,341 due to a 2017 planned project to replace the video security system that was delayed until 2018. Litigation deductibles were less than budgeted and as a result, the county attorney's expenditures were \$209,467 or 29.6% under budget. Some network related projects came in under budget, leaving information services to be under budget by \$148,107 or 11.4%. All the other general government departments had final expenditures below budget because of cost containment measures exercised by the departments.

The judicial function was under budget by \$1,411,601 or 9.0%. Juvenile Programs 2017 expenditures were under budget by \$350,489. This is entirely due to grant funds not being expended in the 2017 fiscal year. These budget dollars will roll forward to be expended in the subsequent year. The clerk of superior court was under budget by \$349,353. The cost for jurors, bailiffs, and witnesses for courts were lower than expected. Superior court operations were under budget by \$264,848 or 21.2%. This is driven by a planned purchase of case management software for a cost of \$100,000 that will be purchased at a later date, expenditures for court reporters being lower than anticipated, and a vacancy for a period of time that left salaries slightly under budget for the year. The state court actual 2017 expenditures were \$156,206 less than budget due primarily to cancelling a contract with a probation provider and managing cases in house. The caseload and the number of attorney hours and the resulting legal fees being lower than anticipated is the driving factor in the public defender being under budget by \$145,655 or 6.3%.

The public safety budget was under spent by \$1.4 million or 4.3%. This is a nominal amount for the \$32 million public safety budget. Projections for the sheriff's office salaries and benefits were to have them fully staffed. However, these expenditures came in \$443,248 less than they projected. Direct expenses for prisoner care were \$258,988 under budget. Property and radio maintenance were \$75,000 under budget. Emergency management ended the year \$59,819 under budget due to grant funds that were not expended.

The public works budget was under budget by \$886,657 or 15.3% due to the planned traffic operations and road projects being deferred or delayed. Parks and recreation was \$436,919 or 6.9% under budget. Planning and community development was under budget by \$1.2 million because rideshare had not completed all planned grant funded improvements by year-end. This includes the balance of an award of \$1.4 million to implement the results of a transportation study. Health and welfare came in \$107,445 under budget as senior services did not purchase utilize all the budgeted funds for contract labor, supplies and improvements.

In total, the County under spent the final general fund expenditure budget by \$8.2 million or 9.4%.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2017 was \$232,881,601 and \$1,896,590 respectively. To properly report, capital asset transactions that occurred in prior periods the beginning net position of the governmental activities was restated to remove repair and maintenance expenses that were incorrectly capitalized and reported as capital assets. This is noted in Note 4-G, Therefore, the change in this net investment was an approximate 1.0% decrease for governmental activities and a 2.4% increase for business-type activities. See Note 3-D for additional information about changes in capital assets during the year and outstanding at the end of the year.

The following table provides a summary of capital asset activity:

	Capital Assets					
	Governmental Activities		Business-type Activities		Total	
	2017	2016 - Restated	2017	2016	2017	2016 - Restated
Non-depreciable assets:						
Land	\$ 26,866,866	\$ 26,866,866	\$ 1,574,386	\$ 1,574,386	\$ 28,441,252	\$ 28,441,252
Construction in progress	12,134,777	12,787,620	-	-	12,134,777	12,787,620
Total non-depreciable	<u>39,001,643</u>	<u>39,654,486</u>	<u>1,574,386</u>	<u>1,574,386</u>	<u>40,576,029</u>	<u>41,228,872</u>
Depreciable assets						
Buildings and improvements	222,116,469	216,035,133	449,585	449,585	222,566,054	216,484,718
Machinery, equipment, and furniture	45,696,210	45,351,458	3,113,096	3,074,760	48,809,306	48,426,218
Infrastructure	43,259,806	43,259,806	-	-	43,259,806	43,259,806
Total depreciable	<u>311,072,485</u>	<u>304,646,397</u>	<u>3,562,681</u>	<u>3,524,345</u>	<u>314,635,166</u>	<u>308,170,742</u>
Less accumulated depreciation	<u>117,192,527</u>	<u>108,213,367</u>	<u>3,240,477</u>	<u>3,247,274</u>	<u>120,433,004</u>	<u>111,460,641</u>
Net depreciable assets	<u>193,879,958</u>	<u>196,433,030</u>	<u>322,204</u>	<u>277,071</u>	<u>194,202,162</u>	<u>196,710,101</u>
Percentage depreciated	37.7%	35.5%	91.0%	92.1%	38.3%	36.2%
Total capital assets	<u>\$ 232,881,601</u>	<u>\$ 236,087,516</u>	<u>\$ 1,896,590</u>	<u>\$ 1,851,457</u>	<u>\$ 234,778,191</u>	<u>\$ 237,938,973</u>

At December 31, 2017, the depreciable capital assets for governmental activities were 37.7% depreciated. This compares to 35.5% at December 31, 2016. This comparison indicates the County is replacing its assets at almost the same rate as they are depreciating, which is a positive indicator. With the County's business-type activities, 91% of the asset values were depreciated at December 31, 2017 compared to 92.10% at December 31, 2016.

For governmental activities, the balance of construction in progress relates to GRTA projects in the amount of \$8,215,484, General Fund of \$2,270,126, 2002 and 2016 SPLOST \$414,628, and Capital Transportation Funds of \$1,234,542. The majority of these projects are for roads and the Bleakley building renovations.

In the building categories, we had additions of \$5,687,085, which was related to the new animal shelter. In the vehicles category, we had additions of around \$1.3 million. This was primarily due to necessary purchases for the Sheriff's department and additional vans for the Rideshare department. Eighty percent of the costs of rideshare vans were paid for through grant funding. Machinery and equipment was another large addition at around \$750,000. The majority of this was for lifts and other equipment that was necessary for the operations at the Bleakley building.

Debt

In April 2017, the County issued \$60,385,000 General Obligation Sales Tax Bonds for the purpose of funding various projects on the voter approved SPLOST referendum. Of the total amount of the bonds issued, \$19,105,000 has been set aside for the purpose of funding SPLOST projects for the City of Douglasville. During fiscal year 2017, the County paid \$1.4 million in interest on outstanding sales tax bonds.

The following table reports debt balances at December 31, 2017 and 2016:

	Outstanding Borrowings					
	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Capital lease obligations	\$ 262,080	\$ 768,714	\$ -	\$ -	\$ 262,080	\$ 768,714
Sales tax bonds	60,385,000	-	-	-	60,385,000	-
Total	<u>\$ 60,647,080</u>	<u>\$ 768,714</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,647,080</u>	<u>\$ 768,714</u>

The County maintains an “Aa2” rating from Moody’s Investors Services, Inc. and an “AA” rating from Standard & Poor’s.

See Note 3-H for additional information about the County’s long-term debt.

A SUMMARY OF THE ECONOMIC CONDITIONS AFFECTING THE COUNTY

The County is included in the Atlanta, Georgia Metropolitan area. The County is located twenty-five miles west of the City of Atlanta and thirty-five miles east of the state of Alabama.

According to the latest information available, the County’s 2017 unemployment rate is 4.9%, which is slightly higher than the state’s average of 4.7%. The County’s employment for 2017 is estimated at 68,825 and will continue to grow as more businesses come to the area. The median household income for County residents is estimated at \$57,384, which is higher than the \$51,037 average for the state’s 159 counties.

The primary revenue streams for the County are property taxes and sales taxes. This is a good revenue mix as property taxes are classified as “inelastic” and sales taxes are classified as “elastic”. General property taxes were up over the prior year and they came in at a rate that exceeded budget. Sales tax revenue is highly sensitive to fluctuations in the economy. The slowly recovering economy caused this revenue source to be below what was budgeted. The County continues to demonstrate a commitment to provide quality services with limited resources. The 2018 operational budget demonstrates a strong commitment to economic development and to addressing needs that have been deferred for several years such as the need for improved infrastructure, renovations to a number of parks, and a new public safety radio system.

CONTACTING THE COUNTY’S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the County’s finances, comply with finance-related laws and regulations, and demonstrate the County’s commitment to public accountability. Questions concerning any of the information provided in this report or request for additional information should be addressed to the Office of the Finance Director, 8700 Hospital Drive, Douglasville, Georgia 30134.

BASIC FINANCIAL STATEMENTS

The basic financial statements include the government-wide statement of net position and government-wide statement of activities which include all of the primary government's governmental activities, business-type activities and component unit. In addition, the basic financial statements include the fund financial statements and the notes to the financial statements.

DOUGLAS COUNTY, GEORGIA

Statement of Net Position

December 31, 2017

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Douglas County Board of Health
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 90,792,537	\$ 1,228,821	\$ 92,021,358	\$ 1,540
Investments	400,000	-	400,000	749,408
Taxes receivable, net of allowances	4,581,688	-	4,581,688	-
Accounts receivable, net of allowances	5,429,965	68,764	5,498,729	230,630
Due from other governments	1,978,990	-	1,978,990	789,715
Internal balances	20,821	(20,821)	-	-
Prepaid items	1,459,811	-	1,459,811	-
Inventory	142,365	-	142,365	24,378
Total Current Assets	104,806,177	1,276,764	106,082,941	1,795,671
Noncurrent Assets:				
Restricted Assets:				
Cash and cash equivalents	20,035,369	-	20,035,369	-
Capital Assets:				
Nondepreciable capital assets	39,001,643	1,574,386	40,576,029	-
Depreciable capital assets, net	193,879,958	322,204	194,202,162	248,913
Total Noncurrent Assets	252,916,970	1,896,590	254,813,560	248,913
TOTAL ASSETS	357,723,147	3,173,354	360,896,501	2,044,584
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	20,087,280	185,988	20,273,268	248,144
TOTAL DEFERRED OUTFLOWS OF RESOURCES	20,087,280	185,988	20,273,268	248,144
LIABILITIES				
Current Liabilities:				
Accounts payable	3,588,354	36,261	3,624,615	7,012
Accrued salaries and payroll taxes	2,491,294	20,716	2,512,010	29,793
Due to other governments	-	21,175	21,175	11,715
Claims payable	822,923	-	822,923	-
Accrued interest payable	754,813	-	754,813	-
Compensated absences payable, current portion	2,149,196	38,259	2,187,455	48,287
Capital leases payable, current portion	166,405	-	166,405	-
Bonds payable, current portion	7,000,000	-	7,000,000	-
Total Current Liabilities	16,972,985	116,411	17,089,396	96,807
Noncurrent Liabilities:				
Compensated absences payable	3,991,365	71,052	4,062,417	4,971
Capital leases payable	95,675	-	95,675	-
Bonds payable	58,538,842	-	58,538,842	-
Landfill closure and post-closure liabilities	-	3,880,350	3,880,350	-
Net pension liability	46,596,081	431,433	47,027,514	1,057,343
Net OPEB obligation	50,823,724	-	50,823,724	-
Total Noncurrent Liabilities	160,045,687	4,382,835	164,428,522	1,062,314
TOTAL LIABILITIES	177,018,672	4,499,246	181,517,918	1,159,121
DEFERRED INFLOWS OF RESOURCES				
Pension related items	-	-	-	27,898
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	27,898
NET POSITION				
Net investment in capital assets	227,392,430	1,896,590	229,289,020	248,913
Restricted for:				
Capital projects	9,067,359	-	9,067,359	-
Debt service	7,795,791	-	7,795,791	-
Program activities	11,373,058	-	11,373,058	-
Unrestricted	(54,836,883)	(3,036,494)	(57,873,377)	856,796
TOTAL NET POSITION	\$ 200,791,755	\$ (1,139,904)	\$ 199,651,851	\$ 1,105,709

See accompanying notes to the basic financial statements.

DOUGLAS COUNTY, GEORGIA
Statement of Activities
For the Year Ended December 31, 2017

	Expenses	Program Revenues		
		Charge for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT:				
Governmental Activities:				
General government	\$ 18,528,308	\$ 1,719,409	\$ 60,912	\$ -
Judicial	14,954,928	5,238,959	719,206	-
Public safety	58,515,533	5,449,360	3,481,964	253,765
Public works	13,101,481	897,112	-	5,387,288
Parks, recreation and culture	8,274,499	328,775	418,993	-
Planning and community development	2,777,680	606,596	-	81,359
Health and welfare	2,911,299	379,315	-	-
Interest on long-term debt	1,244,970	-	-	-
Total Governmental Activities	120,308,698	14,619,526	4,681,075	5,722,412
Business-Type Activities:				
Solid Waste	3,970,043	2,501,772	-	-
Total Business-Type Activities	3,970,043	2,501,772	-	-
Total - Primary Government	\$ 124,278,741	\$ 17,121,298	\$ 4,681,075	\$ 5,722,412
Component Unit:				
Douglas County Board of Health	\$ 2,191,497	\$ 1,114,027	\$ 1,442,280	\$ -
Total - Component Unit	\$ 2,191,497	\$ 1,114,027	\$ 1,442,280	\$ -

GENERAL REVENUES:

Taxes:
Property
Sales
Insurance premium
Franchise
Alcoholic beverage excise
Business and occupation
Hotel/Motel
Interest earned
Miscellaneous

Total General Revenues

Change in Net Position

NET POSITION BEGINNING OF YEAR, Restated

NET POSITION END OF YEAR

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Douglas County Board of Health
\$ (16,747,987)	\$ -	\$ (16,747,987)	\$ -
(8,996,763)	-	(8,996,763)	-
(49,330,444)	-	(49,330,444)	-
(6,817,081)	-	(6,817,081)	-
(7,526,731)	-	(7,526,731)	-
(2,089,725)	-	(2,089,725)	-
(2,531,984)	-	(2,531,984)	-
(1,244,970)	-	(1,244,970)	-
(95,285,685)	-	(95,285,685)	-
-	(1,468,271)	(1,468,271)	-
-	(1,468,271)	(1,468,271)	-
(95,285,685)	(1,468,271)	(96,753,956)	-
-	-	-	364,810
-	-	-	364,810
49,950,104	-	49,950,104	-
33,313,454	-	33,313,454	-
5,725,981	-	5,725,981	-
1,442,919	-	1,442,919	-
690,267	-	690,267	-
1,087,108	-	1,087,108	-
687,312	-	687,312	-
62,345	137	62,482	6,779
173,150	-	173,150	-
93,132,640	137	93,132,777	6,779
(2,153,045)	(1,468,134)	(3,621,179)	371,589
202,944,800	328,230	203,273,030	734,120
\$ 200,791,755	\$ (1,139,904)	\$ 199,651,851	\$ 1,105,709

See accompanying notes to the basic financial statements.

DOUGLAS COUNTY, GEORGIA

Balance Sheet

Governmental Funds

December 31, 2017

	General Fund	Unincorporated Service Area Fund	2016 SPLOST Fund	GRTA Arterial Road Fund	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash	\$ 26,655,765	\$ 700	\$ 44,840,279	\$ -	\$ 19,243,693	\$ 90,740,437
Investments	-	-	-	-	400,000	400,000
Receivables (net of allowance for uncollectibles):						
Taxes	2,087,449	-	2,449,791	-	44,448	4,581,688
Accounts	3,011,328	1,633,113	320,661	-	460,236	5,425,338
Due from other funds	3,329,304	3,871,479	-	-	3,408,698	10,609,481
Due from other governments	-	-	-	1,978,990	-	1,978,990
Inventory	142,365	-	-	-	-	142,365
Prepaid items	1,459,811	-	-	-	-	1,459,811
Advances to other funds	1,688,693	-	-	-	-	1,688,693
Restricted cash	-	-	20,035,369	-	-	20,035,369
TOTAL ASSETS	\$ 38,374,715	\$ 5,505,292	\$ 67,646,100	\$ 1,978,990	\$ 23,557,075	\$ 137,062,172
LIABILITIES						
Accounts payable	\$ 2,055,978	\$ 99,557	\$ 991,960	\$ 20,579	\$ 412,083	\$ 3,580,157
Accrued liabilities	1,676,643	597,414	-	-	217,237	2,491,294
Due to other funds	8,829,763	210	-	1,978,990	29,283	10,838,246
TOTAL LIABILITIES	12,562,384	697,181	991,960	1,999,569	658,603	16,909,697
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	1,077,774	-	-	-	-	1,077,774
Unavailable revenue - charges for services	-	610,764	-	-	-	610,764
Unavailable revenue - intergovernmental	87,174	-	-	1,963,044	-	2,050,218
TOTAL DEFERRED INFLOWS OF RESOURCES	1,164,948	610,764	-	1,963,044	-	3,738,756
FUND BALANCES						
Nonspendable:						
Prepaid items	1,459,811	-	-	-	-	1,459,811
Inventory	142,365	-	-	-	-	142,365
Advances	1,688,693	-	-	-	-	1,688,693
Restricted:						
Law enforcement activities	-	-	-	-	3,740,944	3,740,944
Planning/community development	-	2,730,694	-	-	242,976	2,973,670
Emergency 911 services	-	-	-	-	3,412,456	3,412,456
Judicial services	-	-	-	-	655,106	655,106
Law library operations	-	-	-	-	590,882	590,882
Capital projects	-	-	66,654,140	-	2,724,970	69,379,110
Debt service	-	-	-	-	8,550,604	8,550,604
Assigned:						
Fire protection services	-	1,117,118	-	-	-	1,117,118
Animal protection services	-	349,535	-	-	-	349,535
General governmental functions	362,207	-	-	-	-	362,207
Judicial services	12,237	-	-	-	-	12,237
Planning/community development	25,421	-	-	-	-	25,421
Parks, recreation, and culture services	7,072	-	-	-	-	7,072
Public safety services	279,373	-	-	-	-	279,373
Public works	180,128	-	-	-	-	180,128
Tree replacement	171,219	-	-	-	-	171,219
Capital projects	1,371,514	-	-	-	2,980,534	4,352,048
Fiscal year 2018 operations	8,972,302	-	-	-	-	8,972,302
Unassigned	9,975,041	-	-	(1,983,623)	-	7,991,418
TOTAL FUND BALANCES	24,647,383	4,197,347	66,654,140	(1,983,623)	22,898,472	116,413,719
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 38,374,715	\$ 5,505,292	\$ 67,646,100	\$ 1,978,990	\$ 23,557,075	\$ 137,062,172

See accompanying notes to the basic financial statements.

DOUGLAS COUNTY, GEORGIA
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 December 31, 2017*

TOTAL GOVERNMENTAL FUND BALANCES		\$ 116,413,719
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.		
Cost	\$ 350,074,128	
Less accumulated depreciation	<u>(117,192,527)</u>	232,881,601
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		
Property taxes	1,077,774	
Charges for services	610,764	
Intergovernmental	<u>2,050,218</u>	3,738,756
Internal service funds are used by management to charge the costs of workers' compensation and health insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		
		(2,213,500)
Net OPEB obligations are not due and payable in the current period and therefore not reported in the governmental funds.		
		(50,823,724)
The net pension liability and the related deferred outflows of resources are not expected to be liquidated with current available financial resources and, therefore, are not reported in the governmental funds.		
Deferred outflows of resources - pension related items	20,087,280	
Net pension liability	<u>(46,596,081)</u>	(26,508,801)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
General obligation sales tax bonds	(60,385,000)	
Original issue premium	(5,153,842)	
Capital leases payable	(262,080)	
Accrued interest payable	(754,813)	
Compensated absences payable	<u>(6,140,561)</u>	<u>(72,696,296)</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u>\$ 200,791,755</u>

See accompanying notes to the basic financial statements.

DOUGLAS COUNTY, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	General Fund	Unincorporated Service Area Fund	2016 SPLOST Project Fund	GRTA Arterial Road Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 66,237,716	\$ 8,946,275	\$ 17,652,602	\$ -	\$ 711,944	\$ 93,548,537
Licenses and permits	101,596	468,644	-	-	-	570,240
Intergovernmental	3,459,063	2,319,809	100,619	46,404	1,576,681	7,502,576
Charges for services	4,167,658	2,653,018	-	-	2,846,355	9,667,031
Fines and forfeitures	4,723,928	-	-	-	992,815	5,716,743
Interest earned	15,957	-	478,581	-	46,388	540,926
Contributions and donations	60,912	73,873	-	-	29,016	163,801
Miscellaneous	92,803	35,454	-	-	253,204	381,461
TOTAL REVENUES	78,859,633	14,497,073	18,231,802	46,404	6,456,403	118,091,315
EXPENDITURES						
Current:						
General government	18,103,332	-	562,388	-	-	18,665,720
Judicial	14,266,661	-	-	-	397,899	14,664,560
Public safety	31,830,083	17,996,178	-	-	3,020,225	52,846,486
Public works	4,907,257	260,709	2,797,131	-	-	7,965,097
Parks, recreation and culture	5,857,579	-	-	-	-	5,857,579
Planning and community development	1,863,049	-	-	-	1,037,849	2,900,898
Health and welfare	1,771,210	1,066,153	-	-	-	2,837,363
Capital outlay	-	-	754,586	736,762	1,814,395	3,305,743
Debt service:						
Principal	343,203	163,431	-	-	-	506,634
Interest	69,021	7,987	-	-	1,408,984	1,485,992
Bond issuance costs	-	-	577,869	-	-	577,869
Intergovernmental	-	-	3,497,768	-	-	3,497,768
TOTAL EXPENDITURES	79,011,395	19,494,458	8,189,742	736,762	7,679,352	115,111,709
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(151,762)	(4,997,385)	10,042,060	(690,358)	(1,222,949)	2,979,606
OTHER FINANCING SOURCES (USES)						
Transfers in	3,141,888	4,772,845	-	1,379,101	10,977,718	20,271,552
Transfers out	(6,913,844)	(3,000,000)	(9,918,608)	-	(439,100)	(20,271,552)
Issuance of general obligation sales tax bonds	-	-	60,385,000	-	-	60,385,000
Original issue premium	-	-	6,145,688	-	-	6,145,688
Sale of capital assets	114,822	-	-	-	-	114,822
TOTAL OTHER FINANCING SOURCES (USES)	(3,657,134)	1,772,845	56,612,080	1,379,101	10,538,618	66,645,510
NET CHANGE IN FUND BALANCES	(3,808,896)	(3,224,540)	66,654,140	688,743	9,315,669	69,625,116
FUND BALANCES (DEFICIT) - BEGINNING OF YEAR	28,456,279	7,421,887	-	(2,672,366)	13,582,803	46,788,603
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 24,647,383	\$ 4,197,347	\$ 66,654,140	\$ (1,983,623)	\$ 22,898,472	\$ 116,413,719

See accompanying notes to the basic financial statements.

DOUGLAS 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 CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS		\$ 69,625,116
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.</p>		
Depreciation expense	\$ (10,456,336)	
Capital outlay	<u>7,538,070</u>	(2,918,266)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.</p>		
Net book value of capital assets disposed		(287,649)
<p>Revenues in the statement of activities that do not provide current financial resources are reported as deferred inflows of resources in the funds.</p>		
Property taxes	(651,392)	
Charges for services	(1,334,488)	
Intergovernmental	<u>2,050,218</u>	64,338
<p>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. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Issuance of general obligation sales tax bonds	(60,385,000)	
Original issuance premium	(6,145,688)	
Principal payments on capital leases	506,634	
Amortization of bond premium	<u>991,846</u>	(65,032,208)
<p>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.</p>		
Change in compensated absences	131,614	
Change in net OPEB obligation	(3,450,439)	
Change in pension expense	(477,999)	
Change in accrued interest	<u>(750,824)</u>	(4,547,648)
<p>The internal service funds are used by management to charge the costs of workers' compensation and health insurance to individual funds.</p>		
		<u>943,272</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ (2,153,045)</u></u>

See accompanying notes to the basic financial statements.

DOUGLAS COUNTY, GEORGIA

Statement of Net Position

Proprietary Funds

December 31, 2017

	Enterprise Fund	Governmental Activities
	Solid Waste Disposal	Internal Service Funds
ASSETS		
Current Assets:		
Cash	\$ 1,228,821	\$ 52,100
Receivables (net of allowance for uncollectibles):		
Accounts	68,764	4,627
Due from other funds	-	1,549,586
Total Current Assets	1,297,585	1,606,313
Noncurrent Assets:		
Capital assets:		
Nondepreciable capital assets	1,574,386	-
Depreciable capital assets, net	322,204	-
Total Noncurrent Assets	1,896,590	-
TOTAL ASSETS	3,194,175	1,606,313
DEFERRED OUTFLOWS OF RESOURCES		
Pension related items	185,988	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	185,988	-
LIABILITIES		
Current Liabilities:		
Accounts payable	36,261	8,197
Accrued salaries and payroll taxes	20,716	-
Due to other governments	21,175	-
Due to other funds	20,821	1,300,000
Claims payable	-	822,923
Compensated absences payable, current portion	38,259	-
Total Current Liabilities	137,232	2,131,120
Noncurrent Liabilities:		
Advance from other funds	-	1,688,693
Compensated absences payable, noncurrent portion	71,052	-
Closure and post-closure liabilities	3,880,350	-
Net pension liability	431,433	-
Total Noncurrent Liabilities	4,382,835	1,688,693
TOTAL LIABILITIES	4,520,067	3,819,813
NET POSITION		
Net investment in capital assets	1,896,590	-
Unrestricted	(3,036,494)	(2,213,500)
TOTAL NET POSITION	\$ (1,139,904)	\$ (2,213,500)

See accompanying notes to the basic financial statements.

DOUGLAS COUNTY, GEORGIA
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	Enterprise Fund	Governmental Activities
	Solid Waste Disposal	Internal Service Funds
OPERATING REVENUES		
Charges for services	\$ 2,501,772	\$ 14,354,530
TOTAL OPERATING REVENUES	2,501,772	14,354,530
OPERATING EXPENSES		
Personal services and employee benefits	757,657	-
Purchased and contractual services	77,952	-
Supplies and landfill post-closure costs	3,101,257	-
Depreciation	33,177	-
Claims	-	12,600,228
Other	-	811,030
TOTAL OPERATING EXPENSES	3,970,043	13,411,258
OPERATING INCOME (LOSS)	(1,468,271)	943,272
NON-OPERATING INCOME		
Interest earned	137	-
TOTAL NON-OPERATING INCOME	137	-
CHANGE IN NET POSITION	(1,468,134)	943,272
NET POSITION		
BEGINNING OF YEAR (DEFICIT), Restated	328,230	(3,156,772)
END OF YEAR (DEFICIT)	\$ (1,139,904)	\$ (2,213,500)

See accompanying notes to the basic financial statements.

DOUGLAS COUNTY, GEORGIA

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2017

	<u>Enterprise Fund</u>	<u>Governmental Activities</u>
	<u>Solid Waste</u>	<u>Internal Service</u>
	<u>Disposal</u>	<u>Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 2,496,137	\$ 14,157,847
Cash payments to employees for services	(778,377)	-
Cash payments for goods and services	(1,151,752)	(14,147,231)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>566,008</u>	<u>10,616</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments for acquisition of capital assets	(78,310)	-
NET CASH USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(78,310)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	137	-
NET CASH PROVIDED BY INVESTING ACTIVITIES	<u>137</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	487,835	10,616
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>740,986</u>	<u>41,484</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,228,821</u>	<u>\$ 52,100</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (1,468,271)	\$ 943,272
Adjustments:		
Depreciation	33,177	-
(Increase) decrease in assets:		
Accounts receivable	(5,635)	(1,460)
Due from other funds	-	(116,074)
Deferred outflows of resources (pensions)	(94,764)	-
Increase (decrease) in liabilities:		
Accounts payable	(13,625)	8,197
Accrued salaries and payroll taxes	312	-
Due to other governments	1,402	-
Due to other funds	(14,057)	1,688,693
Advance from other funds	-	(1,767,842)
Compensated absences payable	1,467	-
Closure/postclosure care liabilities	2,039,680	-
Claims payable	-	(744,170)
Net pension liability	86,322	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 566,008</u>	<u>\$ 10,616</u>

See accompanying notes to the basic financial statements.

DOUGLAS COUNTY, GEORGIA
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2017

ASSETS	
Cash	\$ 4,999,849
Taxes receivable	<u>3,930,184</u>
TOTAL ASSETS	<u>\$ 8,930,033</u>
LIABILITIES	
Due to other governments and individuals	<u>\$ 8,930,033</u>
TOTAL LIABILITIES	<u>\$ 8,930,033</u>

See accompanying notes to the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

DOUGLAS COUNTY, GEORGIA

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

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DOUGLAS COUNTY, GEORGIA

Notes to the Basic Financial Statements

For the Year Ended December 31, 2017

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DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Douglas County, Georgia (the “County”) is a political subdivision of the State of Georgia and was created by a legislative act in 1870. The County operates under a Commissioner-Administrator form of government. The County is governed by a board of five commissioners elected by the voters of the County. The County’s major services include general administration, courts, public safety, public works, health and welfare, parks, recreation and culture, and planning and community development.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The County has implemented GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* which incorporated into the GASB’s authoritative literature certain accounting and financial reporting guidance issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements.

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

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County. For the County, this entity includes the constitutionally elected officers (Sheriff, Tax Commissioner, Probate Court Judge, Magistrate Court Judge, State Court Judge, Juvenile Court Judge, Superior Court Judge, and the Clerk of Superior Court).

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; (2) the County is legally entitled to or can otherwise access the organization's resources; (3) the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes, or issues their debt.

The component unit column included on the government-wide financial statements identify the financial data of the County’s discretely presented component unit. It is reported separately to emphasize that it is legally separate from the County.

A brief description of the County’s discretely presented component unit follows on the next page.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-A. Reporting Entity (Continued)

Douglas County Board of Health (Health Department) – The Health Department works to promote and preserve the health of the citizens of the County. The Health Department’s Board consists of seven members, four of which are appointed by the County Board of Commissioners. Although the County does not have the authority to approve or modify the Health Department’s budgets, it does have the ability to control environmental health service fees and the amount of funding it provides to the Health Department. The Health Department has a June 30th fiscal year-end and is presented as a governmental type component unit. Complete financial statements for the Health Department may be obtained from:

Douglas County Board of Health Administrative Office
6770 Selman Drive
Douglasville, Georgia 30210

1-B. Basis of Presentation

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

Government-wide Financial Statements – The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Fiduciary activities are not included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities which are generally supported by taxes and County general revenues, from business-type activities which are generally financed in whole or in part with fees charged to external customers. The activity of the internal service funds (i.e., Health Insurance Fund and Workers’ Compensation Fund) is eliminated to avoid duplicating revenues and expenses.

The statement of net position presents the financial position of the governmental and business-type activities of the County and the County’s discretely presented component unit at year-end.

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

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

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

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

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

Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds. The internal service funds are presented in a single column on the face of the proprietary fund statements. Fiduciary funds are reported by type.

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

Governmental Funds – Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used and fund liabilities are assigned to the fund from which they will be liquidated.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

The following are the major governmental funds:

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

Unincorporated Service Area Fund – This major special revenue fund is used to account for Fire and EMS, Animal Control, and other services to ensure County residents in both incorporated and unincorporated areas share the costs of these services equitably.

2016 SPLOST Capital Projects Fund – This major capital projects fund is used to account for the acquisition and construction of major projects and facilities funded by special purpose local option sales tax.

GRTA Arterial Road Fund – This fund is utilized to account for the improvements to Lee Road and the Dura Lee Lane Extension capital projects.

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The County reports the following major proprietary fund:

Solid Waste Disposal Fund – This fund accounts for the operating revenue and expenses related to the disposal of solid waste as well as the County's closure and postclosure care costs related to its landfill.

Internal Service Funds – Internal service funds are used to account for the County's self-funding of its medical and dental claims and workers' compensation program.

Fiduciary Funds – Fiduciary fund reporting focuses on assets held for others. The County's fiduciary funds are agency funds. These agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Constitutional officers use these funds to temporarily hold assets which includes the Tax Commissioner, Clerk of Superior Court, Sheriff, State Court, Probate Court, Magistrate Court, and the Juvenile Court.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-C. Measurement Focus

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

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

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

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, in the recording of deferred revenue and in the presentation of expenses versus expenditures.

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

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting (Continued)

Revenues – Non-exchange Transactions – Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales tax, property tax, grants, and donations. On an accrual basis, revenue from sales tax is recognized in the period in which the taxable sale takes place.

Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 3-C). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property tax, sales tax, interest and federal and state grants.

Unearned Revenue – Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied in voluntary exchange transactions.

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

1-E. Assets, Deferred Outflows and Inflows of Resources, Liabilities, and Fund Equity

1-E-1. Cash, Cash Equivalents and Investments

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

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

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the government or governmental agency
- Obligations of any corporation of the government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund 1)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Deferred Outflows and Inflows of Resources, Liabilities, and Fund Equity (Continued)

1-E-1. Cash, Cash Equivalents and Investments (Continued)

Any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. obligations.

Georgia Fund 1, created by OCGA 36-83-8, is a stable asset value investment pool that follows Standard and Poor's criteria for AAAf rated money market funds and is regulated by the Georgia Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). The asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share. 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 County's nonparticipating interest-earning investment contracts are recorded at cost. The remaining investments are recorded at fair value. Increases or decreases in fair value during the year are recognized as a component of interest income.

1-E-2. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectible accounts, where applicable.

1-E-3. Interfund Balances

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

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules and are offset by a fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

1-E-4. Consumable Inventories

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

On the fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditures in the governmental fund types when consumed. Inventories of the proprietary funds are expensed when consumed.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Deferred Outflows and Inflows of Resources, Liabilities, and Fund Equity (Continued)

1-E-5. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as nonspendable as this amount is not available for general appropriation.

1-E-6. Restricted Assets

Unspent proceeds from the issuance of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets because their use is limited by applicable bond covenants.

1-E-7. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their estimated acquisition values as of the date received. The County maintains a capitalization threshold of \$5,000 and an estimated useful life of at least two (2) years. The County's infrastructure consists of roads and bridges and all appurtenances. Improvements to capital assets are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or extend the asset's useful life are expensed.

All reported capital assets are depreciated except for land, right-of-ways, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Infrastructure assets acquired prior to December 31, 1980, are included in the amounts reported.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Deferred Outflows and Inflows of Resources, Liabilities, and Fund Equity (Continued)

1-E-7. Capital Assets (Continued)

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land improvements	10 – 20 years	-
Buildings and improvements	25 – 50 years	25 – 50 years
Machinery and equipment	5 – 20 years	5 – 20 years
Vehicles	10 years	10 years
Computers and software	5 – 10 years	5 – 10 years
Infrastructure	25 – 50 years	-

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

1-E-8. Compensated Absences

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

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County’s past experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable.

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

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Deferred Outflows and Inflows of Resources, Liabilities, and Fund Equity (Continued)

1-E-9. Accrued Liabilities and Long-term Obligations

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

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

1-E-10. Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Issuance costs are expensed in the period in which they are incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of 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.

1-E-11. 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.”

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Deferred Outflows and Inflows of Resources, Liabilities, and Fund Equity (Continued)

1-E-11. Fund Equity (Continued)

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

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 they include amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed – Fund balances are reported as committed when they include amounts that can be used only for the specific purposes imposed by a formal action of the Board of Commissioners and will remain binding unless removed in the same manner. A resolution of the Board of Commissioners is required to establish, modify, or rescind a fund balance commitment as this is the highest level of authoritative action that can be taken.

Assigned – Fund balances are reported as assigned when they include amounts intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The resolution passed by the Board of Commissioners establishing the County’s fund balance policy has delegated the County Administrator the authority to assign amounts to be used for specific purposes.

Unassigned – Fund balances are reported as unassigned as the residual classification for the County’s General Fund and includes all spendable amounts not contained in the other classifications. The County reports positive unassigned fund balance only in the General Fund.

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, (3) Unassigned.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Deferred Outflows and Inflows of Resources, Liabilities, and Fund Equity (Continued)

1-E-11. Fund Equity (Continued)

Net Position – Net position represents the difference between assets, deferred outflow of resources, liabilities, and deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Amounts shown as net investment in capital assets are made up of capital asset costs, net of accumulated depreciation and outstanding debt used to acquire, construct, or improve the associated assets. Net position is reported as restricted when there are legal limitations or external restrictions imposed upon their use. All other net position is reported as unrestricted.

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

1-E-12. Operating Revenues and Expenses and Non-operating Items

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for solid waste disposal, health insurance and the workers' compensation programs. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1-E-13. Interfund Activity

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

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

1-E-14. Estimates

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

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Deferred Outflows and Inflows of Resources, Liabilities, and Fund Equity (Continued)

1-E-15. Deferred outflows/inflows of resources

The statement of financial position will sometimes report a separate section for deferred outflows of resources and deferred inflows of resources. The types of items reported by the County that fall into this category are described more fully below.

In addition to liabilities, the financial statements 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 or net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one (1) item that qualifies for reporting in this category and it arises only under a modified accrual basis of accounting. Consequently, the item, unavailable revenue, is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The County also has deferred outflows of resources and deferred inflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five (5) year period. Additionally, any contributions made by the County to the pension plan before year end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources. These contributions will reduce the County's net pension liability in the next fiscal period.

1-E-16. Pensions

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

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 2 - Stewardship, Compliance and Accountability

2-A. Budgetary Information

The County adopts an annual operating budget for all governmental funds except the capital projects funds, which have an adopted project-length budget. The budget resolution reflects the total of each department's appropriation in each fund. Budgets are adopted on a basis consistent with GAAP.

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

The Board of Commissioners must also approve budget transfers within departments. The County's financial analyst is authorized to transfer appropriations between line items within a department within a fund.

2-B. Deficit Fund Equity

As of December 31, 2017, the following funds reported a deficit in ending fund balance/net position:

GRTA Arterial Road Fund	\$1,983,623
Solid Waste Disposal Fund	1,139,904
Group Health Insurance Fund	3,531,172

The deficit in the GRTA Arterial Road Fund will be alleviated through the collection of intergovernmental revenues that are currently unavailable under the modified accrual basis of accounting.

The deficits in the Solid Waste Disposal Fund and the Group Health Insurance Fund will be alleviated by increased user charges and General Fund appropriations, as necessary.

2-C. Excess of Expenditures over Appropriations

The following General Fund departments and other governmental funds had actual expenditures that exceeded final appropriations for the year ended December 31, 2017:

General Fund Departments:	
General government - print shop	\$ 482
Judicial - probate court	1,171
Public safety - coroner	12,410
Hotel-Motel Tax Fund	166,496
Neighborhood Stabilization Program Fund	408,279
Law Library Fund	24,037
Law Enforcement Confiscated Assets Fund	72,714

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

3-A-1. Credit Risk

The County does not have a formal policy to address credit risk aside from adherence to State statutes for investments. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia. As of December 31, 2017, the County's investment in Georgia Fund 1 was rated AAAs by Standard & Poor's.

At December 31, 2017, the County had the following investments:

Investment	Maturities	Balance
Georgia Fund 1	9 days	\$ 73,426,252
Certificate of deposit	June 23, 2018	300,000
Certificate of deposit	June 23, 2018	100,000
Total		\$ 73,826,252
Reconciliation of Investments per Financial Statements		
Investments		\$ 400,000
Georgia Fund 1 (included with cash and cash equivalents)		73,426,252
Total		\$ 73,826,252

3-A-2. Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least half of the County's investment portfolio to maturities of less than one year.

3-A-3. Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of December 31, 2017, the County was fully collateralized under the State statutes.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-A. Deposits and Investments (Continued)

3-A-4. Custodial Credit Risk – Investments

As an external investment pool, Georgia Fund 1 is not required to disclose custodial credit risk.

3-A-5. 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 Georgia Fund 1 is an investment pool which does not meet the criteria of GASB Statement No. 79 and is thus valued at fair value in accordance with GASB Statement No. 31. As a result, the County does not disclose the investment in the Georgia Fund 1 within the fair value hierarchy. The County's certificates of deposit are nonparticipating interest-earning investment contracts and, accordingly, are recorded at cost.

3-B. Receivables

Receivables at December 31, 2017, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), and intergovernmental receivables arising from grants. Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-B. Receivables (Continued)

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

Primary Government:	Taxes	Accounts	Other Governments	Allowance for Uncollectibles	Net Receivables
General Fund	\$2,144,174	\$3,011,328	\$ -	\$56,725	\$5,098,777
Unincorporated Service Area	-	10,605,842	-	8,972,729	1,633,113
2016 SPLOST Fund	2,449,791	320,661	-	-	2,770,452
GRTA Arterial Road Fund	-	-	1,978,990	-	1,978,990
Other Governmental Funds	44,448	460,236	-	-	504,684
Solid Waste Disposal Fund	-	138,254	-	69,490	68,764
Internal Service Funds	-	4,627	-	-	4,627
 Total Receivables	 \$4,638,413	 \$14,540,948	 \$1,978,990	 \$9,098,944	 \$12,059,407

3-C. Property Taxes

The Board of Commissioners levied property taxes on August 15, 2017. Property taxes attach as an enforceable lien on property as of January 1 each year. Property taxes were billed on September 15, 2017 and were due and payable on November 15, 2017. The County bills and collects its own property taxes and also collects property taxes for the Douglas County Board of Education, the City of Douglasville, the City of Villa Rica, and the State of Georgia. Collection of the County's taxes, and for the other government agencies, is the responsibility of the Tax Commissioner's Office, which is accounted for in an Agency Fund. County property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days).

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DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Capital asset activity for the year ended December 31, 2017, was as follows:

Governmental activities:	Restated Balance 12/31/16	Additions	Deductions	Transfers	Balance 12/31/17
Capital assets not being depreciated:					
Land	\$ 26,866,866	\$ -	\$ -	\$ -	\$ 26,866,866
Construction in progress	12,787,620	3,482,469	-	(4,135,312)	12,134,777
Total capital assets not being depreciated	<u>39,654,486</u>	<u>3,482,469</u>	<u>-</u>	<u>(4,135,312)</u>	<u>39,001,643</u>
Capital assets being depreciated:					
Buildings	188,780,334	1,604,182	-	4,082,903	194,467,419
Improvements other than buildings	27,254,799	389,435	11,093	15,909	27,649,050
Machinery and equipment	17,298,812	752,793	30,098	-	18,021,507
Vehicles	22,767,635	1,296,191	1,682,518	-	22,381,308
Computers and software	5,285,011	13,000	41,116	36,500	5,293,395
Infrastructure	43,259,806	-	-	-	43,259,806
Total capital assets being depreciated	<u>304,646,397</u>	<u>4,055,601</u>	<u>1,764,825</u>	<u>4,135,312</u>	<u>311,072,485</u>
Accumulated depreciation:					
Buildings	40,797,734	4,605,586	-	-	45,403,320
Improvements other than buildings	11,639,957	1,443,760	2,773	-	13,080,944
Machinery and equipment	11,716,254	1,416,755	6,570	-	13,126,439
Vehicles	13,746,698	1,378,160	1,426,717	-	13,698,141
Computers and software	3,238,481	545,228	41,116	-	3,742,593
Infrastructure	27,074,243	1,066,847	-	-	28,141,090
Total accumulated depreciation	<u>108,213,367</u>	<u>10,456,336</u>	<u>1,477,176</u>	<u>-</u>	<u>117,192,527</u>
Net depreciable capital assets	<u>196,433,030</u>	<u>(6,400,735)</u>	<u>287,649</u>	<u>4,135,312</u>	<u>193,879,958</u>
Governmental activities capital assets, net	<u>\$ 236,087,516</u>	<u>\$ (2,918,266)</u>	<u>\$ 287,649</u>	<u>\$ -</u>	<u>\$ 232,881,601</u>

During the year ended December 31, 2017, management of the County determined that a restatement to the beginning balance of infrastructure assets (and the related accumulated depreciation) was necessary to remove assets that had been improperly capitalized in previous years. Additional information regarding this restatement can be found in Note 4-G.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets (Continued)

Business-type activities:	Balance 12/31/16	Additions	Deductions	Transfers	Balance 12/31/17
Capital assets not being depreciated:					
Land and improvements	\$ 1,574,386	\$ -	\$ -	\$ -	\$ 1,574,386
Total capital assets not being depreciated	<u>1,574,386</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,574,386</u>
Capital assets being depreciated:					
Buildings and structures	449,585	-	-	-	449,585
Machinery and equipment	2,605,340	78,310	39,974	-	2,643,676
Computers and software	45,860	-	-	-	45,860
Vehicles	423,560	-	-	-	423,560
Total capital assets being depreciated	<u>3,524,345</u>	<u>78,310</u>	<u>39,974</u>	<u>-</u>	<u>3,562,681</u>
Accumulated depreciation:					
Buildings and structures	254,543	11,184	-	-	265,727
Machinery and equipment	2,539,775	16,843	-	-	2,556,618
Computers and software	43,385	1,100	39,974	-	4,511
Vehicles	409,571	4,050	-	-	413,621
Total accumulated depreciation	<u>3,247,274</u>	<u>33,177</u>	<u>39,974</u>	<u>-</u>	<u>3,240,477</u>
Net depreciable capital assets	<u>277,071</u>	<u>45,133</u>	<u>-</u>	<u>-</u>	<u>322,204</u>
Business-type activities capital assets, net	<u>\$ 1,851,457</u>	<u>\$ 45,133</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,896,590</u>

The following table provides a summary of the County's net investment in capital assets:

<u>Net Investment in Capital Assets</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Capital assets, nondepreciable	\$ 39,001,643	\$ 1,574,386	\$ 40,576,029
Capital assets, depreciable, net	193,879,958	322,204	194,202,162
Bonds payable	(65,538,842)	-	(65,538,842)
Capital leases payable	(262,080)	-	(262,080)
Unspent proceeds from debt	41,206,751	-	41,206,751
Portion of bonds payable for City of Douglasville (see Note 3-H)	<u>19,105,000</u>	<u>-</u>	<u>19,105,000</u>
	<u>\$ 227,392,430</u>	<u>\$ 1,896,590</u>	<u>\$ 229,289,020</u>

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets (Continued)

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

Governmental activities:	
General government	\$ 1,101,711
Judicial	122,309
Public safety	5,867,385
Public works	1,224,021
Parks, recreation and culture	1,761,363
Planning and community development	329,647
Health and welfare	49,900
Total depreciation expense - governmental activities	<u>\$ 10,456,336</u>
Business-type activities:	
Solid Waste Disposal Fund	<u>\$ 33,177</u>

3-E. Interfund Balances and Transfers

Interfund balances at December 31, 2017, consisted of amounts representing charges for services or reimbursable expenditures. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

Interfund balances at December 31, 2017, consisted of the following:

Payable from:	Payable to:				Total
	General Fund	Unincorporated Service Area Fund	Non-major Govt. Fund	Internal Service Funds	
General Fund	\$ -	\$ 3,871,479	\$ 3,408,698	\$ 1,549,586	\$ 8,829,763
Unincorporated Service Area	210	-	-	-	210
GRTA Arterial Road	1,978,990	-	-	-	1,978,990
Non-major Governmental funds	29,283	-	-	-	29,283
Solid Waste Disposal	20,821	-	-	-	20,821
Internal Service Funds	1,300,000	-	-	-	1,300,000
Total	<u>\$ 3,329,304</u>	<u>\$ 3,871,479</u>	<u>\$ 3,408,698</u>	<u>\$ 1,549,586</u>	<u>\$ 12,159,067</u>

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Interfund Balances and Transfers (Continued)

Advances between the General Fund and the General Health Insurance Fund represent interfund balances which will be repaid within a period greater than one fiscal year. The balance of the advance from the General Fund at December 31, 2017, was \$1,688,693.

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

	Transfer to:				Total
	General Fund	Unincorporated Service Area Fund	GRTA Arterial Road Fund	Non-major Governmental Funds	
Transfer from:					
General Fund	\$ -	\$ 4,515,625	\$ 1,379,101	\$ 1,019,118	\$ 6,913,844
Unincorporated Service Area Fund	3,000,000	-	-	-	3,000,000
2016 SPLOST Fund	-	-	-	9,918,608	9,918,608
Non-major Governmental Funds	141,888	257,220	-	39,992	439,100
Total	\$ 3,141,888	\$ 4,772,845	\$ 1,379,101	\$ 10,977,718	\$ 20,271,552

Transfers are used to (1) report revenues from the fund that statute or budget requires to collect them, to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and (3) to move proceeds from the 2016 SPLOST Fund to the 2016 SPLOST Debt Service Fund (a nonmajor governmental fund) for the purpose of repaying the bonds issued by the County to fund various projects in accordance with the voter approved referendum.

3-F. Capital Leases

In June 2013, the County entered into a capital lease to purchase ten (10) defibrillator/monitors for \$354,333. Payments are \$74,061 annually which includes principal and interest at a rate of 1.94%. The lease meets the criteria of a capital lease as the ownership of the asset transfers to the County at the end of the lease. The equipment acquired by the lease is included in capital assets for governmental activities at a cost equal to the value of the lease and there has been \$159,450 of accumulated depreciation through December 31, 2017. Annual depreciation of these assets is included with depreciation expense.

In June 2013, the County entered into a capital lease to purchase a pumper truck for its fire department for \$373,448. Payments are \$97,357 annually which includes principal and interest at a rate of 2.08%. The lease meets the criteria of a capital lease as the ownership of the asset transfers to the County at the end of the lease. The truck acquired by the lease is included in capital assets for governmental activities at a cost equal to the value of the lease and there has been \$71,578 of accumulated depreciation through December 31, 2017. Annual depreciation of this asset is included with depreciation expense.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Capital Leases (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2017, were as follows:

Year Ending 31-Dec	Governmental Activities
2018	\$ 171,418
2019	97,357
Total minimum lease payments	268,775
Less: Amount representing interest	6,695
Present value of minimum lease payments	\$ 262,080

3-G. Compensated Absences

Annual leave is earned at the rate of ten (10) days per year after one (1) year of service, twelve (12) days per year after five (5) years of service, eighteen (18) days per year after ten (10) years of service, twenty (20) days per year after fifteen (15) years of service, twenty-four (24) days per year after twenty-two (22) years of service, and twenty-five (25) days per year after twenty-four (24) years of service and for the remainder of employment. There is no requirement that annual leave be taken; however, there is a thirty-five (35) day maximum accumulation of annual leave days. Upon termination, all employees are paid for all accumulated annual leave.

Sick leave is earned at the rate of seven (7) hours for each month of service for all employees except firefighters who earn ten (10) and one half hours for each month of service. Sick leave is allowed to accumulated indefinitely. Unused sick leave is forfeited upon termination of employment and is therefore not recorded as a liability except as provided below.

An employee retiring after fifteen (15) years of service receives five (5) days' pay for each year employed by the County, provided the employee has accumulated enough sick hours during their employment period which is as follows:

- 800 hours for employees on a forty (40) hour payroll; or
- 1,200 hours for employees on a fifty-six (56) hour payroll

Sick pay payout is only applicable to those County employees hired prior to January 1, 2001.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt

Primary Government Bonds - The following is a summary of the outstanding long-term bond issues at December 31, 2017:

Year Issued	Purpose	Interest Rate (%)	Interest Dates	Issue Date	Maturity Date	Authorized and Issued	Outstanding 12/31/2017
2017	General Obligation Sales Tax Bonds	5.0	04/01, 10/01	4/13/2017	4/1/2022	\$ 60,385,000	\$ 60,385,000

On April 13, 2017, the County issued \$60,385,000 General Obligation (GO) Sales Tax Bonds, Series 2017 for the purpose of funding various projects on the voter approved Special Purpose Local Option Sales Tax (SPLOST) referendum. The bonds were issued at a premium of \$6,145,688. Of the total par amount of bonds issued, \$19,105,000 has been set aside for the purpose of funding SPLOST projects for the City of Douglasville.

The County's debt service requirements to maturity on the GO bonds are as follows:

Year	Principal	Interest	Total
2018	\$ 7,000,000	\$ 2,844,250	\$ 9,844,250
2019	15,000,000	2,294,250	17,294,250
2020	18,000,000	1,469,250	19,469,250
2021	16,305,000	611,625	16,916,625
2022	4,080,000	102,000	4,182,000
Total	<u>\$ 60,385,000</u>	<u>\$ 7,321,375</u>	<u>\$ 67,706,375</u>

Landfill Closure and Postclosure Care Costs – State and Federal laws and regulations require that the County place a final cover on its landfill when officially closed and subsequently perform certain maintenance and monitoring functions at the site for a minimum of thirty (30) years. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and postclosure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these costs is based on the amount of the landfill capacity used during the year. The estimated liability for costs has a balance of \$3,880,350 as of December 31, 2017, which is based on 100% of Landfill Phase I, Sections 1 and 2 and 77% of the C&D Landfill Phase I, Section 3 being filled. As the C&D portion of the landfill remains open, the thirty (30) year monitoring period has not commenced. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations. Should any problems occur during the postclosure period (once it has commenced), the costs and time period required for the maintenance and monitoring functions may substantially increase.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Long-term Debt (Continued)

Changes in the County's long-term obligations consisted of the following as of December 31, 2017:

	Outstanding 12/31/2016	Additions	Deductions	Outstanding 12/31/2017	Amounts Due in One Year
Governmental Activities:					
GO Sales Tax bonds	\$ -	\$ 60,385,000	\$ -	\$ 60,385,000	\$ 7,000,000
Original issue premium	-	6,145,688	991,846	5,153,842	-
Bonds payable, net	-	66,530,688	991,846	65,538,842	7,000,000
Capital leases	768,714	-	506,634	262,080	166,405
Compensated absences	6,272,175	3,089,306	3,220,920	6,140,561	2,149,196
Claims payable	1,567,093	11,682,423	12,426,593	822,923	822,923
Net pension liability	35,233,361	20,093,337	8,730,617	46,596,081	-
Net OPEB obligation	47,373,285	4,553,296	1,102,857	50,823,724	-
Total Governmental Activities	\$ 91,214,628	\$ 105,949,050	\$ 26,979,467	\$ 170,184,211	\$ 10,138,524
Business-Type Activities:					
Closure / post-closure costs	\$ 1,840,670	\$ 2,039,680	\$ -	\$ 3,880,350	\$ -
Compensated bsences	107,844	26,259	24,792	109,311	38,259
Net pension liability	345,111	186,044	99,722	431,433	-
Total Business-Type Activities	\$ 2,293,625	\$ 2,251,983	\$ 124,514	\$ 4,421,094	\$ 38,259

For governmental activities, the net pension liability and compensated absences are generally liquidated by the General Fund, the Unincorporated Service Area Fund, and the Emergency Telephone System Fund. The net OPEB obligation is liquidated by the General Fund.

For business-type activities, the landfill closure and postclosure costs, compensated absences, and net pension liability are liquidated by the Solid Waste Disposal Fund.

3-I. Short-term Borrowings

The County utilized a short-term note payable in the form of a tax anticipation note (TAN) during the year ended December 31, 2017. Pursuant to the agreement between the County and a local financial institution, the lender agreed to advance the County \$12 million secured by tax revenues. Interest accrued on the TAN at a rate of 1.12% and was due and payable at maturity. The County retired the TAN on November 30, 2017. Total short-term borrowings interest accrued and expensed for the period ended December 31, 2017 was \$63,467. The following is a summary of the County's short-term borrowings for the year ended December 31, 2017:

	Outstanding 12/31/2016	Additions	Deductions	Outstanding 12/31/2017
Tax Anticipation Note	\$ -	\$ 12,000,000	\$ 12,000,000	\$ -

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions

Plan Description – The County, as authorized by the Board of Commissioners, has established a defined benefit pension plan, The Douglas County Defined Benefit Plan (the “Plan”), covering substantially all of the County’s employees. The County’s pension plan is administered through the Association of County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. All full-time eligible employees participate in the Plan immediately upon employment and benefits vest after five (5) years. Participants become eligible for normal retirement, which is the later of age 65 or five (5) years of vesting service. Early retirement eligibility is the later of age 55 or 10 years of vesting service. The retirement benefit to be paid is calculated as the sum of the following three (3) components:

- 1.25% of average annual compensation times past service (i.e., service prior to January 1, 2006) less the accumulated benefit amount of other Douglas County retirement benefits;
- 2.5% of average annual compensation times future service (i.e, service after December 31, 2005);
- 0.25% of average annual compensation times “buy-back” units at buy-back age.

Compensation is defined as the highest five (5) years of the most recent ten (10) year period of base wages during employment with the County. The Plan also provides benefits in the event of death or disability.

The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County 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. The Board of Commissioners retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to the Association of County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership – As of January 1, 2017, the date of the most recent actuarial valuation, the Plan’s membership consisted of the following:

Retirees, Beneficiaries and Disableds receiving benefits	198
Terminated plan participants entitled to but not yet receiving benefits	155
Active employees participating in the Plan	970
Total number of Plan participants	1,323

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions (Continued)

Contributions – The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the Board of Commissioners, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. Plan participants are required to contribute 5% of base wages to the Plan. For the year ended December 31, 2017, the County's contribution rate was 14.58% of annual payroll. County contributions to the Plan were \$6,113,115 for the year ended December 31, 2017; employee contributions totaled \$2,256,843.

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.....	4.0% plus and age based scale
Investment rate of return.....	7.25%, net of pension plan investment expense, including inflation

Mortality rates for the January 1, 2016 actuarial valuation were based on the RP-2000 Combined Healthy Mortality Table projected with Scale AA to 2016.

The actuarial assumptions used in the January 1, 2016, valuation were based on the results of an actuarial experience study through February 2014.

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

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2016, are summarized in the table on the following page.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions (Continued)

Net Pension Liability of the County (continued)

Asset class	Target allocation	Long-term expected real rate of return*
Fixed income	30%	6.56%
Large Cap equity	30%	10.22
International equity	15%	5.86
Other equity	20%	10.33
Real estate	5%	9.33
Total	<u>100%</u>	

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

Discount rate – The discount rate used to measure the total pension liability was 7.25%, which is a change from the discount rate used in the prior year of 7.5%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

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

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at 12/31/16	\$ 81,053,447	\$ 45,474,975	\$ 35,578,472
Changes for the year:			
Service cost	3,064,080	-	3,064,080
Interest	5,950,442	-	5,950,442
Differences between expected and actual experience	7,358,244	-	7,358,244
Changes in actuarial assumptions	3,676,417	-	3,676,417
Contributions—employer	-	3,585,332	(3,585,332)
Contributions—employee	-	2,169,086	(2,169,086)
Net investment income	-	3,075,921	(3,075,921)
Benefit payments, including refunds of employee contributions	(3,428,447)	(3,428,447)	-
Other changes	-	(80,150)	80,150
Administrative expense	-	(150,048)	150,048
Net changes	<u>16,620,736</u>	<u>5,171,694</u>	<u>11,449,042</u>
Balances at 12/31/17	<u>\$ 97,674,183</u>	<u>\$ 50,646,669</u>	<u>\$ 47,027,514</u>

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions (Continued)

Changes in the Net Pension Liability of the County (Continued) – 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 percent, as well as what the County’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
County's net pension liability	\$ 61,753,095	\$ 47,027,514	\$ 35,011,759

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2016, and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources Related to Pensions – For the year ended December 31, 2017, the County recognized pension expense of \$6,582,672. At December 31, 2017, the County reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources
Plan contributions made subsequent to the measurement period	\$ 6,113,115
Differences between expected and actual experience	6,605,986
Differences resulting from changes in actuarial assumptions	5,263,469
Net difference between projected and actual earnings on pension plan investments	2,290,698
Total	\$ 20,273,268

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Pensions (Continued)

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

County contributions subsequent to the measurement date of \$6,113,115 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the fiscal year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending December 31:		
2018	\$	2,881,754
2019		2,881,754
2020		2,881,754
2021		2,812,783
Thereafter		2,702,108
Total	\$	<u>14,160,153</u>

Note 4 - Other Notes

4-A. Risk Management

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Constitution of the State of Georgia provides that the County may be immune from most forms of bodily injury and property damage arising out of its operations, if such losses are not insured. It is the policy of the County to utilize immunity as a legal defense against liability claims whenever the risk of loss is not insured and immunity may be asserted.

The County purchases commercial automotive liability insurance to cover its automobiles, trucks, commercial vehicles and other on-road vehicles. Beyond the limits of the liability policies, the County asserts immunity and has never had to pay a claim in excess of those policies.

Building and contents, and contractor's equipment are insured through property and flood insurance policies and the County retains the first \$10,000 to \$25,000 of each loss. This retention level is funded by an annual contingency appropriation. The appropriated limit has never been reached in any year.

Settled claims have not exceeded the County's commercial insurance coverages in any of the past three (3) calendar years.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 4 - Other Notes (Continued)

4-A. Risk Management (Continued)

The County maintains a Workers' Compensation Self-Insurance Fund, which is an internal service fund, to account for resources used in payment of workers' compensation claims. The County has entered into a contract with a third party to administer the Workers' Compensation Program. The County maintains third party insurance coverage from a private insurance carrier for claims that exceed \$650,000 per occurrence with an aggregate stop loss liability of \$1,600,000, based on an annual policy term. The County has accrued a liability for workers' compensation claims that were incurred prior to year-end but were not paid until the following fiscal year. For purposes of estimating the unpaid claims liability as of December 31, 2017, the County's third party administrator computed the reserve liability based on the estimated cost of each outstanding claim from claims experience of similar claims. Changes in the balance of the workers' compensation claims liability for the past three (3) years is as follows:

Date	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2017	\$ 713,357	\$ 153,500	\$ (636,357)	\$ 230,500
2016	660,000	547,760	(494,403)	713,357

The County also maintains a Group Health Benefits Self-Insurance Fund, which is an internal service fund, to account for resources used in providing employee benefits for medical, dental, disability, and losses of life claims. The County maintains third party insurance coverage from a private insurance carrier for claims that exceed \$100,000 per employee with an aggregate stop loss liability of \$6,900,000, based on an annual policy term using a 12/15 run out formula on specific employee claims and 12/12 run out on aggregate claims. Changes in the balance of the health and dental claims liability for the past three (3) years is as follows:

Date	Beginning of Fiscal Year Liability	Current Year Claims	Claim Payments and Changes in Estimates	End of Fiscal Year Liability
2017	\$ 853,736	\$ 11,246,746	\$ (11,508,059)	\$ 592,423
2016	704,799	11,607,512	(11,458,575)	853,736

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 4 - Other Notes (Continued)

4-B. Contingent Liabilities

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowance, if any, will be immaterial.

The County is involved in a number of legal matters at December 31, 2017. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

The County has active construction projects as of December 31, 2017. At year-end, the County has contractual commitments on uncompleted contracts of approximately \$21,144,238.

The County's open encumbrances lapse at year-end but are re-appropriated and become part of the subsequent year's budget because performance under the executory contract is expected in the next year. At December 31, 2017 the amount of the encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Fund	\$ 866,438
Unincorporated Area Service Fund	18,531
Non-major governmental funds	<u>34,041</u>
Total governmental funds	<u>\$ 919,010</u>

4-C. Joint Ventures

The County participates in the following joint ventures.

Atlanta Regional Commission – Under Georgia law, the County, in conjunction with other cities and counties in the ten-county metro Atlanta area are members of the Atlanta Regional Commission (ARC). Membership in ARC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the ARC. Membership in the ARC includes the chief elected official of each county and municipality of the area. During 2017 payments to ARC from the County amounted to \$154,900. OCGA Section 50-8-39.1 provides that the member governments are liable for obligations of the ARC. The financial requirements of the County related to the ARC are limited to the amount of its annual dues. Separate financial statements may be obtained from the ARC's administrative office, 40 Courtland Street NE, Atlanta, GA 30303.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 4 - Other Notes (Continued)

4-C. Joint Ventures (Continued)

West Georgia Regional Library – Douglas County assists with the operations of the West Georgia Regional Library through annual funding requests. The West Georgia Regional Library is determined to be a joint venture. The Library Board consists of thirteen (13) members: three (3) members appointed by the Carroll County Library Board, four (4) members appointed by the Douglas County Library Board, and two (2) members each appointed by the Library Boards of Haralson, Heard, and Paulding Counties. The Board is without authority to determine the amount of its funding, except by submission of budget requests to local governmental units from which that Library receives support. The Library also receives funding from the State of Georgia and certain federal grants. Membership in the Library and participation in library services is at the discretion of each participating governmental agency. During 2017 payments to the Library from the County amounted to \$363,639. The Board has the power to designate management, the power to retain unreserved balances of local funds for continued operations and is the lowest level of oversight responsibility for the Library’s operations. Separately issued financial statements are available at the West Georgia Regional Library’s administrative offices, 710 Rome Street, Carrollton, Georgia 30117.

4-D. Other Postemployment Benefits

In addition to providing pension benefits, the County administers the Healthcare Plan of Douglas County, a single-employer defined benefit other postemployment benefit (OPEB) plan. The Board of County Commissioners authorizes participation in the OPEB Plan and sets the contribution rates and benefits. Coverage under the OPEB Plan includes medical, prescription drug, and dental benefits for retirees and dependents. The OPEB Plan does not issue a separate, stand-alone financial report. Substantially all of the County’s employees are eligible for the OPEB Plan; however, the requirements and sharing of costs between employer and employee vary depending on the employee’s start date as follows:

For employees hired on or before January 1, 2001, the following eligibility requirements apply:

- For retired employees that are at least sixty-two (62) years of age and have a minimum of fifteen (15) years of continuous service, the County will provide an insurance package that includes life insurance equal to 50% of the retiree’s ending salary, and medical and dental coverage at no cost to the retiree.
- For retired employees that are at least fifty-five (55) years of age and have a minimum of twenty-five (25) years of continuous service, the County will provide an insurance package that includes life insurance equal to 50% of the retiree’s ending annual salary, and medical and dental coverage according to a cost-sharing progression schedule as follows:

Age	County Participation	Employee Participation
55 - 57	50%	50%
58 - 59	70%	30%
60 - 61	80%	20%
62+	100%	0%

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 4 - Other Notes (Continued)

4-D. Other Postemployment Benefits (Continued)

- For retired employees that are at least fifty-five (55) years of age and have a minimum of thirty (30) years of continuous service, the County will provide an insurance package that includes life insurance equal to 50% of the retiree’s ending annual salary, and medical and dental coverage according to a cost-sharing progression schedule as follows:

<u>Age</u>	<u>County Participation</u>	<u>Employee Participation</u>
55 - 57	70%	30%
58 - 59 1/2	80%	20%
59 1/2 +	100%	0%

For employees hired after January 1, 2001, the following eligibility requirements apply:

- Using the rule of 80 (a combination of age and years of service), employees will be allowed to purchase pre-Medicare and lifetime medical coverage for themselves and their dependents, at reasonable group rates. The rate will be adjusted annually depending upon the negotiated County group rate.
- These employees will have the option to purchase up to \$20,000 of life insurance at the County’s voluntary group rate.

Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership for the OPEB Plan as of January 1, 2016.

Active members	870
Retired members	<u>142</u>
Total	<u><u>1,012</u></u>

Funding Policy and Contributions

The County has not established an irrevocable trust to fund the benefits of the OPEB Plan, choosing to fund the OPEB Plan on a pay-as-you-go basis. During the year ended December 31, 2017, the County contributed \$1,102,857 to the OPEB Plan for pay-as-you-go benefit payments.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 4 - Other Notes (Continued)

4-D. Other Postemployment Benefits (Continued)

Annual OPEB Cost

The County's annual OPEB cost and net OPEB obligation for the year ending December 31, 2017 is as follows:

Annual Required Contribution	\$ 4,468,613
Interest on OPEB Obligation	1,894,931
Adjustment to the ARC	(1,810,248)
Annual OPEB Cost	4,553,296
Actual Contribution	(1,102,857)
Increase in net OPEB obligation	3,450,439
Net OPEB obligation, December 31, 2016	47,373,285
Net OPEB obligation, December 31, 2017	\$ 50,823,724

Actuarial calculations reflect a long-term perspective. Calculations are based on the plan in effect at January 1, 2016. The assumptions used in the January 1, 2016, actuarial valuation are as follows:

Cost Method	Projected Unit Credit
Amortization Method	Level Percentage of Pay, Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value of Assets
Investment Rate of Return (Includes inflation at 3.00%)	4.00%
Medical Cost Trend Rates	
Pre Medicare	7.75% - 5.00%
Post Medicare	5.75% - 5.00%
Year of Ultimate Trend Rate	2022

The following is a schedule of funding progress using the projected unit credit actuarial cost method and the actuarial assumptions from the most recent actuarial valuation date of January 1, 2016:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a) / c)
1/1/2016	\$ -	\$ 54,574,257	\$ 54,574,257	0.00%	\$ 37,634,274	145.01%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 4 - Other Notes (Continued)

4-D. Other Postemployment Benefits (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued 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 January 1, 2016.

Fiscal Year Ended December 31,	Annual OPEB Cost	Actual OPEB Contribution	Percentage of OPEB Cost Contributed	Net OPEB Obligation
2017	\$ 4,553,296	\$ 1,102,857	24.22%	\$ 50,823,724
2016	4,547,065	1,061,659	23.35%	47,373,285
2015	4,679,121	-	0.00%	43,887,879

4-E. Hotel/Motel Lodging Tax

The County imposes an 8% hotel/motel lodging tax for the purpose of promoting tourism as authorized in Georgia Law (O.C.G.A 48-13-51(b)(3)). The County expends 12.5% to the Douglas County Chamber of Commerce and restricts 50% of the lodging tax funds for the Tourism and Historical Commission in the Hotel/Motel Tax Fund for the purpose of promoting tourism. A summary of the transactions for the year ending December 31, 2017 is as follows:

Fund balance as of December 31, 2016	\$ 240,409
Tax collections during fiscal year 2017	687,312
Payments to Douglas County Chamber of Commerce	(128,871)
Disbursement for Tourism and Historical Commission	(300,699)
Transfers to the Unincorporated Service Area Fund	<u>(257,219)</u>
Fund balance as of December 31, 2017	<u>\$ 240,932</u>

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 4 - Other Notes (Continued)

4-F. Tax Abatements

As authorized by the economic development laws of the State of Georgia, the Douglas County Board of Commissioners authorizes corporations which promote the development of industry, commerce, trade, tourism and employment opportunities in the County to participate in an ad valorem tax incentive plan. Abatements from real and personal property taxes are provided to industries based upon a points matrix which considers the participant's projected investment, employment, and goals. The abatements are achieved through a reduction in the assessed value of the property. The duration of the abatement awarded to a participating corporation is determined by the points awarded through the tax incentive plan matrix adopted by the Board of Commissioners. A minimum of three (3) points is required for participation in the tax incentive plan.

The normal duration of a tax incentive plan awarded to a participating corporation may be extended up to two (2) years beyond its normal termination if 40% of the corporation's full-time employees are residents of Douglas County. The tax incentive plan may also be extended an additional year if the participating corporation exceeds its investment goal by 30%. The failure of a participating corporation to meet its projected investment, employment, and goals within twenty-four (24) months following its enrollment in the tax incentive plan constitutes a default which, if not resolved within a cure period, results in the termination of the tax incentive plan and an assessment of 100% of all taxes previously abated. If a participating corporation is the recipient of a State of Georgia Discretionary Grant, the performance deadlines mirror those imposed by the State.

For the year ended December 31, 2017, the County abated real and personal property taxes totaling \$2,100,830 under its tax incentive plan.

DOUGLAS COUNTY, GEORGIA
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

4-G. Restatement of Beginning Balances

Management of the County has made a change to its accounting policies regarding the measurement date of its net pension liability. Previously, the County reported its net pension liability with a measurement date that was the same as year-end. In the current period and going forward, the County will use a measurement date that is one (1) year prior to the current year-end due to the timing and availability of audited information regarding the County’s fiduciary net position.

Management of the County has determined that a restatement to the beginning net position of the governmental activities is also necessary to properly report capital asset transactions that occurred in prior periods. The restatement pertains to repairs and maintenance expenses that were incorrectly capitalized and reported as capital assets.

The net effect of these restatements to beginning net position is as follows:

	<u>Governmental Activities</u>	<u>Solid Waste Disposal</u>	<u>Business-type Activities</u>
Net position, December 31, 2016, as previously reported	\$ 210,288,346	\$ 260,017	\$ 260,017
Change in balances of the County's net pension liability and related amounts	6,514,459	68,213	68,213
Removal of the net book value of capital assets improperly capitalized	(13,858,005)	-	-
Net position, December 31, 2016, as restated	<u>\$ 202,944,800</u>	<u>\$ 328,230</u>	<u>\$ 328,230</u>

Additionally, the County determined the formerly reported Fire Services and EMS Fund and the Animal Control Services Fund no longer met the definition of a special revenue fund in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, and those funds were rolled into the Unincorporated Service Area Fund for financial reporting purposes. The opening fund balance of the respective funds were \$1,195,095; \$1,889,356; and \$4,337,436, respectively. The new Unincorporated Service Area Fund reports an opening fund balance of \$7,421,887.

4-H. Subsequent Events

On May 1, 2018, the County approved the issuance of \$15,000,000 in tax anticipation notes at a 2.16% interest rate. The note was issued for cash flow purposes related to the County operations and has a maturity date of December 31, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

DOUGLAS COUNTY, GEORGIA

Required Supplementary Information

General Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual (GAAP Basis)

For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 63,071,468	\$ 63,071,526	\$ 66,237,716	\$ 3,166,190
Licenses and permits	-	-	101,596	101,596
Intergovernmental	3,347,616	3,985,688	3,459,063	(526,625)
Charges for services	3,630,980	3,630,980	4,167,658	536,678
Fines and forfeitures	5,200,800	5,200,800	4,723,928	(476,872)
Interest earned	12,150	12,150	15,957	3,807
Contributions	25,001	58,551	60,912	2,361
Miscellaneous	55,092	55,092	92,803	37,711
TOTAL REVENUES	75,343,107	76,014,787	78,859,633	2,844,846
EXPENDITURES				
Current:				
General government:				
Board of commissioners	917,196	1,069,821	1,046,865	22,956
Human resources	379,627	463,020	398,671	64,349
Finance	787,038	787,054	784,417	2,637
Purchasing	327,395	327,395	323,363	4,032
County attorney	707,339	707,339	497,872	209,467
Election board	292,386	292,386	251,769	40,617
Board of tax assessments	160,673	154,553	129,028	25,525
Tax commissioner	1,255,366	1,429,521	1,405,009	24,512
Property appraiser	1,041,378	1,047,548	1,037,448	10,100
Tax equalization board	78,327	77,727	43,366	34,361
Information services	1,188,664	1,294,129	1,146,022	148,107
Safety director	221,167	221,167	219,453	1,714
Building maintenance	1,738,971	1,778,519	1,492,178	286,341
Print shop	130,055	130,055	130,537	(482)
General appropriation	3,585,306	10,374,044	8,544,373	1,829,671
Records retention	150,677	150,677	137,281	13,396
Public relations	421,142	530,464	515,680	14,784
Total general government	<u>13,382,707</u>	<u>20,835,419</u>	<u>18,103,332</u>	<u>2,732,087</u>
Judicial:				
Superior court	1,196,500	1,252,255	987,407	264,848
District attorney	2,798,888	2,800,109	2,733,747	66,362
Clerk of superior court	2,192,497	2,222,468	1,873,115	349,353
Public defender and indigent cases	2,284,747	2,298,270	2,152,615	145,655
State court	879,650	880,066	723,860	156,206
Clerk of state court	503,292	503,292	496,073	7,219
State court solicitor	1,375,706	1,379,290	1,376,937	2,353
Magistrate court	728,081	728,486	718,679	9,807
Probate court	439,287	439,287	440,458	(1,171)
Juvenile court	1,484,003	1,496,017	1,442,453	53,564
Juvenile program	926,555	1,414,177	1,063,688	350,489
State DUI court	253,354	264,545	257,629	6,916
Total judicial	<u>15,062,560</u>	<u>15,678,262</u>	<u>14,266,661</u>	<u>1,411,601</u>
Public safety:				
Coroner	123,954	203,954	216,364	(12,410)
Sheriff	15,213,886	15,372,892	14,785,923	586,969
Jail	17,413,110	17,333,312	16,550,783	782,529
Emergency management	261,673	336,832	277,013	59,819
Total public safety	<u>33,012,623</u>	<u>33,246,990</u>	<u>31,830,083</u>	<u>1,416,907</u>

Continued

DOUGLAS COUNTY, GEORGIA

Required Supplementary Information

General Fund

Schedule of Revenues, Expenditures, and Changes in

Fund Balances - Budget and Actual (GAAP Basis)

For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
Public works:				
Roads	\$ 2,837,748	\$ 2,787,217	\$ 2,414,020	\$ 373,197
Administration	680,277	680,977	513,350	167,627
Traffic operations	1,022,553	1,042,510	800,093	242,417
Vehicle maintenance	1,282,422	1,283,210	1,179,794	103,416
Total public works	<u>5,823,000</u>	<u>5,793,914</u>	<u>4,907,257</u>	<u>886,657</u>
Parks, recreation and culture:				
Library	1,797,305	1,811,172	1,732,189	78,983
Parks and recreation	2,897,405	3,157,932	2,864,879	293,053
Acquatic center	849,459	886,149	831,740	54,409
Senior services center	384,968	385,368	374,894	10,474
Cultural arts council	53,877	53,877	53,877	-
Total public works	<u>5,983,014</u>	<u>6,294,498</u>	<u>5,857,579</u>	<u>436,919</u>
Planning and community development				
Share house	9,000	9,000	9,000	-
Geographic information system and mapping	220,793	226,779	214,997	11,782
Industrial development	350,000	350,000	350,000	-
Ride share program	1,850,108	2,349,152	1,172,567	1,176,585
Agriculture extension service	132,537	132,537	116,485	16,052
Total planning and community development	<u>2,562,438</u>	<u>3,067,468</u>	<u>1,863,049</u>	<u>1,204,419</u>
Health and welfare:				
General health grant	410,000	410,000	410,000	-
Community service board	126,000	126,000	126,000	-
Family and children services	84,600	84,600	84,600	-
Boys & girls club	15,000	15,000	15,000	-
Senior services	1,216,521	1,243,055	1,135,610	107,445
Total planning and community development	<u>1,852,121</u>	<u>1,878,655</u>	<u>1,771,210</u>	<u>107,445</u>
Debt service:				
Principal retirements	356,218	355,255	343,203	12,052
Interest and fiscal charges	15,000	74,963	69,021	5,942
Total debt service	<u>371,218</u>	<u>430,218</u>	<u>412,224</u>	<u>17,994</u>
TOTAL EXPENDITURES	<u>78,049,681</u>	<u>87,225,424</u>	<u>79,011,395</u>	<u>8,214,029</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(2,706,574)</u>	<u>(11,210,637)</u>	<u>(151,762)</u>	<u>11,058,875</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,024,918	3,024,918	3,141,888	116,970
Transfers out	(5,258,936)	(5,534,745)	(6,913,844)	(1,379,099)
Proceeds from sale of capital assets	-	-	114,822	114,822
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,234,018)</u>	<u>(2,509,827)</u>	<u>(3,657,134)</u>	<u>(1,147,307)</u>
NET CHANGE IN FUND BALANCES	<u>(4,940,592)</u>	<u>(13,720,464)</u>	<u>(3,808,896)</u>	<u>9,911,568</u>
FUND BALANCES - BEGINNING OF YEAR	<u>28,456,279</u>	<u>28,456,279</u>	<u>28,456,279</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 23,515,687</u>	<u>\$ 14,735,815</u>	<u>\$ 24,647,383</u>	<u>\$ 9,911,568</u>

DOUGLA COUNTY, GEORGIA
Required Supplementary Information
Unincorporated Service Area Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 8,695,196	\$ 8,695,196	\$ 8,946,275	\$ 251,079
Licesnes and permits	301,500	307,500	468,644	161,144
Intergovernmental	2,229,012	2,268,935	2,319,809	50,874
Charges for services	2,651,500	2,651,500	2,653,018	1,518
Contributions and donations	-	7,945	73,873	65,928
Miscellaneous	500	6,604	35,454	28,850
TOTAL REVENUES	13,877,708	13,937,680	14,497,073	559,393
EXPENDITURES				
Current:				
Public safety	16,267,180	19,149,876	17,996,178	1,153,698
Public works	356,471	364,769	260,709	104,060
Planning and community development	1,180,751	1,229,997	1,066,153	163,844
Debt service:				
Principal retirements	171,419	171,419	163,431	7,988
Interest and fiscal charges	-	-	7,987	(7,987)
TOTAL EXPENDITURES	17,975,821	20,916,061	19,494,458	1,421,603
DEFICIENCY OF REVENUES OVER EXPENDITURES	(4,098,113)	(6,978,381)	(4,997,385)	1,980,996
OTHER FINANCING SOURCES (USES)				
Transfers in	4,433,318	4,709,127	4,772,845	63,718
Transfers out	(3,000,000)	(3,000,000)	(3,000,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	1,433,318	1,709,127	1,772,845	63,718
NET CHANGE IN FUND BALANCES	(2,664,795)	(5,269,254)	(3,224,540)	2,044,714
FUND BALANCES - BEGINNING OF YEAR	7,421,887	7,421,887	7,421,887	-
FUND BALANCES - END OF YEAR	\$ 4,757,092	\$ 2,152,633	\$ 4,197,347	\$ 2,044,714

DOUGLAS COUNTY, GEORGIA

Required Supplementary Information

December 31, 2017

SCHEDULE OF FUNDING PROGRESS - OPEB

Healthcare Plan of Douglas County

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded / (Surplus) AAL (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
1/1/2016	\$ -	\$ 54,574,257	0.00%	\$ 54,574,257	\$ 37,634,274	145.01%
1/1/2014	-	56,831,916	0.00%	56,831,916	35,889,722	158.35%
1/1/2012	-	60,296,899	0.00%	60,296,899	37,126,270	162.41%

Note: See assumptions used for these schedules disclosed in the notes to the financial statements.

DOUGLAS 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
Total pension liability		
Service cost	\$ 3,064,080	\$ 2,779,383
Interest on total pension liability	5,950,442	5,415,678
Differences between expected and actual experience	7,358,244	461,773
Changes in actuarial assumptions	3,676,417	2,978,782
Benefit payments, including refunds of employee contributions	<u>(3,428,447)</u>	<u>(2,791,205)</u>
Net change in total pension liability	16,620,736	8,844,411
Total pension liability - beginning	<u>81,053,447</u>	<u>72,209,036</u>
Total pension liability - ending (a)	<u>\$ 97,674,183</u>	<u>\$ 81,053,447</u>
Plan fiduciary net position		
Contributions - employer	\$ 3,585,332	\$ 3,101,149
Contributions - employee	2,169,086	2,050,558
Net investment income	3,075,921	332,401
Benefit payments, including refunds of employee contributions	(3,428,447)	(2,791,205)
Administrative expenses	(150,048)	(141,435)
Other changes	<u>(80,150)</u>	<u>(241,338)</u>
Net change in plan fiduciary net position	5,171,694	2,310,130
Plan fiduciary net position - beginning	<u>45,474,975</u>	<u>43,164,845</u>
Plan fiduciary net position - ending (b)	<u>\$ 50,646,669</u>	<u>\$ 45,474,975</u>
County's net pension liability - ending (a) - (b)	<u>\$ 47,027,514</u>	<u>\$ 35,578,472</u>
Plan fiduciary net position as a percentage of the total pension liability	51.9%	56.1%
Covered payroll	\$ 39,119,100	\$ 36,347,975
County's net pension liability as a percentage of covered payroll	120.2%	97.9%

Notes to the Schedule

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

DOUGLAS COUNTY, GEORGIA

Required Supplementary Information

Schedule of County Contributions

For the Year Ended December 31

	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 5,337,975	\$ 4,282,242	\$ 3,305,235
Contributions in relation to the actuarially determined contribution	<u>6,113,115</u>	<u>3,585,332</u>	<u>3,101,149</u>
Contribution deficiency (excess)	<u>\$ (775,140)</u>	<u>\$ 696,910</u>	<u>\$ 204,086</u>
Covered payroll	41,924,147	39,119,100	36,347,975
Contributions as a percentage of Covered payroll	14.58%	9.17%	8.53%

Notes to the Schedule

Valuation Date	January 1, 2017
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing period.
Assumed Rate of Return on Investments	7.25%
Projected Salary Increases	4.00% per year
Cost-of-living Adjustment	N/A
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.

NON-MAJOR GOVERNMENTAL FUNDS

Funds generally used to account for tax supported activities which include the non-major special revenue funds, capital projects funds, and debt service funds of the County

DOUGLAS COUNTY, GEORGIA

Combining Balance Sheet

Non-major Governmental Funds

December 31, 2017

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Debt Service Funds		Total Non-major Governmental Funds
			2010 Jail SPLOST Debt Service Fund	2016 SPLOST Debt Service Fund	
ASSETS					
Cash	\$ 7,902,888	\$ 2,790,201	\$ -	\$ 8,550,604	\$ 19,243,693
Investments	400,000	-	-	-	400,000
Receivables (net of allowance for uncollectibles):					
Taxes	44,448	-	-	-	44,448
Accounts	460,236	-	-	-	460,236
Due from other funds	396,088	3,012,610	-	-	3,408,698
TOTAL ASSETS	\$ 9,203,660	\$ 5,802,811	\$ -	\$ 8,550,604	\$ 23,557,075
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 301,411	\$ 110,672	\$ -	\$ -	\$ 412,083
Accrued salaries and payroll taxes	217,237	-	-	-	217,237
Due to other funds	29,283	-	-	-	29,283
TOTAL LIABILITIES	547,931	110,672	-	-	658,603
FUND BALANCES					
Restricted:					
Law enforcement activities	3,740,944	-	-	-	3,740,944
Planning/community development	242,976	-	-	-	242,976
Emergency 911 services	3,412,456	-	-	-	3,412,456
Judicial services	655,106	-	-	-	655,106
Law library operations	590,882	-	-	-	590,882
Capital projects	13,365	2,711,605	-	-	2,724,970
Debt service	-	-	-	8,550,604	8,550,604
Assigned - capital construction	-	2,980,534	-	-	2,980,534
TOTAL FUND BALANCES	8,655,729	5,692,139	-	8,550,604	22,898,472
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,203,660	\$ 5,802,811	\$ -	\$ 8,550,604	\$ 23,557,075

DOUGLAS COUNTY, GEORGIA

Combining Statement of Revenues, Expenditures, and

Changes in Fund Balances

Non-major Governmental Funds

For the Year Ended December 31, 2017

	Non-major Special Revenue Funds	Non-major Capital Projects Funds	Non-major Debt Service Funds		Total Non-major Governmental Funds
			2010 Jail SPLOST Debt Service Fund	2016 SPLOST Debt Service Fund	
REVENUES					
Taxes	\$ 687,312	\$ 24,632	\$ -	\$ -	\$ 711,944
Intergovernmental	210,682	1,365,999	-	-	1,576,681
Charges for services	2,846,355	-	-	-	2,846,355
Fines and forfeitures	992,815	-	-	-	992,815
Interest earned	5,393	-	15	40,980	46,388
Contributions and donations	29,016	-	-	-	29,016
Miscellaneous	253,204	-	-	-	253,204
TOTAL REVENUES	5,024,777	1,390,631	15	40,980	6,456,403
EXPENDITURES					
Current:					
Judicial	397,899	-	-	-	397,899
Public safety	3,020,225	-	-	-	3,020,225
Planning and community development	1,037,849	-	-	-	1,037,849
Capital outlay	-	1,814,395	-	-	1,814,395
Debt service:					
Interest	-	-	-	1,408,984	1,408,984
TOTAL EXPENDITURES	4,455,973	1,814,395	-	1,408,984	7,679,352
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	568,804	(423,764)	15	(1,368,004)	(1,222,949)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	1,019,118	39,992	9,918,608	10,977,718
Transfers out	(282,387)	(39,992)	(116,721)	-	(439,100)
TOTAL OTHER FINANCING SOURCES (USES)	(282,387)	979,126	(76,729)	9,918,608	10,538,618
NET CHANGE IN FUND BALANCES	286,417	555,362	(76,714)	8,550,604	9,315,669
FUND BALANCES - BEGINNING OF YEAR	8,369,312	5,136,777	76,714	-	13,582,803
FUND BALANCES - END OF YEAR	\$ 8,655,729	\$ 5,692,139	\$ -	\$ 8,550,604	\$ 22,898,472

DOUGLAS COUNTY, GEORGIA
2010 Jail SPLOST Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Interest earned	\$ 15	\$ 15	\$ 15	\$ -
TOTAL REVENUES	<u>15</u>	<u>15</u>	<u>15</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>15</u>	<u>15</u>	<u>15</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	40,000	40,000	39,992	(8)
Transfers out	<u>(116,800)</u>	<u>(116,800)</u>	<u>(116,721)</u>	<u>79</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(76,800)</u>	<u>(76,800)</u>	<u>(76,729)</u>	<u>71</u>
NET CHANGE IN FUND BALANCES	(76,785)	(76,785)	(76,714)	71
FUND BALANCES - BEGINNING OF YEAR	<u>76,714</u>	<u>76,714</u>	<u>76,714</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ (71)</u>	<u>\$ (71)</u>	<u>\$ -</u>	<u>\$ 71</u>

DOUGLAS COUNTY, GEORGIA
2016 SPLOST Debt Service Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Interest earned	\$ 35,000	\$ 35,000	\$ 40,980	\$ 5,980
TOTAL REVENUES	<u>35,000</u>	<u>35,000</u>	<u>40,980</u>	<u>5,980</u>
EXPENDITURES				
Debt service:				
Interest	<u>1,408,984</u>	<u>1,408,984</u>	<u>1,408,984</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,408,984</u>	<u>1,408,984</u>	<u>1,408,984</u>	<u>-</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(1,373,984)	(1,373,984)	(1,368,004)	5,980
OTHER FINANCING SOURCES				
Transfers in	<u>9,918,609</u>	<u>9,918,609</u>	<u>9,918,608</u>	<u>(1)</u>
TOTAL OTHER FINANCING SOURCES	<u>9,918,609</u>	<u>9,918,609</u>	<u>9,918,608</u>	<u>(1)</u>
NET CHANGE IN FUND BALANCES	8,544,625	8,544,625	8,550,604	5,979
FUND BALANCES - BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 8,544,625</u>	<u>\$ 8,544,625</u>	<u>\$ 8,550,604</u>	<u>\$ 5,979</u>

NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenue sources (other than fiduciary funds or capital projects funds) that are legally restricted or committed to expenditures for particular purposes.

The County's Non-major Special Revenue Funds are as follows:

Drug Abuse Treatment and Education Fund

Sidewalk Fund

Hotel/Motel Tax Fund

Emergency Telephone System Fund

Neighborhood Stabilization Program Fund

Victim Assistance Fund

Law Library Fund

District Attorney Fund

Inmate Commissary Fund

Law Enforcement Confiscated Assets Fund

Sheriff Other Programs Fund

DOUGLAS COUNTY, GEORGIA

Combining Balance Sheet

Non-major Special Revenue Funds

December 31, 2017

	Drug Abuse and Treatment Education Fund	Sidewalk Fund	Hotel-Motel Tax Fund	Emergency Telephone System Fund	Neighborhood Stabilization Program Fund
ASSETS					
Cash	\$ 881,265	\$ 13,365	\$ -	\$ 3,323,543	\$ 2,044
Investments	-	-	-	-	-
Taxes receivable (net of allowance for uncollectibles)	-	-	44,448	-	-
Accounts receivable (net of allowance for uncollectibles)	17,819	-	-	410,018	-
Due from other funds	2,105	-	390,742	-	-
TOTAL ASSETS	\$ 901,189	\$ 13,365	\$ 435,190	\$ 3,733,561	\$ 2,044
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 10,506	\$ -	\$ 47,400	\$ 238,465	\$ -
Accrued liabilities	-	-	146,858	65,579	-
Due to other funds	-	-	-	17,061	-
TOTAL LIABILITIES	10,506	-	194,258	321,105	-
FUND BALANCES					
Restricted:					
Law enforcement activities	890,683	-	-	-	-
Planning/community development	-	-	240,932	-	2,044
Emergency 911 services	-	-	-	3,412,456	-
Judicial services	-	-	-	-	-
Law library operations	-	-	-	-	-
Capital projects	-	13,365	-	-	-
TOTAL FUND BALANCES	890,683	13,365	240,932	3,412,456	2,044
TOTAL LIABILITIES AND FUND BALANCES	\$ 901,189	\$ 13,365	\$ 435,190	\$ 3,733,561	\$ 2,044

Victim Assistance Fund	Law Library Fund	District Attorney Fund	Inmate Commissary Fund	Law Enforcement Confiscated Asset Fund	Sheriff Other Programs Fund	Total Non-major Special Revenue Funds
\$ 343,021	190,882	\$ 315,170	\$ 345,104	\$ 2,440,794	\$ 47,700	\$ 7,902,888
-	400,000	-	-	-	-	400,000
-	-	-	-	-	-	44,448
15,574	-	162	16,663	-	-	460,236
3,241	-	-	-	-	-	396,088
\$ 361,836	\$ 590,882	\$ 315,332	\$ 361,767	\$ 2,440,794	\$ 47,700	\$ 9,203,660
\$ -	\$ -	\$ 5,040	\$ -	\$ -	\$ -	\$ 301,411
4,800	-	-	-	-	-	217,237
-	-	12,222	-	-	-	29,283
4,800	-	17,262	-	-	-	547,931
-	-	-	361,767	2,440,794	47,700	3,740,944
-	-	-	-	-	-	242,976
-	-	-	-	-	-	3,412,456
357,036	-	298,070	-	-	-	655,106
-	590,882	-	-	-	-	590,882
-	-	-	-	-	-	13,365
357,036	590,882	298,070	361,767	2,440,794	47,700	8,655,729
\$ 361,836	\$ 590,882	\$ 315,332	\$ 361,767	\$ 2,440,794	\$ 47,700	\$ 9,203,660

DOUGLAS COUNTY, GEORGIA

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-major Special Revenue Funds

For the Year Ended December 31, 2017

	Drug Abuse and Treatment Education Fund	Sidewalk Fund	Hotel-Motel Tax Fund	Emergency Telephone System Fund	Neighborhood Stabilization Program Fund
REVENUES					
Taxes	\$ -	\$ -	\$ 687,312	\$ -	\$ -
Intergovernmental	-	-	-	-	210,682
Charges for services	-	-	-	2,648,638	-
Fines and forfeitures	202,067	-	-	-	-
Interest earned	-	-	-	-	351
Contributions and donations	-	-	-	-	-
Miscellaneous	-	-	-	1,539	208,311
TOTAL REVENUES	202,067	-	687,312	2,650,177	419,344
EXPENDITURES					
Current:					
Judicial	-	-	-	-	-
Public safety	115,500	-	-	2,462,201	-
Planning and community development	-	-	429,570	-	608,279
TOTAL EXPENDITURES	115,500	-	429,570	2,462,201	608,279
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	86,567	-	257,742	187,976	(188,935)
OTHER FINANCING USES					
Transfers out	-	-	(257,219)	-	-
TOTAL OTHER FINANCING USES	-	-	(257,219)	-	-
NET CHANGE IN FUND BALANCES	86,567	-	523	187,976	(188,935)
FUND BALANCES - BEGINNING OF YEAR	804,116	13,365	240,409	3,224,480	190,979
FUND BALANCES - END OF YEAR	\$ 890,683	\$ 13,365	\$ 240,932	\$ 3,412,456	\$ 2,044

Victim Assistance Fund	Law Library Fund	District Attorney Fund	Inmate Commissary Fund	Law Enforcement Confiscated Asset Fund	Sheriff Other Programs Fund	Total Non-major Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 687,312
-	-	-	-	-	-	210,682
-	-	-	197,717	-	-	2,846,355
198,281	111,819	2,864	-	477,784	-	992,815
-	-	443	-	4,599	-	5,393
-	-	-	-	-	29,016	29,016
-	-	17,971	-	-	25,383	253,204
<u>198,281</u>	<u>111,819</u>	<u>21,278</u>	<u>197,717</u>	<u>482,383</u>	<u>54,399</u>	<u>5,024,777</u>
189,177	124,037	84,685	-	-	-	397,899
-	-	-	67,826	322,714	51,984	3,020,225
-	-	-	-	-	-	1,037,849
<u>189,177</u>	<u>124,037</u>	<u>84,685</u>	<u>67,826</u>	<u>322,714</u>	<u>51,984</u>	<u>4,455,973</u>
9,104	(12,218)	(63,407)	129,891	159,669	2,415	568,804
<u>(25,168)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(282,387)</u>
<u>(25,168)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(282,387)</u>
(16,064)	(12,218)	(63,407)	129,891	159,669	2,415	286,417
<u>373,100</u>	<u>603,100</u>	<u>361,477</u>	<u>231,876</u>	<u>2,281,125</u>	<u>45,285</u>	<u>8,369,312</u>
<u>\$ 357,036</u>	<u>\$ 590,882</u>	<u>\$ 298,070</u>	<u>\$ 361,767</u>	<u>\$ 2,440,794</u>	<u>\$ 47,700</u>	<u>\$ 8,655,729</u>

DOUGLAS COUNTY, GEORGIA
Drug Abuse and Treatment Education Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Fines and forfeitures	\$ 175,200	\$ 175,200	\$ 202,067	\$ 26,867
TOTAL REVENUES	<u>175,200</u>	<u>175,200</u>	<u>202,067</u>	<u>26,867</u>
EXPENDITURES				
Current:				
Public safety	138,661	178,661	115,500	63,161
TOTAL EXPENDITURES	<u>138,661</u>	<u>178,661</u>	<u>115,500</u>	<u>63,161</u>
NET CHANGE IN FUND BALANCES	36,539	(3,461)	86,567	90,028
FUND BALANCES - BEGINNING OF YEAR	<u>804,116</u>	<u>804,116</u>	<u>804,116</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 840,655</u>	<u>\$ 800,655</u>	<u>\$ 890,683</u>	<u>\$ 90,028</u>

DOUGLAS COUNTY, GEORGIA
Sidewalk Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Interest earned	\$ 50	\$ 50	\$ -	\$ (50)
TOTAL REVENUES	<u>50</u>	<u>50</u>	<u>-</u>	<u>(50)</u>
EXPENDITURES				
Current:				
Public works	<u>50</u>	<u>50</u>	<u>-</u>	<u>50</u>
TOTAL EXPENDITURES	<u>50</u>	<u>50</u>	<u>-</u>	<u>50</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES - BEGINNING OF YEAR	<u>13,365</u>	<u>13,365</u>	<u>13,365</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 13,365</u>	<u>\$ 13,365</u>	<u>\$ 13,365</u>	<u>\$ -</u>

DOUGLAS COUNTY, GEORGIA
Hotel-Motel Tax Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 516,000	\$ 516,000	\$ 687,312	\$ 171,312
TOTAL REVENUES	<u>516,000</u>	<u>516,000</u>	<u>687,312</u>	<u>171,312</u>
EXPENDITURES				
Current:				
Planning and community development	246,760	263,074	429,570	(166,496)
TOTAL EXPENDITURES	<u>246,760</u>	<u>263,074</u>	<u>429,570</u>	<u>(166,496)</u>
EXCESS OF REVENUES OVER EXPENDITURES	269,240	252,926	257,742	4,816
OTHER FINANCING USES				
Transfers out	(193,500)	(193,500)	(257,219)	(63,719)
TOTAL OTHER FINANCING USES	<u>(193,500)</u>	<u>(193,500)</u>	<u>(257,219)</u>	<u>(63,719)</u>
NET CHANGE IN FUND BALANCES	75,740	59,426	523	(58,903)
FUND BALANCES - BEGINNING OF YEAR	<u>240,409</u>	<u>240,409</u>	<u>240,409</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 316,149</u>	<u>\$ 299,835</u>	<u>\$ 240,932</u>	<u>\$ (58,903)</u>

DOUGLAS COUNTY, GEORGIA
Emergency Telephone System Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Charges for services	\$ 2,500,000	\$ 2,500,000	\$ 2,648,638	\$ 148,638
Interest earned	500	500	-	(500)
Miscellaneous	-	-	1,539	1,539
TOTAL REVENUES	<u>2,500,500</u>	<u>2,500,500</u>	<u>2,650,177</u>	<u>149,677</u>
EXPENDITURES				
Current:				
Public safety	<u>2,636,643</u>	<u>2,729,907</u>	<u>2,462,201</u>	<u>267,706</u>
TOTAL EXPENDITURES	<u>2,636,643</u>	<u>2,729,907</u>	<u>2,462,201</u>	<u>267,706</u>
NET CHANGE IN FUND BALANCES	(136,143)	(229,407)	187,976	417,383
FUND BALANCES - BEGINNING OF YEAR	<u>3,224,480</u>	<u>3,224,480</u>	<u>3,224,480</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 3,088,337</u>	<u>\$ 2,995,073</u>	<u>\$ 3,412,456</u>	<u>\$ 417,383</u>

DOUGLAS COUNTY, GEORGIA
Neighborhood Stabilization Program Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 210,682	\$ 210,682
Interest earned	-	-	351	351
Miscellaneous	200,000	200,000	208,311	8,311
TOTAL REVENUES	<u>200,000</u>	<u>200,000</u>	<u>419,344</u>	<u>219,344</u>
EXPENDITURES				
Current:				
Planning and community development	<u>200,000</u>	<u>200,000</u>	<u>608,279</u>	<u>(408,279)</u>
TOTAL EXPENDITURES	<u>200,000</u>	<u>200,000</u>	<u>608,279</u>	<u>(408,279)</u>
NET CHANGE IN FUND BALANCES	-	-	(188,935)	(188,935)
FUND BALANCES - BEGINNING OF YEAR	<u>190,979</u>	<u>190,979</u>	<u>190,979</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 190,979</u>	<u>\$ 190,979</u>	<u>\$ 2,044</u>	<u>\$ (188,935)</u>

DOUGLAS COUNTY, GEORGIA
Victim Assistance Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Fines and forfeitures	\$ 175,000	\$ 175,000	\$ 198,281	\$ 23,281
TOTAL REVENUES	<u>175,000</u>	<u>175,000</u>	<u>198,281</u>	<u>23,281</u>
EXPENDITURES				
Current:				
Judicial	<u>198,008</u>	<u>198,008</u>	<u>189,177</u>	<u>8,831</u>
TOTAL EXPENDITURES	<u>198,008</u>	<u>198,008</u>	<u>189,177</u>	<u>8,831</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(23,008)	(23,008)	9,104	32,112
OTHER FINANCING USES				
Transfers out	<u>(24,918)</u>	<u>(24,918)</u>	<u>(25,168)</u>	<u>(250)</u>
TOTAL OTHER FINANCING USES	<u>(24,918)</u>	<u>(24,918)</u>	<u>(25,168)</u>	<u>(250)</u>
NET CHANGE IN FUND BALANCES	(47,926)	(47,926)	(16,064)	31,862
FUND BALANCES - BEGINNING OF YEAR	<u>373,100</u>	<u>373,100</u>	<u>373,100</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 325,174</u>	<u>\$ 325,174</u>	<u>\$ 357,036</u>	<u>\$ 31,862</u>

DOUGLAS COUNTY, GEORGIA
Law Library Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Fines and forfeitures	\$ 100,000	\$ 100,000	\$ 111,819	\$ 11,819
TOTAL REVENUES	<u>100,000</u>	<u>100,000</u>	<u>111,819</u>	<u>11,819</u>
EXPENDITURES				
Current:				
Judicial	<u>100,000</u>	<u>100,000</u>	<u>124,037</u>	<u>(24,037)</u>
TOTAL EXPENDITURES	<u>100,000</u>	<u>100,000</u>	<u>124,037</u>	<u>(24,037)</u>
NET CHANGE IN FUND BALANCES	-	-	(12,218)	(12,218)
FUND BALANCES - BEGINNING OF YEAR	<u>603,100</u>	<u>603,100</u>	<u>603,100</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 603,100</u>	<u>\$ 603,100</u>	<u>\$ 590,882</u>	<u>\$ (12,218)</u>

DOUGLAS COUNTY, GEORGIA
District Attorney Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Fines and forfeitures	\$ 67,000	\$ 67,000	\$ 2,864	\$ (64,136)
Interest	-	-	443	443
Miscellaneous	-	-	17,971	17,971
TOTAL REVENUES	<u>67,000</u>	<u>67,000</u>	<u>21,278</u>	<u>(45,722)</u>
EXPENDITURES				
Current:				
Judicial	<u>237,463</u>	<u>237,463</u>	<u>84,685</u>	<u>152,778</u>
TOTAL EXPENDITURES	<u>237,463</u>	<u>237,463</u>	<u>84,685</u>	<u>152,778</u>
NET CHANGE IN FUND BALANCES	(170,463)	(170,463)	(63,407)	107,056
FUND BALANCES - BEGINNING OF YEAR	<u>361,477</u>	<u>361,477</u>	<u>361,477</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 191,014</u>	<u>\$ 191,014</u>	<u>\$ 298,070</u>	<u>\$ 107,056</u>

DOUGLAS COUNTY, GEORGIA
Inmate Commissary Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Charges for services	\$ 80,000	\$ 80,000	\$ 197,717	\$ 117,717
TOTAL REVENUES	<u>80,000</u>	<u>80,000</u>	<u>197,717</u>	<u>117,717</u>
EXPENDITURES				
Current:				
Public safety	80,000	80,000	67,826	12,174
TOTAL EXPENDITURES	<u>80,000</u>	<u>80,000</u>	<u>67,826</u>	<u>12,174</u>
NET CHANGE IN FUND BALANCES	-	-	129,891	129,891
FUND BALANCES - BEGINNING OF YEAR	<u>231,876</u>	<u>231,876</u>	<u>231,876</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 231,876</u>	<u>\$ 231,876</u>	<u>\$ 361,767</u>	<u>\$ 129,891</u>

DOUGLAS COUNTY, GEORGIA
Law Enforcement Confiscated Assets Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Fines and forfeitures	\$ 250,000	\$ 250,000	\$ 477,784	\$ 227,784
Interest earned	-	-	4,599	4,599
TOTAL REVENUES	<u>250,000</u>	<u>250,000</u>	<u>482,383</u>	<u>232,383</u>
EXPENDITURES				
Current:				
Public safety	250,000	250,000	322,714	(72,714)
TOTAL EXPENDITURES	<u>250,000</u>	<u>250,000</u>	<u>322,714</u>	<u>(72,714)</u>
NET CHANGE IN FUND BALANCES	-	-	159,669	159,669
FUND BALANCES - BEGINNING OF YEAR	<u>2,281,125</u>	<u>2,281,125</u>	<u>2,281,125</u>	-
FUND BALANCES - END OF YEAR	<u>\$ 2,281,125</u>	<u>\$ 2,281,125</u>	<u>\$ 2,440,794</u>	<u>\$ 159,669</u>

DOUGLAS COUNTY, GEORGIA
Sheriff Other Programs Fund
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Contributions and donations	\$ -	\$ -	29,016	\$ 29,016
Miscellaneous	60,000	60,000	25,383	(34,617)
TOTAL REVENUES	60,000	60,000	54,399	(5,601)
EXPENDITURES				
Current:				
Public safety	60,000	60,000	51,984	8,016
TOTAL EXPENDITURES	60,000	60,000	51,984	8,016
NET CHANGE IN FUND BALANCES	-	-	2,415	2,415
FUND BALANCES - BEGINNING OF YEAR	45,285	45,285	45,285	-
FUND BALANCES - END OF YEAR	\$ 45,285	\$ 45,285	\$ 47,700	\$ 2,415

UNINCORPORATED SERVICE AREA FUND

The County reports an Unincorporated Service Area Fund that is comprised of three (3) main activities for which the County adopts an annual budget. The combined Unincorporated Service Area Fund is comprised of the following three (3) funds:

Fire Protection Services & EMS

Animal Control Services

Unincorporated Areas Special District

DOUGLAS COUNTY, GEORGIA
Unincorporated Service Area Fund - Fire Protection Services & EMS
Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Licenses and permits	\$ -	\$ -	\$ 2,500	\$ 2,500
Intergovernmental	1,922,000	1,951,923	2,002,797	50,874
Charges for services	2,568,000	2,568,000	2,495,247	(72,753)
Miscellaneous	-	6,104	26,362	20,258
TOTAL REVENUES	4,490,000	4,526,027	4,526,906	879
EXPENDITURES				
Current:				
Public safety	14,880,707	15,657,718	14,868,223	789,495
Debt service:				
Principal retirements	171,419	171,419	163,431	7,988
Interest and fiscal charges	-	-	7,987	(7,987)
TOTAL EXPENDITURES	15,052,126	15,829,137	15,039,641	789,496
DEFICIENCY OF REVENUES OVER EXPENDITURES	(10,562,126)	(11,303,110)	(10,512,735)	790,375
OTHER FINANCING SOURCES				
Transfers in	10,017,931	10,434,765	10,434,758	(7)
TOTAL OTHER FINANCING SOURCES	10,017,931	10,434,765	10,434,758	(7)
NET CHANGE IN FUND BALANCES	(544,195)	(868,345)	(77,977)	790,368
FUND BALANCES - BEGINNING OF YEAR	1,195,095	1,195,095	1,195,095	-
FUND BALANCES - END OF YEAR	\$ 650,900	\$ 326,750	\$ 1,117,118	\$ 790,368

DOUGLAS COUNTY, GEORGIA
Unincorporated Service Area Fund - Animal Control Services
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental	\$ 307,012	\$ 317,012	\$ 317,012	\$ -
Charges for services	45,000	45,000	70,877	25,877
Contributions and donations	-	7,945	73,873	65,928
TOTAL REVENUES	<u>352,012</u>	<u>369,957</u>	<u>461,762</u>	<u>91,805</u>
EXPENDITURES				
Current:				
Public safety	1,386,473	3,492,158	3,127,955	364,203
TOTAL EXPENDITURES	<u>1,386,473</u>	<u>3,492,158</u>	<u>3,127,955</u>	<u>364,203</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(1,034,461)	(3,122,201)	(2,666,193)	456,008
OTHER FINANCING SOURCES				
Transfers in	1,034,461	1,126,373	1,126,372	(1)
TOTAL OTHER FINANCING SOURCES	<u>1,034,461</u>	<u>1,126,373</u>	<u>1,126,372</u>	<u>(1)</u>
NET CHANGE IN FUND BALANCES	-	(1,995,828)	(1,539,821)	456,007
FUND BALANCES - BEGINNING OF YEAR	<u>1,889,356</u>	<u>1,889,356</u>	<u>1,889,356</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,889,356</u>	<u>\$ (106,472)</u>	<u>\$ 349,535</u>	<u>\$ 456,007</u>

DOUGLAS COUNTY, GEORGIA
Unincorporated Service Area Fund - Unincorporated Areas Special District
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 8,695,196	\$ 8,695,196	\$ 8,946,275	\$ 251,079
Licenses and permits	301,500	307,500	466,144	158,644
Charges for services	38,500	38,500	86,894	48,394
Miscellaneous	500	500	9,092	8,592
TOTAL REVENUES	<u>9,035,696</u>	<u>9,041,696</u>	<u>9,508,405</u>	<u>466,709</u>
EXPENDITURES				
Current:				
Public works	356,471	364,769	260,709	104,060
Planning and community development	1,180,751	1,229,997	1,066,153	163,844
TOTAL EXPENDITURES	<u>1,537,222</u>	<u>1,594,766</u>	<u>1,326,862</u>	<u>267,904</u>
EXCESS OF REVENUES OVER EXPENDITURES	7,498,474	7,446,930	8,181,543	734,613
OTHER FINANCING SOURCES (USES)				
Transfers in	193,500	193,500	257,219	63,719
Transfers out	<u>(9,812,574)</u>	<u>(10,045,511)</u>	<u>(10,045,504)</u>	<u>7</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(9,619,074)</u>	<u>(9,852,011)</u>	<u>(9,788,285)</u>	<u>63,726</u>
NET CHANGE IN FUND BALANCES	(2,120,600)	(2,405,081)	(1,606,742)	798,339
FUND BALANCES - BEGINNING OF YEAR	<u>4,337,436</u>	<u>4,337,436</u>	<u>4,337,436</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,216,836</u>	<u>\$ 1,932,355</u>	<u>\$ 2,730,694</u>	<u>\$ 798,339</u>

NON-MAJOR CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary or trust funds.

The County's Non-major Capital Projects Funds are as follows:

2010 Special Purpose Local Option Sales Tax Fund

2002 Special Purpose Local Option Sales Tax Fund

Capital Transportation Fund

DOUGLAS COUNTY, GEORGIA

Combining Balance Sheet

Non-major Capital Projects Funds

December 31, 2017

	2010 SPLOST Fund	2002 SPLOST Fund	Capital Transportation Fund	Total Non-major Capital Projects Funds
ASSETS				
Cash and equivalents	\$ -	\$ 2,790,201	\$ -	\$ 2,790,201
Due from other funds	-	-	3,012,610	3,012,610
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 2,790,201</u>	<u>\$ 3,012,610</u>	<u>\$ 5,802,811</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ -	\$ 78,596	\$ 32,076	\$ 110,672
TOTAL LIABILITIES	<u>-</u>	<u>78,596</u>	<u>32,076</u>	<u>110,672</u>
FUND BALANCES				
Restricted - capital construction	-	2,711,605	-	2,711,605
Assigned - capital construction	-	-	2,980,534	2,980,534
TOTAL FUND BALANCES	<u>-</u>	<u>2,711,605</u>	<u>2,980,534</u>	<u>5,692,139</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 2,790,201</u>	<u>\$ 3,012,610</u>	<u>\$ 5,802,811</u>

DOUGLAS COUNTY, GEORGIA*Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**Non-major Capital Projects Funds**For the Year Ended December 31, 2017*

	2010 SPLOST Fund	2002 SPLOST Fund	Capital Transportation Fund	Total Non-major Capital Projects Funds
REVENUES				
Taxes	\$ 24,632	\$ -	\$ -	\$ 24,632
Intergovernmental	-	-	1,365,999	1,365,999
TOTAL REVENUES	<u>24,632</u>	<u>-</u>	<u>1,365,999</u>	<u>1,390,631</u>
EXPENDITURES				
Capital outlay	-	158,781	1,655,614	1,814,395
TOTAL EXPENDITURES	<u>-</u>	<u>158,781</u>	<u>1,655,614</u>	<u>1,814,395</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	24,632	(158,781)	(289,615)	(423,764)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,019,118	1,019,118
Transfers out	(39,992)	-	-	(39,992)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(39,992)</u>	<u>-</u>	<u>1,019,118</u>	<u>979,126</u>
NET CHANGE IN FUND BALANCES	(15,360)	(158,781)	729,503	555,362
FUND BALANCES - BEGINNING OF YEAR	<u>15,360</u>	<u>2,870,386</u>	<u>2,251,031</u>	<u>5,136,777</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 2,711,605</u>	<u>\$ 2,980,534</u>	<u>\$ 5,692,139</u>

SPECIAL REPORT

The Special Report is applicable to the 1996, 2003, 2006, 2009 and 2013 Special 1 Percent Sales and Use Tax required by the State of Georgia.

DOUGLAS COUNTY, GEORGIA
Schedule of Projects Constructed with Special Purpose
Local Option Sales Tax Proceeds
For the Year Ended December 31, 2017

<u>PROJECTS</u>	<u>ORIGINAL ESTIMATED COST</u>	<u>REVISED ESTIMATED COST</u>	<u>PRIOR YEARS</u>	<u>CURRENT YEAR</u>	<u>TOTAL</u>	<u>ESTIMATED PERCENTAGE OF COMPLETION</u>
2002:						
Recreational facility, including a senior center	\$ 48,888,600	\$ 56,995,062	\$ 56,995,062	\$ -	\$ 56,995,062	100%
Public safety facilities for fire protection and emergency medical services, and related capital equipment	12,056,400	13,841,812	13,094,593	59,922	13,154,515	95%
Road, street, and bridge outlay	<u>41,055,000</u>	<u>54,762,274</u>	<u>52,642,055</u>	<u>98,859</u>	<u>52,740,914</u>	96%
TOTAL 2002	<u>\$ 102,000,000</u>	<u>\$ 125,599,148</u>	<u>\$ 122,731,710</u>	<u>\$ 158,781</u>	<u>\$ 122,890,491</u>	
2010:						
Capital costs for the acquisition, constructing and equipping of a jail and related law enforcement complex for Douglas County.	<u>\$ 150,000,000</u>	<u>\$ 134,324,258</u>	<u>\$ 134,284,266</u>	<u>\$ 39,992</u>	<u>\$ 134,324,258</u>	100%
TOTAL 2010	<u>\$ 150,000,000</u>	<u>\$ 134,324,258</u>	<u>\$ 134,284,266</u>	<u>\$ 39,992</u>	<u>\$ 134,324,258</u>	
2016:						
Transportation	\$ 58,964,160	\$ 58,964,160	\$ -	\$ 5,694,078	\$ 5,694,078	10%
Fire, EMS, and public radio system	36,997,120	36,997,120	-	1,482,126	1,482,126	4%
Parks and recreation	19,654,720	19,654,720	-	1,188,071	1,188,071	6%
City of Austell	48,000	48,000	-	5,296	5,296	11%
City of Douglasville	37,504,000	37,504,000	-	2,738,706	2,738,706	7%
City of Villa Rica	<u>6,832,000</u>	<u>6,832,000</u>	<u>-</u>	<u>753,766</u>	<u>753,766</u>	11%
TOTAL 2016	<u>\$ 160,000,000</u>	<u>\$ 160,000,000</u>	<u>\$ -</u>	<u>\$ 11,862,043</u>	<u>\$ 11,862,043</u>	
TOTAL 2002, 2010, and 2016	<u>\$ 412,000,000</u>	<u>\$ 419,923,406</u>	<u>\$ 257,015,976</u>	<u>\$ 12,060,816</u>	<u>\$ 269,076,792</u>	

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

2002 SPLOST Fund	\$ 158,781
2010 SPLOST Fund	39,992
2016 SPLOST Fund	18,108,350
2016 SPLOST interest paid by intergovernmental revenues	(100,619)
2016 SPLOST interest and issuance costs paid by premiums	<u>(6,145,688)</u>
	<u>\$ 12,060,816</u>

NOTE - the revised estimated cost and the total actual costs for the 2002 Sales Tax numbers above include funding for project costs in addition to sales tax, such as intergovernmental grants and contributions.

INTERNAL SERVICE FUNDS

To account for the financing of goods or services provided by one department to other departments or agencies on a cost-reimbursed basis.

The County's Internal Service Funds are as follows:

Health Insurance Fund

Workers' Compensation Fund

DOUGLAS COUNTY, GEORGIA

Combining Statement of Net Position

Internal Service Funds

December 31, 2017

	Group Health Insurance Fund	Workers' Compensation Fund	Total
ASSETS			
Current Assets:			
Cash	\$ 49,433	\$ 2,667	\$ 52,100
Accounts receivable (net of allowance for uncollectibles)	511	4,116	4,627
Due from other funds	-	1,549,586	1,549,586
TOTAL ASSETS	49,944	1,556,369	1,606,313
LIABILITIES			
Current Liabilities:			
Accounts payable	-	8,197	8,197
Claims payable	592,423	230,500	822,923
Due to other funds	1,300,000	-	1,300,000
Total Current Liabilities	1,892,423	238,697	2,131,120
Noncurrent Liabilities:			
Advance from other funds	1,688,693	-	1,688,693
TOTAL LIABILITIES	3,581,116	238,697	3,819,813
NET POSITION (DEFICIT)			
Unrestricted	(3,531,172)	1,317,672	(2,213,500)
TOTAL NET POSITION (DEFICIT)	\$ (3,531,172)	\$ 1,317,672	\$ (2,213,500)

DOUGLAS COUNTY, GEORGIA
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2017

	Group Health Insurance Fund	Workers' Compensation Fund	Total
OPERATING REVENUES			
Charges for services	\$ 13,555,195	\$ 799,335	\$ 14,354,530
TOTAL OPERATING REVENUES	<u>13,555,195</u>	<u>799,335</u>	<u>14,354,530</u>
OPERATING EXPENSES			
Claims and excess premiums	12,446,727	153,501	12,600,228
Administration	759,596	51,434	811,030
TOTAL OPERATING EXPENSES	<u>13,206,323</u>	<u>204,935</u>	<u>13,411,258</u>
CHANGE IN NET POSITION	348,872	594,400	943,272
NET POSITION (DEFICIT) - BEGINNING OF YEAR	<u>(3,880,044)</u>	<u>723,272</u>	<u>(3,156,772)</u>
NET POSITION (DEFICIT) - END OF YEAR	<u>\$ (3,531,172)</u>	<u>\$ 1,317,672</u>	<u>\$ (2,213,500)</u>

DOUGLAS COUNTY, GEORGIA
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2017

	Group Health Insurance Fund	Workers' Compensation Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 13,478,252	\$ 679,595	\$ 14,157,847
Payments for claims and insurance premiums	(12,708,040)	(636,358)	(13,344,398)
Payments for administration	(759,596)	(43,237)	(802,833)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>10,616</u>	<u>-</u>	<u>10,616</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	10,616	-	10,616
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>38,817</u>	<u>2,667</u>	<u>41,484</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 49,433</u>	<u>\$ 2,667</u>	<u>\$ 52,100</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 348,872	\$ 594,400	\$ 943,272
Adjustments to reconcile operating income to net cash provided by operating activities:			
(Increase) decrease:			
Receivables	2,206	(3,666)	(1,460)
Due from other funds	-	(116,074)	(116,074)
Increase (decrease):			
Claims payable	(261,313)	(482,857)	(744,170)
Accounts payable	-	8,197	8,197
Due to other funds	(1,767,842)	-	(1,767,842)
Advances from other funds	1,688,693	-	1,688,693
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 10,616</u>	<u>\$ -</u>	<u>\$ 10,616</u>

FIDUCIARY FUNDS

The Fiduciary Funds are used to account for assets held by the County in a fiduciary capacity.

The County's Fiduciary-Agency Funds are as follows:

*Tax Commissioner
Clerk of Superior Court
Magistrate Court
Probate Court
Juvenile Court
State Court
Sheriff*

DOUGLAS COUNTY, GEORGIA
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2017

	<u>Tax Commissioner</u>	<u>Clerk of Superior Court</u>	<u>Magistrate Court</u>	<u>Probate Court</u>	<u>Juvenile Court</u>	<u>State Court</u>	<u>Sheriff</u>	<u>Total</u>
ASSETS								
Cash	\$ 2,303,306	\$ 1,874,000	\$ 166,417	\$ 25,079	\$ 65,616	\$ 305,662	\$ 259,769	\$ 4,999,849
Taxes receivable	3,930,184	-	-	-	-	-	-	3,930,184
TOTAL ASSETS	<u>\$ 6,233,490</u>	<u>\$ 1,874,000</u>	<u>\$ 166,417</u>	<u>\$ 25,079</u>	<u>\$ 65,616</u>	<u>\$ 305,662</u>	<u>\$ 259,769</u>	<u>\$ 8,930,033</u>
LIABILITIES								
Due to other governments and individuals	<u>\$ 6,233,490</u>	<u>\$ 1,874,000</u>	<u>\$ 166,417</u>	<u>\$ 25,079</u>	<u>\$ 65,616</u>	<u>\$ 305,662</u>	<u>\$ 259,769</u>	<u>\$ 8,930,033</u>
TOTAL LIABILITIES	<u>\$ 6,233,490</u>	<u>\$ 1,874,000</u>	<u>\$ 166,417</u>	<u>\$ 25,079</u>	<u>\$ 65,616</u>	<u>\$ 305,662</u>	<u>\$ 259,769</u>	<u>\$ 8,930,033</u>

DOUGLAS COUNTY, GEORGIA
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2017

<u>TAX COMMISSIONER</u>	Balance			Balance
	January 1, 2017	Additions	Deductions	December 31, 2017
ASSETS				
Cash	\$ 2,987,347	\$ 174,240,700	\$ 174,924,741	\$ 2,303,306
Taxes receivable	8,449,836	132,583,911	137,103,563	3,930,184
TOTAL ASSETS	\$ 11,437,183	\$ 306,824,611	\$ 312,028,304	\$ 6,233,490
LIABILITIES				
Due to other governments and individuals	\$ 11,437,183	\$ 306,824,611	\$ 312,028,304	\$ 6,233,490
TOTAL LIABILITIES	\$ 11,437,183	\$ 306,824,611	\$ 312,028,304	\$ 6,233,490
<u>CLERK OF SUPERIOR COURT</u>	Balance			Balance
	January 1, 2017	Additions	Deductions	December 31, 2017
ASSETS				
Cash	\$ 3,144,821	\$ 9,538,021	\$ 10,808,842	\$ 1,874,000
TOTAL ASSETS	\$ 3,144,821	\$ 9,538,021	\$ 10,808,842	\$ 1,874,000
LIABILITIES				
Due to other governments and individuals	\$ 3,144,821	\$ 9,538,021	\$ 10,808,842	\$ 1,874,000
TOTAL LIABILITIES	\$ 3,144,821	\$ 9,538,021	\$ 10,808,842	\$ 1,874,000
<u>MAGISTRATE COURT</u>	Balance			Balance
	January 1, 2017	Additions	Deductions	December 31, 2017
ASSETS				
Cash	\$ 235,329	\$ 1,126,816	\$ 1,195,728	\$ 166,417
TOTAL ASSETS	\$ 235,329	\$ 1,126,816	\$ 1,195,728	\$ 166,417
LIABILITIES				
Due to other governments and individuals	\$ 235,329	\$ 1,126,816	\$ 1,195,728	\$ 166,417
TOTAL LIABILITIES	\$ 235,329	\$ 1,126,816	\$ 1,195,728	\$ 166,417

DOUGLAS COUNTY, GEORGIA

Combining Statement of Changes in Assets and Liabilities

Agency Funds (Continued)

For the Year Ended December 31, 2017

<u>PROBATE COURT</u>	Balance January 1, 2017	Additions	Deductions	Balance December 31, 2017
ASSETS				
Cash	\$ 46,493	\$ 516,758	\$ 538,172	\$ 25,079
TOTAL ASSETS	<u>\$ 46,493</u>	<u>\$ 516,758</u>	<u>\$ 538,172</u>	<u>\$ 25,079</u>
LIABILITIES				
Due to other governments and individuals	\$ 46,493	\$ 516,758	\$ 538,172	\$ 25,079
TOTAL LIABILITIES	<u>\$ 46,493</u>	<u>\$ 516,758</u>	<u>\$ 538,172</u>	<u>\$ 25,079</u>
<u>JUVENILE COURT</u>	Balance January 1, 2017	Additions	Deductions	Balance December 31, 2017
ASSETS				
Cash	\$ 75,706	\$ 24,035	\$ 34,125	\$ 65,616
TOTAL ASSETS	<u>\$ 75,706</u>	<u>\$ 24,035</u>	<u>\$ 34,125</u>	<u>\$ 65,616</u>
LIABILITIES				
Due to other governments and individuals	\$ 75,706	\$ 24,035	\$ 34,125	\$ 65,616
TOTAL LIABILITIES	<u>\$ 75,706</u>	<u>\$ 24,035</u>	<u>\$ 34,125</u>	<u>\$ 65,616</u>
<u>STATE COURT</u>	Balance January 1, 2017	Additions	Deductions	Balance December 31, 2017
ASSETS				
Cash	\$ 530,030	\$ 3,541,621	\$ 3,765,989	\$ 305,662
TOTAL ASSETS	<u>\$ 530,030</u>	<u>\$ 3,541,621</u>	<u>\$ 3,765,989</u>	<u>\$ 305,662</u>
LIABILITIES				
Due to other governments and individuals	\$ 530,030	\$ 3,541,621	\$ 3,765,989	\$ 305,662
TOTAL LIABILITIES	<u>\$ 530,030</u>	<u>\$ 3,541,621</u>	<u>\$ 3,765,989</u>	<u>\$ 305,662</u>

DOUGLAS COUNTY, GEORGIA
Combining Statement of Changes in Assets and Liabilities
Agency Funds (Continued)
For the Year Ended December 31, 2017

<u>SHERIFF</u>	<u>Balance</u> <u>January 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2017</u>
ASSETS				
Cash	\$ 386,760	\$ 1,622,695	\$ 1,749,686	\$ 259,769
TOTAL ASSETS	<u>\$ 386,760</u>	<u>\$ 1,622,695</u>	<u>\$ 1,749,686</u>	<u>\$ 259,769</u>
LIABILITIES				
Due to other governments and individuals	\$ 386,760	\$ 1,622,695	\$ 1,749,686	\$ 259,769
TOTAL LIABILITIES	<u>\$ 386,760</u>	<u>\$ 1,622,695</u>	<u>\$ 1,749,686</u>	<u>\$ 259,769</u>
<u>TOTAL</u>	<u>Balance</u> <u>January 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>December 31, 2017</u>
ASSETS				
Cash	\$ 7,406,486	\$ 190,610,646	\$ 193,017,283	\$ 4,999,849
Taxes receivable	8,449,836	132,583,911	137,103,563	3,930,184
TOTAL ASSETS	<u>\$ 15,856,322</u>	<u>\$ 323,194,557</u>	<u>\$ 330,120,846</u>	<u>\$ 8,930,033</u>
LIABILITIES				
Due to other governments and individuals	\$ 15,856,322	\$ 323,194,557	\$ 330,120,846	\$ 8,930,033
TOTAL LIABILITIES	<u>\$ 15,856,322</u>	<u>\$ 323,194,557</u>	<u>\$ 330,120,846</u>	<u>\$ 8,930,033</u>

Douglas County, Georgia

Certification of 9-1-1 Expenditures

For the Year Ended December 31st, 2017

Line No.		O.C.G.A. Reference:	
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one): <input checked="" type="checkbox"/> Special Revenue Fund <input type="checkbox"/> Enterprise Fund		
2	Expenditures (UCOA Activity 3800) Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
	<u>AT&T Wireless Inc.</u>		\$ <u>17,216</u>
	<u>Sprint PCS</u>		\$ <u>32,724</u>
	<u>Southern Linc</u>		\$ <u>645</u>
3	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
3a	Lease costs	46-5-134(f)(1)(A)	\$ _____
3b	Purchase costs	46-5-134(f)(1)(A)	\$ _____
3c	Maintenance costs	46-5-134(f)(1)(A)	\$ _____
4	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(1)(B)	\$ _____
5	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2		
5a	Salaries and wages	46-5-134(f)(1)(C)	\$ <u>1,363,720</u>
5b	Employee benefits	46-5-134(f)(1)(C)	\$ <u>497,275</u>
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	\$ <u>12,236</u>
7	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(1)(E)	\$ <u>11,853</u>
8	Building used as a public safety answering point:		
8a	Lease costs	46-5-134(f)(1)(F)	\$ _____
8b	Purchase costs	46-5-134(f)(1)(F)	\$ _____
9	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems:		
9a	Lease costs	46-5-134(f)(1)(G)	\$ _____
9b	Purchase costs	46-5-134(f)(1)(G)	\$ <u>126,463</u>
9c	Maintenance costs	46-5-134(f)(1)(G)	\$ <u>26,880</u>

Douglas County, Georgia

Certification of 9-1-1 Expenditures

For the Year Ended December 31st, 2017

Line No.	Description	O.C.G.A. Reference:	Amount
10	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(1)(H)	\$ 6,887
11	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
11a	Lease costs	46-5-134(f)(1)(I)	\$ _____
11b	Purchase costs	46-5-134(f)(1)(I)	\$ _____
11c	Maintenance costs	46-5-134(f)(1)(I)	\$ 7,118
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	\$ _____
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center		
13a	Lease costs	46-5-134(f)(2)(B)(ii)	\$ _____
13b	Purchase costs	46-5-134(f)(2)(B)(ii)	\$ _____
13c	Maintenance costs	46-5-134(f)(2)(B)(ii)	\$ 3,764
14	Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities	46-5-134(f)(2)(B)(iii)	\$ _____
15	Mobile public safety voice and data equipment, geo-targeted text messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations		
15a	Lease costs	46-5-134(f)(2)(B)(iv)	\$ _____
15b	Purchase costs	46-5-134(f)(2)(B)(iv)	\$ _____
15c	Maintenance costs	46-5-134(f)(2)(B)(iv)	\$ _____
16	Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems		
16a	Lease costs	46-5-134(f)(2)(B)(v)	\$ _____
16b	Purchase costs	46-5-134(f)(2)(B)(v)	\$ _____
16c	Maintenance costs	46-5-134(f)(2)(B)(v)	\$ 279,862
17	Other expenditures not included in Lines 2 through 16 above. Identify by object and purpose.		
	<u>Building Maintenance</u>		\$ 20,786
	<u>Utilities</u>		\$ 53,769
	<u>Sanitation Fee and Pest Control</u>		\$ 954
	<u>Misc</u>		\$ 49
			\$ _____

Douglas County, Georgia

Certification of 9-1-1 Expenditures

For the Year Ended December 31st, 2017

Line
No.

O.C.G.A.
Reference:

_____	S _____
_____	S _____
18 Total Expenditures (total of all amounts reported on Lines 2 through 17 above)	S <u>2,462,201</u>

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by the service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official Dr. Romona Jackson Jones Date 6/11/18
Print Name of Chief Elected Official Dr. Romona Jackson Jones
Title of Chief Elected Official Madam Chair
Signature of Chief Financial Officer Jennifer Hallman Date 6/11/18
Print Name of Chief Financial Officer Jennifer Hallman

Douglas County, Georgia
Grant Schedule
Georgia Department of Human Resources
For the Year Ended December 31, 2017

FAMILY CONNECTION PROGRAM - DHR CONTRACT #427-93-171700052

	<u>CFDA</u>	<u>Budget</u>	<u>Actual</u>	<u>Remaining Balance</u>
Revenues:				
Intergovernmental - State	N/A	<u>\$ 47,000</u>	<u>\$ 47,000</u>	<u>\$ -</u>
Expenditures:				
Health and welfare				
Contract services		<u>47,000</u>	<u>47,000</u>	<u>-</u>
		<u>47,000</u>	<u>47,000</u>	<u>-</u>
Excess of revenues over (under) expenditures		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

FAMILY CONNECTION PROGRAM - DHR CONTRACT #427-93-181800052

	<u>CFDA</u>	<u>Budget</u>	<u>Actual</u>	<u>Remaining Balance</u>
Revenues:				
Intergovernmental - State	N/A	<u>\$ 48,500</u>	<u>\$ 24,490</u>	<u>\$ 24,010</u>
Expenditures:				
Health and welfare				
Contract services		<u>48,500</u>	<u>24,490</u>	<u>24,010</u>
		<u>48,500</u>	<u>24,490</u>	<u>24,010</u>
Excess of revenues over (under) expenditures		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

The statistical section includes selected financial and general information presented on a multi-year comparative basis. The statistics are used to provide detail data on the physical, economic, social, and political characteristics of the County government. They are intended to provide the financial report user with a broader and more complete understanding of the government and its financial affairs than is possible from the basic financial statements.

Douglas County, Georgia
Introduction to Statistical Section
(Unaudited)

This part of Douglas County's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures, and supplementary information. This information is unaudited.

Contents

Exhibits

Financial Trends Information

These tables contain trend information that may assist the reader in assessing the County's current financial performance by placing it in historical perspective.

I - XI-A

Revenue Capacity Information

These tables contain information that may assist the reader in assessing the viability of the County's two most significant "own-source" revenue sources, property taxes and sales taxes.

XII-XVI

Debt Capacity Information

These tables present information that may assist the reader in analyzing the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

XVII-XX

Demographic and Economic Information

These tables present demographic and economic information intended (1) to assist users in understanding the socioeconomic environment within which the County operates and (2) to provide information that facilitates comparisons of financial statement information over time and among counties.

XXI-XXII

Operating Information

These tables contain service and infrastructure indicators that can inform one's understanding how the information in the County's financial statements relates to the services the County provides and the activities it performs.

XXIII-XXV

Data Source:

Unless otherwise noted, the information in these tables is derived from the comprehensive annual financial report for the applicable year.

Douglas County, Georgia
Changes in Net Position - Governmental Activities (Unaudited)
Last Ten Calendar Years
(accrual basis of accounting)

For The Calendar Year Ended December 31,										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses:										
General government	\$ 13,568,649	\$ 13,585,109	\$ 14,191,098	\$ 13,644,727	\$ 12,538,196	\$ 13,573,319	\$ 13,781,109	\$ 15,716,039	\$ 15,389,399	\$ 18,528,308
Judicial	11,253,245	11,011,229	11,137,903	11,358,495	11,584,448	12,053,508	12,436,057	14,483,783	15,378,975	14,954,928
Public safety	42,180,908	44,336,061	47,554,679	45,435,070	47,791,579	53,346,368	51,051,930	54,068,554	60,318,353	58,515,533
Public works	9,712,850	10,028,106	6,032,383	7,855,384	9,007,928	5,318,691	11,337,399	7,925,905	7,732,602	13,101,481
Parks, recreation and culture	5,956,128	1,502,006	1,700,418	5,948,810	6,655,265	6,979,313	7,292,494	8,066,083	8,072,633	8,274,499
Planning/community development	3,295,556	2,700,466	5,049,385	3,616,735	4,551,448	4,527,637	3,550,146	4,554,838	3,859,861	2,777,680
Health and welfare	2,032,292	6,066,321	5,355,402	2,584,269	1,691,697	1,728,150	1,726,645	2,130,816	1,915,695	2,911,299
Interest and fiscal charges	374,910	187,455	150,331	1,796,155	1,820,450	2,021,601	766,779	349,330	(17,101)	1,244,970
Total Expenses	88,374,538	89,416,753	91,171,599	92,239,645	95,641,011	99,548,587	101,942,559	107,295,348	112,650,417	120,308,698
Program Revenues:										
Charges for services:										
General government	2,925,147	2,451,596	2,399,280	2,329,369	2,416,608	2,376,940	2,702,909	\$ 1,209,971	\$ 4,084,671	\$ 1,719,409
Judicial system	943,280	2,016,668	1,500,209	1,693,670	1,989,136	1,930,199	1,796,748	190,732	189,872	5,238,959
Public safety	10,992,481	10,119,838	9,483,325	10,631,575	9,445,886	9,677,180	10,413,504	11,630,994	12,269,779	5,449,360
Public works	946,372	967,966	505,751	894,414	909,304	892,359	950,304	907,578	903,237	897,112
Parks, recreation and culture	484,939	496,799	881,982	521,753	549,519	561,298	556,603	881,245	866,507	328,775
Planning/community development	595,454	626,073	448,421	519,981	558,204	487,504	528,577	718,787	426,332	606,596
Health and Welfare	-	-	-	-	-	-	-	-	-	379,315
Operating grants and contributions	2,029,434	1,795,370	2,859,424	2,696,123	2,303,021	2,491,963	2,813,982	5,264,459	5,163,232	4,681,075
Capital grants and contributions	1,662,929	3,889,753	5,028,051	6,877,196	2,166,650	3,376,915	2,584,171	3,431,112	3,562,732	5,722,412
Total Program Revenues	20,580,036	22,364,063	23,106,443	26,164,081	20,338,328	21,794,358	22,346,798	24,234,878	27,466,362	25,023,013
Net (Expense) Revenue	(67,794,502)	(67,052,690)	(68,065,156)	(66,075,564)	(75,302,683)	(77,754,229)	(79,595,761)	(83,060,470)	(85,184,055)	(95,285,685)
General Revenues:										
Taxes:										
Property	34,751,634	35,434,026	37,510,186	37,654,064	35,895,179	45,254,466	46,588,611	53,709,101	48,000,205	49,950,104
Sales	17,905,224	16,057,099	31,513,715	39,029,195	39,423,940	38,058,525	40,276,937	40,117,613	22,148,775	33,313,454
Insurance premium	3,565,937	3,514,807	3,418,404	4,007,535	4,281,315	4,449,739	4,696,183	5,028,879	5,351,530	5,725,981
Other	1,746,263	1,711,156	1,799,619	2,007,151	2,238,672	2,414,631	2,754,536	2,992,364	3,023,370	3,907,606
Unrestricted grants and contributions	1,743,024	-	-	-	-	-	-	-	-	-
Investment earnings	1,016,183	285,380	140,738	105,464	89,741	41,265	31,294	26,967	36,455	62,345
Gain on sale of capital assets	110,314	-	-	-	94,244	-	-	-	-	-
Miscellaneous	91,087	290,264	1,061,256	1,618,528	1,551,984	1,599,480	753,986	613,152	618,810	173,150
Transfers	-	-	-	-	-	-	-	-	(5,054)	-
Total General Revenues	60,929,666	57,292,732	75,443,918	84,421,937	83,575,075	91,818,106	95,101,547	102,488,076	79,174,091	93,132,640
Change in Net Position¹	\$ (6,864,836)	\$ (9,759,958)	\$ 7,378,762	\$ 18,346,373	\$ 8,272,392	\$ 14,063,877	\$ 15,505,786	\$ 19,427,606	\$ (6,009,964)	\$ (2,153,045)

Notes:

¹ This amount does not include any prior period restatements.

Data Source:

Applicable years' comprehensive annual financial report.

Douglas County, Georgia
Changes in Net Position - Governmental Activities - Percentage of Total (Unaudited)
Last Ten Calendar Years
(accrual basis of accounting)

	For The Calendar Year Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses:										
General government	15.4%	15.2%	15.6%	14.8%	13.1%	13.6%	13.5%	14.7%	13.7%	15.5%
Judicial	12.7%	12.3%	12.2%	12.3%	12.1%	12.1%	12.2%	13.5%	13.6%	12.4%
Public safety	47.7%	49.6%	52.1%	49.3%	50.0%	53.6%	50.0%	50.4%	53.3%	48.6%
Public works	11.0%	11.2%	6.6%	8.5%	9.4%	5.4%	11.1%	7.4%	6.9%	10.9%
Parks, recreation and culture	6.8%	1.7%	1.9%	6.5%	6.9%	7.0%	7.2%	7.5%	7.2%	6.9%
Planning/community development	3.7%	3.0%	5.5%	3.9%	4.8%	4.6%	3.5%	4.2%	3.4%	2.3%
Health and welfare	2.3%	6.8%	5.9%	2.8%	1.8%	1.7%	1.7%	2.0%	1.7%	2.4%
Interest and fiscal charges	0.4%	0.2%	0.2%	1.9%	1.9%	2.0%	0.8%	0.3%	0.2%	1.0%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Program Revenues:										
Charges for services:										
General government	14.2%	11.0%	10.4%	8.9%	11.9%	10.9%	12.1%	5.0%	14.9%	6.9%
Judicial system	4.6%	9.0%	6.5%	6.5%	9.8%	8.9%	8.0%	0.8%	0.7%	20.9%
Public safety	53.4%	45.3%	41.0%	40.6%	46.4%	44.4%	46.6%	48.0%	44.7%	21.8%
Public works	4.6%	4.3%	2.2%	3.4%	4.5%	4.1%	4.3%	3.7%	3.3%	3.6%
Parks, recreation and culture	2.3%	2.2%	3.8%	2.0%	2.7%	2.6%	2.5%	3.6%	3.1%	1.3%
Planning/community development	2.9%	2.8%	1.9%	2.0%	2.7%	2.2%	2.4%	3.0%	1.5%	2.4%
Health and welfare	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.5%
Operating grants and contributions	9.9%	8.0%	12.4%	10.3%	11.3%	11.4%	12.6%	21.7%	18.8%	18.7%
Capital grants and contributions	8.1%	17.4%	21.8%	26.3%	10.7%	15.5%	11.5%	14.2%	13.0%	22.9%
Total Program Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
General Revenues:										
Taxes:										
Property	57.0%	61.9%	49.7%	44.6%	42.9%	49.3%	49.0%	52.4%	60.6%	53.6%
Sales	29.4%	28.0%	41.8%	46.2%	47.2%	41.5%	42.4%	39.2%	28.0%	35.8%
Insurance premium	5.8%	6.1%	4.5%	4.8%	5.1%	4.8%	4.9%	4.9%	6.8%	6.1%
Other	2.9%	3.0%	2.4%	2.4%	2.7%	2.6%	2.9%	2.9%	3.8%	4.2%
Unrestricted grants and contributions	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Investment earnings	0.2%	0.0%	0.2%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%
Gain on sale of capital assets	1.7%	0.5%	0.0%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
Miscellaneous	0.1%	0.5%	1.4%	1.9%	1.9%	1.7%	0.8%	0.6%	0.8%	0.2%
Transfers	0.0%	0.0%	1.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total General Revenues	100.0%	100.0%	101.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Data Source:

Applicable years' comprehensive annual financial report.

Douglas County, Georgia
Changes in Net Position - Business-type Activities (Unaudited)
Last Ten Calendar Years
(accrual basis of accounting)

For The Calendar Year Ended December 31,										
Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses -										
Solid waste management	\$ 2,193,435	\$ 1,857,708	\$ 1,624,120	\$ 1,589,420	\$ 1,622,966	\$ 1,691,062	\$ 1,695,056	\$ 1,802,261	\$ 1,864,035	\$ 3,970,043
Program Revenues:										
Charges for services -										
Solid waste management	2,013,022	1,862,515	1,793,352	1,534,604	1,309,034	1,502,324	1,526,089	1,767,837	2,214,002	2,501,772
Operating grants and contributions	-	15,520	54,383	26,446	-	-	-	-	-	-
Total Program Revenues	<u>2,013,022</u>	<u>1,878,035</u>	<u>1,847,735</u>	<u>1,561,050</u>	<u>1,309,034</u>	<u>1,502,324</u>	<u>1,526,089</u>	<u>1,767,837</u>	<u>2,214,002</u>	<u>2,501,772</u>
Net (Expense) Revenue	<u>(180,413)</u>	<u>20,327</u>	<u>223,615</u>	<u>(28,370)</u>	<u>(313,932)</u>	<u>(188,738)</u>	<u>(168,967)</u>	<u>(34,424)</u>	<u>349,967</u>	<u>(1,468,271)</u>
General Revenues:										
Investment earnings	1,568	151	290	161	57	30	40	20	-	137
Gain on sale of capital assets	1,449	741	-	6,235	-	-	-	-	-	-
Miscellaneous	-	-	-	152	79	5,928	169,405	155	222	-
Transfers	-	-	-	-	-	-	-	-	5,054	-
Total General Revenues	<u>3,017</u>	<u>892</u>	<u>290</u>	<u>6,548</u>	<u>136</u>	<u>5,958</u>	<u>169,445</u>	<u>175</u>	<u>5,276</u>	<u>137</u>
Change in Net Position ¹	<u><u>\$ (177,396)</u></u>	<u><u>\$ 21,219</u></u>	<u><u>\$ 223,905</u></u>	<u><u>\$ (21,822)</u></u>	<u><u>\$ (313,796)</u></u>	<u><u>\$ (182,780)</u></u>	<u><u>\$ 478</u></u>	<u><u>\$ (34,249)</u></u>	<u><u>\$ 355,243</u></u>	<u><u>\$ (1,468,134)</u></u>

Notes:

¹ This amount does not include any prior period restatements.

Data Source:

Applicable years' comprehensive annual financial report.

Douglas County, Georgia
Changes in Net Position - Total (Unaudited)
Last Ten Calendar Years
(accrual basis of accounting)

For the Calendar Year Ended December 31,										
Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses:										
Governmental activities ¹	\$ 88,374,538	\$ 89,416,753	\$ 91,171,599	\$ 92,239,645	\$ 95,641,011	\$ 99,548,587	\$ 101,942,559	\$ 107,295,348	\$ 112,650,417	\$ 120,308,698
Business-type activities ²	2,193,435	1,857,708	1,624,120	1,589,420	1,622,966	1,691,062	1,695,056	1,802,261	1,864,035	3,970,043
Total Expenses	90,567,973	91,274,461	92,795,719	93,829,065	97,263,977	101,239,649	103,637,615	109,097,609	114,514,452	124,278,741
Program Revenues:										
Governmental activities ¹	20,580,036	22,364,063	23,106,443	26,164,081	20,338,328	21,794,358	22,346,798	24,234,878	27,466,362	25,023,013
Business-type activities ²	2,013,022	1,878,035	1,847,735	1,561,050	1,309,034	1,502,324	1,526,089	1,767,837	2,214,002	2,501,772
Total Program Revenues	22,593,058	24,242,098	24,954,178	27,725,131	21,647,362	23,296,682	23,872,887	26,002,715	29,680,364	27,524,785
Net (Expense) Revenue	(67,974,915)	(67,032,363)	(67,841,541)	(66,103,934)	(75,616,615)	(77,942,967)	(79,764,728)	(83,094,894)	(84,834,088)	(96,753,956)
General Revenues:										
Governmental activities ¹	60,929,666	57,292,732	75,443,918	84,421,937	83,575,075	91,818,106	95,101,547	102,488,076	79,174,091	93,132,640
Business-type activities ²	3,017	892	290	6,548	136	5,958	169,445	175	5,276	137
Total General Revenues	60,932,683	57,293,624	75,444,208	84,428,485	83,575,211	91,824,064	95,270,992	102,488,251	79,179,367	93,132,777
Change in Net Position³	\$ (7,042,232)	\$ (9,738,739)	\$ 7,602,667	\$ 18,324,551	\$ 7,958,596	\$ 13,881,097	\$ 15,506,264	\$ 19,393,357	\$ (5,654,721)	\$ (3,621,179)

Notes:¹ See Exhibit I² See Exhibit III³ This amount does not include any prior period restatements.

Douglas County, Georgia
Government-wide Net Position by Category¹ (Unaudited)
Last Ten Calendar Years
(accrual basis of accounting)

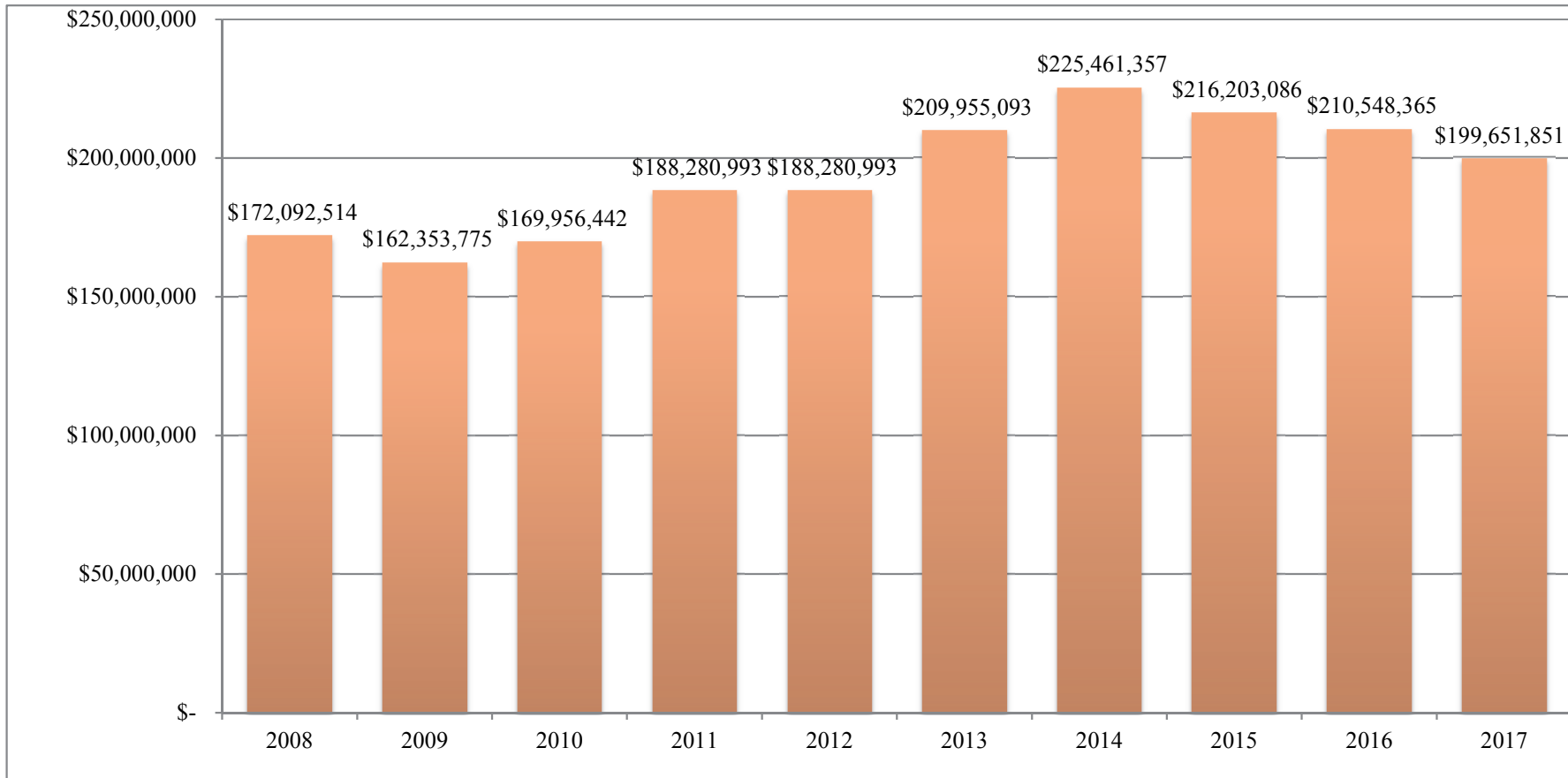
	2008	2009	2010	2011	December 31, 2012	2013	2014	2015	2016	2017
Governmental Activities										
Net investment in capital assets	\$ 135,892,083	\$ 139,253,581	\$ 152,508,567	\$ 148,076,376	\$ 182,791,972	\$ 195,280,231	\$ 210,489,674	\$ 228,610,179	\$ 249,176,807	\$ 227,392,430
Restricted	25,979,607	21,613,968	24,774,752	52,698,495	33,072,620	33,159,865	33,450,483	36,077,406	21,004,690	28,236,208
Unrestricted	9,729,283	973,466	(8,063,542)	(13,208,721)	(19,845,839)	(18,703,270)	(18,697,545)	(48,389,273)	(59,893,149)	(54,836,883)
Subtotal Governmental Activities Net Position	171,600,973	161,841,015	169,219,777	187,566,150	196,018,753	209,736,826	225,242,612	216,298,312	210,288,348	200,791,755
Business-type Activities										
Net investment in capital assets	2,327,904	2,427,328	2,326,718	2,250,281	2,138,904	2,027,520	1,939,053	1,892,764	1,851,457	1,896,590
Unrestricted	(1,836,363)	(1,914,568)	(1,590,053)	(1,535,438)	(1,737,857)	(1,809,253)	(1,720,308)	(1,987,990)	(1,591,440)	(3,036,494)
Subtotal Business-type Activities Net Position	491,541	512,760	736,665	714,843	401,047	218,267	218,745	(95,226)	260,017	(1,139,904)
Primary Government										
Net investment in capital assets	138,219,987	141,680,909	154,835,285	150,326,657	150,326,657	197,307,751	212,428,727	230,502,943	251,028,264	229,289,020
Restricted	25,979,607	21,613,968	24,774,752	52,698,495	52,698,495	33,159,865	33,450,483	36,077,406	21,004,690	28,236,208
Unrestricted ²	7,892,920	(941,102)	(9,653,595)	(14,744,159)	(14,744,159)	(20,512,523)	(20,417,853)	(50,377,263)	(61,484,589)	(57,873,377)
Total Primary Government Net Position	\$ 172,092,514	\$ 162,353,775	\$ 169,956,442	\$ 188,280,993	\$ 188,280,993	\$ 209,955,093	\$ 225,461,357	\$ 216,203,086	\$ 210,548,365	\$ 199,651,851

Notes:

¹ Accounting standards requires that net position be reported in three components in the financial statements: net investment in capital assets; restricted; and unrestricted. Net position is considered restricted only when (1) an external party, such as the State of Georgia or the federal government, places a restriction on how the resources may be used, or (2) enabling legislation is enacted by the County. There are no restrictions currently reported as a result of enabling legislation.

² The primary reasons that the unrestricted net position have been reduced in 2008 through 2012 relates to the recessionary economy and the accrual of other post employment benefits that the County currently is not funding.

Douglas County, Georgia
Chart-Total Government-wide Net Position (Unaudited)
Last Ten Calendar Years
(accrual basis of accounting)



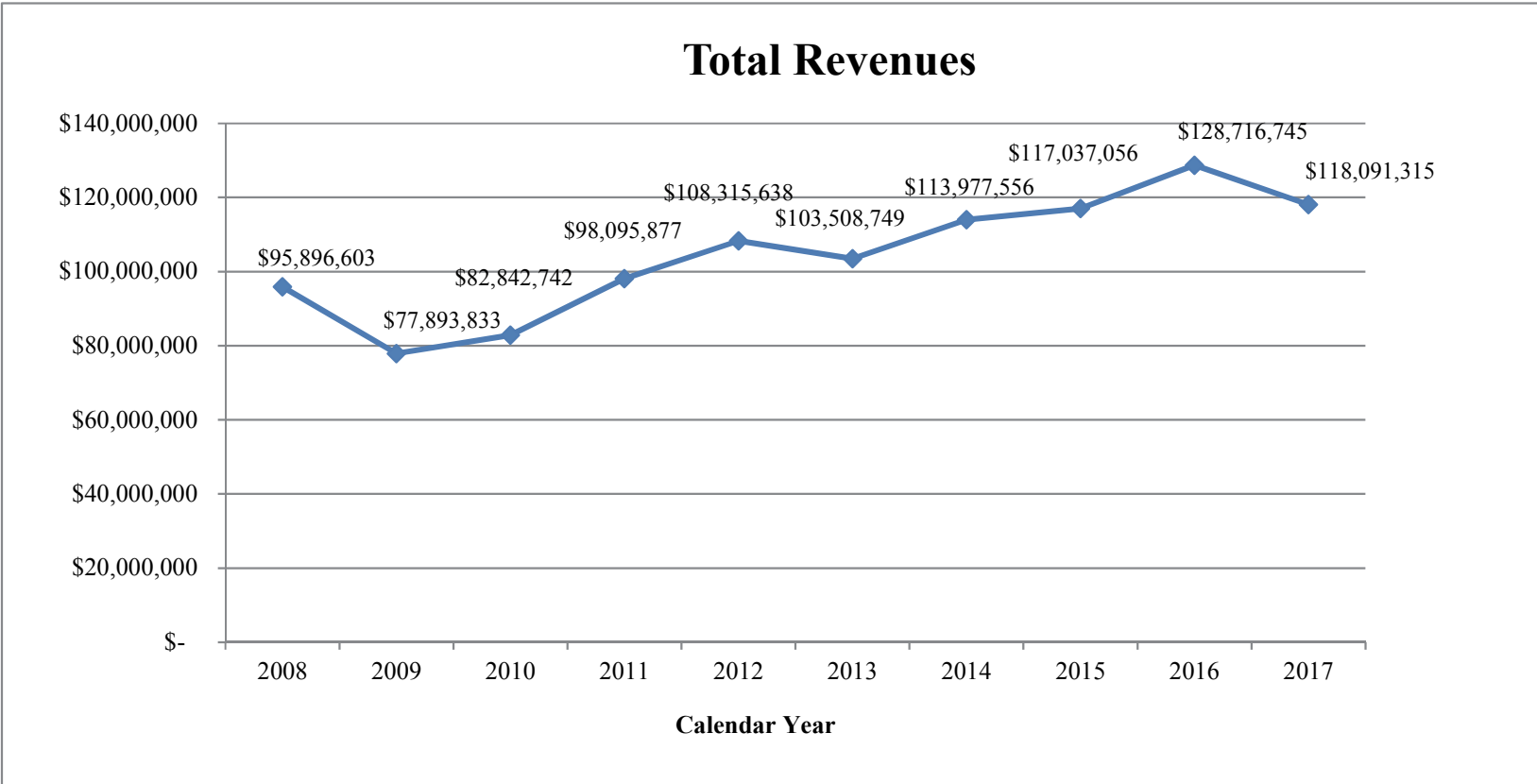
Douglas County, Georgia
General Governmental Revenues by Source (Unaudited) ¹
Last Ten Calendar Years
(modified accrual basis of accounting)

For the Calendar Year Ended December 31,										
Revenue Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
	Amounts									
Taxes	\$ 71,495,210	\$ 57,167,726	\$ 57,329,291	\$ 73,656,850	\$ 82,824,316	\$ 82,184,350	\$ 90,370,261	\$ 94,222,318	\$ 102,081,320	\$ 93,548,537
Licenses and permits	2,272,254	1,653,299	1,244,208	1,014,080	935,321	1,049,998	1,102,716	1,345,033	1,850,191	570,240
Intergovernmental	4,359,057	3,806,330	8,155,742	7,874,031	7,230,132	3,910,464	6,163,018	5,239,175	8,533,476	7,502,576
Charges for services	7,073,053	7,351,622	8,722,239	8,595,569	8,895,976	8,765,900	8,347,695	9,085,373	9,199,524	9,667,031
Fines and forfeitures	8,217,019	6,734,996	6,775,033	5,589,447	6,432,926	5,660,840	6,175,124	6,207,621	6,270,616	5,716,743
Investment earnings	2,265,722	1,010,903	284,876	180,059	323,679	215,620	49,164	33,538	27,932	540,926
Miscellaneous	214,288	168,957	331,353	1,185,841	1,673,288	1,721,577	1,769,578	903,998	753,686	545,262
Total revenues	\$ 95,896,603	\$ 77,893,833	\$ 82,842,742	\$ 98,095,877	\$ 108,315,638	\$ 103,508,749	\$ 113,977,556	\$ 117,037,056	\$ 128,716,745	\$ 118,091,315
% change from prior year	19.7%	-18.8%	6.4%	18.4%	10.4%	-4.4%	10.1%	2.7%	10.0%	-8.3%
	Percentage of Total									
Taxes	74.5%	73.4%	69.2%	75.1%	76.5%	79.4%	79.3%	80.5%	79.3%	79.2%
Licenses and permits	2.4%	2.1%	1.5%	1.0%	0.9%	1.0%	1.0%	1.1%	1.4%	0.5%
Intergovernmental	4.5%	4.9%	9.9%	8.0%	6.7%	3.8%	5.4%	4.5%	6.6%	6.4%
Charges for services	7.4%	9.4%	10.5%	8.8%	8.2%	8.5%	7.3%	7.8%	7.2%	8.2%
Fines and forfeitures	8.6%	8.7%	8.2%	5.7%	5.9%	5.5%	5.4%	5.3%	4.9%	4.8%
Investment earnings	2.4%	1.3%	0.3%	0.2%	0.3%	0.2%	0.0%	0.0%	0.0%	0.5%
Miscellaneous	0.2%	0.2%	0.4%	1.2%	1.5%	1.6%	1.6%	0.8%	0.6%	0.4%
Total revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Notes:¹ Includes all governmental fund types.**Data Source:**

Applicable years' comprehensive annual financial report.

Douglas County, Georgia
Chart-Total General Governmental Revenues (Unaudited)
Last Ten Calendar Years
(modified accrual basis of accounting)



Douglas County, Georgia
Tax Revenues by Source - Governmental Funds (Unaudited)
Last Ten Calendar Years
(modified accrual basis of accounting)

For The Calendar Year Ended December 31,	Property	Local Option Sales	Special Purpose Local Option Sales	Insurance Premium	Other ¹	Total
Amounts						
2008	\$ 33,054,967	\$ 17,495,669	\$ 409,555	\$ 3,565,937	\$ 2,641,598	\$ 57,167,726
2009	34,905,468	15,958,262	98,837	3,514,807	2,851,917	57,329,291
2010	35,794,021	16,246,016	15,267,699	3,418,404	2,930,710	73,656,850
2011	36,250,374	17,264,892	21,764,303	4,007,535	3,537,212	82,824,316
2012	35,037,663	17,218,656	22,205,284	4,281,315	3,441,432	82,184,350
2013	44,160,007	16,231,413	21,827,112	4,449,739	3,701,990	90,370,261
2014	45,170,688	16,769,653	23,507,284	4,696,183	4,078,510	94,222,318
2015	53,051,864	16,565,785	23,551,828	5,028,879	3,882,964	102,081,320
2016	47,486,910	16,305,508	5,843,267	5,351,530	3,819,471	78,806,686
2017	49,761,105	15,636,219	17,652,602	5,725,981	4,772,630	93,548,537
% Change in Dollars						
Over 10 Years	50.5%	-10.6%	4210.2%	60.6%	80.7%	63.6%
Percentage of Total						
2008	57.8%	30.6%	0.7%	6.3%	4.6%	100.0%
2009	60.9%	27.8%	0.2%	6.1%	5.0%	100.0%
2010	48.6%	22.1%	20.7%	4.6%	4.0%	100.0%
2011	43.8%	20.8%	26.3%	4.8%	4.3%	100.0%
2012	42.6%	21.0%	27.0%	5.2%	4.2%	100.0%
2013	48.9%	18.0%	24.1%	4.9%	4.1%	100.0%
2014	47.9%	17.8%	25.0%	5.0%	4.3%	100.0%
2015	52.0%	16.2%	23.1%	4.9%	3.8%	100.0%
2016	60.3%	20.7%	7.4%	6.8%	4.8%	100.0%
2017	53.2%	16.7%	18.9%	6.1%	5.1%	100.0%

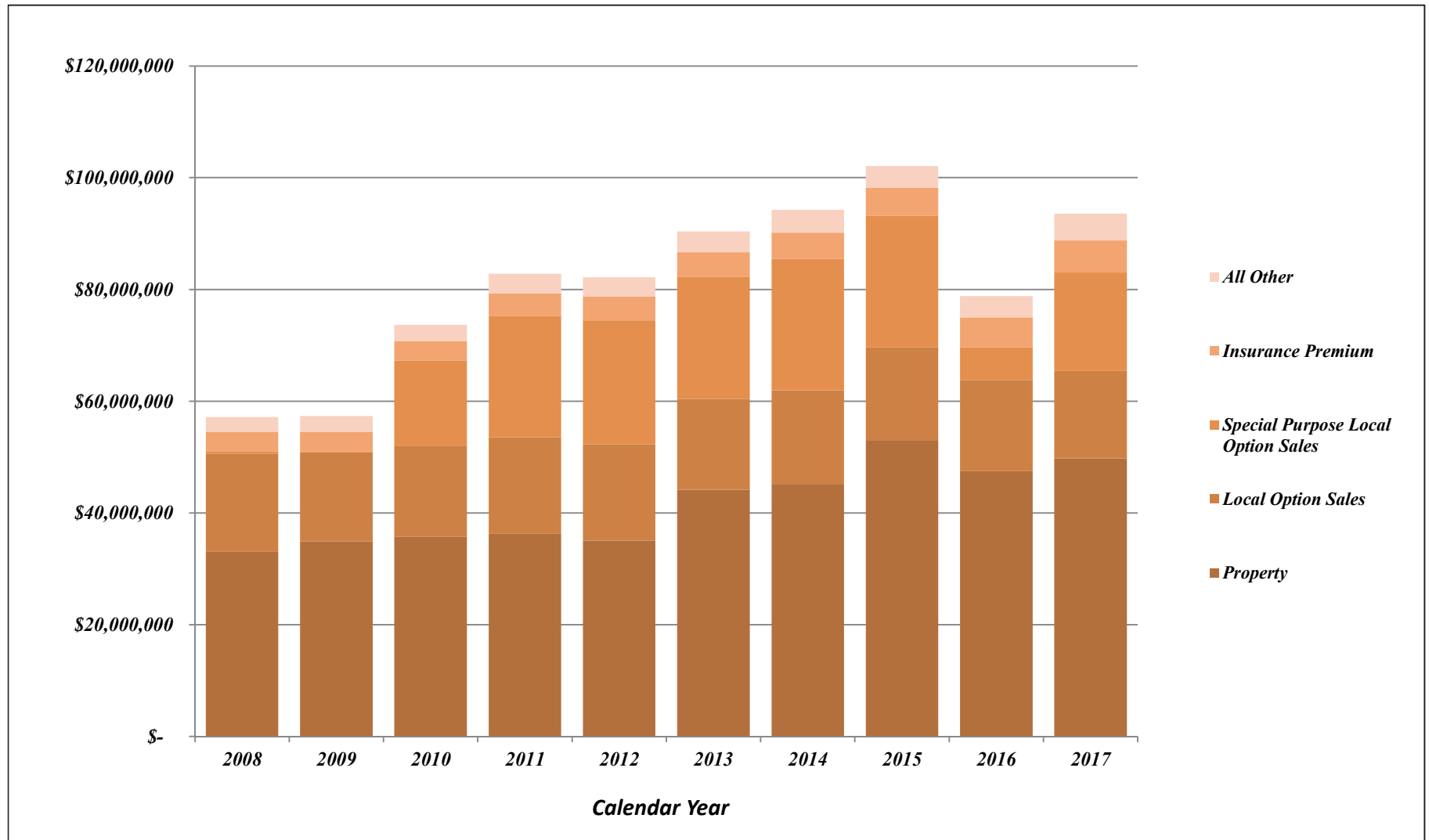
Notes:

¹ Includes franchise taxes, alcoholic beverage taxes, hotel/motel taxes and other taxes

Data Source:

Applicable years' comprehensive annual financial report.

Douglas County, Georgia
Chart-Tax Revenues by Source - Governmental Funds (Unaudited)
Last Ten Calendar Years
(modified accrual basis of accounting)



Douglas County, Georgia
General Governmental Expenditures by Function (Unaudited) ¹
Last Ten Calendar Years
(modified accrual basis of accounting)

Function	For the Calendar Year Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Current:										
General government	\$ 12,478,752	\$ 12,184,299	\$ 13,164,891	\$ 11,554,563	\$ 10,908,962	\$ 11,952,217	\$ 12,670,603	\$ 13,784,423	\$ 13,210,039	\$ 18,665,720
Judicial	10,439,352	9,999,046	10,195,441	10,136,429	10,507,508	11,408,765	11,937,778	13,441,752	14,025,668	14,664,560
Public safety	40,568,744	39,096,687	39,313,871	40,659,973	41,239,047	44,461,112	46,333,633	46,923,138	54,551,024	52,846,486
Public works	5,961,325	7,499,322	4,380,484	4,725,357	5,189,087	6,186,338	5,213,724	5,433,757	5,355,692	7,965,097
Parks, recreation and culture	5,295,209	4,799,569	5,862,375	5,006,588	5,059,537	5,186,342	5,534,717	5,935,365	5,937,363	5,857,579
Planning/community development	3,083,318	2,693,043	4,567,106	3,397,487	3,407,246	4,506,671	3,127,729	4,123,733	3,332,267	2,900,898
Health and welfare	1,989,418	1,435,117	1,629,390	1,597,425	1,535,898	1,617,266	1,615,839	1,949,630	1,775,360	2,837,363
Other	156,129	27,279	5,028	-	-	-	-	-	-	3,497,768
Total Current	79,972,247	77,734,362	79,118,586	77,077,822	77,847,285	85,318,711	86,434,023	91,591,798	98,187,413	109,235,471
% Change From Prior Year	-4.7%	-2.8%	1.8%	-2.6%	1.0%	9.6%	1.3%	6.0%	7.2%	11.3%
Capital Outlay	7,439,742	7,441,646	17,835,780	76,642,158	38,085,114	3,888,753	5,587,406	4,831,419	7,221,788	3,305,743
% Change From Prior Year	-48.6%	0.0%	139.7%	329.7%	-50.3%	-89.8%	43.7%	-13.5%	49.5%	-54.2%
Debt Service										
Principal retirement	826,965	845,000	870,000	5,760,000	16,825,000	18,941,143	19,149,768	20,216,881	19,714,474	506,634
Interest and fiscal charges	365,097	172,075	144,318	2,084,761	4,272,533	3,633,232	2,751,753	1,934,736	958,118	1,485,992
Bond issuance costs	-	-	-	498,545	-	-	-	-	-	577,869
Total Debt Service	1,192,062	1,017,075	1,014,318	8,343,306	21,097,533	22,574,375	21,901,521	22,151,617	20,672,592	2,570,495
% Change From Prior Year	-89.3%	-14.7%	-0.3%	722.6%	152.9%	7.0%	-3.0%	1.1%	-6.7%	-87.6%
Total Expenditures	\$ 88,604,051	\$ 86,193,083	\$ 97,968,684	\$ 162,063,286	\$ 137,029,932	\$ 111,781,839	\$ 113,922,950	\$ 118,574,834	\$ 126,081,793	\$ 115,111,709
% Change From Prior Year	-19.1%	-2.7%	13.7%	65.4%	-15.4%	-18.4%	1.9%	4.1%	6.3%	-8.7%
Debt Service as a % of Noncapital Expenditures	1.5%	1.3%	1.3%	9.8%	21.3%	20.9%	20.2%	19.5%	17.4%	2.3%

Notes:¹ Includes all governmental fund types.**Data Source:**

Applicable years' comprehensive annual financial report.

Douglas County, Georgia
General Governmental Current Expenditures by Function (Unaudited) ¹
Last Ten Calendar Years
(modified accrual basis of accounting)

For the Calendar Year Ended December 31,										
Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function	Amounts									
Current:										
General government	\$ 12,478,752	\$ 12,184,299	\$ 13,164,891	\$ 11,554,563	\$ 10,908,962	\$ 11,952,217	\$ 12,670,603	\$ 13,784,423	\$ 13,210,039	\$ 18,665,720
Judicial	10,439,352	9,999,046	10,195,441	10,136,429	10,507,508	11,408,765	11,937,778	13,441,752	14,025,668	14,664,560
Public safety	40,568,744	39,096,687	39,313,871	40,659,973	41,239,047	44,461,112	46,333,633	46,923,138	54,551,024	52,846,486
Public works	5,961,325	7,499,322	4,380,484	4,725,357	5,189,087	6,186,338	5,213,724	5,433,757	5,355,692	7,965,097
Parks, recreation and culture	5,295,209	4,799,569	5,862,375	5,006,588	5,059,537	5,186,342	5,534,717	5,935,365	5,937,363	5,857,579
Planning/community development	3,083,318	2,693,043	4,567,106	3,397,487	3,407,246	4,506,671	3,127,729	4,123,733	3,332,267	2,900,898
Health and welfare	1,989,418	1,435,117	1,629,390	1,597,425	1,535,898	1,617,266	1,615,839	1,949,630	1,775,360	2,837,363
Other	156,129	27,279	5,028	-	-	-	-	-	-	3,497,768
Total Current	\$ 79,972,247	\$ 77,734,362	\$ 79,118,586	\$ 77,077,822	\$ 77,847,285	\$ 85,318,711	\$ 86,434,023	\$ 91,591,798	\$ 98,187,413	\$ 109,235,471
	Percentage of Total									
Current:										
General government	23.7%	15.6%	15.7%	16.6%	15.0%	14.0%	14.0%	14.7%	15.1%	17.1%
Judicial	10.1%	13.0%	12.9%	12.9%	13.1%	13.5%	13.4%	13.8%	14.7%	13.4%
Public safety	44.6%	50.7%	50.3%	49.7%	52.8%	53.0%	52.1%	53.6%	51.2%	48.4%
Public works	5.2%	7.5%	9.6%	5.5%	6.1%	6.6%	7.2%	6.0%	5.9%	7.3%
Parks, recreation and culture	6.0%	6.6%	6.2%	7.4%	6.5%	6.5%	6.1%	6.4%	6.5%	5.4%
Planning/community development	3.1%	3.9%	3.5%	5.8%	4.4%	4.4%	5.3%	3.6%	4.5%	2.7%
Health and welfare	3.4%	2.5%	1.8%	2.1%	2.1%	2.0%	1.9%	1.9%	2.1%	2.6%
Other	3.9%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.1%
Total Current	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

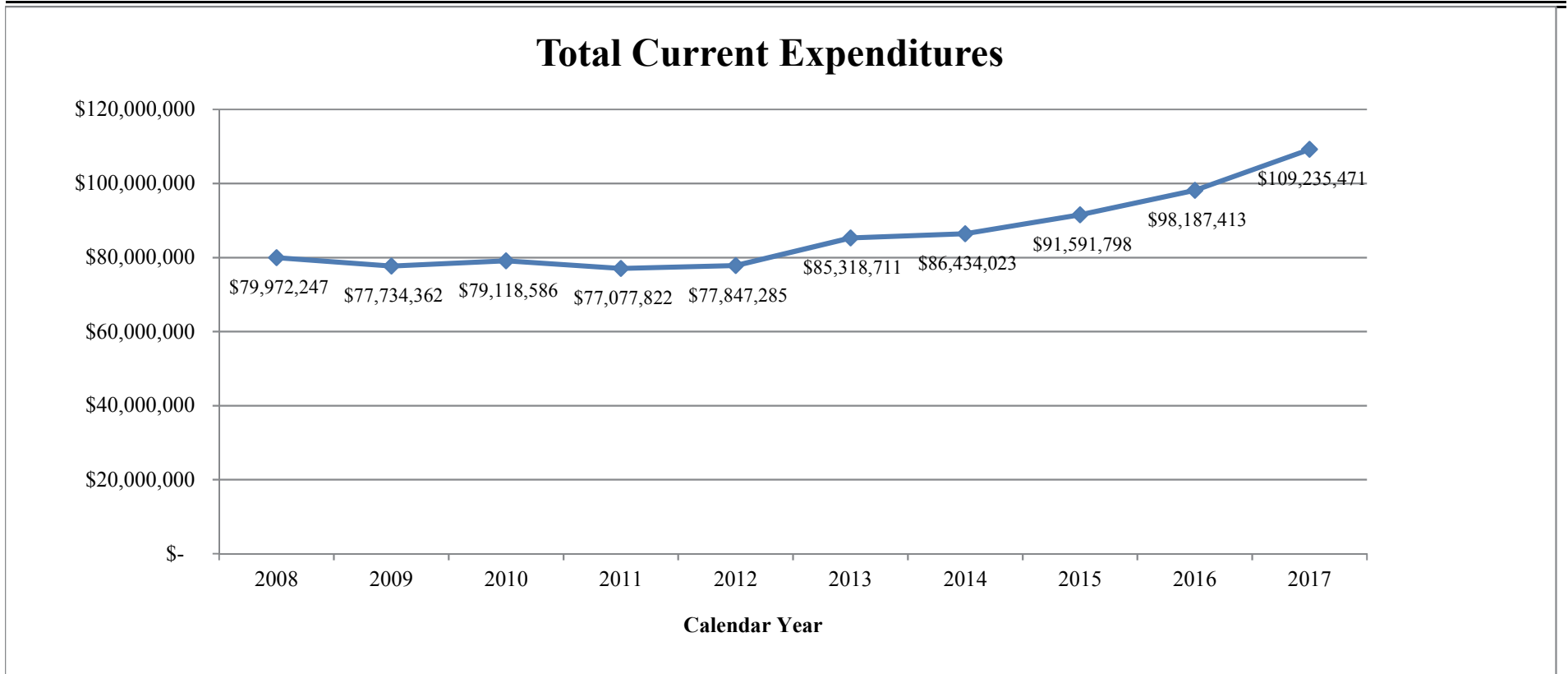
Notes:

¹ Includes all governmental fund types.

Data Source:

Applicable years' comprehensive annual financial report.

Douglas County, Georgia
Chart-Total General Governmental Current Expenditures (Unaudited)
Last Ten Calendar Years
(modified accrual basis of accounting)



Douglas County, Georgia
Summary of Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Calendar Years
(modified accrual basis of accounting)

Source	For the Calendar Year Ended December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Total Revenues	\$ 77,893,833	\$ 82,842,742	\$ 98,095,877	\$ 108,315,638	\$ 103,508,749	\$ 113,977,556	\$ 117,037,056	\$ 128,716,745	\$ 105,809,596	\$ 118,091,315
Total Expenditures	88,604,051	86,193,083	97,968,684	162,063,286	137,029,932	111,781,839	113,922,950	118,574,834	126,081,793	115,111,709
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,710,218)	(3,350,341)	127,193	(53,747,648)	(33,521,183)	2,195,717	3,114,106	10,141,911	(20,272,197)	2,979,606
Other Financing Sources (Uses)										
Sale of capital assets	519,594	2,326	22,892	19,916	94,244	64,399	184,852	75,009	271,806	114,822
Issuance of bonds	-	-	-	97,245,000	-	-	-	-	-	60,385,000
Inception of capital lease	-	-	-	-	610,603	354,333	176,471	19,234	369,989	-
Premium on issue	-	-	-	9,090,539	-	-	-	-	-	6,145,688
Transfers in	2,644,628	982,249	5,300,843	27,463,179	23,363,846	27,880,481	25,850,650	40,093,965	34,611,721	20,271,552
Transfers out	(2,644,628)	(982,249)	(5,300,843)	(27,995,328)	(23,363,846)	(27,880,481)	(27,850,650)	(40,093,965)	(35,116,775)	(20,271,552)
Total Other Financing Sources (Uses)	519,594	2,326	22,892	105,823,306	704,847	418,732	(1,638,677)	94,243	136,741	66,645,510
Net Change in Fund Balances	\$ (10,190,624)	\$ (3,348,015)	\$ 150,085	\$ 52,075,658	\$ (32,816,336)	\$ 2,614,449	\$ 1,475,429	\$ 10,236,154	\$ (20,135,456)	\$ 69,625,116

Data Source:

Applicable years' comprehensive annual financial report.

Douglas County, Georgia
Fund Balances - Governmental Funds (Unaudited)
Last Ten Calendar Years
(modified accrual basis of accounting)

	At December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Nonspendable	\$ -	\$ -	\$ 1,055,865	\$ 1,071,090	\$ 1,149,136	\$ 1,401,923	\$ 1,348,311	\$ 1,391,424	\$ 1,506,194	\$ 3,290,869
Restricted	2,818,798	2,771,076	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	711,058	2,174,918	1,232,877	6,754,683	3,632,429	15,187,636	12,765,982	11,381,473
Unassigned	8,313,353	9,152,642	6,714,541	8,570,103	11,601,939	13,896,005	18,256,682	16,129,025	14,184,103	9,975,041
Subtotal General Fund	11,132,151	11,923,718	8,481,464	11,816,111	13,983,952	22,052,611	23,237,422	32,708,085	28,456,279	24,647,383
General Fund Percentage Change	-36.0%	7.1%	-28.9%	39.3%	18.3%	57.7%	5.4%	40.8%	-13.0%	-13.4%
All Other Governmental Funds										
Restricted	15,341,102	13,846,422	24,083,386	72,181,352	37,851,690	31,372,785	32,616,922	34,139,599	18,753,659	89,302,772
Committed	-	-	593,644	1,416,900	1,286,699	2,151,957	2,166,112	1,937,807	2,251,031	-
Assigned	-	-	-	-	-	-	-	-	-	4,447,187
Unassigned										
Special Revenue Funds	10,556,471	7,693,611	-	-	-	-	-	-	-	-
Debt Service Funds	33,737	(20,522)	-	-	-	-	-	-	-	-
Capital Projects Funds	(707,037)	(434,820)	-	-	(524,314)	(364,877)	(1,332,551)	(1,861,432)	(2,672,366)	(1,983,623)
Subtotal All Other Governmental Funds	25,224,273	21,084,691	24,677,030	73,598,252	38,614,075	33,159,865	33,450,483	34,215,974	18,332,324	91,766,336
All Other Governmental Funds Percentage Change	-13.5%	-16.4%	17.0%	198.2%	-47.5%	-14.1%	0.9%	2.3%	-46.4%	400.6%

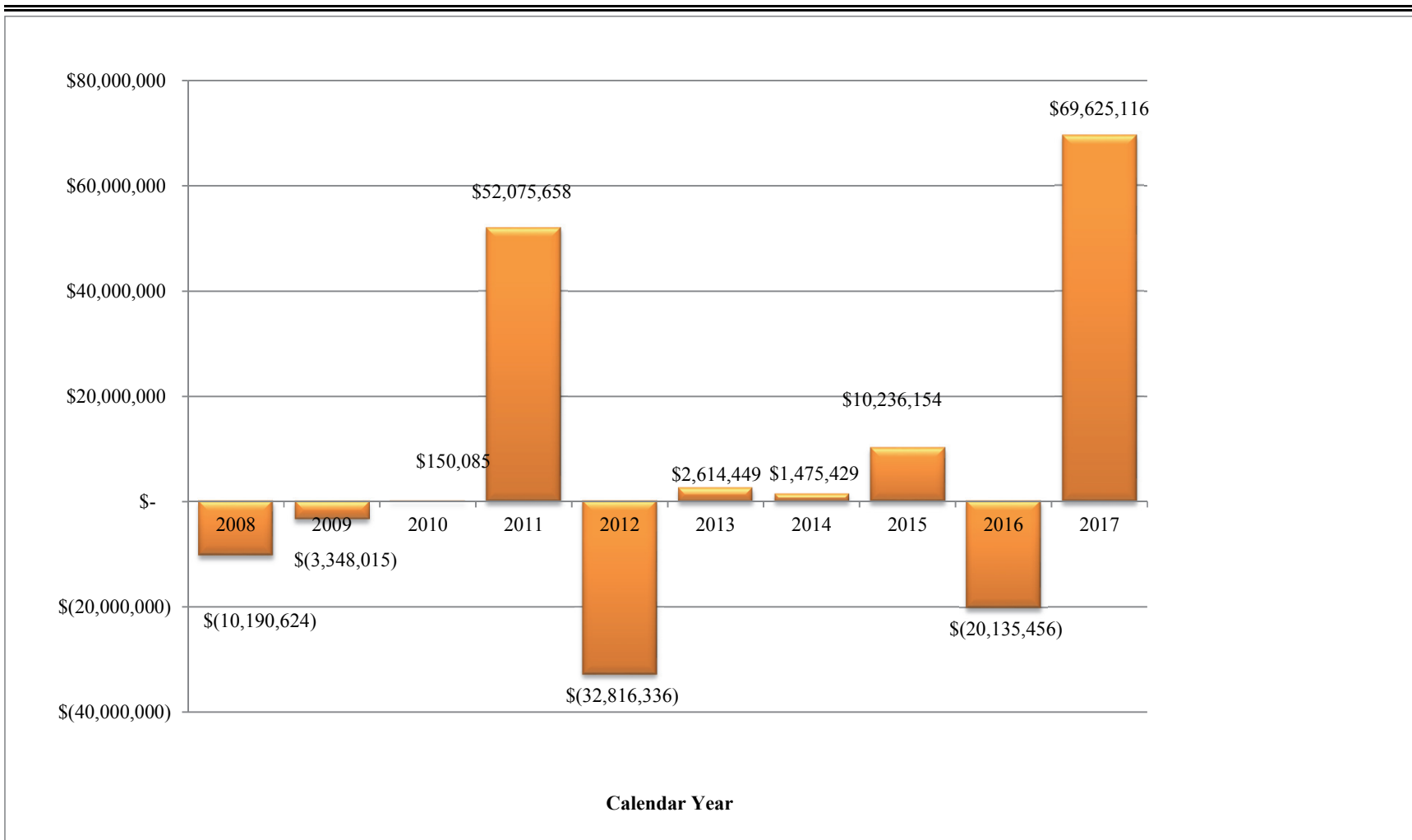
Notes:

¹ In 2011, the County issued \$97,245,000 of sales tax revenue bonds which increased restricted fund balances until the bond proceeds were expended.

Data Source:

Applicable years' comprehensive annual financial report.

Douglas County, Georgia
Chart-Changes in Fund Balances - Governmental Funds (Unaudited)
Last Ten Calendar Years
(modified accrual basis of accounting)



Douglas County, Georgia
Taxable Assessed Value¹ and Estimated Actual Value of Property By Type (Unaudited)²
Last Ten Calendar Years

Calendar Year	Amounts										Total Direct Tax Rate ⁴	Estimated Actual Value	Annual Percentage Change
	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Preferential & Conservation Use Property	Utility Property	Motor Vehicles and Mobile Homes	Other Property ³	Less: Tax Exempt Property	Total Taxable Assessed Value ¹			
2008	\$ 2,974,520,016	\$ 1,118,921,626	\$ 332,960,913	\$ 20,882,123	\$ 35,542,104	\$ 104,939,900	\$ 306,579,683	\$ 583,256	\$ 602,456,587	\$ 4,292,473,034	7.826	\$ 10,731,182,585	4.4%
2009	2,921,948,442	1,123,301,833	342,437,045	21,740,764	37,631,652	111,081,626	322,663,144	558,753	613,839,030	4,267,524,229	7.932	10,668,810,573	-0.6%
2010	2,347,986,698	1,033,612,691	327,095,329	18,655,854	37,624,457	115,050,461	277,705,184	499,566	538,715,910	3,619,514,330	9.900	9,048,785,825	-15.2%
2011	2,201,618,475	1,049,358,709	337,618,185	20,275,880	37,072,357	112,091,530	268,309,742	123,220	404,708,815	3,621,759,283	9.900	9,054,398,208	0.1%
2012	2,077,451,339	1,032,710,673	320,200,885	19,353,066	38,600,082	112,121,212	278,592,495	521,075	370,698,604	3,508,852,223	9.900	8,772,130,558	-3.1%
2013	2,025,348,154	1,017,893,195	341,043,049	17,038,789	24,595,824	104,306,616	296,133,437	411,257	369,535,667	3,457,234,654	12.250	8,643,086,635	-1.5%
2014	2,067,874,584	1,018,758,837	364,974,470	14,540,078	31,890,088	99,308,516	252,799,996	861,148	414,163,825	3,436,843,892	12.153	8,592,109,730	-0.6%
2015	2,224,100,531	1,072,923,230	376,395,227	14,306,525	28,101,579	116,542,688	183,517,841	1,063,381	455,136,098	3,561,814,904	11.809	8,904,537,260	3.6%
2016	2,399,382,733	1,097,703,519	430,639,946	13,264,425	26,843,432	115,248,963	137,635,468	1,422,485	494,884,711	3,727,256,260	11.267	9,318,140,650	4.6%
2017	2,643,190,056	1,232,584,642	543,236,276	14,107,593	31,548,075	123,486,248	104,079,584	1,720,151	577,654,016	4,116,298,609	10.768	10,290,746,523	10.4%
*	\$ 2,388,342,103	\$ 1,079,776,896	\$ 371,660,133	\$ 17,416,510	\$ 32,944,965	\$ 111,417,776	\$ 242,801,657	\$ 776,429	\$ 484,179,326	\$ 3,760,957,142		\$ 9,402,392,855	
**	-11.1%	10.2%	63.2%	-32.4%	-11.2%	17.7%	-66.1%	194.9%	-4.1%	-4.1%		-4.1%	
Percentage of Total													
2008	60.9%	22.9%	6.8%	0.4%	0.8%	2.1%	6.3%	0.0%	12.3%	87.7%			
2009	59.9%	23.0%	7.0%	0.4%	0.8%	2.3%	6.6%	0.0%	12.6%	87.4%			
2010	56.5%	24.9%	7.9%	0.4%	0.9%	2.8%	6.7%	0.0%	13.0%	87.0%			
2011	54.7%	26.0%	8.4%	0.5%	0.9%	2.8%	6.7%	0.0%	10.1%	89.9%			
2012	53.5%	26.6%	8.3%	0.5%	1.0%	2.9%	7.1%	0.0%	9.6%	90.4%			
2013	52.9%	26.6%	8.9%	0.4%	0.6%	2.7%	7.7%	0.0%	9.7%	90.3%			
2014	53.8%	26.5%	9.5%	0.5%	0.8%	2.6%	6.6%	0.0%	10.8%	89.2%			
2015	55.4%	26.6%	9.4%	0.4%	0.7%	2.9%	4.6%	0.0%	11.3%	88.7%			
2016	56.8%	26.0%	10.2%	0.2%	0.6%	2.7%	3.3%	0.0%	11.7%	88.3%			
2017	56.3%	26.3%	11.6%	0.3%	0.7%	2.6%	2.2%	0.0%	12.3%	87.7%			

* Dollar average for ten years.

** Percentage change in dollars over ten years.

Notes:

¹ All property is assessed at 40% of fair market value.

² Gross digest before homestead or freeport exemptions.

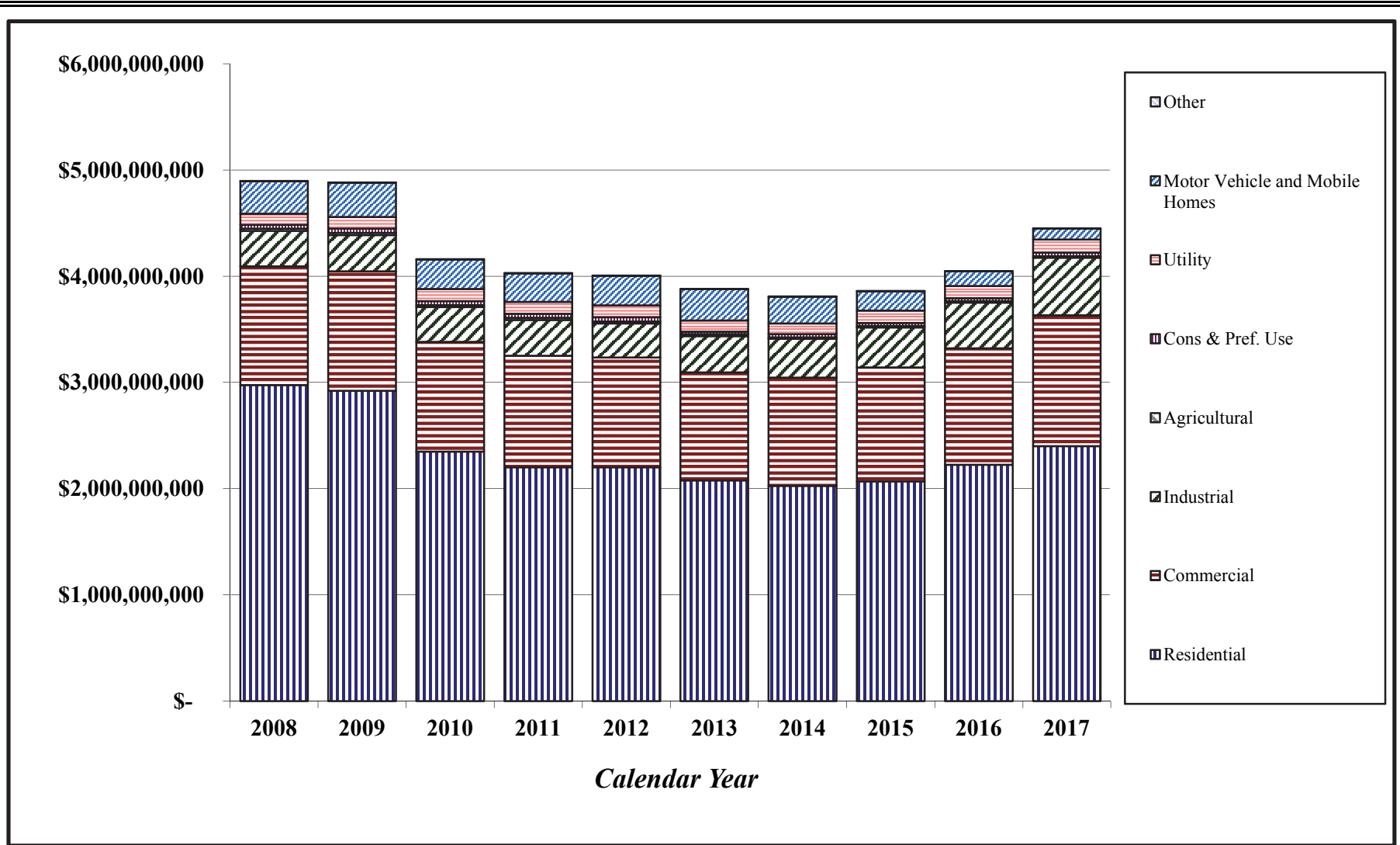
³ Generally includes timber and heavy equipment.

⁴ Tax rates expressed in rate per \$1,000

Data Source:

Georgia Department of Revenue, Tax Digest Consolidation Summary, <https://apps.dor.ga.gov/digestconsolidation/default.aspx>

Douglas County, Georgia
Chart-Taxable Assessed Value (Unaudited)
Last Ten Calendar Years
(modified accrual basis of accounting)



Douglas County, Georgia
Direct, Overlapping and Underlying Property Tax Rates (Unaudited)
Last Ten Calendar Years
(rate per \$1,000 of assessed taxable value)

Calendar Year	Underlying Rates ²					
	Direct ⁴ County Rate	Overlapping ¹ State of Georgia ³	City of Villa Rica	City of Austell	City of Douglasville	Douglas County Schools
2008	7.826	0.250	6.129	3.123	3.854	19.700
2009	7.932	0.250	6.775	3.123	5.120	21.350
2010	9.900	0.250	6.775	3.123	3.854	24.100
2011	9.900	0.250	6.775	3.123	3.854	19.850
2012	9.900	0.200	6.775	4.000	3.854	19.850
2013	12.250	0.150	6.775	4.000	3.853	19.850
2014	12.153	0.100	6.630	3.060	5.784	19.850
2015	11.809	0.050	6.500	3.060	7.338	19.850
2016	11.267	-	6.500	3.060	6.911	19.800
2017	10.768	-	6.365	3.250	6.911	19.750

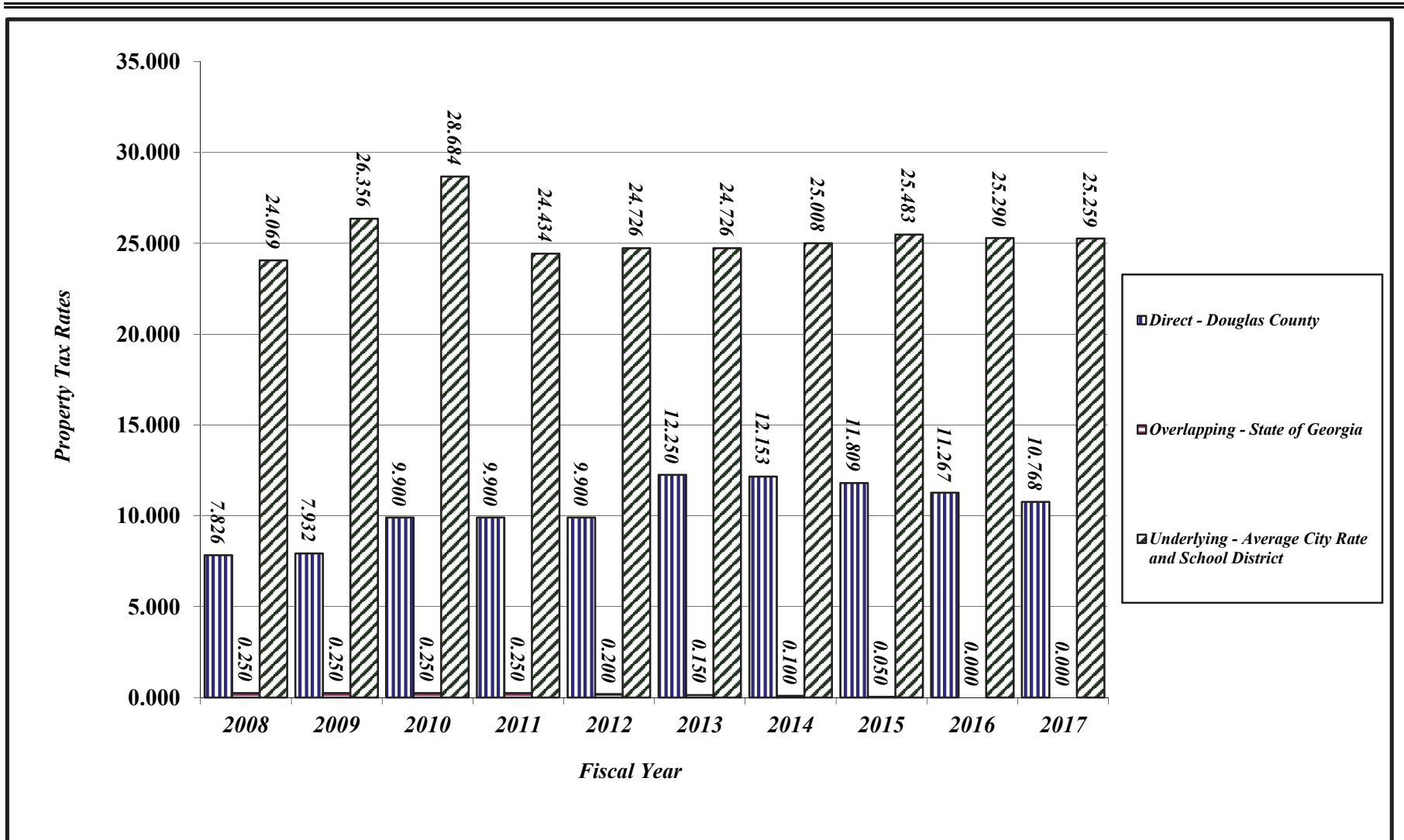
Notes:

- ¹ Overlapping rates are those of governments that overlap the County's geographic boundaries.
- ² Underlying rates are those of the City of Villa Rica, the City of Austell, the City of Douglasville and Douglas County Schools that apply to property owners located within Douglas County.
- ³ The State millage rate on all real and personal property has been phased out. In 2015 the State millage rate was .05. On January 1, 2016, there was no State levy for ad valorem taxation.
- ⁴ The direct rate is only for maintenance and operations. There are no other components of the direct rate.

Data Source:

Georgia Department of Revenue, Property Tax Division, <https://dor.georgia.gov/property-tax-millage-rates>

Douglas County, Georgia
Chart-Direct, Overlapping and Underlying Property Tax Rates (Unaudited)
Last Ten Fiscal Years
(rate per \$1,000 of assessed taxable value)



Douglas County, Georgia
Property Tax Levies and Collections (Unaudited)
Last Ten Calendar Years

Calendar Year	Taxes Levied for the Calendar Year ^{2 & 3}	Collected Within the Fiscal Year of The Levy		Collections in Subsequent Years	Total Collections to Date		Total Uncollected Taxes ¹	
		Amount	Percentage of Levy		Amount	Percentage of Levy	Amount	Percentage of Levy
2008	\$ 31,255,777	\$ 26,232,838	83.93%	\$ 3,187,515	\$ 29,420,353	94.13%	\$ 1,835,424	5.87%
2009	31,653,764	27,494,179	86.86%	3,819,852	31,314,031	98.93%	339,733	1.07%
2010	34,241,803	29,629,647	86.53%	4,346,500	33,976,147	99.22%	265,656	0.78%
2011	33,199,061	29,544,073	88.99%	3,369,491	32,913,564	99.14%	285,497	0.86%
2012	31,975,467	28,850,455	90.23%	2,895,946	31,746,401	99.28%	229,066	0.72%
2013	38,720,132	35,450,524	91.56%	3,518,310	38,968,834	100.64%	(248,702)	-0.64%
2014	38,694,993	36,396,426	94.06%	3,197,707	39,594,133	102.32%	(899,140)	-2.32%
2015	39,891,830	38,771,804	97.19%	3,585,717	42,357,521	106.18%	(2,465,691)	-6.18%
2016	40,436,534	38,932,883	96.28%	2,037,817	40,970,700	101.32%	(534,166)	-1.32%
2017	43,196,597	41,230,383	95.45%	-	41,230,383	95.45%	1,966,214	4.55%

Notes:

- ¹ The amounts reported in the total uncollected taxes column are the uncollected taxes for each tax levy.
- ² The information presented in this table relates to the County's own property tax levies, and does not include those in which it collects on behalf of other governments.
- ³ The Taxes Levied for the Calendar year represents only the original levy and does not include adjustments, levies billed subsequent to the original levy, or adjustments.

Data Source:

Douglas County Tax Commissioner's Office

Douglas County, Georgia
Principal Property Taxpayers (Unaudited)
Calendar Years Ended December 31, 2017 and 2008

2017				2008			
Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Principal Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Google, Inc.	\$ 87,143,612	1	1.86%	GreyStone Power Company	\$ 40,761,123	1	0.89%
McMaster-Carr Supply Company	54,443,057	2	1.16%	Georgia Power Company	16,469,806	2	0.36%
Greystone Power Company	38,245,052	3	0.81%	BellSouth Telecommunications	14,888,200	3	0.32%
Georgia Power Company	30,866,194	4	0.66%	Georgia Transmission Corporation	13,998,847	4	0.31%
Resmed Corporation	25,695,835	5	0.55%	Arbor Place II, LLC	13,589,346	5	0.30%
Georgia Transmission Corporation	21,690,579	6	0.46%	Tree Terrace Associates	12,495,057	6	0.27%
Pricewaterhouse Coopers, LLP	17,216,729	7	0.37%	DDRTC Douglasville Pavilion, LLC	9,459,535	7	0.21%
Arbor Place II, LLC	13,364,880	8	0.28%	Douglasville Development, LLC	9,016,149	8	0.20%
Yamaha Motor Corporation	37,086,423	9	0.79%	WPRE I Roey Ridge, LLC	8,800,000	9	0.19%
Cigna Health & Life Insurance Company	14,396,541	10	0.31%	SCI Brokick Hill Fund LLC, ETAL	8,669,883	10	0.19%
Total Principal Taxpayers	340,148,902		7.25%	Total Principal Taxpayers	148,147,946		3.23%
All Other Taxpayers	4,353,803,723		92.75%	All Other Taxpayers	4,439,618,736		96.77%
Total ¹	\$ 4,693,952,625		100.00%	Total ¹	\$ 4,587,766,682		100.00%

Notes:

¹ This total differs from that reported in Exhibit XII since this amount will have adjustments from the original state certified tax digest, for a variety of reasons.

Data Source:

Douglas County Tax Commissioner's Office

Douglas County, Georgia
Direct, Overlapping and Underlying Sales Tax Rates (Unaudited)
Last Ten Calendar Years

Calendar Year	Direct		Overlapping	Underlying	Total Direct, Overlapping and Underlying Rates
	Douglas County		State of Georgia	Douglas County Schools ³	
	LOST ¹	SPLOST ²			
2008	1.00%	0.00%	4.00%	1.00%	6.00%
2009	1.00%	0.00%	4.00%	1.00%	6.00%
2010	1.00%	1.00%	4.00%	1.00%	7.00%
2011	1.00%	1.00%	4.00%	1.00%	7.00%
2012	1.00%	1.00%	4.00%	1.00%	7.00%
2013	1.00%	1.00%	4.00%	1.00%	7.00%
2014	1.00%	1.00%	4.00%	1.00%	7.00%
2015	1.00%	1.00%	4.00%	1.00%	7.00%
2016	1.00%	0.00%	4.00%	1.00%	6.00%
2017	1.00%	1.00%	4.00%	1.00%	7.00%

Notes:

¹ The local option sales tax (LOST) was approved by referendum effective October 1st, 1976 and is effective indefinitely. The County is required to reduce their property tax millage rate in the current year by the amount of these taxes collected in the prior year.

² A special local option sales tax (SPLOST) was approved effective April 1st, 2017 and expires March 31st, 2023. This tax is being used to fund Fire, EMS and Public Radio System, Parks and Recreation, and Transportation projects over the term of the SPLOST.

³ The current education special purpose local option sales tax was approved effective January 1st, 2017 and expires on December 31st, 2021. The tax is being used to construct new school buildings and renovate existing school buildings.

Data Source:

Georgia Department of Revenue, Sales and Use Tax Division,
https://dor.georgia.gov/sites/dor.georgia.gov/files/related_files/document/LGS/Distributions/LGS_

Douglas County, Georgia
Ratios of Total Debt Outstanding by Type (Unaudited) ¹
Last Ten Calendar Years

December 31,	Governmental Activities					Business-type Activities		Percentage of Personal Income	Estimated ² Population	Per Capita
	General Obligation Bonds	Special Assessment Bonds	Certificates of Participation	Capital Leases	Total	Capital Leases	Total			
2008	\$ -	\$ 335,000	\$ 3,980,000	\$ -	\$ 4,315,000	\$ 157,982	\$ 4,472,982	0.112%	127,800	\$ 35
2009	-	230,000	3,240,000	-	3,470,000	23,102	3,493,102	0.091%	128,800	27
2010	-	120,000	2,480,000	-	2,600,000	-	2,600,000	0.068%	129,800	20
2011	100,373,810	-	1,680,000	-	102,053,810	-	102,053,810	2.622%	132,403	771
2012	81,946,455	-	855,000	610,603	83,412,058	-	83,412,058	2.102%	133,971	623
2013	61,811,340	-	-	878,793	62,690,133	-	62,690,133	1.516%	136,379	460
2014	41,169,865	-	-	905,496	42,075,361	-	42,075,361	1.002%	138,776	303
2015	19,989,643	-	-	708,200	20,697,843	-	20,697,843	0.469%	140,733	147
2016	-	-	-	768,714	768,714	-	768,714	0.017%	142,224	5
2017	65,538,842	-	-	262,080	65,800,922	-	65,800,922	1.403%	143,882	457

Data Sources:

¹ Applicable years' comprehensive annual financial report.

² Exhibit XXI

Douglas County, Georgia
Direct and Underlying Governmental Activities Debt (Unaudited)
December 31, 2017

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable ¹	Estimated Share of Underlying Debt
Underlying Debt^{2,3}			
Douglas County Board of Education (June 30, 2017):			
General obligation bonds	\$ 147,386,000	100.0%	\$ 147,386,000
Cities			
Douglasville (June 30, 2017)			
General obligation bonds	37,302,564	100.0%	37,302,564
Capital leases	735,203	100.0%	735,203
Villa Rica (December 31, 2017)			
Revenue bonds	32,885,000	39.6%	13,009,306
Capital leases	153,409	39.6%	60,689
Austell (June 30, 2017)			
Capital leases	228,697	3.7%	<u>8,462</u>
Total Underlying Debt			<u>198,502,223</u>
County Direct Debt			
General obligation bonds	65,538,842	100.0%	65,538,842
Capital leases	<u>262,080</u>	100.0%	<u>262,080</u>
Total	<u>65,800,922</u>	100.0%	<u>65,800,922</u>
Total Direct and Overlapping Debt			<u><u>\$ 264,303,145</u></u>

Notes:

¹ Applicable percentages were estimated by determining the portion of another government unit's assessed value that is within the County's geographic boundaries and dividing it by each government's total assessed valuation.

² Underlying governments are those that coincide, at least in part, with the geographic boundaries of the County.

Data Source:

³ Each specific government

Douglas County, Georgia
Legal Debt Margin (Unaudited)
Last Ten Calendar Years

	December 31,				
	2008	2009	2010	2011	2012
Taxable Assessed Value ¹	\$ 4,292,473,034	\$ 4,267,524,229	\$ 3,619,514,330	\$ 3,621,759,283	\$ 3,508,852,223
Legal Debt Margin					
Debt limit (10% of assessed value) ²	\$ 429,247,303	\$ 426,752,423	\$ 361,951,433	\$ 362,175,928	\$ 350,885,222
Debt applicable to limit:					
General obligation bonds	-	-	-	100,373,810	81,946,455
Less: Amount reserved for repayment of general obligation debt	-	-	-	(18,626,470)	(20,716,195)
Total debt applicable to limit	-	-	-	-	61,230,260
Legal Debt Margin	\$ 429,247,303	\$ 426,752,423	\$ 361,951,433	\$ 362,175,928	\$ 289,654,962
Total net debt applicable to the limit as a % of the debt limit	0.00%	0.00%	0.00%	0.00%	17.45%
	2013	2014	2015	2016	2017
Taxable Assessed Value ¹	\$ 3,457,234,654	\$ 3,436,843,892	\$ 3,561,814,904	\$ 3,727,256,260	\$ 4,116,298,609
Legal Debt Margin					
Debt limit (10% of assessed value) ²	\$ 345,723,465	\$ 343,684,389	\$ 343,684,389	\$ 372,725,626	\$ 411,629,861
Debt applicable to limit:					
General obligation bonds	61,811,340	41,169,865	19,989,643	-	60,385,000
Less: Amount reserved for repayment of general obligation debt	(18,104,923)	(19,490,582)	(17,327,659)	-	(8,550,604)
Total debt applicable to limit	43,706,417	21,679,283	2,661,984	-	51,834,396
Legal Debt Margin	\$ 302,017,048	\$ 322,005,106	\$ 341,022,405	\$ 372,725,626	\$ 359,795,465
Total net debt applicable to the limit as a % of the debt limit	12.64%	6.31%	0.77%	0.00%	12.59%

Notes:

² Under Article 9, Section 5, Paragraph 1 of the State of Georgia Constitution, the County's outstanding general obligation debt should not exceed 10% of the assessed value of the taxable property located within the County.

Data Source:

¹ Exhibit XII

Douglas County, Georgia
Ratios of General Bonded Debt Outstanding (Unaudited) ¹
Last Ten Calendar Years

Calendar Year	General Bonded Debt Outstanding			Percentage of Personal Income	Percentage Actual Value of Taxable Property	Per Capita
	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Net Bonded Debt			
2008	\$ -	\$ -	\$ -	0.00%	0.00%	\$ -
2009	-	-	-	0.00%	0.00%	-
2010	-	-	-	0.00%	0.00%	-
2011	100,373,810	(18,626,470)	81,747,340	0.00%	0.00%	-
2012	81,946,455	(20,716,195)	61,230,260	1.54%	1.75%	457.04
2013	61,811,340	(18,104,923)	43,706,417	1.06%	1.26%	320.48
2014	41,169,865	(19,490,582)	21,679,283	0.52%	0.63%	156.22
2015	19,989,643	(17,327,659)	2,661,984	0.06%	0.07%	18.92
2016	-	-	-	0.00%	0.00%	-
2017	66,530,688	(7,795,791)	58,734,897	1.25%	0.00%	408.22

Notes:

¹ Applicable years' comprehensive annual financial report.

Douglas County, Georgia
Demographic and Economic Statistics (Unaudited)
 Last Ten Calendar Years

Calendar Year	Population ¹	(thousands of dollars) Personal Income ²	Per Capita Personal Income ²	Per Capita Personal Income % of U.S. ²	Median Age ³	School Enrollment ⁴	Unemployment Rate			County Employment ⁵
							County ⁵	State of Georgia ⁵	United States ⁵	
2008	127,800	\$ 3,844,533	\$ 30,009	73%	34.6	24,623	6.5%	6.3%	7.3%	61,313
2009	128,800	3,823,091	29,476	72%	34.6	24,692	10.6%	9.7%	9.9%	58,003
2010	129,800	3,801,770	29,289	72%	33.5	24,417	11.1%	10.2%	9.4%	56,870
2011	132,403	3,892,285	29,343	73%	35.0	24,601	10.2%	9.8%	8.5%	61,232
2012	133,971	3,968,750	29,761	72%	34.8	24,264	9.2%	9.0%	7.8%	62,301
2013	136,379	4,136,346	30,875	71%	35.0	25,294	8.3%	8.2%	6.7%	62,045
2014	138,776	4,200,201	30,798	85%	35.3	25,320	7.4%	7.2%	5.6%	62,535
2015	140,733	4,411,764	31,348	69%	35.6	25,810	6.2%	5.9%	5.0%	64,050
2016	142,224	4,515,952	32,089	67%	35.9	26,067	5.5%	5.4%	4.9%	66,472
2017	143,882	4,688,552	32,966	67%	36.1	25,996	4.9%	4.7%	4.1%	68,825

Data Sources:

¹ U.S. Census Bureau - <https://www.census.gov/quickfacts/fact/table/douglascountygeorgia/PST045216>

² U.S. Bureau of Economic Analysis - <http://www.bea.gov/iTable/iTable.cfm?ReqID=70&step=1&isuri=1&acrdn=5>

³ U.S. Census Bureau - http://factfinder2.census.gov/bkmk/table/1.0/en/ACS/12_5YR/DP05/0500000US13097%7C0400000US13

⁴ Douglas County Board of Education

⁵ <https://www.bls.gov/lau/#entyaa>

Douglas County, Georgia
Principal Employers (Unaudited)
For the Calendar Years Ended December 31, 2016¹ and 2007

Employer	Type of Business	2016		
		Number of Employees	Rank	Percentage of Major County Employers
Douglas County School System	Education	3,500	1	5.09%
Douglas County Government	Government	1,034	2	1.50%
Silverline Building Products	Building Products	900	3	1.31%
McMaster Carr Supply	Manufacturing Plant Supplier	600	4	0.87%
Google	Internet Information Provider	375	5	0.54%
Medline	Medical Supplier	285	6	0.41%
Seasons 4	Commercial HVAC	230	7	0.33%
DBCI	Commercial Doors	200	8	0.29%
Dawn Food Products	Manufacturer	200	9	0.29%
Southwire	Wire and Cable Manufacturer	160	10	0.23%
Total Principal Employers		7,484		10.87%
Other Employers		61,341		89.13%
Total Employers		68,825		100.00%
2008				
Employer	Type of Business	Number of Employees	Rank	Percentage of Major County Employers
Douglas County Board of Education	Government	3,432	1	5.62%
Wal-Mart	General Merchandise	2,000	2	3.28%
Douglas County	Government	959	3	1.57%
Silver Line Building Products Corp.	Building Products	850	4	1.39%
Inner Harbour, Ltd.	Healthcare	400	5	0.66%
N/A	N/A	N/A	6	N/A
N/A	N/A	N/A	7	N/A
N/A	N/A	N/A	8	N/A
N/A	N/A	N/A	9	N/A
N/A	N/A	N/A	10	N/A
Total Principal Employers		7,641		12.52%
Other Employers		53,410		87.48%
Total Employers		61,051		100.00%

Data Source:

¹ Douglas County Development Authority and City of Douglasville

Douglas County, Georgia
 County Employees by Function/Program (Unaudited)
 Last Ten Calendar Years

Function/program	For the Calendar Year Ending December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
General Government										
Board of Commissioners	7	7	7	7	8	7	6	5	6	6
Finance	11	11	11	11	10	10	10	10	10	10
Purchasing	5	5	5	5	6	5	5	5	5	5
Legal Services	2	2	2	2	2	1	1	1	1	1
Information Services	11	11	11	10	10	8	9	10	10	10
Internal Audit	1	1	1	1	1	-	-	-	-	-
Personnel	4	4	4	4	4	4	4	4	4	5
Tax Commissioner	15	20	20	20	18	16	16	17	17	18
Tax Appraisal	21	19	19	17	16	16	14	16	16	16
Courthouse Maintenance	1	1	1	1	1	1	1	7	7	7
Election Board	2	2	2	2	2	4	4	4	4	4
Voter Registration	2	2	2	2	2	2	-	-	-	-
Printing	3	3	3	3	3	2	2	2	2	2
Property Management	7	7	7	7	7	6	6	6	6	6
Records Retention	2	2	2	2	2	2	2	2	2	2
External Affairs	-	-	-	-	-	-	-	-	-	1
Risk and Safety	2	2	2	2	2	2	3	3	3	3
Communications	3	3	3	4	3	3	4	4	4	3
Total General Government	99	102	102	100	97	89	87	96	96	99
Judicial										
Superior Court Judges	6	6	6	6	6	6	6	7	7	7
Clerk of Superior Court	30	30	31	31	32	29	32	31	31	34
District Attorney	32	32	32	33	34	36	37	37	41	53
Magistrate Court	9	8	8	8	9	9	11	10	10	10
Probate Court	7	7	7	6	6	6	6	6	7	7
Juvenile Court	7	7	7	7	7	7	7	7	8	8
Public Defender	15	15	15	15	15	15	18	21	22	23
State Court Judges	2	2	2	4	4	4	4	5	5	5
State Court Solicitor	12	12	12	13	15	15	16	16	17	20
State Court Clerk	10	10	10	10	10	10	9	9	10	11
State Court Public Defender	3	3	3	3	3	-	-	-	-	-
Superior Court Felony Drug Court	-	-	-	-	-	-	1	1	1	1
Juvenile Programs Administration	13	13	13	12	12	12	13	13	13	13
Superior Court DUI & Misdemeanor Drug Court	-	-	-	-	-	-	1	3	3	3
Total Judicial	146	145	146	148	153	149	161	166	175	195
Public Safety										
Sheriff Enforcement	164	165	165	156	161	163	164	162	175	181
Sheriff Detention	165	160	160	147	159	164	154	168	183	177
Fire and Emergency Services *	172	172	172	143	158	151	142	-	-	-
Coroner	1	1	1	1	1	1	1	1	1	1
Emergency Management	2	2	2	2	2	2	2	2	2	2
Animal Control *	10	10	10	10	10	9	12	-	-	-
Total Public Safety	514	510	510	459	491	490	475	333	361	361

(Continued)

* Moved to a Special Revenue Fund as of 2015

Douglas County, Georgia
County Employees by Function/Program (Unaudited)
Last Ten Calendar Years

(Continued)

	For the Calendar Year Ending December 31,									
<u>Function/program</u>	<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>
Public Works										
Department of Transportation	49	47	47	44	44	43	42	42	42	46
Development Control *	5	4	4	5	4	4	4	-	-	-
Fleet Management	13	12	12	12	12	12	12	15	18	18
Total Public Works	67	63	63	61	60	59	58	57	60	64
Culture/Recreation										
Parks and Recreation	40	40	39	37	42	37	35	41	41	45
Libraries	15	15	15	15	17	22	22	23	23	23
Total Culture/Recreation	55	55	54	52	59	59	57	64	64	68
Housing and Development										
Agriculture Extension	6	6	6	6	6	6	4	5	5	5
Building Inspection *	14	13	13	8	8	6	5	-	-	-
Planning and Zoning *	5	5	5	5	5	4	3	-	-	-
Code Enforcement Officers Division *	3	3	3	3	3	2	2	-	-	-
Development Services Administration *	1	1	1	1	1	1	1	-	-	-
Occupational Tax Division *	3	3	3	2	2	1	2	-	-	-
GIS Mapping	3	3	3	3	3	3	3	3	3	3
Rideshare	4	4	4	3	4	4	4	4	4	5
Total Housing and Development	39	38	38	31	32	27	24	12	12	13
Health and Welfare										
Senior Services	-	-	-	7	8	8	10	12	12	14
Total General Fund	920	913	913	858	900	881	872	740	780	814
Special Revenue Funds										
E-911	27	25	25	23	28	23	23	24	26	28
Fire Services & EMS	-	-	-	-	-	-	-	128	149	153
Animal Control Services	-	-	-	-	-	-	-	11	19	19
Unincorporated Area Special Services District	-	-	-	-	-	-	-	19	20	19
Victim Assistance	4	3	3	2	3	3	3	3	3	3
Total Special Revenue Funds	31	28	28	25	31	26	26	185	217	222
Enterprise Funds										
Landfill	8	8	8	8	8	8	9	11	11	12
Total Enterprise Funds	8	8	8	8	8	8	9	11	11	12
Total County-wide	959	949	949	891	939	915	907	936	1,008	1,048
Percentage Change From Prior Year	#DIV/0!	-1.0%	0.0%	-6.1%	5.4%	-2.6%	-0.9%	3.2%	7.7%	4.0%

Data Source:
 Various County Departments

Douglas County, Georgia
Operating Statistics by Function/Program (Unaudited)
Last Ten Calendar Years ¹

Function/program	For the Calendar Year Ending December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Total Personal Property Accounts	8,849	8,940	8,707	9,016	9,514	9,291	9,126	8,876	8,698	8,971
Total Number of Parcels	53,580	53,466	53,505	53,570	53,655	53,776	53,845	53,899	54,002	54,142
Vehicle Tags Sold	142,800	165,600	128,000	121,700	122,000	124,000	120,500	124,000	155,700	196,200
Registered Voters	76,000	76,000	81,900	79,000	67,982	75,730	59,701	86,023	101,526	94,483
Judicial System										
Civil Cases Filed	5,922	6,423	5,132	4,556	3,964	5,132	4,058	3,664	3,493	3,289
Criminal Cases Filed	2,001	1,909	1,773	1,817	1,858	1,773	2,487	3,012	3,104	3,405
Criminal Warrants Issued by Magistrate	6,770	7,000	6,500	6,224	6,867	5,736	5,800	4,324	6,217	6,840
Marriage Licenses Issued	1,150	1,200	1,200	1,142	1,195	1,180	1,180	1,139	1,261	1,300
Traffic Cases	14,830	16,310	12,690	10,093	10,175	9,020	11,475	11,598	11,691	12,214
Real Estate Documents (Os)	2,186	1,906	1,640	1,729	2,141	1,721	2,141	1,719	2,082	1,957
Youth Served through Juvenile Programs	1,400	1,590	1,650	1,750	1,690	921	845	689	692	745
Families Served through Juvenile Programs	2,000	1,200	1,250	1,350	630	727	451	321	320	410
Public Safety										
Total Calls for Fire and EMS Service	13,251	13,648	13,639	14,313	14,483	14,349	15,690	15,316	16,747	17,311
Inmates Received	10,792	10,140	11,186	10,407	8,969	9,590	10,304	5,629	5,130	5,200
Public Works										
Miles of Roads Maintained	600	900	290	206	154	163	200	200	200	560
Miles of Road Resurfaced	28	2	-	3	4	6	11	13	14	36
Culture/Recreation										
Library Patron Count	382,000	402,000	393,600	411,300	452,600	628,000	376,604	296,863	316,155	319,668
Adult Recreation Participants	3,500	3,850	3,850	3,800	3,900	3,900	4,000	4,000	4,050	4,095
Youth Recreation Participants	47,000	51,700	51,700	52,000	53,000	54,500	56,500	56,500	56,500	57,250
Planning and Community Development										
4-H, Science, and Horticulture Programs	275	285	240	240	245	255	255	260	260	325
4-H Members	1,700	1,800	1,800	1,850	2,100	2,200	2,450	2,450	1,500	1,500
Average Daily Rideshare One-Way Trips	538	577	655	575	658	700	626	431	315	350
Health and Welfare										
Seniors and Handicapped Served	417	425	484	510	513	519	553	553	547	632
Special Revenue										
Calls Received on 911 System	121,000	121,000	113,400	120,000	190,000	142,184	108,100	114,304	112,437	112,453
Total Building Inspections Conducted	7,000	4,223	4,581	3,258	3,696	2,700	4,500	6,991	8,236	7,254
Enterprise Funds										
Total Landfill Tonnage	81,870	89,500	40,470	34,369	28,090	37,801	36,582	38,471	50,033	55,674
Pounds Recycled	1,624	1,700	2,084	6,316	6,143	9,222	10,626	16,373	19,870	22,831

Data Source

Various County Departments

Douglas County, Georgia
Capital Asset Statistics by Function/Program (Unaudited)
Last Ten Calendar Years ¹

Function/Program	For the Calendar Year Ending December 31,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Government										
Vehicles	48	48	49	51	53	53	52	52	55	54
Judicial System										
Vehicles	11	11	11	11	11	14	14	7	7	9
Public Safety										
Fire Stations	11	10	10	10	10	10	10	10	10	10
Training Facility	-	-	1	1	1	2	2	2	2	2
Sheriff's Department Precincts	2	1	1	1	1	1	1	1	1	1
Public Works										
Miles of Road	894	892	892	994	994	994	994	1,005	1,026	1,038
Health and Welfare										
County Owned Senior Services Buildings	1	1	1	1	1	1	1	1	1	1
Culture/Recreation										
County Libraries	2	2	2	3	3	3	3	3	3	3
County Parks	13	13	14	14	14	14	14	14	14	14
County Aquatic Centers	1	1	1	1	1	1	1	1	1	1
Total Acreage of Parks - Including Undeveloped	1,817	1,817	1,817	1,817	1,817	1,817	1,817	1,817	1,817	1,817
County Senior Centers	1	1	1	1	1	1	1	1	1	1
Housing and Development										
Rideshare Vans	74	98	98	84	85	97	95	107	111	105
Special Revenue										
E-911 Buildings	1	1	1	1	2	2	2	2	2	2
Enterprise Funds										
Buildings	6	6	6	6	6	6	6	6	6	6

Data Source

Various County Departments

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 Douglas County, Georgia
Douglasville, Georgia**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Douglas 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, and have issued our report thereon dated June 22, 2018. Our report includes a reference to other auditors who audited the financial statements of the Douglas County Board of Health 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 purpose 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 that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2017-001, 2017-002, and 2017-003 that we consider to be material weaknesses.

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*.

Douglas County, Georgia's Responses to Findings

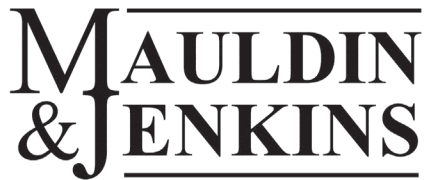
The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the County'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

Atlanta, Georgia
June 22, 2018



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

**Board of Commissioners
of Douglas County, Georgia
Douglasville, Georgia**

Report on Compliance for Each Major Federal Program

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

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the 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 each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

Atlanta, Georgia
June 22, 2018

DOUGLAS COUNTY, GEORGIA

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

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures	Payments to Subrecipients
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through the Georgia Department of Community Affairs:				
Neighborhood Stabilization Program (NSP) - 1	14.228	B-11-UN-13-0007	\$ 436,942	\$ 436,942
Neighborhood Stabilization Program (NSP) - 3	14.228	08-NS-5058	171,337	171,337
Total U.S. Department of Housing and Urban Development			608,279	608,279
U.S. DEPARTMENT OF JUSTICE				
Passed through the Criminal Justice Coordinating Council				
Juvenile Justice Delinquency Prevention and Treatment Programs	16.579	2015-JF-FX-0001	57,463	-
Passed through the Bureau of Justice Assistance				
Unified Circuit Stimulus	16.803	2016-DJ-BX-0396	12,483	-
Passed through the Criminal Justice Coordinating Council				
VOCA Grant for Victim Witness	16.575	C16-8-001	331,824	-
Subtotal for Crime Victim Assistance Grants			331,824	-
Passed through the Criminal Justice Coordinating Council				
Violence Against Women Awareness Program	16.588	W16-8-035	41,647	-
Direct Award				
Equitable Sharing Program	16.922	2017	99,622	-
Total U.S. Department of Justice			543,039	-
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through Georgia Emergency Management Agency				
Emergency Management Performance Grant	97.042	OEM 16-05	40,221	-
Homeland Security Grant Program	97.067	EMW-2015-SS-00065-S1	8,541	-
Homeland Security Grant Program	97.067	EMW-2016-SS-00007-S01	2,577	-
Subtotal for Homeland Security Grant Program			11,118	-
Total U.S. Department of Homeland Security			51,339	-

Continued

DOUGLAS COUNTY, GEORGIA

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

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Contract or Project Number	Total Expenditures	Payments to Subrecipients
U.S. DEPARTMENT OF TRANSPORTATION				
Federal Transit Cluster:				
Passed through Georgia Department of Transportation				
Federal Stimulus	20.507	GA-90-X324	80,064	-
Federal Stimulus	20.507	GA-90-X329	31,800	-
Section 5307 Capital Assistance	20.507	GA-2017-023-01-00	104,120	-
Direct Award				
Section 5339 Bus and Related Facilities Assistance	20.526	GA-2017-019-00	199,152	-
Subtotal for Federal Transit Cluster			<u>415,136</u>	<u>-</u>
Highway Planning and Construction Cluster	20.205	MSL-0004-00 (428)	30,459	-
Passed through the Atlanta Regional Commission				
Freedom Grant - Transit Services Program Cluster	20.521	AG1623	66,538	-
Passed through the Governor's Office of Highway Safety				
H.E.A.T. Grant	20.600	GA-2017-402PT-017	45,279	-
H.E.A.T. Grant	20.600	GA-2018-402PT-004	6,918	-
Western Regional Traffic Enforcement Network	20.600	TEN-2017-402PT-010-C9	10,684	-
Western Regional Traffic Enforcement Network	20.600	TEN-2018-402PT-001	400	-
Subtotal for Highway Safety Cluster			<u>63,281</u>	<u>-</u>
Total U.S. Department of Transportation			<u>575,414</u>	<u>-</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through the Atlanta Regional Commission				
NSIP SSBG Supplemental	93.667	08-A-17-U3	9,004	-
Aging Cluster:				
Title III-B Subcontracts	93.044	08-A-17-S1	66,789	-
Title III-C (Home Meals)	93.045	08-A-17-S7	63,814	-
NSIP Meal Credits	93.053	08-A-17-U1	37,231	-
Subtotal for Aging Cluster			<u>167,834</u>	<u>-</u>
Title III-E	93.052	08-A-17-S3	21,623	-
Total U.S. Department of Health and Human Services			<u>198,461</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 1,976,532</u>	<u>\$ 608,279</u>

DOUGLAS COUNTY, GEORGIA

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

NOTE 1. BASIS OF PRESENTATION AND ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual bases of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the related fund liability is incurred.

Federal grant programs which are administered through State agencies (pass-through awards) have been included in this report.

The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and therefore, some amounts presented in this schedule may differ from amounts presented or used in the preparation of the financial statements.

The County elected not to utilize the 10% de minimus indirect cost rate.

DOUGLAS COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS

2017-001 Reporting of Prior Year Balances

Criteria: Internal controls should be in place to ensure the financial statements properly present the financial position and results of operations of the County in accordance with generally accepted accounting principles.

Condition: Internal controls were not sufficient to detect material misstatements in the County's financial statements for the year ended December 31, 2016.

Context: During our audit for the year ended December 31, 2017, a material misstatement was identified by management that caused the need to restate opening net position (equity) for the year ended December 31, 2017 for the County's governmental activities. The restatement pertains to the reporting of capital assets which were improperly capitalized in previous periods. The County improperly capitalized road resurfacing costs, funded by SPLOST, that do not meet the definition of a capital asset in accordance with the County's capitalization policy and the application of that policy under generally accepted accounting principles as the resurfacing does not materially extend the life of the road. The resurfacing cost allows the road to achieve the useful life established by the County's accounting policy. The County has been properly expensing resurfacing costs that were funded by sources other than the SPLOST.

The resurfacing of the road is an allowable project under state SPLOST laws (OCGA 48-8-121(b)) and SPLOST costs do have to be "properly chargeable to a capital asset account" but the law does not require the assets to be capitalized. Depending upon how the initial road, and its components, are capitalized by a local government will dictate whether or not resurfacing should be actually reported as a capital asset by the local government. As most local governments have done, the County did not break out the surface component of the original road and thus its cost is being depreciated over the full life of the road and any resurfacing should be expensed as it allows the road to achieve its useful life. However, just because the costs is not capitalized based on the County's original recording of the road does not negate it's ability to be paid for by SPLOST as it could be "properly charged to a capital asset account".

Effects or possible effects: As a result of the issue noted above, the total restatement to the beginning net position of the County's governmental activities was a reduction of \$13,858,005.

Cause: The County received external guidance, in the past, that it was required to capitalize the road resurfacing costs funded with SPLOST.

Recommendation: We recommend the County carefully review the capital assets and the applicable reporting requirements under generally accepted accounting principles (GAAP) to ensure that all information and financial data is being properly reported in the annual financial statements.

DOUGLAS COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS (CONTINUED)

2017-001 Reporting of Prior Year Balances (Continued)

Auditee's Response: We concur that the County improperly capitalized SPLOST road resurfacing costs that do not meet the definition of a capital asset in accordance with the County's capitalization policy (the resurfacing does not materially extend the life of the road). The County was capitalizing SPLOST road resurfacing based on previous advisement. The County is in agreement with the current auditors and the correction has been made for this reporting period. The County will ensure road resurfacing is not capitalized in the future.

DOUGLAS COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS (CONTINUED)

2017-002 Revenue Recognition

Criteria: Internal controls should be in place to ensure that amounts reported as receivables and revenues are appropriate and properly valued in accordance with generally accepted accounting principles.

Condition: Internal controls were not sufficient to timely detect material misstatements in the County's financial statements for the year ended December 31, 2017.

Context/Cause: During our testing of the County's accounts receivable and the related revenues, adjustments were required to properly report the balances. The County's GRTA Arterial Road Fund was not properly reporting the receivables, unavailable revenues and transfers in the GRTA Arterial Road Fund related to the capital outlays reported in the fund. Adjustments were recorded in the current year for approximately \$1,379,000 of support from the General Fund for project expenditures which were not eligible for grant reimbursements. An interfund receivable and offsetting interfund transfer was recorded in the current year for this amount. Additionally, a receivable and unavailable intergovernmental revenue of approximately \$1,979,000 was recorded for eligible grant expenditures to be reimbursed by the grantor.

Effects: A total of approximately \$3,358,000 of receivables and related revenues or other financing sources were recorded to correct the reporting of the GRTA Arterial Road Fund as of December 31, 2017.

Recommendation: We recommend the County carefully review all receivables and the related revenues to ensure they are reported in the proper reporting period and in accordance with generally accepted accounting principles.

Auditee's Response: We concur that the County was not properly reporting the receivables, unavailable revenues and transfers in the GRTA Arterial Road Fund related to the capital outlays reported in the fund. While aware of the need for reconciliation of Finance records with DOT records for the GRTA Fund, there was more than could be done with the existing staff and time constraints in both departments. The current DOT Director understands this issue, so he requested and the BOC approved a Transportation Project Analyst in 2018. This position will fully understand the responsibilities of the GRTA Fund as well as all other transportation projects requiring GDOT reimbursement and/or General Fund contributions. Also, County management as well as staff in both the Finance and DOT Departments has discussed procedures to ensure future transactions are properly reported in the GRTA Fund.

DOUGLAS COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS (CONTINUED)

2017-003 Excess or Unidentified Funds in Constitutional Officer Accounts

Criteria: Internal controls should be in place to ensure the fiduciary agents of the County are properly identifying all receipts to ensure collections are appropriately held for or disbursed to other agencies, including the County, as required by respective State regulations.

Condition: Internal controls were not sufficient to provide a detail of who funds held in the County's elected official offices were owed to. Many of the offices are (1) not performing monthly reconciliations of the cash balances to the subsidiary ledger listings of the pending liabilities; (2) not actively maintaining subsidiary ledgers of the various receipts collected on a daily basis; and (3) building excess in these offices as these reconciliations have not been performed in prior years.

Context: During our testing of the County's various agency or fiduciary offices we noted several instances where the office was able to provide the balance of the cash and other assets held by the office, but were unable to provide subsidiary ledgers to show who the funds are to owed to or being held for. These included:

- The Magistrate Court's office maintained two cash accounts, for which the accounts had excess or unidentified collections of \$142,808 in total.
- The Clerk of the Superior Court's office maintained eight cash accounts, for which the accounts had excess or unidentified collections of \$1,890,809 in total.
- The State Court's office maintained three cash accounts, for which the accounts had excess or unidentified collections of \$241,125 in total.
- The Probate Court's office maintained one cash account, for which the account had excess or unidentified collections of \$17,667.
- The Juvenile Court's office maintained two cash accounts, for which the accounts had excess or unidentified collections of \$14,347 in total.
- The Sheriff's office maintained one cash account, for which the account had excess or unidentified collections of \$54,795.

Cause: There has been turnover in several of the offices and some of the unidentified amounts have been in the accounts for several years, possibly added under prior management.

Effects: A total of \$2,361,551 of assets being held by the various County agency offices in a fiduciary capacity are unidentified and the party to whom the funds are owed is unknown.

DOUGLAS COUNTY, GEORGIA

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

SECTION II FINANCIAL STATEMENT FINDINGS (CONTINUED)

2017-003 Excess or Unidentified Funds in Constitutional Officer Accounts (Continued)

Recommendation: We recommend the County begin, immediately, performing monthly reconciliations of the assets to subsidiary ledgers as part of the month end reconciliation process. The offices should also work to go back through the past collections to identify and create subsidiary listings to support all the known liabilities as of December 31, 2017. Any additional unidentified funds will need to be discussed with the County attorney as to possible resolution, including potentially turning funds over to the County's General Fund.

Auditee's Response: We concur that the Magistrate Court, Clerk of Superior Court, State Court, Probate Court, Juvenile Court, and Sheriff Offices have some balances they were unable to provide subsidiary ledgers to show who's funds were currently held for future disbursement or who the funds are to be remitted to. Finance will follow-up with each Court to ensure they are performing monthly reconciliations of the assets to subsidiary ledgers as part of the month end reconciliation process, as well as, ensure they are trying to go back thorough the past collections to identify and create subsidiary listings to support all the known liabilities. The County will seek legal advice on how to handle any additional unidentified funds.

DOUGLAS COUNTY, GEORGIA

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

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

None reported

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

None reported in the prior year.

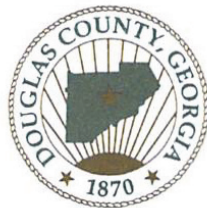
Dr. ROMONA JACKSON JONES
Chairman

HENRY MITCHELL III
District I

KELLY ROBINSON
Vice Chairman, District II

MICHAEL MULCARE
District III

ANN JONES GUIDER
District IV



MARK TEAL, P.E.
County Administrator

LISA WATSON
County Clerk

KENNETH R. BERNARD
County Attorney

JENNIFER MOORE
Staff Paralegal

DOUGLAS COUNTY BOARD OF COMMISSIONERS

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MANAGEMENT'S CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2017

2017-001 Reporting of Prior Year Balances

Contact Person Responsible for the Corrective Action Plan: Jennifer Hallman, Finance Director.

Corrective Action Plan: The County will ensure road resurfacing is not capitalized in the future.

Anticipated Completion Date: December 31, 2018

2017-002 Revenue Recognition

Contact Person Responsible for the Corrective Action Plan: Jennifer Hallman, Finance Director.

Corrective Action Plan: While aware of the need for reconciliation of Finance records with DOT records for the GRTA Fund, there was more than could be done with the existing staff and time constraints in both departments. The current DOT Director understands this issue, so he requested and the BOC approved a Transportation Project Analyst in 2018. This position will fully understand the responsibilities of the GRTA Fund as well as all other transportation projects requiring GDOT reimbursement and/or General Fund contributions. Also, County management as well as staff in both the Finance and DOT Departments has discussed procedures to ensure future transactions are properly reported in the GRTA Fund.

Anticipated Completion Date: December 31, 2018

2017-003 Excess or Unidentified Funds in Constitutional Officer Accounts

Contact Person Responsible for the Corrective Action Plan: Jennifer Hallman, Finance Director.

Corrective Action Plan: Finance will follow-up with each Court to ensure they are performing monthly reconciliations of the assets to subsidiary ledgers as part of the month end reconciliation process, as well as, ensure they are trying to go back through the past collections to identify and create subsidiary listings to support all the known liabilities. The County will seek legal advice on how to handle any additional unidentified funds.

Anticipated Completion Date: December 31, 2018