CITY OF WAYCROSS, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2017

CITY OF WAYCROSS, GEORGIA
TABLE OF CONTENTS

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT	1-3
MANAGEMENT'S DISCUSSION AND ANALYSIS	4-13
BASIC FINANCIAL STATEMENTS:	
Government-Wide Financial Statements:	
Statement of Net Position – Government-Wide	14
Statement of Activities and Changes in Net Position – Government-Wide	15
Governmental Fund Financial Statements:	
Balance Sheet – Governmental Funds	16
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances-Government Funds	18
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position	19
Proprietary Fund Financial Statements:	
Statement of Net Position – Proprietary Funds	20-21
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	22
Statement of Cash Flows – Proprietary Funds	23
Agency Fund Financial Statements:	
Statement of Fiduciary Assets and Liabilities	24
Notes to the Financial Statements	25-56
REQUIRED SUPPLEMENAL INFORMATION:	
Schedule of Changes in the Net Pension Liability – Last 10 Fiscal Years	57
Schedule of Pension Contributions – Last 10 Fiscal Years	58
Notes to Pension Schedules	59-60
Schedule of Funding Progress - Other Post-Employment Benefits	61

CITY OF WAYCROSS, GEORGIA
TABLE OF CONTENTS

Major Funds –

Budgetary Comparison Schedule – General Fund 62

COMBINING AND INDIVIDUAL FUND SCHEDULES:

Major Funds –

Budgetary Comparison Schedule – Major Capital Project Fund – SPLOST 2008-2013 Fund 63

Budgetary Comparison Schedule – Major Capital Project Fund – SPLOST 2014 Fund 64

Non-major Governmental Funds –

Combining Balance Sheet 65-67

Combining Statement of Revenues, Expenditures and Changes in Fund Balance 68-70

Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Non-major Governmental Funds:

Cemetery Fund 71

Forfeited Property Fund 72

Jail Fund 72

WPD Information Technology Fund 74

Community Development Fund 75

EIP Revolving Loan Fund 76

Fire Department Fund 77

GEMA Grants Fund 78

FEMA Grants Fund 79

Misc Grants Fund 80

Hotel/Motel Tax Fund 81

Misc Fund 82

Cemetery Trust Fund 83

Wayfest Fund 84

Fallen Firefighters Scholarship Fund 85

ATM Machine Fund 86

CITY OF WAYCROSS, GEORGIA
TABLE OF CONTENTS

Okefenokee Classic Fund	87
Capital Reserve Fund	88
LMIG Fund	89
GEFA Project Fund	90
CDBG 16p-x-148-2-5892 Fund	91
Internal Service Funds –	
Combining Statement of Net Position	92-93
Combining Statement of Revenues, Expenditures and Changes in Net Position	94-95
Combining Statement of Cash Flows	96-97
Fiduciary Funds –	
Combining Statement of Assets and Liabilities – Agency Funds	98

SPECIAL REPORTS SECTION

Independent Auditors' Report on Compliance with Requirements applicable to Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*	99-100
Schedule of Projects Constructed with Special Sales Tax Proceeds	101-102

STATISTICAL SECTION

Schedules of

General Government Expenditures by Function	103
General Government Revenues by Source	104
Tax Revenues by Source	105
Property Tax Levies and Collections	106
Assessed and Estimated Actual Value of Taxable Property	107
Assessed Value by Class of Tangible Property	108
Property Tax Rates	109
Ratio of General Bonded Debt to Assessed Value and Bonded Debt	110
Ratio of Debt Service to Total General Expenditures	111
Computation of Legal Debt Margin and Direct and Overlapping Debt	112
Revenue Bond Coverage – Water and Sewer	113
Principal Water and Sewer Customers	114
Principal Taxpayers	115
Miscellaneous Statistics	116
Selected Water and Sewer Information	117

Henderson & Godbee, LLP

Certified Public Accountants and Business Consultants

Members of American Institute of Certified Public Accountants • Georgia Society of Certified Public Accountants

Robert A. Goddard, Jr., CPA (1943-1989)
Gerald H. Henderson, CPA
J. Wendell Godbee, CPA
Mark S. Rogers, CPA
James W. Godbee, Jr., CPA
Maureen P. Collins, CPA
Kevin R. Hiers, CPA, CVA
Amanda W. Shapard, CPA

Troy D. Newham, CPA
Scott R. Simpson, CPA
Cassie R. Baggett, CPA
Billie A. Baxter, CPA
Mae A. Johnson, CPA
Keeley T. Collins, CPA
Jacey B. Pittman, CPA
M. Allison Hutchins, CPA

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Commission
City of Waycross, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Waycross, Georgia, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City'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 express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

3488 North Valdosta Road
Valdosta, GA 31602

Phone: (229) 245-6040
FAX: (229) 245-1669

P.O. Box 2241
Valdosta, GA 31604-2241

www.hgncpa.com - www.facebook.com/hendersonandgodbee

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Waycross, Georgia, as of June 30, 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 13), budgetary comparison information (on page 62), and the schedules of historical pension information and related notes (on pages 57 through 61) be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of the 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 City of Waycross, Georgia's financial statements as a whole. The combining and individual non-major fund financial statements, internal service funds, fiduciary funds, the Schedules of Projects Constructed with Special Sales Tax Proceeds and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual non-major fund financial statements, internal service funds, fiduciary funds, and the Schedules of Projects Constructed with Special Sales Tax Proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The statistical section has 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.

Report Issued in Accordance with *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 21, 2018 on our consideration of City of Waycross, Georgia's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 City of Waycross, Georgia's internal control over financial reporting and compliance.

Henderson & Godbee, LLP

Henderson & Godbee, LLP
Certified Public Accountants
Valdosta, Georgia

May 21, 2018

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's Discussion and Analysis

Our discussion and analysis of the City of Waycross' financial performance provides an overview of the City's financial activities for the fiscal year ended June 30, 2017. Please read it in conjunction with the City's financial statements, which begin on page 14.

Financial Highlights

The City's cash balances have not been adequate to for day-to-day operations, due to the health insurance fund deficit. The City did receive a TANs (tax anticipation note) to assist with the cash flow for the months of September through December. The City's health insurance plan for all employees was drastically changed in many areas to help lower this cost. The changes made during this fiscal year has already shown a savings. This time next year we should a significantly large deficit decrease on the Health Insurance Fund. As normally, long term financing is used for equipment and other major projects.

The largest source of funds for the general fund is local option sales taxes and property taxes accounting for over 69% of the budget. During 2017, sales taxes had a modest increase from the prior year. During 2016, sales taxes decreased again from the prior year. Collections increased 2% over fiscal year 2016.

The impact of the economic growth in our community has been stable again this year. The restaurant and retail clientele is continuing to expand. The millage rate has remained the same at 10.998 mills until 2017 it was rolled back to 10.995. However the Adjusted Net Digest increased by $6,682,346. In fiscal year 2016 the fund balance was $463,555 at year end of 2017 the fund balance increased $138,520 resulting in a fund balance of $602,075. A 9% increase in the insurance premium taxes played a small factor in the increase of the Fund Balance. The other revenues collected were 2% lower than projected and the expenditures were less than 1% than the revenue collected. As economic conditions improve, this balance will be increased to serve as a cushion during periods of economic volatility.

The City has a long range plan to identify and quantify the infrastructure needs of our community. The 2008 SPLOST has addressed those needs as it relates to public buildings, streets and public safety vehicles. Since inception, $12,191,448 has been collected and $1,369,332.11 has been spent on fire and special purpose vehicles, $4,059,980 street improvements, $60,921 on technology improvements, $133,907.63 on property acquisitions, $387,258 on Downtown Development Authority projects, $3,265,612 on building improvements (including City Auditorium), and $826,641 on water and sewer rehabilitation and expansion. In November 2014, the City started receiving funds for the SPLOST 2014. This is another six year 1 percent sales tax that picked up where the 2008 SPLOST ended. The City anticipates collecting around 15,472,000 during the next six years. As of June 30, 2017, the City had collected $6,023,379 in revenue. These funds will be used to improve roads and streets, water & sewer rehabilitations, public facility improvements, public safety and special vehicle fleet, City park improvements, and other projects. As of June 30, 2017 $863,128 had been spent on public facility improvements, $944,346 had been spent on public safety and special vehicle fleet, $60,193 had been spent on City park improvements and $13,888 on information technology. The remaining funds from both SPLOST will continue to be spent within the next following years.

In the public utilities business-type activities (water and sewer services), revenues exceeded expenses by $183,252. Significant infrastructure replacements to the sewer collection system are necessary to efficiently provide this service. In fiscal year 2012, the new rate structure was implemented. The rates were based on a rate study that insures the rates are adequate to fund necessary improvements. Continued infrastructure replacements are included in our long range plans and will be funded by current operations and implementation in fiscal year 2018.

The waste management business-type activity revenues exceeded expenses by $8,148. Due to the closing of the county's landfill, the City had to start outsourcing the grinding of yard debris. During the fiscal year 2015 the City started a new service at no cost to our customers, removing brown/white goods weekly from the residents curb side. This has continued to be a positive change as of today.

How These Statements Were Prepared

The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary financial information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements beginning on page 14 are designed to provide readers with a broad, long-term view of the City's finances, in a manner similar to private sector business. They include all assets and liabilities using the accrual basis of accounting. All of the current revenue and expenses are taken into account regardless of when the cash is received or paid.

The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. It serves as one measure of the City's financial health or financial position. Over time, increases or decreases in net position may serve as a useful indicator whether the financial health of the City is improving or deteriorating. Other nonfinancial factors also impact the health of the City, such as changes in the property tax base and the condition of the City's roads.

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or significant portions of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration (mayor and council, city manager, finance, purchasing, human resources and engineering), public safety (police and fire), public works, cemetery and community development (grants, codes, planning, zoning, and inspections). The business-type activities of the City include water and sewer services, waste management which includes yard trash and garbage pick-up, and the City auditorium activities.

Fund Financial Statements

The fund financial statements beginning on page 15 provide detailed information about the most significant funds –not the City as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Some funds are required to be established by State law and bond covenants. The City has established other funds to help control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants or other money. The City's two kinds of funds – governmental and proprietary –use different accounting approaches and are described further below.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements.

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

The City maintains 24 governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the SPLOST 2008-2013 Fund, and the SPLOST 2014 Fund which are considered to be major funds. Data for the other 20 funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report. The basic governmental funds financial statements can be found on pages 16 and 18.

Proprietary Funds – The City maintains three types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, sanitation, and City auditorium operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal funds to account for its fleet services, risk management, and employee benefit programs. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Public Utilities and Waste Management Funds since both are considered to be major funds of the City. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report. The basic proprietary fund financial statements can be found on pages 20-23 of this report.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-56.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The required supplementary information can be found on pages 57-62 of this report.

The combined statements referred to earlier in connection with non-major governmental funds and internal service funds are presented following the required supplementary information. Combined and individual statements and schedules can be found on pages 63-70 and 71-98 of this report.

The City as Trustee

The City is the trustee, or fiduciary of certain assets. All of the City's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities on page 24. We excluded these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for the intended purpose.

Governmental-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the government's financial position. In the case of the City of Waycross, assets exceeded liabilities by $46,538,250 as of June 30, 2017. The tables below should be read in conjunction with the financial statements on pages 14-15.

Statement of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	$ 8,498,614	$ 8,290,879	$ 3,122,461	$ 2,820,959	$ 11,621,075	$ 11,111,838
Capital Assets	19,587,987	18,926,814	31,086,687	30,931,550	50,674,674	49,858,364
Total Assets	28,086,601	27,217,693	34,209,148	33,752,509	62,295,749	60,970,202
Deferred Outflows of Resources	2,494,945	2,350,937	-	-	2,494,945	2,350,937
Long-term debt outstanding	$ 8,989,861	$ 9,254,278	$ 5,074,811	$ 5,775,442	$ 14,064,672	$ 15,029,720
Other liabilities	3,046,488	2,378,236	258,303	251,514	3,304,791	2,629,750
Total liabilities	12,036,349	11,632,514	5,333,114	6,026,956	17,369,463	17,659,470
Deferred Inflows of Resources	882,981	677,854	-	-	882,981	677,854
Net Position:						
Net Investment in capital assets	$ 18,862,991	$ 18,083,130	$ 26,027,056	$ 25,169,927	$ 44,890,047	$ 43,253,057
Restricted	6,150,848	6,144,865	-	-	6,150,848	6,144,865
Unrestricted	(7,351,623)	(6,969,733)	2,848,978	2,555,626	(4,502,645)	(4,414,107)
Total Net Position	$ 17,662,216	$ 17,258,262	$ 28,876,034	$ 27,725,553	$ 46,538,250	$ 44,983,815

The largest portion of the City's net position (75%) reflects its investment in capital assets (e.g. land, building, equipment, improvements, construction in progress, and infrastructure), less any debt issued to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The net position of the City's governmental activities increased by $1,554,435. A portion of the City's net position, $6,150,848, represents resources that are subject to external restriction on how they may be used. The unrestricted portion of net position, ($4,502,645) may be used to meet the government's ongoing obligation to citizens and creditors.

The net position of the City's business-type activities increased by a difference of $1,150,481. The City can only use this net position to finance the continuing operations of the public utilities (water and sewer), waste management (garbage and yard trash pickup/disposal), and city auditorium.

	Change in Net Position					
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Program Revenues						
Charges for Services	$ 1,595,610	$ 1,559,382	$ 8,789,765	$ 8,538,606	$ 10,385,375	$ 10,097,988
Operating Grants	281,172	165,250	-	-	281,172	165,250
Capital Grants	3,064,301	2,664,285	1,186,228	410,035	4,250,529	3,074,320
General Revenues					-	-
Property Taxes	3,155,771	3,140,361	-	-	3,155,771	3,140,361
Sales Taxes	2,902,641	2,780,778	-	-	2,902,641	2,780,778
Franchise Fees	1,176,571	1,200,642	-	-	1,176,571	1,200,642
Other Taxes	2,099,200	2,040,220	-	-	2,099,200	2,040,220
Investment Earnings	2,734	2,365	1,405	400	4,139	2,765
Other	33,104	15,614	-	-	33,104	15,614
Total Revenues	14,311,104	13,568,897	9,977,398	8,949,041	24,288,502	22,517,938
Program Expenses						
General Government	371,892	434,965	-	-	371,892	434,965
Public Safety	8,072,180	7,754,031	-	-	8,072,180	7,754,031
Public Works	4,327,602	3,758,455	-	-	4,327,602	3,758,455
Community Development	1,113,893	985,030	-	-	1,113,893	985,030
Interest	21,583	19,102	-	-	21,583	19,102
Public Utilities	-	-	6,417,092	6,273,698	6,417,092	6,273,698
Waste Management	-	-	2,236,282	2,190,507	2,236,282	2,190,507
City Auditorium	-	-	173,543	151,638	173,543	151,638
Total Expenses	13,907,150	12,951,583	8,826,917	8,615,843	22,734,067	21,567,426
Increase in net position	$ 403,954	$ 617,314	$ 1,150,481	$ 333,198	$ 1,554,435	$ 950,512

The City's total combined activities revenue increased by $1,770,564 (8 percent) and the total combined expenses increased by $1,279,257 (6 percent).

The analysis below separately considers the operations of governmental and business-type activities.

Governmental Activities

The format of the Statement of Activities is significantly different than a typical statement of Revenues, Expenses and Changes in Fund Balance. Expenses are listed in the first column with the related revenues reported to the right. The result is net (expense) revenue. This format highlights the relative financial burden of each of the functions on the City's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

General Government building permits, occupational licenses, inspection fees public safety fines and forfeitures, grants, Public Works capital grants for infrastructure improvements, Cemetery Lot sales and interment fees.

All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

	Governmental Activities		Net Cost of Services	
	2017	2016	2017	2016
General Government	$ 371,892	$ 434,965	$ (783,252)	$ (619,914)
Public Safety	8,072,180	7,754,031	6,590,091	6,130,932
Public Works	4,327,602	3,758,455	2,355,531	2,334,932
Community Development	1,113,893	985,030	782,114	697,614
Interest on Long-Term Debt	21,583	19,102	21,583	19,102
Total Expenses	$ 13,907,150	$ 12,951,583	$ 8,966,067	$ 8,562,666

The net expense of operating Governmental Activities increased from $12,838,967 to $13,907,150 or .08 percent. General revenues increased.06 percent or $516,017 from $8,450,050 in 2016 to $8,966,067 in 2017.

Business-Type Activities

The City's business-type activities continue to be operated in a manner to cover all operating costs. Rates charged for these services remained the same. The Public Utilities Fund-Water and Sewer has begun a long range plan to perform critical infrastructure replacements to ensure the City is able to continue to provide quality services. A rate study has been completed and was implemented in fiscal year 2012 to adjust rates to adequately fund these improvements.

The City's Funds

As the City completed the year, its governmental funds (as presented on page 16) reported a combined fund balance of $9,169,186. Included in this total fund balance is the fund balance of the General Fund of $602,075 which compares to a prior balance of $463,555 in 2016. This fund balance will assist the City in weathering the current economic slowdown and unanticipated events. This balance will be increased to provide a cushion for the current economic volatility. Should conditions not improve, services may be curtailed or taxes and fees increased.

General Fund Budgetary Highlights

Actual revenues for 2017 did not meet the budgeted amount by $326,119 or 3 percent and expenses did not exceed the budget by $464,639 or 5 percent. The revenues for taxes were 6% lower than budgeted. Even with a total decrease of 26% from motor vehicle and title ad valorem tax, other tax revenues were slightly lower than the City had anticipated. For example the franchise fees collected were $24,071 lower than 2016 collections. All operating expenditures were within budget. A more detailed comparison is on page 62.

Capital Assets

At June 30, 2017, the City had $50 million invested in a broad range of capital assets, including police and fire equipment, buildings, water and sewer lines, and a treatment plant. This amount represents a net increase (additions and deductions) of $916,310 over the last year. The table below provides further analysis of these capital assets.

Capital Assets at Year End

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	$ 5,071,380	$ 5,045,380	$ 235,859	$ 235,859	$ 5,307,239	$ 5,281,239
Construction in Progress	93,696	968,314	237,250	157,955	330,946	1,126,269
Buildings/Improvements	9,195,933	8,824,781	12,194,322	12,194,322	21,390,255	21,019,103
Equipment and Vehicles	9,284,663	8,610,624	5,704,748	5,621,409	14,989,411	14,232,033
Infrastructure	36,848,158	35,373,361	51,336,298	50,212,222	88,184,456	85,585,583
Accumulated Depreciation	(40,905,843)	(39,895,646)	(38,621,790)	(37,490,217)	(79,527,633)	(77,385,863)
Total Assets	$ 19,587,987	$ 18,926,814	$ 31,086,687	$ 30,931,550	$ 50,674,674	$ 49,858,364

Additional information on the City of Waycross' capital assets can be found in footnote 7 on pages 37 and 38 of this report.

Debt Administration

At year end, the City had $5,784,627 in bonds, notes, and capital leases outstanding versus $6,605,307 last year, a decrease of 13 percent as shown in the following table:

Outstanding Debt at Year End

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Line of Credit	$ -	$ -	$ 17,143	$ -	$ 17,143	$ -
Capital Leases	142,496	231,183	152,926	191,656	295,422	422,839
Notes	582,500	612,500	4,889,562	5,569,968	5,472,062	6,182,468
Total Debt	$ 724,996	$ 843,683	$ 5,059,631	$ 5,761,624	$ 5,784,627	$ 6,605,307

During the fiscal year ended June 30, 2017, the financial condition of the City required a short-term borrowings (TANS) to finance governmental operations until property taxes were collected.

Additional information on the City of Waycross' long-term debt can be found in footnote 8 on pages 39 through 42 of this report.

Economic Factors and Next Year's Budgets and Rates

The City's elected and appointed officials considered many factors when setting the fiscal-year 2017 budget. In prior years increased operating costs have been funded from increases in the tax digest, primarily in commercial retail property, and increased sales taxes. The City is overcoming the economic downturn from several years now and we are seeing a slight increase each year. During fiscal year 2017 the local option sales tax revenues increased by 2 percent or $55,043. In fiscal 2010, the local option sales tax collection began to decrease significantly. The millage rate was rolled back by .003 % from 10.998 to 10.995. The local option sales tax distribution between the City and county are the county receives 55.5% and the City's portion is 44.5%. Since January 2017 the local option sales tax has been increasing over last year's collections. We expect this will continue for the next budget year.

The City's Health Insurance internal service fund has been under budgeted within the last 3 year's due to high health insurance claims. In January 2017 significant changes were made to the health insurance policies for the employees, a higher deductible was implemented for the employees, we removed spousal coverage if they are eligible for coverage at their work place. Employees were given a Health Savings supplement to help offset these changes. Previous retiree's and future retirees will not be eligible to stay on the City's insurance plan. The City will continue to rebid all components for the best possible rates for insurance. The results from the higher health insurance claims from previous years has caused a cash flow deficit in this fund. Since we have made these changes, a small decrease in the deficit has been made. We will not fully see the true impact of these changes until next budget year.

A Georgia Environmental Finance Authority (GEFA) project will be starting in January 2018. This $3.5 million line of credit will be used to fund to upgrade and replace the residential and commercial water meters and backflow preventers connected to the City's water and sewer system. The projected timeline for this project will be 9 to 10 months. Per the EPA ruling for no-lead meters, this project will keep the City in compliance with the EPD agency. The City did get approved for a $500,000 principle forgiveness with an interest rate at .65% for the length of the loan which will be 15 years.

The City will be involved in several grants next budget year such as the CDBG, CHIP, and federally assisted grant programs FEMA.

The City continues to search for ways to deliver cost effective services to the citizens of Waycross. Over the past several years, garbage services and the operations of the water and wastewater treatment plant has been outsourced. All division directors have been diligently looking for ways to keep operational cost down within their departments. Although some factors such as gas, diesel, and electricity rates are something the City has no control over, each department has stayed within their allotted budgets.

In closing, the City of Waycross continues to operate to maintain a balanced budget by; cutting any wasteful spending, maintaining tight revenue administration to ensure the City receives all revenue it is entitled to, and streamlining our service delivery to save on operational costs.

Contacting the City's Financial Management

The financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City Manager's office at the City of Waycross, 417 Pendleton Street, Waycross, Georgia 31501.

BASIC FINANCIAL STATEMENTS

CITY OF WAYCROSS, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2017

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and Equivalents	$ 7,189,581	$ 2,201,889	$ 9,391,470
Receivables	479,900	888,993	1,368,893
Prepaids	45,331	-	45,331
Internal Balances	22,000	(22,000)	-
Due from Other Governments	707,519	-	707,519
Inventories	54,283	53,579	107,862
Capital Assets			
Non-depreciable	5,165,076	473,109	5,638,185
Depreciable (net)	14,422,911	30,613,578	45,036,489
Total Assets	28,086,601	34,209,148	62,295,749
Deferred Outflows of Resources			
Deferred outfows - pension	2,494,945	-	2,494,945
Total deferred outflows of resources	2,494,945	-	2,494,945
Liabilities			
Accounts payable and accrued expenses	3,046,488	5,939	3,052,427
Line of credit	-	17,143	17,143
Deposits	-	252,364	252,364
Long-term liabilities			
Due within one year			
Loans payable	30,000	863,309	893,309
Capital lease obligations	52,998	39,891	92,889
Due in more than one year			
Loans payable	552,500	4,026,253	4,578,753
Capital lease obligations	89,498	113,035	202,533
Compensated absences	351,101	15,180	366,281
Other post employment benefits	755,101	-	755,101
Net pension liability	7,158,663	-	7,158,663
Total liabilities	12,036,349	5,333,114	17,369,463
Deferred Inflows of Resources			
Deferred infows - pension	882,981	-	882,981
Total deferred inflows of resources	882,981	-	882,981
Net Position			
Net Investment in capital assets	18,862,991	26,027,056	44,890,047
Restricted for:			
Capital projects	5,860,032	-	5,860,032
Community development projects	251,149	-	251,149
Other projects	39,667	-	39,667
Unrestricted	(7,351,623)	2,848,978	(4,502,645)
Total net position	$ 17,662,216	$ 28,876,034	$ 46,538,250

The accompanying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017

		Program Revenue			Net (Expense) Revenue and Changes in Net Position Primary Government		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental Activities							
General Government	$ 371,892	$ 922,412	$ 232,732	$ -	$ 783,252	$ -	$ 783,252
Public Safety	8,072,180	478,607	-	1,003,482	(6,590,091)	-	(6,590,091)
Streets and Sanitation	4,327,602	95	-	1,971,976	(2,355,531)	-	(2,355,531)
Community Development	1,113,893	194,496	48,440	88,843	(782,114)	-	(782,114)
Interest on Long-term debt	21,583	-	-	-	(21,583)	-	(21,583)
Total governmental activities	13,907,150	1,595,610	281,172	3,064,301	(8,966,067)	-	(8,966,067)
Business-type activities:							
Public Utilities	6,417,092	6,483,913	-	1,186,228	-	1,253,049	1,253,049
Waste Management	2,236,282	2,271,387	-	-	-	35,105	35,105
City Auditorium	173,543	34,465	-	-	-	(139,078)	(139,078)
Total business-type activities	8,826,917	8,789,765	-	1,186,228	-	1,149,076	1,149,076
Total primary government	$ 22,734,067	$ 10,385,375	$ 281,172	$ 4,250,529	$ (8,966,067)	$ 1,149,076	$ (7,816,991)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					$ 3,155,771	$ -	$ 3,155,771
Sales Taxes					2,902,641	-	2,902,641
Franchise Fee					1,176,571	-	1,176,571
Other Taxes					2,099,200	-	2,099,200
Unrestricted investment earnings					2,734	1,405	4,139
Miscellaneous					33,104	-	33,104
Total general revenues					9,370,021	1,405	9,371,426
Change in net position					403,954	1,150,481	1,554,435
Net position - beginning					17,258,262	27,725,553	44,983,815
Net position - ending					$ 17,662,216	$ 28,876,034	$ 46,538,250

The accompanying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

	GENERAL FUND	SPLOST 2008-2013	SPLOST 2014	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Assets					
Cash and cash equivalents	$ 789,374	$ 1,087,797	$ 4,319,696	$ 785,998	$ 6,982,865
Receivables (net)					
Taxes	363,997	-	-	-	363,997
Accounts	13,040	-	-	-	13,040
Due from other funds	776,000	-	-	193,592	969,592
Receivable from other governments	304,827	-	244,872	157,820	707,519
Inventories	25,243	-	-	-	25,243
Other receivables	-	-	-	92,179	92,179
Prepaid expenditures	14,751	-	-	-	14,751
Total assets	2,287,232	1,087,797	4,564,568	1,229,589	9,169,186
Liabilities and Fund Balance (Deficit)					
Liabilities:					
Accounts payable	752,365	11,287	-	202,330	965,982
Due to other funds	396,957	-	-	401,000	797,957
Salaries payable	212,154	-	-	-	212,154
Total liabilities	1,361,476	11,287	-	603,330	1,976,093
Deferred Inflows of Resources					
Unavailable revenue	323,681	-	-	-	323,681
Total deferred inflows of resources	323,681	-	-	-	323,681
Fund balances (Deficit):					
Nonspendable	39,994	-	-	-	39,994
Restricted	-	1,076,510	4,564,568	509,770	6,150,848
Committed	-	-	-	147,794	147,794
Assigned	-	-	-	40,537	40,537
Unassigned	562,081	-	-	(71,842)	490,239
Total fund balances (deficit)	602,075	1,076,510	4,564,568	626,259	6,869,412
Total liabilities, deferred inflows and fund balances (deficit)	$ 2,287,232	$ 1,087,797	$ 4,564,568	$ 1,229,589	$ 9,169,186

The accompanying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF JUNE 30, 2017

Total fund balance, governmental funds		$ 6,869,412
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 fund financial statements, but are reported in the governmental activities in the government-wide statement of net position.		19,587,987
The deferred outflows are not current assets or financial resources, and the deferred inflows are not due and payable in the current period and therefore are not reported in the fund financial statements.		
Deferred outflows		2,494,945
Deferred inflows		(882,981)
Long-term liabilities are not due and payable in the current period and are not included in the fund financial statements, but are included in the governmental activities of the government-wide statement of net position.		
Loans payable		(582,500)
Capital lease obligations		(142,496)
Compensated absences		(351,101)
Net other post employment benefits (OPEB)		(755,101)
Net pension liability		(7,158,663)
Internal service funds are used by management to charge the cost of certain activities to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the government-wide statement of net position.		
Net position of internal service funds	(1,754,561)	
Less capital assets included above	(453)	
Add compensated absences included above	14,047	
		(1,740,967)
Deferred revenue in governmental funds is susceptible to full accrual on the entity-wide statements		323,681
Net Position of Governmental Activities in the Statement of Net Position		$ 17,662,216

The accompanying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	GENERAL FUND	SPLOST 2008-2013	SPLOST 2014	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Revenues					
Taxes	$ 8,961,003	$ -	$ -	$ 379,885	$ 9,340,888
Fines and forfeitures	326,268	-	-	-	326,268
Licenses and permits	880,668	-	-	-	880,668
Intergovernmental	364,265	-	2,331,322	575,709	3,271,296
Charges for services	29,998	-	-	19,519	49,517
Interest income	2,305	11,177	13,306	421	27,209
Miscellaneous	203,918	-	-	244,772	448,690
Total revenues	10,768,425	11,177	2,344,628	1,220,306	14,344,536
Expenditures					
Current:					
General government	333,617	-	-	210	333,827
Public Safety	7,837,205	-	-	103,570	7,940,775
Public Works	1,761,518	-	-	-	1,761,518
Community development	771,251	-	-	350,288	1,121,539
Debt Service:					
Principal retirement	142,496	-	-	-	142,496
Interest and other charges	11,149	-	-	-	11,149
Capital Outlay	-	1,527,989	909,387	447,578	2,884,954
Total Expenditures	10,857,236	1,527,989	909,387	901,646	14,196,258
Excess (Deficiency) Of Revenues Over Expenditures	(88,811)	(1,516,812)	1,435,241	318,660	148,278
Other Financing Sources (Uses)					
Transfers in	227,331	-	-	492	227,823
Transfers out	-	-	-	(227,823)	(227,823
Proceeds from capital leases	-	-	-	-	-
Total Other Financing Sources (Uses)	227,331	-	-	(227,331)	-
Net Change in Fund Balances	138,520	(1,516,812)	1,435,241	91,329	148,278
Fund Balances (Deficit) - Beginning of Year	463,555	2,593,322	3,129,327	534,930	6,721,134
Fund Balances (Deficit)- Ending of Year	$ 602,075	$ 1,076,510	$ 4,564,568	$ 626,259	$ 6,869,412

The accompaying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE TO THE GOVERNEMENT-WIDE STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2017

Net change in fund balances - total governmental funds:		$ 148,278
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlays	1,786,496	
Depreciation expense	(1,125,323)	
		661,173
Revenues reported on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:		
Deferred Revenues		(38,240)
Repayment of principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of activities.		
Capital lease principle payments		88,687
Notes payable principle payments		30,000
Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:		
Changes in other post employment benefits (OPEB)		(86,177)
Changes in long-term compensated absences		58,004
Changes in net pension liability		112,783
Internal service funds are used by management to charge the costs of certain activities, such as fleet maintenance and information technology, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	(568,986)	
Less change in depreciation included above	2,316	
Add change in compensated absences included above	(3,884)	
		(570,554)
Change in net position of governmental activities		$ 403,954

The accompanying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017

	ENTERPRISE FUNDS				
	PUBLIC UTILITIES	WASTE MANAGEMENT	NON-MAJOR CITY AUDITORIUM	TOTALS	INTERNAL SERVICE FUNDS
ASSETS					
Current Assets					
Cash and cash equivalents	$ 2,152,779	$ 39,779	$ 9,162	$ 2,201,720	$ 1,060,387
Accounts receivable, net	652,368	236,625	-	888,993	10,683
Due from other funds	728,000	-	-	728,000	723,207
Inventories	53,579	-	-	53,579	29,039
Prepaid expenses	-	-	-	-	30,581
Total Current Assets	3,586,726	276,404	9,162	3,872,292	1,853,897
Non-Current Assets					
Restricted Assets and Other Debits:					
Restricted cash & cash equivalents	169	-	-	169	-
Total Restricted Assets	169	-	-	169	-
Capital Assets					
Land	225,507	10,352	-	235,859	-
Buildings	9,785,589	-	2,408,733	12,194,322	138,321
Infrastructure	51,336,298	-	-	51,336,298	70,663
Auto and trucks	362,678	501,195	-	863,873	-
Equipment and furniture	4,260,738	536,039	44,100	4,840,877	100,170
Construction in progress	237,250	-	-	237,250	-
Total capital assets	66,208,060	1,047,586	2,452,833	69,708,479	309,154
Less Accumulated depreciation	(36,919,131)	(802,744)	(899,917)	(38,621,792)	(308,701)
Net Capital Assets	29,288,929	244,842	1,552,916	31,086,687	453
Total Non-Current Assets	29,289,098	244,842	1,552,916	31,086,856	453
Total Assets	$ 32,875,824	$ 521,246	$ 1,562,078	$ 34,959,148	$ 1,854,350

The accompanying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2017

	ENTERPRISE FUNDS				
	PUBLIC UTILITIES	WASTE MANAGEMENT	NON-MAJOR CITY AUDITORIUM	TOTALS	INTERNAL SERVICE FUNDS
LIABILITIES					
Current Liabilities					
Accounts payable	$ -	$ -	$ -	$ -	$ 2,715,725
Salaries payable	-	5,939	-	5,939	6,297
Due to other funds	750,000	-	-	750,000	872,842
Compensated absences	-	15,180	-	15,180	14,047
Customer deposits	232,896	8,942	10,526	252,364	-
Line of credit	17,143	-	-	17,143	-
Capital lease obligations - current portion	15,768	24,123	-	39,891	-
Loans payable - current portion	863,309	-	-	863,309	-
Total Current Liabilities	1,879,116	54,184	10,526	1,943,826	3,608,911
Non-Current Liabilites (payable from unrestricted assets)					
Capital lease obligations (net of current portion)	43,583	69,452	-	113,035	-
Loans payable (net of current portion)	4,026,253	-	-	4,026,253	-
Total Non-Current Liabilites (payable from unrestricted assets)	4,069,836	69,452	-	4,139,288	-
Total Liabilites	5,948,952	123,636	10,526	6,083,114	3,608,911
NET POSITION					
Net investment in capital assets	24,322,873	151,267	1,552,916	26,027,056	453
Unrestricted	2,603,999	246,343	(1,364)	2,848,978	(1,755,014)
Total Net Position	$ 26,926,872	$ 397,610	$ 1,551,552	$ 28,876,034	$ (1,754,561)

The accompanying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	ENTERPRISE FUNDS				
	PUBLIC UTILITIES	WASTE MANAGEMENT	NON-MAJOR CITY AUDITORIUM	TOTALS	INTERNAL SERVICE FUNDS
Revenues					
Charges for services	$ 6,483,913	$ 2,271,387	$ 34,465	$ 8,789,765	$ 450,284
Operating contributions	-	-	-	-	4,011,735
Total operating revenues	6,483,913	2,271,387	34,465	8,789,765	4,462,019
Operating Expenses					
Personal services	2,142,654	748,277	3,216	2,894,147	428,459
Contractual services	2,499,299	1,283,861	1,167	3,784,327	19,702
Utilities	-	-	22,716	22,716	-
Repairs and maintenance	137,999	160,828	4,113	302,940	24,228
Other supplies and expenses	494,128	1,010	2,428	497,566	-
Retirement payments	-	-	-	-	1,175,945
Insurance claims and expenses	-	11,127	814	11,941	3,391,143
Depreciation and amortization	1,031,278	28,583	139,088	1,198,949	2,316
Total Operating Expenses	6,305,358	2,233,686	173,542	8,712,586	5,041,793
Operating Income (Loss)	178,555	37,701	(139,077)	77,179	(579,774)
Non-Operating Revenues (Expenses)					
Interest and investment revenue	1,405	-	-	1,405	7
Miscellaneous revenue	-	-	-	-	10,781
Interest expense	(111,735)	(2,596)	-	(114,331)	-
Total Non-Operating Revenues (Expenses)	(110,330)	(2,596)	-	(112,926)	10,788
Income (Loss) Before Contributions	68,225	35,105	(139,077)	(35,747)	(568,986)
Capital grants and contributions	1,186,228	-	-	1,186,228	-
Total Other Financing Sources	1,186,228	-	-	1,186,228	-
Change in net position	1,254,453	35,105	(139,077)	1,150,481	(568,986)
Total net position - beginning	25,672,419	362,505	1,690,629	27,725,553	(1,185,575)
Total net position - ending	$ 26,926,872	$ 397,610	$ 1,551,552	$ 28,876,034	$ (1,754,561)

The accompanying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				
	PUBLIC UTILITIES	WASTE MANAGEMENT	CITY AUDITORIUM	TOTAL	INTERNAL SERVICE FUNDS
Cash Flows From Operating Activities					
Cash received from customers	$ 6,457,431	$ 2,263,792	$ 34,465	$ 8,755,688	$ 4,473,381
Cash paid to suppliers	(3,131,558)	(1,454,334)	(28,226)	(4,614,118)	(4,057,273
Cash paid to employees	(2,142,654)	(745,495)	(3,214)	(2,891,363)	(430,730
Net Cash Provided By (Used In) Operating Activities	1,183,219	63,963	3,025	1,250,207	(14,622
Cash Flows From Noncapital Financing Activities					
Miscellaneous non-operating revenue	-	-	-	-	10,781
Net Cash Provided By Noncapital Financing Activities	-	-	-	-	10,781
Cash Flows From Capital And Related Financing Activities					
Principal paid on loans payable	(695,593)	(23,542)	-	(719,135)	-
Acquisition and construction of capital assets	(80,739)	(69,981)	-	(150,720)	-
Interest paid	(111,735)	(2,596)	-	(114,331)	-
Net Cash (Used In) Capital And Related Activities	(888,067)	(96,119)	-	(984,186)	-
Cash Flows From Investing Activities					
Interest on cash deposits	1,405	-	-	1,405	7
Net Cash Provided By Investing Activities	1,405	-	-	1,405	7
Net Increase (Decrease) In Cash	296,557	(32,156)	3,025	267,426	(3,834
Cash Beginning of Year	1,856,222	71,935	6,137	1,934,294	1,064,221
Cash at End of Year	$ 2,152,779	$ 39,779	$ 9,162	$ 2,201,720	$ 1,060,387
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating Income (Loss)	$ 178,555	$ 37,701	$ (139,077)	$ 77,179	$ (579,774
Adjustments To Reconcile Operating Income (Loss) To Net Cash Provided By (Used In) Operating Activities:					
Depreciation and amortization	1,031,278	28,583	139,088	1,198,949	2,316
Change in Assets and Liabilities:					
Accounts receivable	(27,563)	(7,594)	-	(35,157)	5,463
Due from other funds	-	-	-	-	845
Inventories	1,081	-	-	1,081	5,053
Prepaid expenses	-	-	-	-	(5,948
Accounts payable	-	-	-	-	559,694
Accrued expenses	-	2,781	-	2,781	(2,271
Customer deposits	(132)	2,492	3,014	5,374	-
Net Cash Provided By (Used In) Operating Activities	$ 1,183,219	$ 63,963	$ 3,025	$ 1,250,207	$ (14,622
Cash Per Financial Statements, Including Investments	$ 2,152,948	$ 39,779	$ 9,162	$ 2,201,889	$ 1,060,387
Less: Non-Cash Equivalents	169	-	-	169	-
Total Cash	$ 2,152,779	$ 39,779	$ 9,162	$ 2,201,720	$ 1,060,387
Non-Cash Investing, Capital and Financing Activities					
Capital contributions from other funds	$ 1,186,228	$ -	$ -	$ 1,186,228	$ -

The accompanying notes are an integral part of these statements.

CITY OF WAYCROSS, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2017

	TOTAL AGENCY FUNDS
ASSETS	
Cash and cash equivalents	$ 146,993
Total assets	146,993
LIABILITIES	
Refundable court bonds	80,743
Seized funds held	66,250
Total liabilities	$ 146,993

The accompanying notes are an integral part of these statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Waycross, Georgia operates under the leadership of the Mayor, City Manager and City Commission consisting of four members and provides or assists in providing the following services: public safety (police department), highways and streets, public improvements, recreation, and general administrative and other services. In addition, the City operates enterprise funds (water and sewer and waste management) for incorporated and immediate surrounding areas.

A. Basis of Presentation

The City's basic financial statements consist of government-wide financial 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 statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the City at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the City.

Fund Financial Statements

During the year, the City segregates transactions related to certain City 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 City at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated, however, those transactions between governmental and business-type activities have not been eliminated. Governmental activities which normally are supported by taxes and intergovernmental revenues are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

B. Reporting Entity

Standards published by the Governmental Accounting Standards Board (GASB) define the financial reporting entity as (a) the primary government, (b)organizations for which the primary government is financially responsible, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. There are no organizations identified as component units of the City, as defined by GASB Statement No. 14, "The Financial Reporting Entity".

C. Fund Accounting

The City uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are two categories of funds: governmental and proprietary.

Governmental Funds

Governmental funds are those through which most governmental functions of the City 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 purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

General Fund - The General Fund is used to account for all revenues and expenditures applicable to the general operations of City government which are not properly accounted for in another fund. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the general fund.

SPLOST Fund 2008-2013 - The fund is used to account for the special one cent sales tax revenues (approved by Ware County voters) that are specifically restricted to various capital improvements within the city limits.

SPLOST 2014 Fund - The fund is used to account for the special one cent sales tax revenues (approved by Ware County voters) that are specifically restricted to various capital improvements within the city limits.

The other governmental funds of the City account for grants and other resources whose use is restricted for a particular purpose; the accumulation of resources for, and the payment of debt; and the acquisition or construction of major capital projects.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The City's enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The following are the City's major enterprise funds:

Public Utilities Fund - The fund is used to account for the provision of water and sewer services to the residents of the City. Activities of the fund include administration, operations and maintenance of the water and sewer system and billing and collection activities. The fund also accounts for the accumulation of resources for, and the payment of, long-term debt principal and interest for water and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure integrity of the funds.

Waste Management Fund - The fund is used to account for operations of solid waste collection and disposal services. All costs are financed through charges to sanitation customers.

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

Internal Service Funds

The City reports Internal Service Funds which are used to account for the fleet management services, payroll services, retirement, self-funded property and casualty insurance, self-funded workers compensation insurance, and self-funded health insurance provided to departments of the City.

Fiduciary Funds

Fiduciary Funds are accounted for on the accrual basis. Agency funds account for assets held by the City in a purely custodial capacity. The reporting entity includes two agency funds. Since agency funds are custodial in nature (i.e. assets equal liabilities), they do not involve the measurement of results of operations. The Police Condemnation fund is used to account for monies seized that are waiting to be disposed of by the court system. The Municipal Court fund accounts for court bonds held awaiting court dates.

D. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position.

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 are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects 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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in revenues, expenses, and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows reflects how the City finances and meets the cash flow needs of its enterprise activities.

E. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide and enterprise fund financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; enterprise funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses verses expenditures.

F. Revenues – Exchange and Non-exchange Transactions

Revenues 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 recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within sixty days after year end.

Non-exchange transactions, in which the City receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes are recognized in the year for which the taxes are levied. Revenues from sales taxes are recognized in the period in which the sales are made. Revenues from grants, entitlements, and donations are recognized in the 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 of the year when use is first permitted; matching requirements in which the City must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, state-levied locally shared taxes, grants, interest, and rent.

G. Deferred Outflows/Inflows of Resources

The City adopted new accounting guidance, GASB Statement no. 63, *Financial Reporting of Deferred Outflows or Resources, Deferred Inflows of Resources, and Net Position.* This standard modified terminology and presentation of certain accounts.

Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has unavailable revenue, which arises only under the modified accrual basis of accounting, which qualifies for reporting in this category on the governmental funds balance sheet. Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

The following amounts are deferred and recognized as an inflow of resources in the period that the amounts become available:

Unavailable Revenue	General Fund
Property taxes	$ 323,681
	$ 323,681

H. Expenses/ Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

I. FASB Statements and Interpretations

For Proprietary activities, all FASB Statements and Interpretations issued after November 30, 1989 have been applied except for those that conflict with or contradict GASB pronouncements.

J. Budgets and Budgetary Accounting

An annual budget is adopted (as required by law) by the City for the general and special revenue funds. The budgets are adopted on a basis substantially consistent with generally accepted accounting principles.

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

1. Prior to June 30, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted at City Hall to obtain taxpayer comments.

3. The City Council approves, by ordinance, total budget appropriation and departmental budgets. The City Manager is authorized to transfer budget amounts between line items within any department in conjunction with the department head; however, any revisions that alter the total appropriations of any department or fund must be approved by the City Council. Therefore, the level of budgetary

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

responsibility is by department-level appropriations; however, for reporting purposes, this level has been expanded to a functional basis (General Government, Public Safety, etc.).

4. Unused appropriations for all of the above annually budgeted funds lapse at the end of the fiscal year.

5. The budget amounts shown in the financial statements are the final authorized amounts as revised during the year.

6. Formal budgetary integration is employed as management control device during the year for the General Fund. The budget for the general fund is prepared on the cash and expenses/encumbrances basis. Revenues are budgeted in the year receipt is expected; and expenditures, which include encumbrances, are budgeted in the year that applicable purchase orders are expected to be issued. The budget for the Enterprise Fund is adopted under a basis consistent with GAAP, except for that depreciation, certain capital expenses, and certain non-operating income and expense items are not considered. Annual appropriated budgets are adopted for the special revenue funds. Annual appropriated budgets are also adopted for the following internal service funds; health insurance, liability insurance, workers compensation insurance, retirement fund, data processing fund, city garage fund and the public building fund.

Budgeted amounts are as originally adopted or as amended by the City Council. Individual amendments were not material in relation to the original appropriations, which were adopted.

OCGA 36-81-3(b) requires an annual balanced budget for the general fund, each special revenue fund and requires a project-length balanced budget for each capital project fund. For the year ended June 30, 2017, an annual budget was adopted for all funds.

The legal level of budgetary control for the City is at the department level.

K. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and Special Revenue Funds. Encumbrances outstanding at fiscal year-end lapse and must be re-budgeted.

L. Cash and Cash Equivalents

For the proprietary fund types a statement of cash flows is presented, as is required by GASB Statement 9, instead of a statement of changes in financial position. For this statement, cash equivalents are defined as short-term, highly liquid investments with a maturity of three months or less when purchased, that are readily convertible to known amounts of cash, and so near their maturity that they present insignificant rates of changes in value because of changes in interest rates.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

M. Investments

The City is authorized to invest its funds in (1) obligations which constitute direct obligations of, or are unconditionally guaranteed by, the United States of America; (2) certificates of deposit issued by state and national banks located within the state of Georgia when secured by acceptable collateral; (3) obligations of the Federal Land Bank, the Federal Home Loan Bank, Federal Intermediate Credit Bank and Federal Bank for Cooperatives; and (4) bonds or other obligations issued by any public housing agency or municipality which are served by a pledge of annual contributors under contract with the United States Government, or project notes secured by a payment agreement with the United States Government.

All investments are stated at market value.

N. Capital Assets

General capital assets are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net position and in the respective funds.

The cost of infrastructure assets, including roads, bridges, curbs and gutters, streets, sidewalks, drainage systems and lighting systems acquired during the current fiscal year is recorded in the government-wide financial statements. The City is not required to and will not record acquisitions prior to June 30, 2003.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The City maintains a capitalization threshold of five thousand dollars. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

All capital assets are depreciated, except for land and improvements and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Building and Building Improvements	20-40 years
Machinery and Equipment	5-20 years
Vehicles	5-7 years
Infrastructure	15-40 years

O. Inventories

Inventories in the governmental and proprietary funds consist of supplies and are valued at weighted average cost. These inventories are recorded as expenditures as they are consumed.

P. Interfund Receivables and Payables

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Q. Transfers Between Funds

Legally authorized transfers are treated as interfund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

R. Allowance For Doubtful Accounts

The City provides an allowance for the Public Utilities Fund, Waste Management Fund and the Property tax accounts receivable that may be uncollectible. At June 30, 2017, the allowances are $154,340, $68,329 and $37,746, respectively. No other allowances for uncollectible accounts receivable are necessary. All other accounts receivable are considered collectible as reported at June 30, 2017.

S. Bond Discounts, Premiums, and Issuance Costs

Bond discounts and premiums for proprietary fund types are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. At the governmental fund reporting level, bond discounts and premiums are reported as other financing sources, separately from the face amount of the bonds issued. Bond issuance costs are reported as expenditures in the year incurred.

T. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to service already rendered and it is probable the City will compensate the employees for the benefits through paid time off or some other means. The City records a liability for accumulated unused vacation time when earned for all employees.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignations and retirements. The noncurrent portion of the liability is not reported. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

U. Retirement Plans

In government-wide financial statements, retirement plans (pensions) are required to be recognized and disclosed using the accrual basis of accounting (see Note 13 and the required supplementary information (RSI) section immediately following the Notes to the Financial Statements), regardless of the amount recognized as pension expenditures on the governmental fund statements, which use the modified accrual basis of accounting.

In general, the City recognizes a net pension liability, which represents the City's proportionate share of the excess of the total pension liability over the fiduciary net position of the pension reflected in the actuarial report provided by the Georgia Municipal Employees Benefit System (GMEBS). The net pension liability is measured as of the September 30th immediately prior to the City's fiscal year-end. Changes in the net pension liability are recorded, in the period incurred, as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change. The changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience) are amortized as a component of pension expense over a five year period beginning with the period in which they are incurred.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

For purposes of measuring the net pension liability and deferred outflows/inflows or resources relating to pensions and pension expense, information about the fiduciary net position of the City's pension plan with GMEBS and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by GMEBS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when paid. Investments are reported at fair value.

Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred. Each subsequent year will incorporate an additional closed basis five-year period of recognition.

V. Accrued and Long - Term Liabilities

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable form the enterprise funds are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, compensated absences and contractually required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans and capital leases are recognized as a liability on the fund financial statements when due.

W. Capital Lease Obligations

The capitalized lease obligations are stated at the original fair market value of leased assets capitalized, less payments since the inception of the lease, discounted at the implicit rate of interest in the lease.

X. Fund Equity

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Assigned – Fund balances are reported as assigned when amounts are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the City Council has authorized the City Manager to assign fund balances.

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

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

- Committed
- Assigned
- Unassigned

Net Position- Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when as described in the fund balance section above. All other net position is reported as unrestricted.

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

Y. Prepaid Expenditures

Payments made to various vendors for items or services for a future period are recorded as prepaid expenditures.

Z. Estimates

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

NOTE 2 – EXPENDITURES IN EXCESS OF APPROPRIATIONS

The following funds' expenditures/expenses exceeded appropriations:

Fund Level	Expenditures/ Expenses Actual	Appropriations	Amount Exceeding Appropriations
Forfeited Property	$ 9,233	$ -	$ 9,233
Jail	2,038	-	2,038
Hotel Motel Fund	345,559	308,653	36,906
Wayfest Fund	589	-	589
ATM Machine Fund	211	-	211
CDBG Grant 16p-x-148-2-5892	83,484	-	83,484

The following funds had deficits at June 30, 2017:

	Deficit
Capital Reserve Fund	$ 35,367
Health Insurance Fund	3,451,735
Warehouse Fund	1,000
Cemetery Fund	38,675

NOTE 3 – CASH DEPOSITS AND INVESTMENTS

As of June 30, 2017, the carrying amount of the City's bank deposits was $9,391,470 and the respective bank balances totaled $10,300,353. Of the total bank balance, $395,812 was insured through the Federal Depository Insurance Corporation (FDIC). The remaining $9,904,541 was collateralized with pooled securities held by the financial institutions' trust departments. These securities are held in the name of the financial institution and not that of the city.

As of June 30, 2017, the City's carrying amount of deposits, related bank balances, and other cash, were as follows:

	Carrying Amount	Bank Balance
Demand deposits	$ 9,389,790	$ 10,300,353
Petty Cash	1,680	-
Totals	$ 9,391,470	$ 10,300,353

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The City has a policy to reduce its exposure to this risk by requiring deposits to be collateralized in accordance with State law. As of June 30, 2017, $9,904,541 of the City's bank balance was exposed to custodial credit risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the City's name.

NOTE 4 – RECEIVABLES AND PAYABLES

Amounts were recorded in the basic financial statements as receivables (amounts due to the City) and payables (amounts due others from the City).

Receivables at June 30, 2017 were as follows:

	Taxes	Accounts Receivable	Other Govts	Other	Total
Governmental Activities:					
General	$ 363,997	$ 13,040	$ 304,827	$ -	$ 681,864
SPLOST 2014	-	-	244,872	-	244,872
Non-major	-	-	157,820	92,179	249,999
Internal service funds	-	10,683	-	-	10,683
Total Governmental Activities	363,997	23,723	707,519	92,179	1,187,418
Business-Type Activities:					
Public Utilities	$ -	$ 652,368	$ -	$ -	$ 652,368
Waste Management	-	236,625	-	-	236,625
Total Business-Type Activities	$ -	$ 888,993	$ -	$ -	$ 888,993

Payables at June 30, 2017 were as follows:

	Vendors	Salaries/ Benefits	Other	Total
Governmental Activities:				
General	$ 14,857	$ 212,154	$ 737,508	$ 964,519
SPLOST 2008-2013	11,287	-	-	11,287
Non-major	86,166	-	116,164	202,330
Internal service funds	138,797	6,297	2,576,928	2,722,022
Total Governmental Activities	251,107	218,451	3,430,600	3,900,158
Business-Type Activities:				
Public Utilities	$ -	$ -	$ 232,897	$ 232,897
Waste Management	-	5,939	8,942	14,881
City Auditorium	-	-	10,526	10,526
Total Business-Type Activities	$ -	$ 5,939	$ 252,365	$ 258,304

NOTE 5 – PROPERTY TAXES

Property taxes attach an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable on or before December 1. The City's taxes are billed and collected by the Ware County Tax Commissioner. City property tax revenues are recognized when levied. An allowance is established for delinquent taxes to the extent that the taxes are not collectible.

NOTE 6 – HOTEL/MOTEL LODGING TAX

The City is required to disburse funds received from the collection of hotel/motel taxes pursuant to O.C.G.A 48-13-51(a)(3.7). The tax rate is 5% and is levied on a monthly basis. The City received $379,885 from the collection of the hotel/motel tax during the fiscal year ended June 30, 2017. The City disbursed $118,228 for the promotion of tourism and $166,824 to Channel 42. The balance of lodging tax funds was transferred to the General Fund.

NOTE 7 – CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2017 is as follows:

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Governmental Activities:				
Nondepreciable Capital Assets:				
Land	$ 5,045,380	$ 26,000	$ -	$ 5,071,380
Construction in Progress	968,314	962,984	1,837,602	93,696
Depreciable Capital Assets:				
Buildings	8,824,781	371,152	-	9,195,933
Machinery and Equipment	3,445,614	121,748	-	3,567,362
Vehicles	5,165,010	667,417	115,126	5,717,301
Infrastructure	35,373,361	1,474,797	-	36,848,158
Total Capital Assets	58,822,460	3,624,098	1,952,728	60,493,830
Less Accumulated Depreciation For:				
Buildings	(4,308,571)	(202,277)	-	(4,510,848)
Machinery and Equipment	(2,805,628)	(142,889)	-	(2,948,517)
Vehicles	(4,339,821)	(276,048)	(115,126)	(4,500,743)
Infrastructure	(28,441,626)	(504,109)	-	(28,945,735)
Governmental Activities Capital Assets, Net	$ 18,926,814	$ 2,498,775	$ 1,837,602	$ 19,587,987

NOTE 7 – CAPITAL ASSETS, CONTINUED

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Business-Type Activities:				
Nondepreciable Capital Assets:				
Land and Improvements	$ 235,859	$ -	$ -	$ 235,859
Construction in Progress	157,955	1,203,371	1,124,076	237,250
Depreciable Capital Assets:				
Buildings	12,194,322	-	-	12,194,322
Machinery and Equipment	4,757,535	150,715	67,376	4,840,874
Vehicles	863,874	-	-	863,874
Infrastructure	50,212,222	1,124,076	-	51,336,298
Total Capital Assets	68,421,767	2,478,162	1,191,452	69,708,477
Less Accumulated Depreciation For:				
Buildings	(7,239,629)	(298,701)	-	(7,538,330)
Machinery and Equipment	(4,335,018)	(73,180)	(67,376)	(4,340,822)
Vehicles	(747,638)	(20,637)	-	(768,275)
Infrastructure	(25,167,932)	(806,431)	-	(25,974,363)
Business-Type Activities Capital Assets, Net	$ 30,931,550	$ 1,279,213	$ 1,124,076	$ 31,086,687

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

Governmental Activities:	
General Government	$ 33,161
Public Safety	388,594
Public Works	681,582
Community Development	21,986
Total Depreciation Expense-Governmental Activities	$ 1,125,323
Business-Type Activities:	
Public Utilities	$ 1,031,278
Waste Management	28,583
City Auditorium	139,088
Total Depreciation Expense-Business-Type Activities	$ 1,198,949

NOTE 8 – DEBT OBLIGATIONS

Transactions for the year ended June 30, 2017 are summarized as follows:

Change in Outstanding Debt:

	Balance June 30, 2016	Issues or Additions	Payments or Expenditures	Balance June 30, 2017	Amount Due Within One Year
Governmental Type Activities:					
Lease Obligations Payable	$ 231,183	$ -	$ 88,687	$ 142,496	$ 52,998
Notes Payable	612,500	-	30,000	582,500	30,000
Compensated Absences	409,105	-	58,004	351,101	-
Net pension liability	7,332,565	-	173,902	7,158,663	-
Other post employment benefits	668,924	438,983	352,806	755,101	-
Total Governmental Activities	9,254,277	438,983	703,399	8,989,861	82,998
Business-Type Activities:					
Line of credit	-	17,143	-	17,143	17,143
Lease Obligations Payable	191,656	-	38,730	152,926	39,891
GEFA-98-L68WJ	631,790	-	130,551	501,239	135,986
GEFA Loan-00-L36EJ	3,354,287	-	413,801	2,940,486	561,454
SRF Loan-CWSRF-00-0020	1,234,578	-	75,917	1,158,661	103,907
SRF Loan-CWSRF-00-01	325,887	-	55,338	270,549	57,017
GEFA Loan-CW09071PF60	23,426	-	4,799	18,627	4,945
Compensated Absences	13,819	1,361	-	15,180	-
Total Business-Type Activities	5,775,443	18,504	719,136	5,074,811	920,343
Total All Funds	$ 15,029,720	$ 457,487	$ 1,422,535	$ 14,064,672	$ 1,003,341

Liabilities for compensated absences are liquidated using resources from the fund in which the employee terminating service previously charged their salary and benefits to, which is the general fund, cemetery fund and solid waste fund.

NOTE 8 – DEBT OBLIGATIONS, CONTINUED

Notes/Loans Payable:

The following is a schedule of annual requirements for GEFA contracts CW09071PF60, 98-L68WJ, CW13088301, 2000-L36WJ, #CWSRF00-20 and CWSRF00-001.

	Governmental Activities		Business-Type Activities	
Year Ending June 30:	Principal	Interest	Principal	Interest
2018	$ 30,000	$ -	$ 863,309	$ 114,643
2019	30,000	-	885,317	92,635
2020	30,000	-	907,942	70,010
2021	30,000	-	851,501	47,164
2022	30,000	-	757,086	28,738
2023-2027	150,000	-	624,407	46,607
2028-2032	150,000	-	-	-
2033-2037	132,500	-	-	-
Total	$ 582,500	$ -	$ 4,889,562	$ 399,797

Governmental Activities:

In March 2010, the City entered into an agreement with BC Waycross Associates, LLP to finance construction of storm water infrastructure and a regional storm water retention pond on the owner's property to accept off-site storm water runoff and render owner's property suitable for development. The total amount financed of $800,000 is due in 320 monthly payments of $2,500 beginning March 15, 2010 at 0 percent interest. At June 30, 2017, the outstanding balance on this loan was $582,500.

Business-Type Activities:

In October 1998, the City entered into a loan agreement (98-L68WJ) with the Georgia Environmental Facilities Authority for certain water and sewer projects for a total amount of $2,000,000. Repayment is over eighty (80) quarterly payments beginning September 1, 2001 at 4.1 percent. At June 30, 2017, the outstanding balance on this loan was $501,239 and quarterly payments are $38,616.

In August 2000, the City entered into a loan program (CWSRF 00-001) with the Georgia Department of Natural Resources and the Georgia Environmental Facilities Authority for certain sewer improvements for a total amount of $935,467. Repayment is over 78 quarterly payments at 3 percent beginning September 1, 2002. At June 30, 2017, the outstanding balance of this loan was $270,549 and quarterly payments are $16,124. This loan is to be repaid from revenues of the Water and Sewer System; however, the obligation to repay this loan is a general obligation of the City to which it has dedicated its general power of taxation.

NOTE 8 – DEBT OBLIGATIONS, CONTINUED

In September 2000, the City entered into a loan agreement (2000-L36WJ) with the Georgia Environmental Facilities Authority for sewer improvements for a total amount of $9,815,000. Repayment is over 80 quarterly payments beginning October 1, 2002 at 2 percent. At June 30, 2017, the outstanding balance was $2,940,486 and quarterly payments of $154,018. This loan is to be repaid from revenues of the Water and Sewer System; however, the obligation to repay this loan is a general obligation of the City.

In June 2003, the City entered into a loan agreement (CWSRF-00-020) with the Georgia Environmental Facilities Authority for certain water and sewer projects. At June 30, 2017, the outstanding balance was $1,158,661. Repayment is over 80 quarterly payments of $34,376 at 3 percent. This loan is to be repaid from revenues of the Water and Sewer System; however, the obligation to repay is a general obligation of the City.

In November 2009, the City entered into a loan agreement (CW09071PF60) with the Georgia Environmental Facilities Authority for the construction of a litter trap. The total amount received was $120,785 as part of the American Recovery and Reinvestment Act (ARRA). The ARRA funds will help finance water system improvements through a low-interest loan in the amount of $47,393 and subsidy of $80,400. At June 30, 2017, the outstanding loan balance was $18,627. Repayment is over 120 monthly payments of $451 at 3 percent.

Capital Leases

The City has entered into various lease agreements as lessee to finance various machinery and equipment. These leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The following is a summary of equipment leased under capital lease agreements by the City as of June 30, 2017:

	Government-Type Activities	Business-Type Activities
Backhoe Loader	$ -	$ 80,700
Knuckleboom Loader	-	122,914
Ford F-150	15,259	-
Animal Control Truck	21,475	-
2012 Street Sweeper	152,105	-
International 7500 Dump Truck	82,878	-
2014 Side Arm Tractor	117,337	-
2015 Front End Loader	144,600	-
	533,654	203,614
Less Accumulated Depreciation	(370,616)	(40,703)
Total	$ 163,038	$ 162,911

NOTE 8 – DEBT OBLIGATIONS, CONTINUED

The following is a schedule of the future minimum lease payments required under these capital leases and the present value of the net minimum lease payments at June 30, 2017:

Year Ending June 30:	Governmental-Type Activities	Business-Type Activities
2018	$ 56,242	$ 43,868
2019	56,242	43,868
2020	32,895	43,868
2021	2,565	29,944
Total Minimum Lease Payments	147,944	161,548
Less: Amount Representing Interest	(5,448)	(8,622)
Present Value of Future Minimum Lease Payments	$ 142,496	$ 152,926

NOTE 9 – LINES OF CREDIT

The Water and Sewer Fund has a line of credit with the Georgia Environmental Finance Authority (GEFA) in the initial amount of $3,500,000. Interest at the rate of 0.65% is due monthly. The line is used for upgrading and replacing the residential and commercial water meters and backflow preventers connected to the City's water and sewer system. The line of credit will convert to an amortizing loan upon completion of the project. $500,000 of the $3,500,000 borrowed will be forgiven and recognized by the City as revenue. All other amounts advanced will remain as liabilities. At June 30, 2017, $17,143 was drawn on the line of credit. Conversion to permanent financing is expected to occur during the next fiscal year.

NOTE 10 – INTERFUND TRANSFERS

During the course of normal operations, the City has numerous transactions between funds including expenditures and transfers of resources to provide services. Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers and are reported as other financial sources (uses) in the Governmental Funds and transfers section in the Proprietary Funds.

Transfers between funds during the year ended June 30, 2017 were as follows:

	Transfers In	Transfers Out
General Fund	$ 227,331	$ -
Wayfest Fund	-	492
Okefenokee Fund	492	-
Hotel/Motel Tax Fund	-	227,331
	$ 227,823	$ 227,823

NOTE 11 – INTERFUND RECEIVABLE AND PAYABLE BALANCES

During the course of its operations, the City has numerous transactions between funds to finance operations, provide services, construct assets, and service debt. To the extent that certain transactions between funds had not been paid or received as of June 30, 2017, balances of interfund amounts receivable or payable have been recorded.

Individual fund interfund receivable and payable balances at June 30, 2017 are as follows:

	Interfund Receivables	Interfund Payables
Major Govermental Funds		
General Fund:		
Public Utilities	750,000	100,000
Other Governmental Funds	26,000	-
Internal Service Funds	-	296,957
	776,000	396,957
Non-major Governmental Funds:		
ATM Machine Fund	-	26,000
Capital Reserve Fund	193,592	375,000
	193,592	401,000
Total Govermental Funds	969,592	797,957
Major Business-type Funds		
Public Utilities:		
General Fund	100,000	750,000
Internal Service Funds	253,000	-
Capital Reserve Fund	375,000	-
	728,000	750,000
Internal Service Funds:		
General Fund	296,957	-
Public Utilities	-	253,000
Capital Reserve Fund	-	193,592
Other Internal Service Funds	426,250	426,250
	723,207	872,842
Totals	$ 2,420,799	$ 2,420,799

NOTE 12 – FUND EQUITY

Fund balances at June 30, 2017 are classified as follows:

Nonspendable – The following fund balances are nonspendable because they are allocated to:

General Fund:	
Inventories	$ 25,243
Prepaid expenditures	14,751
Total Nonspendable	$ 39,994

Restricted – The following fund balances are restricted for:

Special Revenue Funds:	
Forfeited Property Fund - used to account for funds received from property forfeitures.	$ 14,537
Jail Fund - used to account for vending revenue of the jail.	1,031
FEMA Grants Fund - used to account for expenditures of FEMA grants.	566
EIP Revolving Loan Fund - used to account for revolving loans issued to local businesses.	161,970
Misc Grant Fund - used to account for expenditures of miscellaneous small grants.	17,312
Hotel/Motel Tax Fund - used to account for hotel/motel tax revenues.	89,179
Waycross Fire Dept Fund - used to account for contributions and miscellaneous grants received for the purpose of fire department expenditures.	6,221
Total Restricted for Special Revenue	$ 290,816

NOTE 12 – FUND EQUITY, CONTINUED

Capital Projects Funds:	
SPLOST 2008-2013 Fund - used to account for capital projects financed with special purpose local option sales tax.	$ 1,076,510
SPLOST 2014 Fund - used to account for capital projects financed with special purpose local option sales tax.	4,564,568
LMIG Fund - used to account for capital projects financed with Georgia DOT local maintenance improvement program.	218,954
Total Restricted for Capital Projects	$ 5,860,032
Total Restricted Fund Balance	$ 6,150,848

Committed – The following fund balances are committed to:

Special Revenue Funds:	
Community Development Fund - used to account for miscellaneous revenues that are committed to community development expenditures.	$ 69,541
Cemetery Trust Fund - used to account for funds that accumulated for future cemetery improvements and expansion.	78,253
Total Committed Fund Balance	$ 147,794

Assigned – The following fund balances are assigned to:

Special Revenue Funds:	
WPD Info Technology Fund - used to account for fines and forfeitures that are restricted for the use of police department information technology expenditures.	$ 22,521
Misc Fund - used to account for donations for the purpose of upkeep and improvements to Henry Walker Park	5,170
Fallen Firefighers Scholarship Fund - used to account for donations for the purpose of awarding scholarships	11,843
Okefenokee Classic Fund - used to account for activity involving Okefenokee classic and related community events	1,003
Total Assigned Fund Balance	$ 40,537

NOTE 12 – FUND EQUITY, CONTINUED

Unassigned – The City's policy is to maintain an adequate General Fund unassigned fund balance to provide liquidity in the event of economic downturn or natural disaster.

The following balances are unassigned:

General Fund	$ 562,081
Capital Reserve Fund - negative committed fund balance reported as unassigned.	(35,367)
ATM Machine Fund - used to account for activity involving ATM machine used at community events	2,200
Cemetery Fund - negative committed fund balance reported as unassigned.	(38,675)
Total Unassigned Fund Balance	$ 490,239

NOTE 13 – EMPLOYEE RETIREMENT PLAN

Plan Description

The City's defined benefit pension plan, the City of Waycross Retirement Plan (the Plan), provides retirement and disability benefits and death benefits to plan members and beneficiaries. The Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for cities in the State of Georgia. The City is assigned the authority to establish and amend benefit provisions of the Plan. GMEBS issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303, or by calling (404) 688-0472.

Employees Covered Under the Plan

Effective January 1, 2015, the Plan was amended to provide for immediate participation for employees. At June 30, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	161
Inactive employees entitled to but not yet receiving benefits	62
Active employees	203
Total covered employees	426

NOTE 13 – EMPLOYEE RETIREMENT PLAN - CONTINUED

Funding Policy

Employees are not required to contribute to the Plan. The Plan is subject to the minimum funding standards of the Public Retirement Systems Standards Law (Georgia Code Section 47-20-10). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the City contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the City reported a liability of $7,158,663 as its net pension liability. The net pension liability was measured as of September 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016. The City's net pension liability was based on the projection of the City's long-term contributions to the pension plan, actuarially determined at January 1, 2017.

NOTE 13 – EMPLOYEE RETIREMENT PLAN - CONTINUED

The following is a schedule reconciles the differences between the beginning and ending net pension liability for the year ended June 30, 2017:

Changes in Net Pension Liability	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (NPL) (a) - (b)
Balances at September 30, 2015*	$ 25,179,578	$ 17,847,013	$ 7,332,565
Changes for the year:			
Service cost	207,015	-	207,015
Interest	1,892,540	-	1,892,540
Differences between expected and actual experience	720,404	-	720,404
Contributions - employer	-	1,052,861	(1,052,861)
Contributions - employee	-	-	-
Net investment income	-	1,970,741	(1,970,741)
Benefit payments, including refunds of employee contributions	(1,519,404)	(1,519,404)	-
Administrative expense	-	(29,741)	29,741
Other	-	-	-
Net changes	1,300,555	1,474,457	(173,902)
Balances at September 30, 2016**	$ 26,480,133	$ 19,321,470	$ 7,158,663

**Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2016 are used to measure TPL as of September 30, 2015. The balances as of September 30, 2015 constitute measurements of the NPL for the fiscal year ending June 30, 2016.*
***Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2017 are used to measure TPL as of September 30, 2016. The balances as of September 30, 2016 constitute measurements of the NPL for the fiscal year ending June 30, 2017.*

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report.

NOTE 13 – EMPLOYEE RETIREMENT PLAN, CONTINUED

For the year ended June 30, 2017, the City recognized pension expense of $965,167. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or methods, and plan benefits. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 917,361	$ -
Changes of assumptions	-	163,157
Net difference between projected and actual earnings on pension plan investments	695,625	719,824
City contributions subsequent to the measurement date	881,959	-
Total	$ 2,494,945	$ 882,981

Deferred outflows of resources and deferred inflows of resources above represent the unamortized portion of changes to the net pension liability to be recognized in future periods in a systematic and rational manner, as detailed below.

$881,959 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future years as follows:

Year Ending June 30,	Deferred Outflows of Resources	Deferred Inflows of Resources
2016	$ 601,485	$ (401,703)
2017	599,525	(238,546)
2018	411,976	(121,366)
2019	-	(121,366)
2020	-	-
Thereafter	-	-
Total	$ 1,612,986	$ (882,981)

NOTE 13 – EMPLOYEE RETIREMENT PLAN, CONTINUED

Actuarial Methods and Assumptions

The total pension liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions. Total pension liability represents the actuarial present value of projected benefit payments attributable to past periods of service for current and inactive employees.

Actuarial Cost Method	Entry Age Normal
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 10 years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Inflation	3.25%
Net Investment Rate of Return	7.75%
Projected Salary Increases	3.25% plus service based merit increases
Cost of Living Adjustments	0.00%
Retirement Age:	
Normal	65 with 5 years of service
Early	55 with 10 years of service
Mortality:	
Healthy	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.
Disabled	RP-2000 Disabled Retiree Mortality Table with sex-distinct rates
Plan termination basis (all lives)	1994 Group Annuity Reserving Unisex Table

The mortality and economic actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

NOTE 13 – EMPLOYEE RETIREMENT PLAN, CONTINUED

The 7.75% long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target allocation as of September 30, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.75%
International equity	20%	7.45%
Global fixed income	5%	3.30%
Fixed income	20%	1.75%
Real estate	10%	4.55%
Cash	0%	
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.75%, which is the same as the long-term expected rate of return. The projection of cash flows used to determine the discount rate assumed that contributions from the City will continue to be made at the recommended rates each year, actuarially determined. Based on that assumption, the pension fund's fiduciary net position was projected to be available to make all projected future benefit payments. In theory, the discount rate may differ from the long-term expected rate of return discussed previously. However, based on the projected availability of the pension fund's fiduciary net position, the discount rate is equal to the long-term expected rate of return on pension plan investments, and it was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the City's net pension liability calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point higher or lower than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net pension liability	$ 10,173,438	$ 7,332,565	$ 4,614,476

NOTE 14 – DEFERRED COMPENSATION PLAN

City of Waycross Deferred Compensation Plan

The City offers its employees a deferred compensation plan in accordance with IRS Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The City funds are amounts of compensation deferred under the plan, at the direction of the covered employee, through investments in fixed and variable annuity contracts underwritten by Nationwide Life Insurance Company.

In accordance with current GASB pronouncements, the deferred compensation plan is no longer included in the financial statements. Plan assets are held in trust for the benefit of the plan participants and their beneficiaries, and will not be diverted for any other purpose. Amendments to the laws governing Section 457, deferred compensation plans, substantially became effective January 1, 1997.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

The City has participated in a number of federally assisted grant programs, principal of which are the FEMA Grant, CHIP Grants, and CDBG Grants. These programs are subject to program compliance audits by the grantors or their representatives. Such audits could result in request for reimbursement by the Federal and State agencies for expenditures disallowed under the terms and conditions of the appropriate agency. The amount of expenditures which may be disallowed by granting agencies cannot be determined at this time; although, the City expects such amounts, if any, to be immaterial.

Various claims and lawsuits are pending against the City. The City estimates that the potential claims from the pending lawsuits against the City, not covered by insurance, would not materially affect the financial statements of the City.

NOTE 16 – JOINT VENTURES/RELATED ORGANIZATIONS

Under Georgia law, the City, in conjunction with other cities and counties in the eighteen county south Georgia area, is a member of the Southern Georgia Regional Development Commission (SGRC) and is required to pay annual dues thereto. During the year ended June 30, 2017 the City paid $17,566 in such dues. Membership in the SGRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RCs in Georgia. The RC Board membership includes elected officials from member counties and cities and nonpublic appointed members. The law defines RCs as "public agencies and instrumentalities of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of an RC beyond its resources. Separate financial statements may be obtained from:

Southern Georgia Regional Commission
1725 South Georgia Parkway
Waycross, Georgia 31503

The Housing Authority of the City of Waycross, Georgia is considered a related organization based upon the criteria in GASB Statement 14. The Housing Authority is a legally separate entity having a board composed of a majority of members appointed originally by the City of Waycross, Georgia. The City of Waycross, Georgia is not able to impose its will upon the Housing Authority and a financial benefit/burden relationship does not exist between them. Therefore, based upon the criteria above, the Housing Authority of the City of Waycross, Georgia is a related organization.

NOTE 17 – RISK MANAGEMENT

The City is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. During the fiscal year 1992, the City established internal service funds to account for and finance its uninsured risks of loss. The City maintains commercial insurance coverage covering general liability claims and property damage claims.

The City established a limited risk management program for health insurance in July 1991. The plan provides coverage for up to a maximum of $80,000 for each individual claim with a $1,000,000 lifetime maximum.

In January 1992, the City established a limited risk program for workers' compensation. The City hired Corvel Corporation as administrator for this program. The plan provides coverage for up to a maximum of $350,000 for each worker's compensation claim. The City purchases commercial insurance for these claims in excess of coverage provided by these funds and for all other insignificant risks of loss. Settled claims in the past three years have not exceeded the commercial coverages.

All funds of the City participate in the program and make payments to the funds based on estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses.

Self-Insurance

The City maintains the Health Insurance Fund to account for the City's employee health care coverage, which is self-insured by the City. The City has established an internal service fund to account for its self-insurance program. The purpose of this fund is to pay medical insurance claims of the City employees and their covered dependents and minimize the total costs of annual insurance to the municipality. The private insurance carrier determines premium payments to be made by the City. Annual claims are paid from accumulated premium payments, and claims exceeding accumulated premium payments are paid by the private insurance carrier. Estimated claims incurred, but not reported, of $100,916 have been recorded as of June 30, 2017. Dependent coverage is funded by charges to employees. Revenues are recognized from payroll deductions and City contributions. The Claims liability of $100,916 reported in the Health Insurance Fund at June 30, 2017 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the claims liability amount in the fiscal years 2015-2017 were:

Fiscal Year	Balance Beginning of Fiscal Year	Claims and Changes in Estimates	Claims Payments	Balance End of Fiscal Year
2015	149,516	2,338,684	2,150,891	337,309
2016	337,309	2,122,748	2,253,891	206,166
2017	206,166	2,177,343	2,282,593	100,916

NOTE 17 – RISK MANAGEMENT, CONTINUED

Also, the City has established an internal service fund to account for its self-insurance program relating to workers compensation insurance. The purpose of this fund is to pay worker's compensation claims of the city employees while minimizing the total costs to the municipality. The City maintains a stop-loss policy with a private insurance company. City officials believe that the reserve in this fund is adequate to cover any incurred, but not reported, losses through the statement date. Changes in the claims liability amount in the fiscal years 2015-2017 were:

Fiscal Year	Balance Beginning of Fiscal Year	Claims and Changes in Estimates	Claims Payments	Balance End of Fiscal Year
2015	22,415	345,534	344,563	23,386
2016	23,386	493,609	472,745	44,250
2017	44,250	321,747	339,947	26,050

NOTE 18 – OTHER POST EMPLOYMENT BENEFITS

The City provides certain health care benefits for retired employees through a single employer Other Post Employment Benefit plan, in which all employees may become eligible for benefits if they qualify for early retirement or normal retirement (See Note 12). The plan is administered by an independent third party administrator, Group Resources. All retired employees are provided $1,000 of life insurance coverage which is fully funded by insurance. The total cost to provide retiree health care benefits is paid from the Health Insurance Fund, an internal service fund, and is recognized as paid. The plan does not issue separate financial statements. The City also provides health care benefits for terminated employees who elected coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) for a period of 18 to 24 months. Employees electing this coverage pay 100% of the premium.

As of July 1, 2016, employee membership data relative to the OPEB plan consist of the following:

Current Retirees, beneficiaries, and dependents	18
Current active participants	196
Total membership in the plan	214

Summary of Significant Accounting Policies

The accrual basis of accounting is used with respect to the recognition in the financial statements of contributions in the form of insurance premiums made to the plan. Plan investments, if any, are reported at their fair value at the reporting date. As of June 30, 2017 the plan reported no assets.

Funding Policy

The contribution requirements are established and may be amended by the City. Funding for the plan is derived from member contributions and employer contributions. A retired employee, who is participating in the employer's medical program is eligible to elect post-retirement coverage if they retire at or after age 65 with 5 year of service, age 60 with 30 years of service or age 55 with at least 10 years of service, and eligible for immediate early retirement benefits under the City of Waycross Retirement Plan. Retirees pay a flat portion of the premium in effect at their retirement date for medical coverage and dental coverage.

NOTE 18 – OTHER POST EMPLOYMENT BENEFITS, CONTINUED

Annual OPEB Cost and Net OPEB Obligation

The City's most recent actuarial valuation was performed for the plan as of July 1, 2016 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the period according to the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The City's annual OPEB cost is $449,422.

The following table reflects the components of the City's annual OPEB costs for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation:

Net OPEB (NOO) as of July 1, 2016	$	668,924
Annual Required Contributions (ARC)		449,422
Interest on Existing (NOO)		26,757
ARC Adjustment		(37,196)
Annual OPEB Cost		438,983
Annual Employer Contribution		(352,806)
Change in Net OPEB Obligation		86,177
Net OPEB Obligation as of June 30, 2017	$	755,101

The City's annual OPEB cost, the percentage of annual cost contributed to the plan, and the net OPEB obligation is as follows:

Year Ended		OPEB Cost	Annual OPEB Cost Contributed		OPEB Obligation
6/30/2017	$	449,422	78.5%	$	755,101
6/30/2016		397,170	69.5%		668,924
6/30/2015		397,170	55.9%		556,308
6/30/2014		305,000	94.4%		387,000
6/30/2013		298,000	87.6%		370,000
6/30/2012		218,000	66.1%		333,000

NOTE 18 – OTHER POST EMPLOYMENT BENEFITS, CONTINUED

Funded Status and Funding Progress

Actuarial valuation date		July 1, 2016
Actuarial value of assets	$	-
Actuarial accrued liability		5,003,527
Total unfunded actuarial liability		5,003,527
Funded ratio		0.00%
Annual covered payroll	$	6,658,368
Ratio of unfunded actuarial liability to annual covered payroll		75.15%

Date prior to 2009 is not available. As the Plan gains experience, this table and the schedules found in the Required Supplementary Information section will show multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Assumptions and Methods

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. As such, actuarial calculations reflect a long-term perspective. Actuarial determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets. Significant actuarial assumptions and other information used to compute the actuarial accrued liability and the annual required contribution of the plans are as follows:

Actuarial Method	
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	2.5% Increase over 30 years, Level dollar, open
Remaining Amortization period	30 years as of July 1, 2016
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	7% prefunded or 4% pay-as-you-go
Medical and drug cost trend rate	9% graded to 5% over 9 years

Full participation by the eligible population is assumed. The valuation does not use a core inflation rate directly, although inflation trends are reviewed to ensure consistency in the selection of the discount rate and the medical trend rate. Calculations are based on the types of benefits provided under the plan at the time of each valuation and on the pattern of cost sharing between the employer and plan members to that point. The City has not entered into any long-term contracts for contributions to the Plan with any party, and accordingly, there were not amounts of contractually required contributions outstanding at the report date.

REQUIRED SUPPLEMENTAL INFORMATION

Required supplemental information includes financial information and disclosures that are required by the GASB but are not considered part of the basic financial statements. Such information includes:

- Schedule of Changes in the Net Pension Liability – Last 10 Fiscal Years
- Schedule of Pension Contributions – Last 10 Fiscal Years
- Notes to Pension Schedules
- Schedule of Funding Progress - Other Post-Employment Benefits
- Budgetary Comparison Schedule – General Fund

CITY OF WAYCROSS, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY - LAST 10 FISCAL YEARS

	Year Ended June 30:									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2007
Total pension liability										
Service cost	$ 207,015	$ 227,258	$ 251,053							
Interest	1,892,540	1,792,817	1,793,391							
Differences between expected and actual experience	720,404	750,194	7,838							
Changes of assumptions	-	-	(652,628)							
Changes of benefit terms	-	-	-	(Historical information prior to implementation of GASB 68 is not required)						
Benefit payments, including refunds of employee contributions	(1,519,404)	(1,447,622)	(1,366,508)							
Net change in total pension liability	1,300,555	1,322,647	33,146							
Total pension liability - beginning	25,179,578	23,856,931	23,823,785							
Total pension liability - ending (a)	$26,480,133	$25,179,578	$ 23,856,931							
Plan fiduciary net position										
Contributions - employer	$ 1,052,861	$ 1,271,784	$ 1,346,236							
Contributions - employee	-	-	-							
Net investment income	1,970,741	215,191	1,828,654							
Benefit payments, including refunds of employee contributions	(1,519,404)	(1,447,622)	(1,366,508)	(Historical information prior to implementation of GASB 68 is not required)						
Administrative expense	(29,741)	(33,233)	(26,282)							
Other	-	-	-							
Net change in fiduciary net position	1,474,457	6,120	1,782,100							
Plan fiduciary net position - beginning	17,847,013	17,840,893	16,058,793							
Plan fiduciary net position - ending (b)	$19,321,470	$17,847,013	$ 17,840,893							
Net pension liability - ending (a)-(b)	$ 7,158,663	$ 7,332,565	$ 6,016,038							
Plan's fiduciary net position as a percentage of the total pension liability	72.97%	70.88%	74.78%	(Historical information prior to implementation of GASB 68 is not required)						
Covered employee payroll	$ 7,006,241	$ 6,658,368	$ 6,733,231							
Net pension liability as a percentage of covered employee payroll	102.18%	110.13%	89.35%							

CITY OF WAYCROSS, GEORGIA
SCHEDULE OF PENSION CONTRIBUTIONS - LAST 10 FISCAL YEARS

	Year Ended June 30:									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2007
Actuarially determined contribution	- *	1,142,494	1,313,925							
Contributions in relation to the actuarially determined contribution	- *	1,047,286	1,314,801							
Contribution deficiency (excess)	- *	95,208	(876)	(Historical information prior to implementation of GASB 68 is not required)						
Covered employee payroll	- *	6,658,368	6,733,231							
Contributions as a percentage of covered employee payroll	- *	15.73%	19.53%							

* 2017 information will be determined after fiscal year end and will be included in the 2018 valuation report.

NOTE 1 – SIGNIFICANT METHODS AND ASSUMPTIONS

Valuation Date

The actuarially determined contribution rate was determined as of January 1, 2017, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2018.

Actuarial Methods and Assumptions

The following actuarial methods and assumptions were used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	Varies for the bases, with a net effective amortization period of 10 years
Asset Valuation Method	Sum of actuarial value at beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Inflation	3.25%
Net Investment Rate of Return	7.75%
Projected Salary Increases	3.25% plus service based merit increases
Cost of Living Adjustments	0.00%
Retirement Age:	
Normal	65 with 5 years of service
Early	55 with 10 years of service
Mortality:	
Healthy	RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and one year for females.
Disabled	RP-2000 Disabled Retiree Mortality Table with sex-distinct rates
Plan termination basis (all lives)	1994 Group Annuity Reserving Unisex Table

NOTE 2 – CHANGES IN ASSUMPTIONS AND BENEFITS

The following describes assumption and benefit changes reflected in the last two years. For earlier changes, please see prior year reports.

Changes in Assumptions

As a result of the new administrative fee structure approved by the Board, the administrative expense assumption was updated for fiscal years beginning in 2016.

Benefit Changes

There were no changes in benefit provisions in the last two fiscal years.

CITY OF WAYCROSS, GEORGIA
REQUIRED SUPPLEMENTAL INFORMATION
UNAUDITED

Funded Status and Funding Progress: Other Post Employment Benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)
7/1/2008	-	2,660,000	2,660,000	0.00%
7/1/2010	-	2,664,000	2,664,000	0.00%
7/1/2012	-	4,386,000	4,386,000	0.00%
7/1/2014	-	4,206,176	4,206,176	0.00%
7/1/2016	-	5,003,527	5,003,527	0.00%

AAL based on a pay-as-you-go-plan

CITY OF WAYCROSS, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues				
Taxes	$ 9,448,653	$ 9,448,653	$ 8,961,003	$ (487,650
Fees and fines	432,794	432,794	326,268	(106,526
Licenses and permits	857,600	857,600	880,668	23,068
Intergovernmental	141,000	141,000	364,265	223,265
Charges for services	36,580	36,580	29,998	(6,582
Investment earnings	4,500	4,500	2,305	(2,195
Miscellaneous	219,400	219,400	203,918	(15,482
Transfers In	181,348	181,348	227,331	45,983
Total Revenues	11,321,875	11,321,875	10,995,756	(326,119
Expenditures				
Current:				
General government	539,348	618,046	333,617	284,429
Public safety	7,994,647	7,920,578	7,837,205	83,373
Public works	1,843,982	1,843,783	1,761,518	82,265
Community development	791,484	780,039	771,251	8,788
Debt Service:				
Principal	141,354	147,860	142,496	5,364
Interest and other charges	11,060	11,569	11,149	420
Total Expenditures	11,321,875	11,321,875	10,857,236	464,639
Excess (Deficiency) Of Revenues Over Expenditures	-	-	138,520	138,520
Fund Balances - Beginning of Year	463,555	463,555	463,555	-
Fund Balances - Ending of Year	$ 463,555	$ 463,555	$ 602,075	$ 138,520

COMBINING AND INDIVIDUAL FUND SCHEDULES

CITY OF WAYCROSS, GEORGIA
BUDGETARY COMPARISON SCHEDULE
SPLOST 2008-2013 FUND
FOR THE YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues				
Interest	$ -	$ -	$ 11,177	$ 11,177
Total Revenues	-	-	11,177	11,177
Expenditures				
Current:				
Capital Outlay	2,850,000	2,850,000	1,527,989	1,322,011
Total Expenditures	2,850,000	2,850,000	1,527,989	1,322,011
(Deficiency) Of Revenues Over Expenditures	(2,850,000)	(2,850,000)	(1,516,812)	1,333,188
Fund Balances - Beginning of Year	2,593,322	2,593,322	2,593,322	-
Fund Balances - Ending of Year	$ (256,678)	$ (256,678)	$ 1,076,510	$ 1,333,188

CITY OF WAYCROSS, GEORGIA
BUDGETARY COMPARISON SCHEDULE
SPLOST 2014 FUND
FOR THE YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues				
Intergovernmental	$ 2,300,000	$ 2,300,000	$ 2,331,322	$ 31,322
Interest	-	-	13,306	13,306
Total Revenues	2,300,000	2,300,000	2,344,628	44,628
Expenditures				
Capital Outlay	4,055,000	4,055,000	909,387	3,145,613
Total Expenditures	4,055,000	4,055,000	909,387	3,145,613
Excess (Deficiency) Of Revenues Over Expenditures	(1,755,000)	(1,755,000)	1,435,241	3,190,241
Fund (Deficit) - Beginning of Year	3,129,327	3,129,327	3,129,327	-
Fund (Deficit) - Ending of Year	$ 1,374,327	$ 1,374,327	$ 4,564,568	$ 3,190,241

CITY OF WAYCROSS, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	SPECIAL REVENUE FUNDS						
	CEMETARY	FORFEITED PROPERTY	JAIL FUND	WPD INFO TECHNOLOGY	COMMUNITY DEVELOPMENT	EIP REVOLVING LOAN	FIRE DEPARTMENT
ASSETS							
Cash and cash equivalents	$ -	$ 14,537	$ 1,031	$ 22,521	$ 69,541	$ 75,116	$ 6,221
Due from other funds	-	-	-	-	-	-	-
Receivable from other governments	-	-	-	-	-	-	-
Other receivables	5,325	-	-	-	-	86,854	-
Total assets	5,325	14,537	1,031	22,521	69,541	161,970	6,221
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	44,000	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Total liabilities	44,000	-	-	-	-	-	-
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balances:							
Restricted	-	14,537	1,031	-	-	161,970	6,221
Committed	-	-	-	-	69,541	-	-
Assigned	-	-	-	22,521	-	-	-
Unassigned	(38,675)	-	-	-	-	-	-
Total fund balances	(38,675)	14,537	1,031	22,521	69,541	161,970	6,221
Total liabilities, deferred inflows and fund balances	$ 5,325	$ 14,537	$ 1,031	$ 22,521	$ 69,541	$ 161,970	$ 6,221

CITY OF WAYCROSS, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	SPECIAL REVENUE FUNDS							
	GEMA GRANTS	FEMA GRANTS	MISC GRANTS	HOTEL/MOTEL TAX	MISC FUND	CEMETARY TRUST	WAYFEST	FALLEN FIREFIGHTERS SCHOLARSHIP
ASSETS								
Cash and cash equivalents	$ -	$ 566	$ 17,312	$ 89,689	$ 5,170	$ 78,253	$ -	$ 11,843
Due from other funds	-	-	-	-	-	-	-	-
Receivable from other governments	74,336	-	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-	-	-
Total assets	74,336	566	17,312	89,689	5,170	78,253	-	11,843
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	74,336	-	-	510	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Total liabilities	74,336	-	-	510	-	-	-	-
Deferred Inflows of Resources								
Unavailable revenue	-	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-	-
Fund balances:								
Restricted	-	566	17,312	89,179	-	-	-	-
Committed	-	-	-	-	-	78,253	-	-
Assigned	-	-	-	-	5,170	-	-	11,843
Unassigned	-	-	-	-	-	-	-	-
Total fund balances	-	566	17,312	89,179	5,170	78,253	-	11,843
Total liabilities and fund balances	$ 74,336	$ 566	$ 17,312	$ 89,689	$ 5,170	$ 78,253	$ -	$ 11,843

CITY OF WAYCROSS, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	SPECIAL REVENUE FUNDS		CAPITAL PROJECT FUNDS				
	ATM MACHINE	OKEFENOKEE CLASSIC	CAPITAL RESERVE	LMIG	GEFA PROJECT	CDBG GRANT 16P-X-148-2-5892	TOTAL OTHER GOVERNMENTAL FUNDS
ASSETS							
Cash and cash equivalents	$ 28,200	$ 1,003	$ 146,041	$ 218,954	$ -	$ -	$ 785,998
Due from other funds	-	-	193,592	-	-	-	193,592
Receivable from other governments	-	-	-	-	-	83,484	157,820
Other receivables	-	-	-	-	-	-	92,179
Total assets	28,200	1,003	339,633	218,954	-	83,484	1,229,589
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	-	-	-	-	-	83,484	202,330
Due to other funds	26,000	-	375,000	-	-	-	401,000
Total liabilities	26,000	-	375,000	-	-	83,484	603,330
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balances:							
Restricted	-	-	-	218,954	-	-	509,770
Committed	-	-	-	-	-	-	147,794
Assigned	-	1,003	-	-	-	-	40,537
Unassigned	2,200	-	(35,367)	-	-	-	(71,842)
Total fund balances	2,200	1,003	(35,367)	218,954	-	-	626,259
Total liabilities, deferred inflows and fund balances	$ 28,200	$ 1,003	$ 339,633	$ 218,954	$ -	$ 83,484	$ 1,229,589

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	SPECIAL REVENUE FUNDS						
	CEMETARY	FORFEITED PROPERTY	JAIL FUND	WPD INFO TECHNOLOGY	COMMUNITY DEVELOPMENT	EIP REVOLVING LOAN	FIRE DEPARTMENT
REVENUES							
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fees	-	1,111	-	16,776	-	-	1,000
Intergovernmental	-	-	-	-	-	-	-
Investment earnings	-	1	-	-	-	162	-
Miscellaneous	194,496	-	2,943	-	1,399	4,623	7,526
Total revenues	194,496	1,112	2,943	16,776	1,399	4,785	8,526
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public Safety	-	9,233	2,038	11,301	-	-	6,662
Community development	195,905	-	-	-	5,556	-	-
Capital outlay	-	-	-	-	-	-	-
Total Expenditures	195,905	9,233	2,038	11,301	5,556	-	6,662
Excess (deficiency) of revenues over expenditures	(1,409)	(8,121)	905	5,475	(4,157)	4,785	1,864
OTHER FINANCING SOURCES (USES)							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources and (uses)	-	-	-	-	-	-	-
Net change in fund balances	(1,409)	(8,121)	905	5,475	(4,157)	4,785	1,864
Fund balances - beginning	(37,266)	22,658	126	17,046	73,698	157,185	4,357
Fund balances - ending	$ (38,675)	$ 14,537	$ 1,031	$ 22,521	$ 69,541	$ 161,970	$ 6,221

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	SPECIAL REVENUE FUNDS							
	GEMA GRANTS	FEMA GRANTS	MISC GRANTS	HOTEL/MOTEL TAX	MISC FUND	CEMETARY TRUST	WAYFEST	FALLEN FIREFIGHTERS SCHOLARSHIP
REVENUES								
Taxes	$ -	$ -	$ -	$ 379,885	$ -	$ -	$ -	$ -
Fees	-	-	-	-	-	-	-	-
Intergovernmental	74,336	-	3,935	-	-	-	-	-
Investment earnings	-	-	-	-	175	-	-	-
Miscellaneous	-	-	-	-	-	-	1	5,771
Total revenues	74,336	-	3,935	379,885	175	-	1	5,771
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public Safety	74,336	-	-	-	-	-	-	-
Community development	-	-	-	118,228	-	-	97	3,000
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	74,336	-	-	118,228	-	-	97	3,000
Excess (deficiency) of revenues over expenditures	-	-	3,935	261,657	175	-	(96)	2,771
OTHER FINANCING SOURCES (USES)								
Transfers in	-	-	-	-	-	-	-	-
Transfers out	-	-	-	(227,331)	-	-	(492)	-
Total other financing sources and (uses)	-	-	-	(227,331)	-	-	(492)	-
Net change in fund balances	-	-	3,935	34,326	175	-	(588)	2,771
Fund balances - beginning	-	566	13,377	54,853	4,995	78,253	588	9,072
Fund balances - ending	$ -	$ 566	$ 17,312	$ 89,179	$ 5,170	$ 78,253	$ -	$ 11,843

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

			CAPITAL PROJECT FUNDS				
	ATM MACHINE	OKEFENOKEE CLASSIC	CAPITAL RESERVE	LMIG	GEFA PROJECT	CDBG GRANT 16P-X-148-2-5892	TOTAL OTHER GOVERNMENTAL FUNDS
REVENUES							
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ 379,885
Fees	632	-	-	-	-	-	19,519
Intergovernmental	-	-	-	393,954	20,000	83,484	575,709
Investment earnings	83	-	-	-	-	-	421
Miscellaneous	-	28,013	-	-	-	-	244,772
Total revenues	715	28,013	-	393,954	20,000	83,484	1,220,306
EXPENDITURES							
Current:							
General government	210	-	-	-	-	-	210
Public Safety	-	-	-	-	-	-	103,570
Community development	-	27,502	-	-	-	-	350,288
Capital outlay	-	-	-	344,094	20,000	83,484	447,578
Total Expenditures	210	27,502	-	344,094	20,000	83,484	901,646
Excess (deficiency) of revenues over expenditures	505	511	-	49,860	-	-	318,660
OTHER FINANCING SOURCES (USES)							
Transfers in	-	492	-	-	-	-	492
Transfers out	-	-	-	-	-	-	(227,823)
Total other financing sources and (uses)	-	492	-	-	-	-	(227,331)
Net change in fund balances	505	1,003	-	49,860	-	-	91,329
Fund balances - beginning	1,695	-	(35,367)	169,094	-	-	534,930
Fund balances - ending	$ 2,200	$ 1,003	$ (35,367)	$ 218,954	$ -	$ -	$ 626,259

CITY OF WAYCROSS, GEORGIA
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ 165,194	$ 165,194	$ 194,496	$ 29,302
Transfers In	44,000	44,000	-	(44,000
Total Revenues	209,194	209,194	194,496	(14,698
Expenditures:				
Community development	209,194	209,194	195,905	13,289
Total Expenditures	209,194	209,194	195,905	13,289
Revenues Over (Under) Expenditures	-	-	(1,409)	(1,409
Fund (Deficit) - Beginning	(37,266)	(37,266)	(37,266)	-
Fund (Deficit) - Ending	$ (37,266)	$ (37,266)	$ (38,675)	$ (1,409

CITY OF WAYCROSS, GEORGIA
FORFEITED PROPERTY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Fees	$ -	$ -	$ 1,111	$ 1,111
Investment earnings	-	-	1	1
Total Revenues	-	-	1,112	1,112
Expenditures:				
Public safety	-	-	9,233	(9,233
Total Expenditures	-	-	9,233	(9,233
Revenues And Other Financing Sources Over (Under) Expenditures	-	-	(8,121)	(8,121
Fund Balance - Beginning	22,658	22,658	22,658	-
Fund Balance - Ending	$ 22,658	$ 22,658	$ 14,537	$ (8,121

CITY OF WAYCROSS, GEORGIA
JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ -	$ -	$ 2,943	$ 2,943
Total Revenues	-	-	2,943	2,943
Expenditures:				
Public safety	-	-	2,038	(2,038
Total Expenditures	-	-	2,038	(2,038
Revenues And Other Financing Sources Over Expenditures	-	-	905	905
Fund Balance - Beginning	126	126	126	-
Fund Balance - Ending	$ 126	$ 126	$ 1,031	$ 905

CITY OF WAYCROSS, GEORGIA
WPD INFORMATION TECHNOLOGY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Fees	$ 15,000	$ 15,000	$ 16,776	$ (1,776
Total Revenues	15,000	15,000	16,776	(1,776
Expenditures:				
Public safety	25,000	25,000	11,301	13,699
Total Expenditures	25,000	25,000	11,301	13,699
Revenues And Other Financing Sources Over (Under) Expenditures	(10,000)	(10,000)	5,475	(15,475
Fund Balance - Beginning	17,046	17,046	17,046	-
Fund Balance - Ending	$ 7,046	$ 7,046	$ 22,521	$ (15,475

CITY OF WAYCROSS, GEORGIA
COMMUNITY DEVELOPMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ 6,000	$ 6,000	$ 1,399	$ (4,601
Total Revenues	6,000	6,000	1,399	(4,601
Expenditures:				
Community development	6,000	6,000	5,556	444
Total Expenditures	6,000	6,000	5,556	444
Revenues And Other Financing Sources Over (Under) Expenditures	-	-	(4,157)	(4,157
Fund Balance - Beginning	73,698	73,698	73,698	-
Fund Balance - Ending	$ 73,698	$ 73,698	$ 69,541	$ (4,157

CITY OF WAYCROSS, GEORGIA
EIP REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ 25,113	$ 28,413	$ 4,623	$ 23,790
Interest earnings	-	150	162	12
Total Revenues	25,113	28,563	4,785	23,802
Expenditures:				
General government	25,113	28,563	-	28,563
Total Expenditures	25,113	28,563	-	28,563
Revenues And Other Financing Sources Over Expenditures	-	-	4,785	52,365
Fund Balance - Beginning	157,185	157,185	157,185	-
Fund Balance - Ending	$ 157,185	$ 157,185	$ 161,970	$ 4,785

CITY OF WAYCROSS, GEORGIA
FIRE DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ 5,000	$ 8,500	$ 7,526	$ (974
Fees	1,000	-	1,000	(1,000
Total Revenues	6,000	8,500	8,526	(1,974
Expenditures:				
Public safety	6,000	8,500	6,662	1,838
Total Expenditures	6,000	8,500	6,662	1,838
Revenues And Other Financing Sources Over Expenditures	-	-	1,864	(136
Fund Balance - Beginning	4,357	4,357	4,357	-
Fund Balance - Ending	$ 4,357	$ 4,357	$ 6,221	$ (136

CITY OF WAYCROSS, GEORGIA
GEMA GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	$ 78,000	$ 75,000	$ 74,336	$ (664)
Total Revenues	78,000	75,000	74,336	(664)
Expenditures:				
Public safety	78,000	75,000	74,336	664
Total Expenditures	78,000	75,000	74,336	664
Revenues And Other Financing Sources Over Expenditures	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ -	$ -

CITY OF WAYCROSS, GEORGIA
FEMA GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
Expenditures:				
Public safety	-	-	-	-
Total Expenditures	-	-	-	-
Revenues And Other Financing Sources Over Expenditures	-	-	-	-
Fund Balance - Beginning	566	566	566	-
Fund Balance - Ending	$ 566	$ 566	$ 566	$ -

CITY OF WAYCROSS, GEORGIA
MISC GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	$ 3,900	$ 4,165	$ 3,935	$ (23C
Total Revenues	3,900	4,165	3,935	(23C
Expenditures:				
General government	3,900	4,165	-	4,165
Total Expenditures	3,900	4,165	-	4,165
Revenues And Other Financing Sources Over Expenditures	-	-	3,935	3,935
Fund Balance - Beginning	13,377	13,377	13,377	-
Fund Balance - Ending	$ 13,377	$ 13,377	$ 17,312	$ 3,935

CITY OF WAYCROSS, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Taxes	$ 308,653	$ 308,653	$ 379,885	$ (71,232
Total Revenues	308,653	308,653	379,885	(71,232
Expenditures:				
Community development	127,305	127,305	118,228	9,077
Transfers out	181,348	181,348	227,331	(45,983
Total Expenditures	308,653	308,653	345,559	(36,906
Revenues And Other Financing Sources Over Expenditures	-	-	34,326	(34,326
Fund Balance - Beginning	54,853	54,853	54,853	-
Fund Balance - Ending	$ 54,853	$ 54,853	$ 89,179	$ (34,326

CITY OF WAYCROSS, GEORGIA
MISC FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
Expenditures:				
General government	-	-	-	-
Total Expenditures	-	-	-	-
Revenues And Other Financing Sources Over Expenditures	-	-	-	-
Fund Balance - Beginning	4,995	4,995	4,995	-
Fund Balance - Ending	$ 4,995	$ 4,995	$ 4,995	$ -

CITY OF WAYCROSS, GEORGIA
CEMETERY TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
Expenditures:				
Transfers out	-	-	-	-
Total Expenditures	-	-	-	-
Revenues And Other Financing Sources Over Expenditures	-	-	-	-
Fund Balance - Beginning	78,253	78,253	78,253	-
Fund Balance - Ending	$ 78,253	$ 78,253	$ 78,253	$ -

CITY OF WAYCROSS, GEORGIA
WAYFEST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ -	$ -	$ 1	$ (1)
Total Revenues	-	-	1	(1)
Expenditures:				
Community development	-	-	97	(97)
Transfers out	-	-	492	(492)
Total Expenditures	-	-	589	(589)
Revenues And Other Financing Sources Over (Under) Expenditures	-	-	(588)	588
Fund Balance - Beginning	588	588	588	-
Fund Balance - Ending	$ 588	$ 588	$ -	$ 588

CITY OF WAYCROSS, GEORGIA
FALLEN FIREFIGHTERS SCHOLARSHIP FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ 6,000	$ 6,000	$ 5,771	$ 229
Total Revenues	6,000	6,000	5,771	229
Expenditures:				
Community development	6,000	6,000	3,000	3,000
Total Expenditures	6,000	6,000	3,000	3,000
Revenues And Other Financing Sources Over Expenditures	-	-	2,771	(2,771)
Fund Balance - Beginning	9,072	9,072	9,072	-
Fund Balance - Ending	$ 9,072	$ 9,072	$ 11,843	$ (2,771)

CITY OF WAYCROSS, GEORGIA
ATM MACHINE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Fees	$ -	$ -	$ 632	$ (632)
Investment earnings	-	-	83	(83)
Miscellaneous	-	-	-	-
Total Revenues	-	-	715	(715)
Expenditures:				
General Government	-	-	211	(211)
Total Expenditures	-	-	211	(211)
Revenues And Other Financing Sources Over Expenditures	-	-	504	(504)
Fund Balance - Beginning	1,695	1,695	1,695	-
Fund Balance - Ending	$ 1,695	$ 1,695	$ 2,199	$ (504)

CITY OF WAYCROSS, GEORGIA
OKEFENOKEE CLASSIC FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Miscellaneous	$ 28,542	$ 33,000	$ 28,013	$ 4,987
Transfers in	-	-	492	(492)
Total Revenues	28,542	33,000	28,505	4,495
Expenditures:				
Community development	28,542	33,000	27,502	5,498
Total Expenditures	28,542	33,000	27,502	5,498
Revenues And Other Financing Sources Over Expenditures	-	-	1,003	(1,003)
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ 1,003	$ (1,003)

CITY OF WAYCROSS, GEORGIA
CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
Expenditures:				
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	-
Revenues And Other Financing Sources Over Expenditures	-	-	-	-
Fund (Deficit) - Beginning	(35,367)	(35,367)	(35,367)	-
Fund (Deficit) - Ending	$ (35,367)	$ (35,367)	$ (35,367)	$ -

CITY OF WAYCROSS, GEORGIA
LMIG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	$ -	$ 400,000	$ 393,954	$ 6,046
Total Revenues	-	400,000	393,954	6,046
Expenditures:				
Capital outlay	-	400,000	344,094	55,906
Total Expenditures	-	400,000	344,094	55,906
Revenues And Other Financing Sources Over Expenditures	-	-	49,860	(49,860)
Fund Balance - Beginning	169,094	169,094	169,094	-
Fund Balance - Ending	$ 169,094	$ 169,094	$ 218,954	$ (49,860)

CITY OF WAYCROSS, GEORGIA
GEFA PROJECT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	$ 40,000	$ 20,000	$ 20,000	$ -
Total Revenues	40,000	20,000	20,000	-
Expenditures:				
Capital outlay	40,000	20,000	20,000	-
Total Expenditures	40,000	20,000	20,000	-
Revenues And Other Financing Sources Over Expenditures	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ -	$ -

CITY OF WAYCROSS, GEORGIA
CDBG GRANT 16P-X-148-2-5892
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE COMPARED TO BUDGET
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	BUDGETED AMOUNTS		ACTUAL AMOUNTS BUDGETARY BASIS	VARIANCE WITH FINAL BUDGET OVER (UNDER)
	ORIGINAL	FINAL		
Revenues:				
Intergovernmental	$ -	$ -	$ 83,484	$ 83,484
Total Revenues	-	-	83,484	83,484
Expenditures:				
Capital outlay	-	-	83,484	(83,484)
Total Expenditures	-	-	83,484	(83,484)
Revenues And Other Financing Sources Over Expenditures	-	-	-	-
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	$ -	$ -	$ -	$ -

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2017

	LIABILITY INSURANCE	HEALTH INSURANCE	RETIREMENT	WORKERS COMPENSATION	PAYROLL
ASSETS					
Current assets:					
Cash and cash equivalents	$ 687,716	$ 26,995	$ 126,421	$ 162,517	$ 25,544
Accounts Receivables, net	-	10,683	-	-	-
Due from other funds	95,913	-	217,250	346,397	3,374
Inventories	-	-	-	-	-
Prepaid Expenses	-	-	-	30,581	-
Total current assets	783,629	37,678	343,671	539,495	28,918
Non-current assets:					
Capital Assets:					
Buildings	-	-	-	-	-
Utility System	-	-	-	-	-
Equipment and Furniture	-	-	-	-	-
Less Accumulated depreciation	-	-	-	-	-
Total non-current assets	-	-	-	-	-
Total assets	783,629	37,678	343,671	539,495	28,918
LIABILITIES					
Current Liabilities:					
Accounts payable	-	2,616,571	-	26,050	11,831
Salaries payable	-	-	-	-	-
Due to other funds	-	872,842	-	-	-
Compensated absences	-	-	-	-	-
Total current liabilities	-	3,489,413	-	26,050	11,831
Total liabilities	-	3,489,413	-	26,050	11,831
NET POSITION					
Net investment in capital assets	-	-	-	-	-
Unrestricted	783,629	(3,451,735)	343,671	513,445	17,087
Total net position	$ 783,629	$ (3,451,735)	$ 343,671	$ 513,445	$ 17,087

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2017

	WAREHOUSE	CITY GARAGE	TOTAL INTERNAL SERVICE FUNDS
ASSETS			
Current assets:			
Cash and cash equivalents	$ -	$ 31,194	$ 1,060,387
Accounts Receivables, net	-	-	10,683
Due from other funds	60,273	-	723,207
Inventories	-	29,039	29,039
Prepaid Expenses	-	-	30,581
Total current assets	60,273	60,233	1,853,897
Non-current assets:			
Capital Assets:			
Buildings	-	138,321	138,321
Utility System	-	70,663	70,663
Equipment and Furniture	-	100,170	100,170
Less Accumulated depreciation	-	(308,701)	(308,701)
Total non-current assets	-	453	453
Total assets	60,273	60,686	1,854,350
LIABILITIES			
Current Liabilities:			
Accounts payable	61,273	-	2,715,725
Salaries payable	-	6,297	6,297
Due to other funds	-	-	872,842
Compensated absences	-	14,047	14,047
Total current liabilities	61,273	20,344	3,608,911
Total liabilities	61,273	20,344	3,608,911
NET POSITION			
Net investment in capital assets	-	453	453
Unrestricted	(1,000)	39,889	(1,755,014)
Total net position	$ (1,000)	$ 40,342	$ (1,754,561)

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	LIABILITY INSURANCE	HEALTH INSURANCE	RETIREMENT	WORKERS COMPENSATION	PAYROLL
REVENUES					
Charges for services	$ -	$ 450,284	$ -	$ -	$ -
Operating contributions	292,290	1,699,998	1,175,991	370,000	-
Total operating revenues	292,290	2,150,282	1,175,991	370,000	-
OPERATING EXPENSES					
Personal services	-	-	-	-	11,641
Contractual services	-	-	-	-	-
Repairs and maintenance	-	-	-	-	-
Insurance claims and expenses	236,089	2,740,830	-	414,224	-
Retirement payments	-	-	1,175,945	-	-
Depreciation	-	-	-	-	-
Total operating expenses	236,089	2,740,830	1,175,945	414,224	11,641
Operating income (loss)	56,201	(590,548)	46	(44,224)	(11,641)
NON-OPERATING REVENUES (EXPENSES)					
Interest and investment revenue	-	-	-	-	7
Miscellaneous revenue	120	10,661	-	-	-
Total non-operating revenue (expenses)	120	10,661	-	-	7
Income (loss) before contributions and transfers	56,321	(579,887)	46	(44,224)	(11,634)
Transfers out	-	-	-	-	-
Change in net position	56,321	(579,887)	46	(44,224)	(11,634)
Total net position - beginning	727,308	(2,871,848)	343,625	557,669	28,721
Total net position - ending	$ 783,629	$ (3,451,735)	$ 343,671	$ 513,445	$ 17,087

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	WAREHOUSE	CITY GARAGE	TOTAL INTERNAL SERVICE FUNDS
REVENUES			
Charges for services	$ -	$ -	$ 450,284
Operating grants and contributions	106,738	366,718	4,011,735
Total operating revenues	106,738	366,718	4,462,019
OPERATING EXPENSES			
Personal services	110,208	306,610	428,459
Contractual services	-	19,702	19,702
Repairs and maintenance	-	24,228	24,228
Insurance claims and expenses	-	-	3,391,143
Retirement payments	-	-	1,175,945
Depreciation	-	2,316	2,316
Total operating expenses	110,208	352,856	5,041,793
Operating income (loss)	(3,470)	13,862	(579,774)
NON-OPERATING REVENUES (EXPENSES)			
Interest and investment revenue	-	-	7
Miscellaneous revenue	-	-	10,781
Total non-operating revenue (expenses)	-	-	10,788
Income (loss) before contributions and transfers	(3,470)	13,862	(568,986)
Transfers out	-	-	-
Change in net position	(3,470)	13,862	(568,986)
Total net position - beginning	2,470	26,480	(1,185,575)
Total net position - ending	$ (1,000)	$ 40,342	$ (1,754,561)

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	LIABILITY INSURANCE	HEALTH INSURANCE	RETIREMENT	WORKERS COMPENSATION	PAYROLL
Cash Flows From Operating Activities					
Cash received from customers	$ 292,291	$ 2,155,745	$ 1,175,991	$ 370,000	$ 845
Cash paid to suppliers	(236,090)	(2,166,406)	(1,175,945)	(438,372)	-
Payments to Employees					
Accrual Based Personal Services	-	-	-	-	11,641
Add: Salaries and benefits payable, beg of year	-	-	-	-	-
Less: Salaries and benefits payable, end of year	-	-	-	-	-
Add: Current Compensated absences, beg of year	-	-	-	-	-
Less: Current Compensated absences, end of year	-	-	-	-	-
Cash paid to employees	-	-	-	-	(11,641)
Net Cash Provided By (Used In) Operating Activities	56,201	(10,661)	46	(68,372)	(10,796)
Cash Flows From Noncapital Financing Activities					
Miscellaneous non-operating revenue	120	10,661	-	-	-
Net Cash Provided By Noncapital Financing Activities	120	10,661	-	-	-
Cash Flows From Investing Activities					
Interest on cash deposits	-	-	-	-	7
Net Cash Provided By (Used In) Investing Activities	-	-	-	-	7
Net Increase (Decrease) in Cash	56,321	-	46	(68,372)	(10,789)
Cash Beginning of Year	631,395	26,995	126,375	230,889	36,333
Cash at End of Year	$ 687,716	$ 26,995	$ 126,421	$ 162,517	$ 25,544
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES					
Operating Income (Loss)	$ 56,201	$ (590,548)	$ 46	$ (44,224)	$ (11,641)
Adjustments To Reconcile Net Income (Loss) To Net Cash Provided By (Used In) Operating Activities:					
Depreciation and amortization	-	-	-	-	-
Change in Assets and Liabilities:					
Accounts receivable	-	5,463	-	-	-
Inventories	-	-	-	-	-
Prepaid expenses	-	-	-	(5,948)	-
Accounts payable	-	574,424	-	(18,200)	-
Accrued expenses	-	-	-	-	-
Net Cash Provided By (Used In) Operating Activities	$ 56,201	$ (10,661)	$ 46	$ (68,372)	$ (10,796)
Cash Per Financial Statements, Including Investments	$ 687,716	$ 26,995	$ 126,421	$ 162,517	$ 25,544
Less: Non-Cash Equivalents	-	-	-	-	-
Total Cash	$ 687,716	$ 26,995	$ 126,421	$ 162,517	$ 25,544

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2017

	WAREHOUSE	CITY GARAGE	TOTAL
Cash Flows From Operating Activities			
Cash received from customers	$ 106,738	$ 371,771	$ 4,473,381
Cash paid to suppliers	3,470	(43,930)	(4,057,273)
Payments to Employees			
Accrual Based Personal Services	110,208	306,610	428,459
Add: Salaries and benefits payable, beg of year	-	4,684	4,684
Less: Salaries and benefits payable, end of year	-	6,297	6,297
Add: Current Compensated absences, beg of year	-	17,931	17,931
Less: Current Compensated absences, end of year	-	14,047	14,047
Cash paid to employees	(110,208)	(308,881)	(430,730)
Net Cash Provided By (Used In) Operating Activities	-	18,960	(14,622)
Cash Flows From Noncapital Financing Activities			
Miscellaneous non-operating revenue	-	-	10,781
Net Cash Provided By Noncapital Financing Activities	-	-	10,781
Cash Flows From Investing Activities			
Interest on cash deposits	-	-	7
Net Cash Provided By (Used In) Investing Activities	-	-	7
Net Increase (Decrease) In Cash	-	18,960	(3,834)
Cash Beginning of Year	-	12,234	1,064,221
Cash at End of Year	$ -	$ 31,194	$ 1,060,387

RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES

Operating Income (Loss)	$ (3,470)	$ 13,862	$ (579,774)
Adjustments To Reconcile Net Income (Loss) To Net Cash Provided By (Used In) Operating Activities:			
Depreciation and amortization	-	2,316	2,316
Change in Assets and Liabilities:			
Accounts receivable	-	-	5,463
Inventories	-	5,053	5,053
Prepaid expenses	-	-	(5,948)
Accounts payable	3,470	-	559,694
Accrued expenses	-	(2,271)	(2,271)
Net Cash Provided By (Used In) Operating Activities	$ -	$ 18,960	$ (14,622)
Cash Per Financial Statements, Including Investments	$ -	$ 31,194	$ 1,060,387
Less: Non-Cash Equivalents	-	-	-
Total Cash	$ -	$ 31,194	$ 1,060,387

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2017

	MUNICIPAL COURT	POLICE CONDEMNATION	TOTAL AGENCY FUNDS
ASSETS			
Cash and cash equivalents	$ 80,743	$ 66,250	$ 146,993
Total assets	80,743	66,250	146,993
LIABILITIES			
Refundable court bonds	80,743	-	80,743
Seized funds held	-	66,250	66,250
Total liabilities	$ 80,743	$ 66,250	$ 146,993

SPECIAL REPORTS SECTION

Henderson & Godbee, LLP

Certified Public Accountants and Business Consultants

Members of American Institute of Certified Public Accountants • Georgia Society of Certified Public Accountants

Robert A. Goddard, Jr., CPA (1943-1989)
Gerald H. Henderson, CPA
J. Wendell Godbee, CPA
Mark S. Rogers, CPA
James W. Godbee, Jr., CPA
Maureen P. Collins, CPA
Kevin R. Hiers, CPA, CVA
Amanda W. Shapard, CPA

Troy D. Newham, CPA
Scott R. Simpson, CPA
Cassie R. Baggett, CPA
Billie A. Baxter, CPA
Mae A. Johnson, CPA
Keeley T. Collins, CPA
Jacey B. Pittman, CPA
M. Allison Hutchins, CPA

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

To the Mayor and City Commission
Waycross, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States 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, each major fund, and the aggregate remaining fund information of City of Waycross, Georgia as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City of Waycross, Georgia's basic financial statements and have issued our report thereon dated May 21, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Waycross, Georgia's internal control over financial reporting to determine 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 City of Waycross, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Waycross, Georgia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, that results in more than reasonable possibility that a material misstatement of the 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

3488 North Valdosta Road
Valdosta, GA 31602

Phone: (229) 245-6040
FAX: (229) 245-1669

P.O. Box 2241
Valdosta, GA 31604-2241

www.hgncpa.com - www.facebook.com/hendersonandgodbee

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not provide an opinion on the effectiveness of the City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Henderson & Godbee, LLP

Henderson & Godbee, LLP
Certified Public Accountants
Valdosta, Georgia

May 21, 2018

CITY OF WAYCROSS, GEORGIA
SPLOST 2008-2013
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	ORIGINAL ESTIMATED COST	CURRENT ESTIMATED COST	PRIOR YEARS	CURRENT YEAR	TOTAL	ESTIMATED PERCENTAGE OF COMPLETION
Roads and Streets	$ 5,381,812	$ 5,381,812	$ 2,682,447	$ 925,112	$ 3,607,559	67.03%
Public Buildings	3,600,000	3,600,000	3,259,379	6,232	3,265,611	90.71%
Information Technology	75,000	75,000	60,921	-	60,921	81.23%
Water and Sewer Rehabilitation and Expansion	2,000,000	2,000,000	456,154	539,195	995,349	49.77%
Fire and Special Purpose Vehicles	1,350,000	1,369,332	1,369,332	-	1,369,332	100.00%
Property Acquisition and Demolition	600,000	600,000	76,458	57,450	133,908	22.32%
Downtown Development Authority	500,000	500,000	387,259	-	387,259	77.45%
Totals	$ 13,506,812	$ 13,526,144	$ 8,291,950	$ 1,527,989	$ 9,819,939	

CITY OF WAYCROSS, GEORGIA
SPLOST 2014
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	ORIGINAL ESTIMATED COST	CURRENT ESTIMATED COST	PRIOR YEARS	CURRENT YEAR	TOTAL	ESTIMATED PERCENTAGE OF COMPLETION
Roads, Streets and Bridge Improvements and Equipment	$ 5,740,000	$ 5,740,000	$ -	$ 2,434	$ 2,434	0.04%
Water and Sewer Rehabilitation	1,000,000	1,000,000	-	-	-	0.00%
Public Facility Improvements, Demolition and Acquistion	6,422,000	6,422,000	488,543	196,180	684,723	10.66%
Public Safety and Special Purpose Vehicle Fleet	1,500,000	1,500,000	254,699	687,747	942,446	62.83%
City Park Improvements	435,000	435,000	44,345	15,848	60,193	13.84%
Development Authority Construction, Infrastructure Economic Development	250,000	250,000	-	-	-	0.00%
Information Technology Equipment, Software and Training	125,000	125,000	6,709	7,178	13,887	11.11%
Totals	$ 15,472,000	$ 15,472,000	$ 794,296	$ 909,387	$ 1,703,683	

STATISTICAL SECTION
(UNAUDITED)

CITY OF WAYCROSS, GEORGIA
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTIONS
LAST TEN YEARS

YEAR ENDING	ADMINI-STRATION	POLICE	FIRE	PUBLIC WORKS	CULTURE/ RECREATION	COMMUNITY DEVELOPMENT	DEBT SERVICE	CAPITAL OUTLAY	OPERATING TRANSFERS	TOTAL
2007-08	$ 1,232,559	$ 3,832,594	$ 2,903,904	$ 1,795,500	$ -	$ 455,539	$ 150,331	$ 133,610	$ 155,463	$ 10,659,500
2008-09	1,061,867	3,860,390	2,939,425	1,819,800	-	441,297	171,784	11,500	109,767	10,415,830
2009-10	771,152	4,029,306	3,052,124	1,874,302	-	439,794	317,108	5,399	-	10,489,185
2010-11	897,784	4,036,887	3,141,257	1,920,034	-	432,868	202,833	333,828	812	10,966,303
2011-12	1,033,170	4,157,545	3,197,362	1,935,956	-	436,918	277,190	-	-	11,038,141
2012-13	384,104	4,270,214	3,340,926	2,042,825	-	602,535	332,524	-	-	10,973,128
2013-14	405,427	4,452,598	3,343,602	2,117,111	-	635,020	326,200	-	-	11,279,958
2014-15	283,553	4,260,355	3,333,561	2,087,023	-	634,332	218,479	-	-	10,817,303
2015-16	432,707	4,285,447	3,199,237	1,756,299	-	660,733	171,939	-	-	10,506,362
2016-17	333,617	4,477,483	3,359,722	1,761,518	-	771,251	153,645	-	-	10,857,236

CITY OF WAYCROSS, GEORGIA
GENERAL GOVERNMENTAL REVENUES BY SOURCE
LAST TEN YEARS

YEAR ENDING	TAXES	LICENSES & PERMITS	FINES & FORFEITURES	CHARGES FOR SERVICES	SALE OF CITY PROPERTY	OTHER	INTER-GOVERNMENTAL REVENUE	TOTAL
2007-08	$ 8,555,444	$ 785,842	$ 494,025	$ 16,328	$ -	$ 196,775	$ 403,026	$ 10,451,440
2008-09	8,400,912	798,119	540,292	18,982	-	144,207	211,019	10,113,531
2009-10	8,520,477	714,166	552,168	18,095	-	94,696	234,031	10,133,633
2010-11	9,069,250	749,155	489,052	21,853	-	263,328	148,856	10,741,494
2011-12	9,051,398	770,406	533,204	19,071	-	62,322	124,052	10,560,453
2012-13	8,918,796	755,674	442,755	31,162	-	244,612	133,130	10,526,129
2013-14	8,900,997	906,685	372,867	26,326	-	238,652	131,691	10,577,218
2014-15	8,909,974	858,686	410,224	30,473	-	195,670	132,386	10,537,413
2015-16	8,750,422	878,033	301,312	32,930	-	199,522	135,531	10,297,750
2016-17	8,961,003	880,668	326,268	29,998	-	206,223	364,265	10,768,425

CITY OF WAYCROSS, GEORGIA
TAX REVENUES BY SOURCE
LAST TEN YEARS

YEAR ENDING	PROPERTY TAXES	FRANCHISE TAXES	SALES TAXES	REVENUES AND OTHER TAXES	TOTAL TAXES
2007-08	$ 2,468,371	$ 1,200,882	$ 3,441,880	$ 1,444,311	$ 8,555,444
2008-09	2,496,231	1,242,201	3,172,561	1,489,919	8,400,912
2009-10	2,792,354	1,218,501	3,112,610	1,397,012	8,520,477
2010-11	3,365,994	1,286,507	2,995,073	1,421,676	9,069,250
2011-12	2,994,483	1,327,145	3,440,522	1,289,248	9,051,398
2012-13	2,981,226	1,242,729	3,253,938	1,440,903	8,918,796
2013-14	2,911,447	1,154,004	3,111,426	1,724,120	8,900,997
2014-15	3,059,551	1,212,752	2,941,339	1,696,332	8,909,974
2015-16	3,043,302	1,200,642	2,780,778	1,725,701	8,750,423
2016-17	3,194,011	1,176,571	2,902,641	1,687,780	8,961,003

CITY OF WAYCROSS, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

YEAR ENDING	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	COLLECTIONS PRIOR YEARS	TOTAL COLLECTIONS	TOTAL COLLECTIONS AS A PERCENT OF CURRENT LEVY	OUTSTANDING DELINQUENT TAXES
2007-08	$ 2,393,623	$ 2,152,538	89.9%	$ 107,443	$ 2,259,981	94.4%	$ 145,102
2008-09	2,375,272	2,206,788	92.9%	74,548	2,281,336	96.0%	176,232
2009-10	2,820,893	2,597,851	92.1%	105,102	2,702,953	95.8%	199,875
2010-11	2,863,300	2,654,519	92.7%	266,781	2,921,300	102.0%	173,016
2011-12	3,145,624	2,939,610	93.5%	54,873	2,994,483	95.2%	220,063
2012-13	3,135,872	2,878,145	91.8%	103,081	2,981,226	95.1%	304,046
2013-14	3,098,651	2,805,407	90.5%	106,040	2,911,447	94.0%	347,706
2014-15	3,064,531	2,893,054	94.4%	166,497	3,059,551	99.8%	333,243
2015-16	3,141,188	2,793,810	88.9%	249,492	3,043,302	96.9%	380,151
2016-17	3,224,310	2,990,051	92.7%	170,670	3,160,721	98.0%	363,997

CITY OF WAYCROSS, GEORGIA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS

YEAR ENDING	ASSESSED VALUE	APPRAISED VALUE	PERCENT OF APPRAISED VALUE
2007-08	$ 270,926,543	$ 677,316,358	40%
2008-09	272,045,179	680,112,940	40%
2009-10	272,155,064	680,387,661	40%
2010-11	275,237,237	688,093,093	40%
2011-12	286,017,851	715,044,628	40%
2012-13	285,131,153	712,827,883	40%
2013-14	281,746,732	704,366,830	40%
2014-15	278,644,347	696,610,868	40%
2015-16	285,614,489	714,036,223	40%
2016-17	286,557,019	716,392,548	40%

CITY OF WAYCROSS, GEORGIA
ASSESSED VALUE BY CLASS OF TANGIBLE PROPERTY (1)
LAST TEN YEARS

	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Residential	$ 106,893,768	$ 107,279,240	$ 107,150,397	$ 103,696,046	$ 107,727,818	$ 115,864,620	$ 117,193,214	$ 118,401,524	$ 118,646,720	$ 112,976,349
Historic	652,337	821,070	22,901	951,090	22,901	27,340	326,736	327,098	211,816	211,816
Commercial	140,465,236	136,190,865	128,427,105	131,515,432	131,110,417	121,756,710	128,320,875	126,834,786	127,938,590	124,762,905
Industrial	1,754,592	1,774,019	1,581,888	1,471,305	1,538,378	1,540,243	1,610,454	704,604	864,136	902,705
Agricultural	2	20,239	20,239	-	-	-	-	-	-	-
Conservation Use	148,889	179,260	-	-	-	-	-	-	-	-
Others	-	11,305	2,287	-	-	-	-	-	-	2,759
Utilities	42,228,090	41,763,039	37,393,551	36,489,611	36,585,655	41,156,999	21,979,307	22,633,113	20,514,815	28,689,092
Motor Vehicles	9,155,680	12,604,590	18,355,270	21,365,230	21,365,230	20,133,720	21,026,070	22,824,480	22,824,480	22,235,460
Mobile Homes	945,609	969,619	973,543	1,048,003	1,069,291	1,020,165	1,182,293	1,078,759	1,294,481	1,464,069
Railroad Car (2)	-	-	-	-	-	-	-	-	-	-
	302,244,203	301,613,246	293,927,181	296,536,717	299,419,690	301,499,797	291,638,949	292,804,364	292,295,038	291,245,155
Exemptions (1)	(15,687,184)	(15,998,757)	(15,282,834)	(14,789,985)	(14,288,537)	(15,481,946)	(14,890,049)	(14,859,367)	(14,868,088)	(23,621,425)
Total (1)	$286,557,019	$285,614,489	$ 278,644,347	$ 281,746,732	$ 285,131,153	$ 286,017,851	$ 276,748,900	$ 277,944,997	$ 277,426,950	$ 267,623,730

(1) All amounts are shown at 40% estimated actual value.
(2) Current railroad equipment valuation is omitted because City does not levy tax.
(3) Information not available to split assessed property value between commercial and personal.

CITY OF WAYCROSS, GEORGIA
PROPERTY TAX RATES
LAST TEN YEARS

YEAR ENDING	CITY
2007-08	9.998
2008-09	9.998
2009-10	10.998
2010-11	10.998
2011-12	10.998
2012-13	10.998
2013-14	10.998
2014-15	10.998
2015-16	10.998
2016-17	10.995

CITY OF WAYCROSS, GEORGIA
RATIO OF GENERAL BONDED DEBT TO ASSESSED VALUE AND BONDED DEBT PER CAPITA
LAST TEN YEARS

YEAR ENDING	POPULATION	VALUE	GROSS BONDED DEBT	RATIO OF GROSS BONDED DEBT TO ASSESSED VALUE	GROSS BONDED PER CAPITA
2007-08	14,765	$ 270,926,543	-	0.0%	-
2008-09	14,765	272,045,179	-	0.0%	-
2009-10	14,765	272,155,064	-	0.0%	-
2010-11	14,649	275,237,237	-	0.0%	-
2011-12	14,718	286,017,851	-	0.0%	-
2012-13	14,725	285,131,153	-	0.0%	-
2013-14	14,649	281,746,732	-	0.0%	-
2014-15	14,576	278,644,347	-	0.0%	-
2015-16	14,649	285,614,489	-	0.0%	-
2016-17	14,649	286,557,019	-	0.0%	-

CITY OF WAYCROSS, GEORGIA
RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES
LAST TEN YEARS

YEAR ENDING	CAPITALIZED LEASES & EQUIPMENT FINANCING PRINCIPAL & INTEREST	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE	TOTAL GENERAL EXPENDITURES	PERCENT OF DEBT SERVICE TO GENERAL EXPENDITURES
2007-08	$ 150,331	$ -	$ -	$ 150,331	$ 10,659,500	1.41%
2008-09	171,784	-	-	171,784	10,415,830	1.65%
2009-10	317,108	-	-	317,108	10,489,185	3.02%
2010-11	202,833	-	-	202,833	10,966,303	1.85%
2011-12	277,190	-	-	277,190	11,038,141	2.51%
2012-13	332,524	-	-	332,524	10,973,128	3.03%
2013-14	326,200	-	-	326,200	11,279,958	2.89%
2014-15	218,479	-	-	218,479	10,817,303	2.02%
2015-16	171,939	-	-	171,939	10,506,362	1.64%
2016-17	153,645	-	-	153,645	10,857,236	1.42%

CITY OF WAYCROSS, GEORGIA
COMPUTATION OF LEGAL DEBT MARGIN
AND DIRECT AND OVERLAPPING DEBT
JUNE 30, 2017

ASSESSED VALUE	$	286,557,019
DEBT LIMIT: 10% OF ASSESSED VALUE		28,655,702
LESS: DEBT APPLICATION TO DEBT LIMIT		
GENERAL OBLIGATION INDEBTEDNESS		4,889,563
LEGAL DEBT MARGIN	$	23,766,139
DIRECT AND OVERLAPPING DEBT		
CITY'S DIRECT BONDED DEBT	$	-
CITY'S OBLIGATION ON WATER AND SEWER LOAN		4,889,563
BONDED DEBT OF OTHER OVERLAPPING		
GOVERNMENTS ASSESSED AGAINST CITY TAXPAYERS		-
TOTAL DIRECT AND OVERLAPPING DEBT	$	4,889,563

CITY OF WAYCROSS, GEORGIA
SCHEDULE OF REVENUE BOND COVERAGE
WATER AND SEWER
LAST TEN YEARS

YEAR ENDING	GROSS REVENUE	EXPENSE (1)	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT COVERAGE (2)
2007-08	$ 5,873,224	$ 3,984,088	$ 1,889,136	1.72
2008-09	5,724,891	3,969,709	1,755,182	1.60
2009-10	5,892,904	4,142,252	1,750,652	1.59
2010-11	5,896,074	4,115,475	1,780,599	1.71
2011-12	5,931,630	4,220,357	1,711,273	1.55
2012-13	6,109,343	4,738,325	1,371,018	1.32
2013-14	6,037,587	4,787,467	1,250,120	1.23
2014-15	6,077,034	4,925,900	1,151,134	1.15
2015-16	6,287,997	5,093,794	1,194,203	1.21
2016-17	8,626,567	5,274,080	3,352,487	4.25

(1) Net of depreciation and bond interest.

(2) Funds available divided by the highest combined principal and interest payments in any subsequent year for years; combined principal and interest payments in current year for later years.

CITY OF WAYCROSS, GEORGIA
PRINCIPAL WATER AND SEWER CUSTOMERS
FOR THE YEAR ENDED JUNE 30, 2017

	WATER	SEWER	TOTAL
1. Ware Correctional Institute	$ 115,762	$ 151,797	$ 267,559
2. Memorial Satilla Health	35,771	54,993	90,764
3. Memorial Satilla Health - Express Care	26,515	34,601	61,116
4. Flanders Provision Co.	20,952	27,500	48,452
5. Waycross Housing Authority	17,109	22,437	39,546
6. Ware County Commission	14,938	19,351	34,289
7. Baptist Village	-	32,128	32,128
8. CSX Transportation	17,481	13,657	31,138
9. Kinsman Investments, LLC	13,344	16,923	30,267
10. Ware County Correctional Institute	12,977	16,767	29,744
Total	$ 274,849	$ 390,154	$ 665,003

CITY OF WAYCROSS, GEORGIA
PRINCIPAL TAXPAYERS
FOR THE YEAR ENDED JUNE 30, 2017

	ASSESSED VALUE	TAX LEVIED
1. CSX Transportation	$ 58,186,733	$ 639,938
2. Georgia Power Company	22,690,480	249,550
3. BC Waycross Associates	3,805,789	41,856
4. Lowe's Home Centers, Inc.	3,435,522	37,784
5. Walmart Stores East LP	3,423,772	37,655
6. Walmart Stores, Inc.	2,951,744	32,463
7. Mall of Waycross	2,711,548	29,822
8. Lowe's Home Centers, Inc.	1,718,473	18,900
9. The Kroger Company	1,639,301	18,029
10. Kemp Ridge Holdings, LLC	1,466,603	16,130
Total	$ 102,029,965	$ 1,122,126

CITY OF WAYCROSS, GEORGIA
MISCELLANEOUS STATISTICS
JUNE 30, 2017

Date of Incorporation	1874
Form of Government	Manager
Number of Employees (Excluding Police and Fire)	89
Classified	
Area in Square Miles	11.69
Population - City	14,576
- County	35,515
Daytime Population	45,000
City of Waycross Facilities and Services	
Miles of Streets	178
Number of Street Lights	2,078
Number of Traffic Lights	21
Culture and Recreation	
Community Centers	2
Parks	24
Park Acreage	113.34
Cemeteries	3
Cemetery Acreage	140
Tennis Courts	1
Fire Protection	
Number of Stations	3
Number of Fire Personnel and Officers	54
Number of Calls Answered	1,667
Number of Inspections Conducted	536
Police Protection	
Number of Stations	1
Number of Police Personnel and Officers	71
Number of Patrol Units	42
Number of Law Violations	
Physical Arrests	2,200
Traffic Violations	3,000
Sewerage System	
Miles of Sanitary Sewers	120
Miles of Storm Sewers	60
Number of Treatment Plants	1
Number of Service Connections	6,946
Daily Average Treatment in Gallons	3,000,000
Maximum Daily Capacity of Treatment Plant in Gallons	12,000,000
Water System	
Miles of Water Mains	145
Number of Service Connections	7,564
Number of Fire Hydrants	1,012
Daily Average Consumption in Gallons	2,300,000
Maximum Daily Capacity of Plant in Gallons	3,400,000
Facilities and Services Not Included in the Reporting Entity:	
Hospitals:	
Number of Hospitals	1
Number of Beds	231

CITY OF WAYCROSS, GEORGIA
SELECTED WATER AND SEWER INFORMATION
FOR THE YEAR ENDED JUNE 30, 2017

Water Accounts Active (Estimate)		6,241
Sewere Accounts Active (Estimate)		5,724
Total Water Pumped - Gallons (Estimate)		1,011,902,039
Total Water Consumed - Gallons (Estimate)		727,153,240
Total Water Billed	$	2,486,139
Total Water Collected	$	2,545,277
Total Sewer Billed	$	2,727,191
Total Sewer Collected	$	2,667,502