

CITY OF WAYCROSS, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2018

**CITY OF WAYCROSS
TABLE OF CONTENTS**

FINANCIAL SECTION

INDEPENDENT AUDITOR’S REPORT	2-4
MANAGEMENT’S DISCUSSION AND ANALYSIS.....	5-13
BASIC FINANCIAL STATEMENTS:	
Government-Wide Financial Statements:	
Statement of Net Position – Government-Wide	15
Statement of Activities and Changes in Net Position – Government-Wide	16
Government Fund Financial Statements:	
Governmental Funds:	
Balance Sheet – Governmental Funds	17
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position	18
Statement of Revenues, Expenditures, and Changes in Fund Balances- Government Funds	19
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balance to the Government-Wide Statement of Activities and Changes in Net Position	20
Proprietary Fund Financial Statement:	
Statement of Net Position – Proprietary Funds	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 Financial Statements	25-53
REQUIRED SUPPLEMENTAL INFORMATION:	
Schedule of Changes in the Net Pension Liability – Last 10 Fiscal Years	55
Schedule of Pension Contributions – Last 10 Fiscal Years.....	56
Notes to Pension Schedules.....	57-58
Major Funds -	
Budgetary Comparison Schedule – General Fund.....	59
COMBINING AND INDIVIDUAL FUND SCHEDULES:	
Non-Major Fund –	
Budgetary Comparison Schedule –Capital Project Fund – SPLOST 2008-2013 Fund	61
Major Funds –	
Budgetary Comparison Schedule –Capital Project Fund – SPLOST 2014 Fund	62
Non-Major Governmental Funds –	
Combining Balance Sheet	63-65
Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	66-68

**CITY OF WAYCROSS
TABLE OF CONTENTS**

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

Cemetery Fund	69
Forfeited Property Fund.....	70
Jail Fund	71
WPD Information Technology Fund	72
Community Development Fund	73
EIP Revolving Loan Fund.....	74
Fire Department Fund	75
Okefenokee Classic Fund	76
FEMA Fund	77
Misc Grants Fund	78
Hotel/Motel Tax Fund	79
Misc Fund	80
Cemetery Trust Fund.....	81
Fallen Firefighters Scholarship Fund.....	82
ATM Machine Fund	83
GEFA Project Fund	84
Capital Reserve Fund.....	85
LMIG Fund	86
CDBG 16p-x-148-2-5892 Fund	87
TSPLOST Fund	88

Internal Service Funds -

Combining Statement of Net Position.....	89
Combining Statement of Revenues, Expenditures and Changes in Net Position.....	90
Combining Statement of Cash Flows	91-92

Fiduciary Funds -

Combining Statement of Assets and Liabilities – Agency Funds	93
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SPECIAL REPORTS SECTION

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.....	95-96
Schedule of Projects Constructed with Special Sales Tax Proceeds.....	97-98
Statement of Program Costs and Statement of Sources/Status of Funds	99

STATISTICAL SECTION

Schedules of-

General Government Expenditures by Function	101
General Government Revenues by Source	102
Tax Revenues by Source	103
Property Tax Levies and Collections	104
Assessed and Estimated Actual Value of Taxable Property	105
Assessed Value by Class of Tangible Property	106
Property Tax Rates.....	107
Ratio of General Bonded Debt to Assessed Value and Bonded Debt	108
Ratio of Debt Service to Total General Expenditures.....	109
Computation of Legal Debt Margin and Direct and Overlapping Debt	110
Revenue Bond Coverage – Water and Sewer	111
Principal Water and Sewer Customers	112
Principal Taxpayers	113
Miscellaneous Statistics	114
Selected Water and Sewer Information.....	115

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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 the City of Waycross, Georgia, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the City of Waycross, Georgia's basic financial statements as listed in the table of contents. We also have audited the aggregate nonmajor governmental funds as of and for the year ended June 30, 2018, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as well as the aggregate nonmajor governmental funds, the aggregate nonmajor enterprise fund, the internal service fund type, and the fiduciary fund type of the City of Waycross Georgia as of June 30, 2018, 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.

Emphasis of Matters

As described in Note 18 to the financial statements, in fiscal 2018, the City of Waycross has discontinued health care benefits for retired employees. Our opinion is not modified with respect to this matter. As described in Note 20, the discontinuance by the City of healthcare benefits for retired employees resulted in the restatement of the net position of the Governmental Activities in the Government-wide Statements as of June 30, 2017. The net position as of June 30, 2017 was increased by \$755,101 as a result of the discontinuance.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 5-13), budgetary comparison information (page 59), and the schedules of historical pension information and related notes (pages 55-58) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Waycross, Georgia's basic financial statements. The combining and individual nonmajor 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 basic financial statements.

The combining and individual nonmajor 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.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated June 28, 2019, on our consideration of the City of Waycross, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Waycross, Georgia's internal control over financial reporting or on compliance.

**To the Honorable Mayor and
Members of the City Commission
Page 3**

That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City of Waycross, Georgia's internal control over financial reporting and compliance.

Respectfully submitted,

BYRT CPAs, LLC

BYRT CPAs, LLC
Waycross, Georgia
June 28, 2019

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, 2018. Please read it in conjunction with the City's financial statements, which begin on page 15.

Financial Highlights

The City's cash balances were not adequate for day-to-day operations and required short-term borrowings (tax anticipation note) to assist with the cash flow for the months of September through December until property taxes were collected. In prior fiscal years, the City's health insurance plan for all employees was drastically changed in many areas to help lower this cost. The changes made during the last fiscal year have shown a savings and the deficit decreased by \$544,962, or 16%. Continued decreases in the deficit are expected to continue in the next fiscal year. Long term financing is used for equipment and other major projects.

The largest sources of funds for the general fund are local option sales taxes and property taxes, accounting for over 67% of the budget. General fund taxes increased by \$443,737, or 5%. Although property taxes decreased slightly by \$66,477, sales tax increased by \$293,033. Sales tax collections increased 4% over fiscal year 2017 and 10% over fiscal year 2018. Sunday alcohol sales were approved during the prior fiscal year and this contributed to the increase in taxes. Hotel/Motel was also anticipated to increase due to the City's increase in tourism. This tax increased by \$20,880 or 5% during fiscal year 2018 and by \$38,332 or 11% in fiscal year 2017.

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 had remained the same at 10.998 mills in prior years. In 2017, it was rolled back to 10.995 and remained 10.995 during fiscal year 2018. The Adjusted Net Digest increased by \$6,682,346 from the rollback. In fiscal year 2017 the fund balance in the General Fund was \$602,075. In fiscal year 2018 the fund balance increased \$337,455 resulting in a fund balance of \$939,530.

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 has been spent on fire and special purpose vehicles, \$3,739,852 on street improvements, \$60,921 on technology improvements, \$133,908 on property acquisitions, \$387,258 on Downtown Development Authority projects, \$3,265,612 on building improvements (including City Auditorium), and \$1,132,751 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, 2018, the City had collected \$8,575,744 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, 2018, \$1,916,733 had been spent on roads and streets, \$355,787 on water and sewer rehabilitation, \$1,349,480 on public facility improvements, \$1,424,400 on public safety and special vehicle fleet, \$64,219 on City park improvements and \$97,887 on information technology. The remaining funds from both SPLOST funds will continue to be spent within the next few years.

In the public utilities business-type activities (water and sewer services), revenues exceeded expenses by \$252,645. 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 ensures 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 2019.

The waste management business-type activity expenses exceeded revenues by \$747. 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 revenues 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 non-financial 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 Statement of Activities presents information showing how the City's net position changed during the fiscal year. All changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in the future fiscal periods.

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 a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration (mayor and commission, 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 and 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 17 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 23 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 2014 Fund and the GEFA 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 17 and 19.

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 21-23 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 26-53.

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 54-59 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. Combining and individual statements and schedules can be found on pages 60-93 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 \$50,980,797 as of June 30, 2018. The tables below should be read in conjunction with the financial statements on pages 15-16.

	Statement of Net Position					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 9,337,651	\$ 8,498,614	\$ 3,241,195	\$ 3,122,461	\$ 12,578,846	\$ 11,621,075
Capital assets	20,155,592	19,587,987	33,252,800	31,086,687	53,408,392	50,674,674
Total Assets	<u>29,493,243</u>	<u>28,086,601</u>	<u>36,493,995</u>	<u>34,209,148</u>	<u>65,987,238</u>	<u>62,295,749</u>
Deferred Outflows of Resources	2,440,395	2,494,945	-	-	2,440,395	2,494,945
Long-term debt outstanding	\$ 7,024,631	\$ 8,989,861	\$ 4,171,542	\$ 5,074,811	\$ 11,196,173	\$ 14,064,672
Other liabilities	4,353,859	3,046,488	291,542	258,303	4,645,401	3,304,791
Total Liabilities	<u>11,378,490</u>	<u>12,036,349</u>	<u>4,463,084</u>	<u>5,333,114</u>	<u>15,841,574</u>	<u>17,369,463</u>
Deferred Inflows of Resources	1,605,262	882,981	-	-	1,605,262	882,981
Net Position:						
Net Investment in capital assets	\$ 19,413,744	\$ 18,862,991	\$ 29,113,608	\$ 26,027,056	\$ 48,527,352	\$ 44,890,047
Restricted	6,051,315	6,150,848	-	-	6,051,315	6,150,848
Unrestricted	(6,515,173)	(7,351,623)	2,917,303	2,848,978	(3,597,870)	(4,502,645)
Total Net Position	<u>\$ 18,949,886</u>	<u>\$ 17,662,216</u>	<u>\$ 32,030,911</u>	<u>\$ 28,876,034</u>	<u>\$ 50,980,797</u>	<u>\$ 46,538,250</u>

The largest portion of the City's net position (95%) 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 \$1,287,670 to \$18,949,886. A portion of the City's net position, \$6,051,315, represents resources that are subject to external restriction on how they may be used.

The net position of the City's business-type activities increased by \$3,154,877 to \$32,030,911. 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	
	2018	2017	2018	2017	2018	2017
Program Revenues						
Charges for Services	\$ 1,808,992	\$ 1,595,610	\$ 9,000,053	\$ 8,789,765	\$ 10,809,045	\$ 10,385,375
Operating Grants	22,687	281,172	-	-	22,687	281,172
Capital Grants	4,252,395	3,064,301	3,040,059	1,186,228	7,292,454	4,250,529
General Revenues						-
Property Taxes	3,089,294	3,155,771	-	-	3,089,294	3,155,771
Sales Taxes	3,195,674	2,902,641	-	-	3,195,674	2,902,641
Franchise Fees	1,107,112	1,176,571	-	-	1,107,112	1,176,571
Other Taxes	2,353,982	2,099,200	-	-	2,353,982	2,099,200
Investment Earnings	11,369	2,734	13,775	1,405	25,144	4,139
Other	47,305	33,104	-	-	47,305	33,104
Total Revenues	15,888,810	14,311,104	12,053,887	9,977,398	27,942,697	24,288,502
Program Expenses						
General Government	388,568	371,892	-	-	388,568	371,892
Public Safety	7,845,439	8,072,180	-	-	7,845,439	8,072,180
Public Works	6,173,562	4,327,602	-	-	6,173,562	4,327,602
Community Development	923,077	1,113,893	-	-	923,077	1,113,893
Interest	25,595	21,583	-	-	25,595	21,583
Public Utilities	-	-	6,416,758	6,417,092	6,416,758	6,417,092
Waste Management	-	-	2,311,222	2,236,282	2,311,222	2,236,282
City Auditorium	-	-	171,030	173,543	171,030	173,543
Total Expenses	15,356,241	13,907,150	8,899,010	8,826,917	24,255,251	22,734,067
Increase in Net Position	\$ 532,569	\$ 403,954	\$ 3,154,877	\$ 1,150,481	\$ 3,687,446	\$ 1,554,435

The City's total combined activities revenue increased by \$3,654,195 (15%) and the total combined expenses increased by \$1,521,184 (7%).

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 fee

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 Service	
	2018	2017	2018	2017
General Government	\$ 388,568	\$ 371,892	\$ (551,502)	\$ (783,252)
Public Safety	7,845,439	8,072,180	6,786,898	6,590,091
Public Works	6,173,562	4,327,602	2,169,840	2,355,531
Community Development	923,077	1,113,893	841,336	782,114
Interest on Long-Term Debt	25,595	21,583	25,595	21,583
Total Expenses	\$ 15,356,241	\$ 13,907,150	\$ 9,272,167	\$ 8,966,067

The net expense of operating Governmental Activities increased from \$13,907,150 to \$15,356,241 or 10%. General revenues increased from \$8,966,067 to \$9,272,167 or 8%.

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. These replacements have begun and resulted in negative cash flows. A rate study has been completed and was implemented in fiscal 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 17) reported a combined fund balance of \$9,322,496. Included in this total fund balance is the fund balance of the General Fund in the amount of \$939,530 which compares to a prior balance of \$602,075 in 2017. This fund balance will assist the City in weathering the current economic slowdown and unanticipated events. As the economy improves, 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 2018 did not meet the budgeted amount by \$326,789, or 3%, and expenses were less than the budget by \$592,335, or 5.5%. The revenues for taxes were 3% lower than budgeted. All operating expenditures were within budget. A more detailed comparison is on page 59.

Capital Assets

At June 30, 2018, the City had \$53 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 \$2,733,718 over the last year. The table below provides further analysis of these capital assets.

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
	Land	\$ 5,099,609	\$ 5,071,380	\$ 235,859	\$ 235,859	\$ 5,335,468
Construction in Progress	348,928	93,696	1,101,947	237,250	1,450,875	330,946
Buildings/Improvements	9,195,933	9,195,933	12,194,322	12,194,322	21,390,255	21,390,255
Equipment and Vehicles	9,515,755	9,284,663	5,744,253	5,704,748	15,260,008	14,989,411
Infrastructure	38,039,013	36,848,158	53,802,450	51,336,298	91,841,463	88,184,456
Accumulated Depreciation	(42,043,646)	(40,905,843)	(39,826,031)	(38,621,790)	(81,869,677)	(79,527,633)
Total Capital Assets	\$ 20,155,592	\$ 19,587,987	\$ 33,252,800	\$ 31,086,687	\$ 53,408,392	\$ 50,674,674

Additional information on the City of Waycross' capital assets can be found in footnote 7 on pages 38-39 of this report.

Debt Administration

At year end, the City had \$4,898,183 in bonds, notes, and capital leases outstanding versus \$5,784,627 last year - a decrease of 15 percent - as shown in the following table:

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
	Line of Credit	\$ -	\$ -	\$ 17,143	\$ 17,143	\$ 17,143
Capital Leases	189,348	142,496	113,064	152,926	302,412	295,422
Notes	552,500	582,500	4,026,128	4,889,562	4,578,628	5,472,062
Total Debt	\$ 741,848	\$ 724,996	\$ 4,156,335	\$ 5,059,631	\$ 4,898,183	\$ 5,784,627

During the fiscal year ended June 30, 2018, the financial condition of the City required 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 37-41 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 2018 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 ago and we are seeing a slight increase in revenue each year. During fiscal year 2018, the local option sales tax revenue increased by 10 percent or \$293,033. The millage rate was rolled back by .003% from 10.998 to 10.995. The County receives 55.5% and the City's portion is 44.5% of the local option sales tax distribution. 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 in prior years 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, and spousal coverage was removed if they are eligible for coverage at their workplace. Employees were given a Health Savings supplement to help offset these changes. Previous retiree's and future retirees will not be eligible for coverage under 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 decrease in the deficit has been made.

A Georgia Environmental Finance Authority (GEFA) project began in January 2018. This \$3.5 million line of credit will be used to upgrade and replace the residential and commercial water meters and backflow preventers connected to the City's water and sewer system. 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 have been outsourced. All division directors have been diligently looking for ways to keep operational costs down within their departments. Although some factors such as gas, diesel, and electricity rates are something the City have 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

This 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 STATEMENT

CITY OF WAYCROSS, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Equivalents	\$ 7,896,391	\$ 2,321,489	\$ 10,217,880
Receivables	536,230	822,423	1,358,653
Prepays	51,505	69,981	121,486
Internal Balances	22,000	(22,000)	-
Due from Other Governments	770,315		770,315
Inventories	61,210	49,302	110,512
Capital Assets			
Non-depreciable	5,448,537	1,337,806	6,786,343
Depreciable (net)	14,707,055	31,914,994	46,622,049
Total Assets	<u>\$ 29,493,243</u>	<u>\$ 36,493,995</u>	<u>\$ 65,987,238</u>
Deferred Outflows of Resources			
Deferred Outflows - Pension	2,440,395	-	2,440,395
Total Deferred Outflows of Resources	<u>2,440,395</u>	<u>-</u>	<u>2,440,395</u>
Liabilities			
Accounts Payable and Accrued Expenses	4,353,859	35,518	4,389,377
Line of Credit	-	17,143	17,143
Deposits	-	256,024	256,024
Long-Term Liabilities			
Due within one year			
Loan Payable	30,000	885,316	915,316
Capital Lease Obligations	75,325	40,965	116,290
Due in more than one year			
Loan Payable	522,500	3,140,812	3,663,312
Capital Lease Obligations	114,023	72,099	186,122
Compensated Absences	317,061	15,207	332,268
Other Post Employment Benefits	-	-	-
Net Pension Liability	5,965,722	-	5,965,722
Total Liabilities	<u>\$ 11,378,490</u>	<u>\$ 4,463,084</u>	<u>\$ 15,841,574</u>
Deferred Inflows of Resources			
Deferred Inflows - Pension	1,605,262	-	1,605,262
Total Deferred Inflows of Resources	<u>1,605,262</u>	<u>-</u>	<u>1,605,262</u>
Net Position			
Net Investment in Capital Assets	\$ 19,413,744	\$ 29,113,608	\$ 48,527,352
Restricted for:			
Capital Projects	5,702,440	-	5,702,440
Community Development Projects	313,140	-	313,140
Other Projects	35,735	-	35,735
Unrestricted	(6,515,173)	2,917,303	(3,597,870)
Total Net Position	<u>\$ 18,949,886</u>	<u>\$ 32,030,911</u>	<u>\$ 50,980,797</u>

CITY OF WAYCROSS, GEORGIA
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018

Functions/Programs	Program Revenues				Net (Expenses) Revenue and Changes in Net Primary Government		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 388,568	\$ 937,792	\$ 2,278	\$ -	\$ 551,502	\$ -	\$ 551,502
Public Safety	7,845,439	619,806	15,409	423,326	(6,786,898)	-	(6,786,898)
Streets and Sanitation	6,173,562	177,663	-	3,826,059	(2,169,840)	-	(2,169,840)
Community Development	923,077	73,731	5,000	3,010	(841,336)	-	(841,336)
Interest on Long-Term Debt	25,595	-	-	-	(25,595)	-	(25,595)
Total Governmental Activities	15,356,241	1,808,992	22,687	4,252,395	(9,272,167)	-	(9,272,167)
Business-Type Activities:							
Public Utilities	6,416,758	6,655,628	-	3,040,059	-	3,278,929	3,278,929
Waste Management	2,311,222	2,310,475	-	-	-	(747)	(747)
City Auditorium	171,030	33,950	-	-	-	(137,080)	-
Total Business-type Activities	8,899,010	9,000,053	-	3,040,059	-	3,141,102	3,278,182
Total Primary Government	\$ 24,255,251	\$ 10,809,045	\$ 22,687	\$ 7,292,454	\$ (9,272,167)	\$ 3,141,102	\$ (5,993,985)
General Revenues:							
Taxes:							
Property Taxes					3,089,294	-	3,089,294
Sales Taxes					3,195,674	-	3,195,674
Franchise Fee					1,107,112	-	1,107,112
Other Taxes					2,353,982	-	2,353,982
Unrestricted Investment Earnings					11,369	13,775	25,144
Miscellaneous					47,305	-	47,305
Total General Revenues					9,804,736	13,775	9,818,511
Change in Net Position					532,569	3,154,877	3,687,446
Net Position - Beginning <i>(As Restated)</i>					18,417,317	28,876,034	47,293,351
Net Position - Ending					\$ 18,949,886	\$ 32,030,911	\$ 50,980,797

**CITY OF WAYCROSS, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2018**

	General Fund	GEFA Project	SPLOST 2014	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 1,205,176	\$ -	\$ 3,465,435	\$ 2,333,086	\$ 7,003,697
Receivables, Net					
Taxes	283,646	-	-	-	283,646
Accounts	172,998	-	-	-	172,998
Due From Other Funds	776,000	-	-	193,592	969,592
Receivables from Other Governments	268,749	-	215,871	285,695	770,315
Inventories	32,171	-	-	-	32,171
Other Receivables	-	-	-	70,330	70,330
Prepaid Expenditures	14,751	-	-	4,996	19,747
Total Assets	<u>2,753,491</u>	<u>-</u>	<u>3,681,306</u>	<u>2,887,699</u>	<u>9,322,496</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts Payable	929,511	932,965	-	43,673	1,906,149
Due to Other Funds	396,957	-	-	401,000	797,957
Salaries Payable	223,252	-	-	-	223,252
Total Liabilities	<u>1,549,720</u>	<u>932,965</u>	<u>-</u>	<u>444,673</u>	<u>2,927,358</u>
Deferred Inflows of Resources					
Unavailable Revenue	264,241	-	-	-	264,241
Total Deferred Inflows of Resources	<u>264,241</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>264,241</u>
Fund Balances (Deficit):					
Nonspendable	46,922	-	-	-	46,922
Restricted	-	-	3,681,306	2,370,009	6,051,315
Committed	-	-	-	99,849	99,849
Assigned	-	-	-	43,442	43,442
Unassigned	892,608	(932,965)	-	(70,274)	(110,631)
Total Fund Balances (Deficit)	<u>939,530</u>	<u>(932,965)</u>	<u>3,681,306</u>	<u>2,443,026</u>	<u>6,130,897</u>
					-
Total Liabilities, Deferred Inflows, and Fund Balances (Deficit)	<u>\$ 2,753,491</u>	<u>\$ -</u>	<u>\$ 3,681,306</u>	<u>\$ 2,887,699</u>	<u>\$ 9,322,496</u>

**CITY OF WAYCROSS, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
AS OF JUNE 30, 2018**

Total fund balance, governmental funds	\$	6,130,897
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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		20,155,592
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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		2,440,395
Deferred inflows		(1,605,262)

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		(552,500)
Capital lease obligations		(189,348)
Compensated absences		(317,061)
Net pension liability		(5,965,722)

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	(1,426,162)	
Less capital assets included above	-	
Add compensated absences included above	14,816	
		(1,411,346)

Deferred revenue in governmental funds is susceptible to full accrual on the entity-wide statements		264,241
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Net Position of Governmental Activities in the Statement of Net Position	\$	18,949,886
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CITY OF WAYCROSS, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2018

	General Fund	GEFA Project	SPLOST 2014	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 9,404,737	\$ -	\$ -	\$ 400,765	\$ 9,805,502
Fines and Forfeitures	305,929	-	-	-	305,929
Licenses and Permits	921,365	-	-	-	921,365
Intergovernmental	141,569	-	2,567,618	1,620,884	4,330,071
Charges for Services	30,324	-	-	35,024	65,348
Interest Income	6,818	-	53,943	16,780	77,541
Miscellaneous	229,364	-	-	213,131	442,495
Total Revenues	<u>11,040,105</u>	<u>-</u>	<u>2,621,561</u>	<u>2,286,584</u>	<u>15,948,250</u>
Expenditures					
Current:					
General Government	394,058	-	-	599	394,657
Public Safety	7,974,233	-	-	40,744	8,014,977
Public Works	1,647,989	-	-	218,194	1,866,183
Community Development	837,029	-	-	121,166	958,195
Debt Service					
Principle Retirement	114,940	-	-	-	114,940
Interest and Other charges	10,310	-	-	-	10,310
Capital Outlay	-	932,965	3,504,823	925,165	5,362,953
Total Expenditures	<u>10,978,559</u>	<u>932,965</u>	<u>3,504,823</u>	<u>1,305,868</u>	<u>16,722,215</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>61,546</u>	<u>(932,965)</u>	<u>(883,262)</u>	<u>980,716</u>	<u>(773,965)</u>
Other Financing Sources (Uses)					
Transfers in	240,459	-	-	39,200	279,659
Transfers out	-	-	-	(279,659)	(279,659)
Proceeds from Capital Leases	35,450	-	-	-	35,450
Total Other Financing Sources (Uses)	<u>275,909</u>	<u>-</u>	<u>-</u>	<u>(240,459)</u>	<u>35,450</u>
Net Change in Fund Balances	337,455	(932,965)	(883,262)	740,257	(738,515)
Fund Balances at Beginning of Year	602,075	-	4,564,568	1,702,769	6,869,412
Fund Balances at End of Year	<u>\$ 939,530</u>	<u>\$ (932,965)</u>	<u>\$ 3,681,306</u>	<u>\$ 2,443,026</u>	<u>\$ 6,130,897</u>

CITY OF WAYCROSS, GEORGIA
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2018

Net change in fund balances - total governmental funds	\$	(738,515)
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	1,773,162	
Depreciation expense	<u>(1,205,557)</u>	567,605
Revenues reported on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:		
Deferred Revenues		(59,440)
Loan proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of activities.		
Capital lease proceeds		(116,507)
Capital lease principle payments		69,655
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 long-term compensated absences		34,040
Changes in net pension liability		416,110
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.		
Change in depreciation included above	328,399	
Change in compensated absences included above	452	
	<u>770</u>	<u>329,621</u>
Change in net position of governmental activities	\$	<u><u>532,569</u></u>

CITY OF WAYCROSS, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2018

	Enterprise Funds				Internal Service Funds
	Public Utilities	Waste Management	Non-Major City Auditorium	Totals	
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 2,309,248	\$ -	12,072	\$ 2,321,320	\$ 892,694
Accounts Receivable, net	571,646	250,777	-	822,423	9,256
Due From Other Funds	728,000	-	-	728,000	723,207
Inventories	49,302	-	-	49,302	29,039
Prepaid Expenses	-	69,981	-	69,981	31,758
Total Current Assets	<u>3,658,196</u>	<u>320,758</u>	<u>12,072</u>	<u>3,991,026</u>	<u>1,685,954</u>
Non-Current Assets					
Restricted Assets:					
Cash & Cash Equivalents	169	-	-	169	-
Total Restricted Assets	<u>169</u>	<u>-</u>	<u>-</u>	<u>169</u>	<u>-</u>
Capital Assets					
Land	225,507	10,352	-	235,859	-
Buildings	9,785,589	-	2,408,733	12,194,322	138,321
Infrastructure	53,802,450	-	-	53,802,450	-
Auto and Trucks	362,679	501,195	-	863,874	70,663
Equipment and Furniture	4,300,243	536,039	44,100	4,880,382	100,170
Construction in Progress	1,101,947	-	-	1,101,947	-
Total Capital Assets	<u>69,578,415</u>	<u>1,047,586</u>	<u>2,452,833</u>	<u>73,078,834</u>	<u>309,154</u>
Less Accumulated Depreciation	<u>(37,948,796)</u>	<u>(840,239)</u>	<u>(1,036,999)</u>	<u>(39,826,034)</u>	<u>(309,154)</u>
Net Capital Assets	<u>31,629,619</u>	<u>207,347</u>	<u>1,415,834</u>	<u>33,252,800</u>	<u>-</u>
Total Non-Current Assets	<u>31,629,788</u>	<u>207,347</u>	<u>1,415,834</u>	<u>33,252,969</u>	<u>-</u>
Total Assets	<u>\$ 35,287,984</u>	<u>\$ 528,105</u>	<u>\$ 1,427,906</u>	<u>\$ 37,243,995</u>	<u>\$ 1,685,954</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ -	\$ 29,892	41	\$ 29,933	\$ 2,217,816
Salaries Payable	-	5,585	-	5,585	6,642
Due to Other Funds	750,000	-	-	750,000	872,842
Compensated Absences	-	15,207	-	15,207	14,816
Customer Deposits	231,554	11,077	13,393	256,024	-
Line of Credit	17,143	-	-	17,143	-
Capital Lease Obligations - Current Portion	16,350	24,615	-	40,965	-
Loans Payable - Current Portion	885,316	-	-	885,316	-
Total Current Liabilities	<u>1,900,363</u>	<u>86,376</u>	<u>13,434</u>	<u>2,000,173</u>	<u>3,112,116</u>
Noncurrent Liabilities (payable from unrestricted assets)					
Capital Lease Obligations (net of current portion)	27,233	44,866	-	72,099	-
Loan Payable (net of current portion)	3,140,812	-	-	3,140,812	-
Total Noncurrent Liabilities	<u>3,168,045</u>	<u>44,866</u>	<u>-</u>	<u>3,212,911</u>	<u>-</u>
Total Liabilities	<u>5,068,408</u>	<u>131,242</u>	<u>13,434</u>	<u>5,213,084</u>	<u>3,112,116</u>
NET POSITION					
Net Investment in Capital Assets	27,559,908	137,866	1,415,834	29,113,608	-
Unrestricted	<u>2,659,668</u>	<u>258,997</u>	<u>(1,362)</u>	<u>2,917,303</u>	<u>(1,426,162)</u>
Total Net Position	<u>\$ 30,219,576</u>	<u>\$ 396,863</u>	<u>\$ 1,414,472</u>	<u>\$ 32,030,911</u>	<u>\$ (1,426,162)</u>

CITY OF WAYCROSS, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Enterprise Funds				Internal Service Funds
	Public Utilities	Waste Management	Non-Major City Auditorium	Totals	
Revenues					
Charges for Services	\$ 6,655,628	\$ 2,310,475	\$ 33,950	\$ 9,000,053	\$ 489,770
Miscellaneous	-	-	-	-	4,097,510
Total Operating Revenues	<u>6,655,628</u>	<u>2,310,475</u>	<u>33,950</u>	<u>9,000,053</u>	<u>4,587,280</u>
Operating Expenses					
Personal Services	2,136,275	782,383	4,930	2,923,588	427,426
Contractual Services	2,499,300	1,313,146	1,313	3,813,759	21,959
Utilities	-	-	23,171		
Repairs and Maintenance	204,868	164,244	1,165	370,277	29,666
Other Supplies and Expenses	430,518	2,120	2,553	435,191	-
Insurance Claims and Expenses	-	9,756	816	10,572	3,831,737
Depreciation & Amortization	1,029,664	37,495	137,082	1,204,241	452
Total Operating Expenses	<u>6,300,625</u>	<u>2,309,144</u>	<u>171,030</u>	<u>8,780,799</u>	<u>4,311,240</u>
Income (Loss) from Operations	<u>355,003</u>	<u>1,331</u>	<u>(137,080)</u>	<u>219,254</u>	<u>276,040</u>
Nonoperating Revenues (Expenses):					
Interest and Investment Revenue	13,775	-	-	13,775	30
Miscellaneous Revenue	-	-	-	-	52,329
Interest Expense	(116,133)	(2,078)	-	(118,211)	-
Total Nonoperating Revenues (Expenses)	<u>(102,358)</u>	<u>(2,078)</u>	<u>-</u>	<u>(104,436)</u>	<u>52,359</u>
Income (Loss) Before Contributions	<u>252,645</u>	<u>(747)</u>	<u>(137,080)</u>	<u>114,818</u>	<u>328,399</u>
Capital grants and contributions	<u>3,040,059</u>	<u>-</u>	<u>-</u>	<u>3,040,059</u>	<u>-</u>
Total Other Financing Sources	<u>3,040,059</u>	<u>-</u>	<u>-</u>	<u>3,040,059</u>	<u>-</u>
Change in Net Position	<u>3,292,704</u>	<u>(747)</u>	<u>(137,080)</u>	<u>3,154,877</u>	<u>328,399</u>
Net Position at Beginning of Year	26,926,872	397,610	1,551,552	28,876,034	(1,754,561)
Net Position at End of Year	<u>\$30,219,576</u>	<u>\$ 396,863</u>	<u>\$ 1,414,472</u>	<u>\$32,030,911</u>	<u>\$ (1,426,162)</u>

CITY OF WAYCROSS, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2018

	Business-Type Activities				Internal Service Funds
	Enterprise Funds				
	Public Utilities	Waste Management	Non-Major City Auditorium	Totals	
Cash Flows from Operating Activities					
Cash Received from Customers	\$ 6,735,008	\$ 2,298,458	\$ 36,817	\$ 9,070,283	\$ 491,197
Cash Received from other funds for services	-	-	-	-	4,097,509
Cash Paid to suppliers	(3,130,409)	(1,529,355)	(28,977)	(4,688,741)	(4,382,447)
Cash Paid to Employees	(2,136,275)	(782,710)	(4,930)	(2,923,915)	(426,311)
Net Cash Provided (Used) by Operating Activities	<u>1,468,324</u>	<u>(13,607)</u>	<u>2,910</u>	<u>1,457,627</u>	<u>(220,052)</u>
Cash Flows From Noncapital Financing Activities					
Miscellaneous Non-Operating Revenue	-	-	-	-	52,329
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,329</u>
Cash Flows From Capital and Related Financing Activities					
Principal Paid on Loans Payable	(879,201)	(24,095)	-	(903,296)	-
Acquisition and Construction of Capital Assets	(330,296)	-	-	(330,296)	-
Interest Paid	(116,133)	(2,077)	-	(118,210)	-
Net Cash Provided (Used) by Capital and Related Activities	<u>(1,325,630)</u>	<u>(26,172)</u>	<u>-</u>	<u>(1,351,802)</u>	<u>-</u>
Cash Flows From Investing Activities					
Interest on Cash Deposits	13,775	-	-	13,775	30
Net Cash Provided (Used) by Capital and Related Activities	<u>13,775</u>	<u>-</u>	<u>-</u>	<u>13,775</u>	<u>30</u>
Net Increase (Decrease) in Cash	<u>156,469</u>	<u>(39,779)</u>	<u>2,910</u>	<u>119,600</u>	<u>(167,693)</u>
Cash - Beginning of Year	2,152,779	39,779	9,162	2,201,720	1,060,387
Cash - End of Year	<u>\$ 2,309,248</u>	<u>\$ -</u>	<u>\$ 12,072</u>	<u>\$ 2,321,320</u>	<u>\$ 892,694</u>

Reconciliation of Income (Loss) from Operations to Net Cash Provided (Used) by Operating Activities

Operating Income (Loss)	\$ 355,003	\$ 1,331	\$ (137,080)	\$ 219,254	\$ 276,040
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities:					
Depreciation and Amortization	1,029,664	37,495	137,082	1,204,241	452
Change in Assets and Liabilities:					
Accounts Receivable	80,722	(14,152)	-	66,570	1,427
Due from Other Funds	-	-	-	-	-
Inventories	4,277	-	-	4,277	-
Prepaid Expenses	-	(69,981)	-	(69,981)	(1,177)
Accounts Payable	-	29,892	40	29,932	(497,909)
Accrued Expenses	-	(327)	-	(327)	1,115
Customer Deposits	(1,342)	2,135	2,868	3,661	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,468,324</u>	<u>\$ (13,607)</u>	<u>\$ 2,910</u>	<u>\$ 1,457,627</u>	<u>\$ (220,052)</u>
Cash Per Financial Statements, Including Investments	\$ 2,309,417	\$ -	\$ 12,072	\$ 2,321,489	\$ 892,694
Less: Non-Cash Equivalents	169	-	-	169	-
Total Cash	<u>\$ 2,309,248</u>	<u>\$ -</u>	<u>\$ 12,072</u>	<u>\$ 2,321,320</u>	<u>\$ 892,694</u>
Non-Cash Investing, Capital and Financing Activities					
Capital Contributions From Other Funds	<u>\$ 3,040,059</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,040,059</u>	<u>\$ -</u>

CITY OF WAYCROSS, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
JUNE 30, 2018

	<u>Total Agency Funds</u>
Assets	
Cash	\$ 125,869
	<hr/>
Total Assets	\$ 125,869
	<hr/> <hr/>
Liabilities	
Refundable Court Bonds	\$ 58,270
Seized Funds Held	67,599
	<hr/>
Total Liabilities	\$ 125,869
	<hr/> <hr/>

NOTES TO BASIC FINANCIAL STATEMENTS

**CITY OF WAYCROSS, GEORGIA
INDEX TO NOTES TO BASIC FINANCIAL STATEMENTS**

<u>Note</u>	<u>Page</u>
1	Summary of Significant Accounting Policies
A.	Basis of Presentation27
B.	Reporting Entity.....28
C.	Fund Accounting28-29
D.	Measurement Focus30
E.	Basis of Accounting.....30
F.	Revenues – Exchange and Non-Exchange Transactions30-31
G.	Deferred Outflows/Inflows of Resources31
H.	Expenses/Expenditures31
I.	FASB Statements and Interpretations.....31
J.	Budgets and Budgetary Accounting32
K.	Encumbrances33
L.	Cash and Cash Equivalents33
M.	Transfers Between Funds33
N.	Allowances For Doubtful Accounts.....33
O.	Bond Discounts, Premiums, and Issuance Costs.....33
P.	Compensated Absences33
Q.	Retirement Plans34
R.	Accrued and Long – Term Liabilities34
S.	Capital Lease Obligations34
T.	Fund Equity35
U.	Prepaid Expenditures36
V.	Estimates36
2.	Expenditures in Excess of Appropriations36
3.	Cash Deposits and Investments37
4.	Receivables and Payables37
5.	Property Taxes38
6.	Hotel/Motel Lodging Tax.....38
7.	Capital Assets38-39
8.	Debt Obligations39-41
9.	Lines of Credit42
10.	Interfund Transfers42
11.	Interfund Receivable and Payable Balances43
12.	Fund Equity44-46
13.	Employee Retirement Plan.....46-50
14.	Deferred Compensation Plan51
15.	Commitments and Contingencies.....51
16.	Joint Ventures/Related Organizations51
17.	Risk Management52
18.	Other Post-Employment Benefits53
19.	Tax Abatements53
20.	Restatements53

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

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 regard 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.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

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.

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 61. Under GASB Statement No. 61, a legally separate entity is required to be included as a component unit if it is fiscally dependent upon the primary government and there is a financial benefit or burden relationship present. The primary government is financially accountable if it appoints the voting majority of the organization's governing board and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A potential component unit has a financial benefit or burden relationship with the primary government if, for example, any one of the following conditions exists:

- a. The primary government is legally entitled to or can otherwise access the organization's resources.
- b. The primary government is legally obligated or has otherwise assumed the obligation to finance the deficits of, or provide financial support to, the organization.
- c. The primary government is obligated in some manner for the debt of the organization.

The financial statements for the City of Waycross do not include any component units.

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.

CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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.

GEFA Fund - The fund is used to account for the loan advances and expenditures for purchasing and installing 7,500 new water meters.

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.

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.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 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 versus 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.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 or 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.

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:

<u>Unavailable Revenue</u>	<u>General Fund</u>
Property Taxes	\$ 264,241
	<u>\$ 264,241</u>

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.

CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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 Commission 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 Commission 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 Commission. Therefore, the level of budgetary 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, and city garage fund.

Budgeted amounts are as originally adopted or as amended by the City Commission. 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, 2018, the City did not adopt annual budgets for the Forfeited Property Fund, Jail Fund, Community Development Fund, EIP Revolving Loan Fund, Fire Department Fund, Okefenokee Classic, Misc Grants, Misc Fund, Cemetery Trust, Fallen Firefighter Scholarship Fund, ATM Machine Fund, and LMIG Fund.

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

CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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.

M. 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.

N. Allowance For Doubtful Accounts

The City provides an allowance for the Public Utilities Fund, Waste Management Fund and the Property tax receivables that may be uncollectible. At June 30, 2018, the allowances are \$114,812, \$52,595 and \$2,330, respectively. No other allowances for uncollectible accounts receivable are necessary. All other accounts receivable are considered collectible as reported at June 30, 2018.

O. 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.

P. 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.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Q. 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.

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.

R. 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 from 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.

S. 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.

CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

T. 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 whether 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 Commission through adoption of a resolution. The City Commission also may modify or rescind the commitment by the same formal action.

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 Commission 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 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.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

U. Prepaid Expenditures

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

V. 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		Amount
	Actual	Appropriations	Exceeding Appropriations
Forfeited Property	\$ 18,639	\$ -	\$ 18,639
Jail	3,099	-	3,099
WPD Information Technology Fund	25,417	25,000	417
Community Development	13,745	-	13,745
Fire Department	13,589	-	13,589
Okefenokee Classic	807	-	807
Misc. Grants	3,250	-	3,250
Hotel Motel Fund	343,073	340,000	3,073
Cemetary Trust Fund	39,200	-	39,200
Fallen Firefighters Scholarship Fund	4,000	-	4,000
ATM Machine	599	-	599
LMIG	218,954	-	218,954
CDBG Grant 16p-x-148-2-5892	416,516	-	416,516

The following funds had deficits at June 30, 2018:

	Deficit
Capital Reserve	\$ 35,367
GEFA Project	932,965
Cemetery Fund	36,756
Health Insurance Fund	2,906,773
Warehouse Fund	4,053

CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 3 – CASH DEPOSITS AND INVESTMENTS

As of June 30, 2018, the carrying amount of the City's bank deposits was \$10,217,880 and the respective bank balances totaled \$8,195,497. Of the total bank balance, \$500,000 was issued through the Federal Depository Insurance Corporation (FDIC). \$7,695,497 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, 2018, the City's carrying amount of deposits, related bank balances, and other cash, were as follows:

	Carrying Amount	Bank Balance
Demand Deposits	\$ 10,343,749	\$ 8,344,231
Totals	\$ 10,343,749	\$ 8,344,231

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, 2018, \$7,452,415 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, 2018 were as follows:

	Taxes	Accounts Receivable	Other Govts	Other	Total
<u>Governmental Activities:</u>					
General	\$ 283,646	\$ 172,998	\$ 268,749	\$ -	\$ 725,393
SPLOST 2014	-	-	215,871	-	215,871
Non-Major	-	-	285,695	70,330	356,025
Internal service funds	-	9,256	-	-	9,256
Total Governmental Activities	\$ 283,646	\$ 182,254	\$ 770,315	\$ 70,330	\$ 1,306,545
<u>Business-Type Activities</u>					
Public Utilities	\$ -	\$ 571,646	\$ -	\$ -	\$ 571,646
Waste Management	-	250,777	-	-	250,777
Total Business-Type Activities	\$ -	\$ 822,423	\$ -	\$ -	\$ 822,423

Payables at June 30, 2018 were as follows:

	Vendors	Salaries/ Benefits	Other	Total
<u>Governmental Activities:</u>				
General	\$ 23,050	\$ 223,252	\$ 906,461	\$ 1,152,763
GEFA Project	932,965	-	-	932,965
Non-Major	43,673	-	-	43,673
Internal service funds	2,217,816	6,642	-	2,224,458
Total Governmental Activities	\$ 3,217,504	\$ 229,894	\$ 906,461	\$ 4,353,859
<u>Business-Type Activities:</u>				
Public Utilities	\$ -	\$ -	\$ 231,554	\$ 231,554
Waste Management	29,892	5,585	11,077	46,554
City Auditorium	41	-	13,393	13,434
Total Business-Type Activities	\$ 29,933	\$ 5,585	\$ 256,024	\$ 291,542

CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

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 \$400,765 from the collection of the hotel/motel tax during the fiscal year ended June 30, 2018. The City disbursed \$102,614 for the promotion of tourism and \$177,109 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, 2018 is as follows:

	<u>Balance</u> <u>June 30, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2018</u>
<u>Governmental Activities:</u>				
Nondepreciable Capital Assets:				
Land	\$ 5,071,380	\$ 28,229		\$ 5,099,609
Construction in progress	93,696	255,232	-	348,928
Depreciable Capital Assets:				
Buildings	9,195,933	-	-	9,195,933
Machinery and Equipment	3,567,362	223,456	11,425	3,779,393
Vehicles	5,717,301	75,390	56,329	5,736,362
Infrastructure	36,848,158	1,190,855		38,039,013
Total Capital Assets	\$ 60,493,830	\$ 1,773,162	\$ 67,754	\$ 62,199,238
Less Accumulated Depreciation for:				
Buildings	\$ (4,510,848)	\$ (206,493)		(4,717,341)
Machinery and Equipment	(2,948,517)	(140,203)	(11,425)	(3,077,295)
Vehicles	(4,500,743)	(325,256)	(56,329)	(4,769,670)
Infrastructure	(28,945,735)	(533,605)		(29,479,340)
Governmental Activities Capital Assets, Net	\$ 19,587,987	\$ 567,605	\$ -	\$ 20,155,592
<u>Business-type Activities:</u>				
Nondepreciable Capital Assets:				
Land and Improvements	\$ 235,859	\$ -	\$ -	\$ 235,859
Construction in progress	237,250	2,095,398	(1,230,701)	1,101,947
Depreciable Capital Assets:				
Building	12,194,322			12,194,322
Machinery and Equipment	4,840,874	39,505	-	4,880,379
Vehicles	863,874		-	863,874
Infrastructure	51,336,298	2,466,152	-	53,802,450
Total Capital Assets	\$ 69,708,477	\$ 4,601,055	\$ (1,230,701)	\$ 73,078,831
Less Accumulated Depreciation for:				
Building	\$ (7,538,330)	(283,362)	\$ -	\$ (7,821,692)
Machinery and Equipment	(4,340,822)	(68,944)	-	(4,409,766)
Vehicles	(768,275)	(20,486)	-	(788,761)
Infrastructure	(25,974,363)	(831,449)		(26,805,812)
Business-Type Activities Capital Assets, Net	\$ 31,086,687	\$ 3,396,814	\$ (1,230,701)	\$ 33,252,800

CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

NOTE 7 – CAPITAL ASSETS, CONTINUED

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

<u>Governmental Activities:</u>	
General Government	\$ 119,967
Public Safety	472,578
Public Works	607,629
Community Development	5,383
	<hr/>
Total Depreciation Expense-Governmental Activities	\$ 1,205,557
<u>Business-Type Activities:</u>	
Public Utilities	\$ 1,029,664
Waste Management	37,495
City Auditorium	137,082
	<hr/>
Total Depreciation Expense-Business-Type Activities	\$ 1,204,241

NOTE 8 –DEBT OBLIGATIONS

Transactions for the year ended June 30, 2018 are summarized as follows:

Change in Outstanding Debt:

	Balance	Issues or	Payments or	Balance	Amount
	June 30, 2017	Additions	Expenditures	June 30, 2018	Due Within
					One Year
<u>Governmental Type Activities:</u>					
Lease Obligations Payable	\$ 142,496	\$ 116,507	\$ 69,655	\$ 189,348	\$ 75,325
Notes Payable	582,500	-	30,000	552,500	30,000
Compensated Absences	351,101	-	34,040	317,061	-
Net Pension Liability	7,158,663	-	1,192,941	5,965,722	-
TANS Loan	-	1,000,000	1,000,000	-	-
Other post employment benefits	-	-	-	-	-
Total Governmental Activities	<hr/> 8,234,760	<hr/> 1,116,507	<hr/> 2,326,636	<hr/> 7,024,631	<hr/> 105,325
<u>Business-Type Activities:</u>					
Line of Credit	17,143	-	-	17,143	17,143
Lease Obligations Payable	152,926	-	39,862	113,064	40,965
GEFA-98-L68WJ	501,239	-	135,289	365,950	141,648
GEFA Loan-00-L36WJ	2,940,486	-	561,626	2,378,860	572,767
SRF Loan CWSRF-00-001	270,549	-	57,017	213,532	58,747
SRF Loan CWSRF 00-0020	1,158,661	-	103,907	1,054,754	107,059
GEFA Loan CW09071PF60	18,627	-	5,595	13,032	5,095
Compensated Absences	15,180	-	27	15,153	-
Total Business-Type Activities	<hr/> 5,074,811	<hr/> -	<hr/> 903,323	<hr/> 4,171,488	<hr/> 943,424
Total All Funds	<hr/> \$ 13,309,571	<hr/> \$ 1,116,507	<hr/> \$ 3,229,959	<hr/> \$ 11,196,119	<hr/> \$ 1,048,749

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 waste management fund.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 8 –DEBT OBLIGATIONS, CONTINUED

Notes/Loans Payable:

The following is a schedule of annual requirements for GEFA contracts CW09071PF60, 98-L68WJ, 2000-L36WJ, CWJRF00-020, and CWJRF00-001.

Year Ending June 30:	Government Activities		Business-Type Activities		
	Principal	Interest	Principal	Interest	Total
2019	\$ 30,000	\$ -	\$ 885,317	\$ 92,635	977,952
2020	30,000	-	907,942	70,010	977,952
2021	30,000	-	851,547	47,812	899,359
2022	30,000	-	757,086	28,738	785,824
2023	30,000	-	138,259	16,939	155,198
2024-2028	150,000	-	485,977	64,667	550,644
2029-2033	150,000	-	-	-	-
2034-2038	102,500	-	-	-	-
	<u>\$ 552,500</u>	<u>-</u>	<u>\$ 4,026,128</u>	<u>\$ 320,801</u>	<u>\$ 4,346,929</u>

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, 2018, the outstanding balance on this loan was \$552,500.

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, 2018, the outstanding balance on this loan was \$365,950 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, 2018, the outstanding balance of this loan was \$213,532 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.

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, 2018, the outstanding balance was \$2,378,860 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.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 8 –DEBT OBLIGATIONS, CONTINUED

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, 2018, the outstanding balance was \$1,054,754. Repayment is over 80 quarterly payments of \$34,376 at 3%. 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 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 a subsidy of \$80,400. At June 30, 2018, the outstanding loan balance was \$13,032. Repayment is over 120 monthly payments of \$451 at 3%.

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, 2018.

	Government-Type Activities	Business-Type Activities
Backhoe Loader	\$ -	\$ 80,700
Knuckleboom Loader	-	122,914
2014 Side Arm Tractor	117,337	
2015 Front End Loader	144,600	
Massey Ferguson Tractor	35,520	
Tasers	81,057	
	<u>378,514</u>	<u>203,614</u>
Less Accumulated Depreciation	(144,443)	(66,538)
Total	<u>\$ 234,071</u>	<u>\$ 137,076</u>

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, 2018:

Year Ending June 30,	Governmental- Type Activities	Business-Type Activities
2019	78,661	44,069
2020	55,314	44,069
2021	24,810	30,097
2022	22,230	-
2023	5,862	-
2024-2025	10,258	-
Total Minimum Lease Payments	\$ 197,135	\$ 118,235
Less: Amount Representing Interest	(7,717)	(5,171)
Present Value of Future Minimum Lease Payments	<u>\$ 189,418</u>	<u>\$ 113,064</u>

**CITY OF WAYCROSS, GEORGIA
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2018**

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, 2018, \$17,143 was drawn on the line of credit. No funds were drawn on the line of credit during fiscal year 2018. The project was in progress at June 30, 2018 and funds were drawn for the portion completed shortly after the year end. The water meter project is expected to be completed and converted to permanent financing 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, 2018 were as follows:

	Transfer In	Transfer Out
General Fund	240,459	-
Hotel/Motel Fund	-	240,459
Cemetery Trust Fund	-	39,200
Cemetery Fund	39,200	-
	279,659	279,659

:

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

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, 2018, balances of interfund amounts receivable or payable have been recorded.

Individual fund interfund receivable and payable balances at June 30, 2018 are as follows

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

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 12 – FUND EQUITY

Fund balances at June 30, 2018 are classified as follows:

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

General Fund:	
Inventories	\$ 32,171
Prepaid Expenditures	<u>14,751</u>
Total Nonspendable	<u>\$ 46,922</u>

Restricted - The following fund balances are restricted for:

Special Revenue Funds:	
<i>Forfeited Property Fund</i> - used to account for funds received from property forfeitures.	\$ 15,239
<i>Jail Fund</i> - used to account for vending revenue of the jail.	1,539
<i>EIP Revolving Loan Fund</i> - used to account for revolving loans issued to local businesses.	166,269
<i>Waycross Fire Dept. Fund</i> - used to account for contributions and miscellaneous grants received for the purpose of fire department expenditures.	2,051
<i>FEMA Grants Fund</i> - used to account for expenditures of FEMA grants.	566
<i>Misc Grant Fund</i> - used to account for expenditures of miscellaneous small grants.	16,340
<i>Hotel/Motel Tax Fund</i> - used to account for hotel/motel tax revenues.	<u>146,871</u>
Total Restricted for Special Revenue	<u>\$ 348,875</u>

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 12 – FUND EQUITY, CONTINUED

<i>SPLOST 2008-2013 Fund</i> - used to account for capital projects financed with special purpose local option sales tax.	819,011
<i>SPLOST 2014 Fund</i> - used to account for capital projects financed with special purpose local option sales tax.	3,681,306
<i>TSPLOST Fund</i> - used to account for capital projects financed with special purpose local option sales tax.	779,372
<i>LMIG Fund</i> - used to account for capital projects financed with Georgia DOT local maintenance improvement program.	<u>422,751</u>
Total Restricted for Capital Projects	<u>\$ 5,702,440</u>
Total Restricted Fund Balance	<u><u>\$ 6,051,315</u></u>

Committed – The following fund balances are committed to:

Special Revenue Funds:

<i>Community Development Fund</i> - used to account for miscellaneous revenues that are committed to community development expenditures.	\$ 60,796
<i>Cemetery Trust Fund</i> - used to account for funds that accumulated for future cemetery improvements and expansion.	<u>39,053</u>
Total Committed Fund Balance	<u><u>\$ 99,849</u></u>

Assigned – The following fund balances are assigned to:

Special Revenue Funds:

<i>WPD Info Technology Fund</i> - used to account for fines and forfeitures that are restricted for the use of police department information technology expenditures.	\$ 11,288
<i>Okefenokee Classic Fund</i> - used to account for activity involving Okefenokee classic and related community events	13,148
<i>Misc Fund</i> - used to account for donations for the purpose of upkeep and improvements to Henry Walker Park	5,173
<i>Fallen Firefighter Scholarship Fund</i> - used to account for donations for the purpose of awarding scholarships	<u>13,833</u>
Total Assigned Fund Balance	<u><u>\$ 43,442</u></u>

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

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:

<i>General Fund</i>	\$ 892,608
<i>Cemetery Fund</i> - negative committed fund balance reported as unassigned.	(36,756)
<i>ATM Machine Fund</i> - used to account for activity involving ATM machine used at community events.	1,849
<i>Capital Reserve Fund</i> - negative committed fund balance reported as unassigned.	(35,367)
<i>GEFA</i> - negative restricted fund balance reported as unassigned.	<u>(932,965)</u>
Total Unassigned Fund Balance	<u><u>\$ (110,631)</u></u>

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, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	164
Inactive employees entitled to but not yet receiving benefits	64
Active employees	<u>182</u>
Total Covered Employees	<u><u>410</u></u>

CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018

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. The annual minimum contributions is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). If the City contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards. The recommended contribution for the City of Waycross, Georgia for the actuarial period valuation date as of January 1, 2018 was \$1,262,900 which represents 19.22% of the expected payroll of covered employees. The estimated minimum contribution is \$829,986. The City paid 100% of the contribution billed monthly in the amount of \$1,262,900 for the year ending June 30, 2018.

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

At June 30, 2018, the City reported a liability of \$5,965,722, as its net pension liability. The net pension liability was measured as of September 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. 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, 2018.

The following schedule reconciles the differences between the beginning and ending net pension liability for the year ended June 30, 2018:

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, 2016*	\$ 26,480,133	\$ 19,321,470	\$ 7,158,663
Changes for the year:			
Service Cost	225,540	-	225,540
Interest	1,990,517	-	1,990,517
Difference between expected and actual experience	227,231	-	227,231
Contributions - employer	-	1,295,082	(1,295,082)
Contributions - employee	-		
Net investment income	-	2,888,955	(2,888,955)
Benefit payments, including refunds of employee contributions	(1,592,095)	(1,592,095)	
Administrative expense	-	(49,773)	49,773
Other	498,035	-	498,035
Net Changes	<u>1,349,228</u>	<u>2,542,169</u>	<u>(1,192,941)</u>
Balances at September 30, 2017**	<u>27,829,361</u>	<u>21,863,639</u>	<u>5,965,722</u>

*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.

**Entry Age Normal liabilities calculated using ages and service amounts as of January 1, 2018 are used to measure TPL as of September 30, 2017. The balances as of September 30, 2017 constitute measurements of the NPL for the fiscal year ending June 30, 2018.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 13 - EMPLOYEE RETIREMENT PLAN, CONTINUED

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

For the year ended June 30, 2018, the City recognized pension expense of \$942,395. 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, 2018, 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	\$ 699,239	\$ -
Changes of assumptions	332,024	-
Net difference between projected and actual earnings on pension plan investments	463,750	1,605,262
City contributions subsequent to the measurement date	945,382	-
Total	<u>\$ 2,440,395</u>	<u>\$ 1,605,262</u>

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.

\$945,382 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, 2019. 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:

	Deferred Outflows of Resources	Deferred Inflows of Resources
<u>Year Ending June 30,</u>		
2019	\$ 841,281	\$ (519,542)
2020	653,732	(402,362)
2021	-	(402,362)
2022	-	(280,996)
2023	-	-
Thereafter	-	-
Total	<u>\$ 1,495,013</u>	<u>\$ (1,605,262)</u>

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 13 - EMPLOYEE RETIREMENT PLAN – CONTINUED

Actuarial Methods and Assumptions

The total pension liability in the January 1, 2018 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	Projected Unit Credit
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	2.75%
Net Investment Rate of Return	7.50
Projected Salary Increases	2.75% plus service-based merit increases
Cost of Living Adjustments Retirement Age:	0.00%
<i>Normal</i>	65 with 5 years of service
<i>Early</i>	55 with 10 years of service
Mortality:	
<i>Healthy</i>	RP-2000 Combined Healthy Mortality Table with sex- distinct rates, set forward two years for males and one year for females
<i>Disabled</i>	RP-2000 Disabled Retiree Mortality Table with sex- distinct rates
<i>Plan termination basis (all lives)</i>	1994 Group Annuity Reserving Unisex Table

The mortality and economic actuarial assumptions used in the January 1, 2018 valuation were based on the results of an actuarial experience study for the period January 1, 2010 through June 30, 2014.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 13 - EMPLOYEE RETIREMENT PLAN – CONTINUED

The 7.50% 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 March 31, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity	45%	6.71%
International equity	20%	7.71%
Global fixed income	5%	3.36%
Domestic fixed income	20%	2.11%
Real estate	10%	5.21%
Cash	0%	
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.50%, 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 (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability	\$ 9,114,453	\$ 5,965,722	\$ 3,311,372

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

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, EIP Revolving Loan, 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, 2018 the City paid \$17,611 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.

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

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.

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 \$57,739 have been recorded as of June 30, 2018. Dependent coverage is funded by charges to employees. Revenues are recognized from payroll deductions and City contributions. The Claims liability of \$57,739 reported in the Health Insurance Fund at June 30, 2018 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 2016-2018 were:

Fiscal Year	Balance Beginning of Fiscal Year	Claims and Changes in Estimates	Claims Payments	Balance End of Fiscal Year
2016	337,309	2,122,748	2,253,891	206,166
2017	206,166	2,177,343	2,282,593	100,916
2018	100,916	1,370,652	1,413,829	57,739

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 2016-2018 were:

Fiscal Year	Balance Beginning of Fiscal Year	Claims and Changes in Estimates	Claims Payments	Balance End of Fiscal Year
2016	23,386	493,609	472,745	44,250
2017	44,250	321,747	339,947	26,050
2018	26,050	388,031	485,558	71,477

**CITY OF WAYCROSS, GEORGIA
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2018**

NOTE 18 - OTHER POST EMPLOYMENT BENEFITS

The City discontinued providing health care benefits for retired employees in January 2017. The City does provide 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.

NOTE 19 – TAX ABATEMENTS

Pursuant to Governmental Accounting Standards Board (GASB) Statement No. 77, Tax Abatement Disclosures, the City is required to disclose certain information about tax abatements as defined in the Statement. For purposes of GASB Statement No. 77, a tax abatement is a reduction in tax revenues that results from an agreement between one or more governments and an individual or entity in which (a) one or more governments promise to forgo tax revenues to which they are otherwise entitled and (b) the individual or entity promises to take a specific action after the agreement has been entered into that contributes to economic development or otherwise benefits the City or the citizens of the City. The City has entered into such agreements. A description of each of the City's abatement programs where the City has promised to forgo taxes follows:

Waycross Ware County Development Authority was created for the purpose of developing and promoting the public good and general welfare, industry, agriculture, commerce, natural resources, and vocational training, and to make plans for the coordination of such development, promotion, and expansion within its territorial limits, which includes the real property leased under a lease agreement to SunCorp Property Services, LLC, Inc. as of May 18, 2007. Waycross Ware County Development Authority uses incentives to attract new industries and facilitate local expansions. The premises leased are owned by the Authority and under this lease SunCorp Property Services, LLC will receive an ad valorem tax abatement beginning with calendar year 2008 through 2021 that ranges from 100% for 10 years to 20% in year 2021.

A summary of the taxes forgone on the City's abatement programs for the year ending June 30, 2018 follows:

<u>Program</u>	<u>Tax Abated</u>	<u>Source</u>	<u>Amount</u>
SunCorp	Property Tax	Waycross Ware County Dev. Authority	\$ 19,023

NOTE 20 – RESTATEMENTS

The net position of the Governmental Activities at June 30, 2017 has been restated to reflect the discontinuance by the City of health care benefits for retired employees. The following reflects the effect of this restatement.

Net Position, Governmental Activities:	
Balance at June 30, 2017, as originally reported	\$ 17,662,216
Add back Net OPEB Obligation recorded at June 30, 2017	755,101
Balance at June 30, 2017, as restated	<u>\$ 18,417,317</u>
 Total Net Position, Government-Wide Statement of Activities:	
Balance at June 30, 2017, as originally reported	\$ 46,538,250
Net increase in net position as noted above	755,101
Balance at June 30, 2017, as restated	<u>\$ 47,293,351</u>

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
- 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:										
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<u>Total pension liability</u>											
Service cost	\$ 225,540	\$ 207,015	\$ 227,258	\$ 251,053							
Interest	1,990,517	1,892,540	1,792,817	1,793,391							
Differences between expected and actual experience	227,231	720,404	750,194	7,838							
Changes of assumptions		-	-	(652,628)							
Changes of benefit terms		-	-	-							
Benefit payments, including refunds of employee contributions	(1,592,095)	(1,519,404)	(1,447,622)	(1,366,508)							(Historical information prior to implementation of GASB 68 is not required)
Other	498,035	-	-	-							
Net change in total pension liability	1,349,228	1,300,555	1,322,647	33,146							
Total pension liability - beginning	<u>26,480,133</u>	<u>25,179,578</u>	<u>23,856,931</u>	<u>23,823,785</u>							
Total pension liability - ending (a)	<u><u>27,829,361</u></u>	<u><u>26,480,133</u></u>	<u><u>25,179,578</u></u>	<u><u>23,856,931</u></u>							
<u>Plan fiduciary net position</u>											
Contributions - employer	\$ 1,295,082	\$ 1,052,861	\$ 1,271,784	\$ 1,346,236							
Contributions - employee	-	-	-	-							
Net investment income	2,888,955	1,970,741	215,191	1,828,654							
Benefit payments, including refunds of employee contributions	(1,592,095)	(1,519,404)	(1,447,622)	(1,366,508)							(Historical information prior to implementation of GASB 68 is not required)
Administrative expense	(49,773)	(29,741)	(33,233)	(26,282)							
Other	-	-	-	-							
Net change in fiduciary net position	2,542,169	1,474,457	6,120	1,782,100							
Plan fiduciary net position - beginning	<u>19,321,470</u>	<u>17,847,013</u>	<u>17,840,893</u>	<u>16,058,793</u>							
Plan fiduciary net position - ending (b)	<u><u>21,863,639</u></u>	<u><u>19,321,470</u></u>	<u><u>17,847,013</u></u>	<u><u>17,840,893</u></u>							
Net pension liability - ending (a)-(b)	<u><u>\$ 5,965,722</u></u>	<u><u>\$ 7,158,663</u></u>	<u><u>\$ 7,332,565</u></u>	<u><u>\$ 6,016,038</u></u>							
Plan's fiduciary net position as a percentage of the total pension liability	78.57%	72.97%	70.88%	74.78%							(Historical information prior to implementation of GASB 68 is not required)
Covered employee payroll	\$ 6,483,790	\$ 7,006,241	\$ 6,658,368	\$ 6,733,231							
Net pension liability as a percentage of covered employee payroll	92.00%	102.18%	110.13%	89.35%							

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

	Year ended June 30, 2018										
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Actuarially determined contribution	-	*	1,175,945	1,142,494	1,313,925						
Contributions in relation to the actuarially determined contribution	-	*	1,173,157	1,047,286	1,314,801						
Contribution deficiency (excess)	-	*	2,788	95,208	(876)	(Historical information prior to implementation of GASB 68 is not required)					
Covered employee payroll	-	*	7,006,241	6,658,368	6,733,231						
employee payroll	-	*	16.74%	15.73%	19.53%						

* 2018 information will be determined after fiscal year end and will be included in the 2019 valuation report.

**CITY OF WAYCROSS, GEORGIA
NOTES TO PENSION SCHEDULES**

NOTE 1 – SIGNIFICANT METHODS AND ASSUMPTIONS

Valuation Date

The actuarially determined contribution rate was determined as of January 1, 2018, 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, 2019.

Actuarial Methods and Assumptions

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

Actuarial Cost Method	Projected Unit Credit
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	2.75%
Net Investment Rate of Return	7.50
Projected Salary Increases	2.75% plus service-based merit increases
Cost of Living Adjustments Retirement Age:	0.00%
<i>Normal</i>	65 with 5 years of service
<i>Early</i>	55 with 10 years of service
Mortality:	
<i>Healthy</i>	RP-2000 Combined Healthy Mortality Table with sex- distinct rates, set forward two years for males and one year for females
<i>Disabled</i>	RP-2000 Disabled Retiree Mortality Table with sex- distinct rates
<i>Plan termination basis (all lives)</i>	1994 Group Annuity Reserving Unisex Table

**CITY OF WAYCROSS, GEORGIA
NOTES TO PENSION SCHEDULES**

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

Amounts reported for the fiscal year ending in 2018 and later reflect the following assumption changes based on an actuarial study conducted in September 2017:

The investment return assumption was decreased from 7.75% to 7.50%.

The inflation assumption was decreased from 3.25% to 2.75%.

Benefit Changes

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

**CITY OF WAYCROSS, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 9,722,314	\$ 9,722,314	\$ 9,404,737	\$ (317,577)
Fees and fines	367,000	367,000	305,929	(61,071)
Licenses and permits	862,600	862,600	921,365	58,765
Intergovernmental	144,000	144,000	141,569	(2,431)
Charges for services	36,580	36,580	30,324	(6,256)
Investment Earnings	4,500	4,500	6,818	2,318
Miscellaneous	229,900	229,900	229,364	(536)
Total Revenues	<u>11,366,894</u>	<u>11,366,894</u>	<u>11,040,105</u>	<u>(326,789)</u>
Expenditures:				
Current:				
General Government	497,502	491,045	394,058	96,987
Public Safety	8,274,354	8,258,654	7,974,233	284,421
Public Works	1,737,739	1,749,996	1,647,989	102,007
Community Development	873,948	873,948	837,029	36,919
Debt Service:				
Principal	175,351	185,251	114,940	70,311
Interest and other charges	12,000	12,000	10,310	1,690
Total Expenditures	<u>11,570,894</u>	<u>11,570,894</u>	<u>10,978,559</u>	<u>592,335</u>
Excess (deficiency) of revenues over expenditures	<u>(204,000)</u>	<u>(204,000)</u>	<u>61,546</u>	<u>265,546</u>
Other Financing Sources (Uses)				
Transfers In	204,000	204,000	240,459	36,459
Inception of Leases	-	-	35,450	35,450
Total Other Financing Sources (Uses)	<u>204,000</u>	<u>204,000</u>	<u>275,909</u>	<u>71,909</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>337,455</u>	<u>337,455</u>
Fund Balances - Beginning of Year	602,075	602,075	602,075	-
Fund Balances - End of Year	<u>\$ 398,075</u>	<u>\$ 398,075</u>	<u>\$ 939,530</u>	<u>\$ 265,546</u>

COMBINING AND INDIVIDUAL FUND SCHEDULES

**CITY OF WAYCROSS, GEORGIA
 BUDGETARY COMPARISON SCHEDULE
 SPLOST 2008-2013 FUND
 FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		Actual	Variance With
	<u>Original</u>	<u>Final</u>	Amounts Budgetary Basis	Final Budget Over (Under)
Revenues				
Interest	\$ -	\$ -	\$ 12,196	\$ 12,196
Total Revenues	<u>-</u>	<u>-</u>	<u>12,196</u>	<u>12,196</u>
Expenditures				
Current:				
Capital Outlay	<u>1,677,682</u>	<u>1,677,682</u>	<u>269,695</u>	<u>1,407,987</u>
Total Expenditures	<u>1,677,682</u>	<u>1,677,682</u>	<u>269,695</u>	<u>1,407,987</u>
(Deficiency) Of Revenues Over Expenditures	(1,677,682)	(1,677,682)	(257,499)	1,420,183
Fund Balance - Beginning of Year	<u>1,076,510</u>	<u>1,076,510</u>	<u>1,076,510</u>	<u>-</u>
Fund Balance - Ending of Year	<u>\$ (601,172)</u>	<u>\$ (601,172)</u>	<u>\$ 819,011</u>	<u>\$ 1,420,183</u>

**CITY OF WAYCROSS, GEORGIA
BUDGETARY COMPARISON SCHEDULE
SPLOST 2014 FUND
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 2,300,000	\$ 2,300,000	\$ 2,567,618	\$ 267,618
Interest	-	-	53,943	53,943
Total Revenues	<u>2,300,000</u>	<u>2,300,000</u>	<u>2,621,561</u>	<u>321,561</u>
Expenditures				
Current:				
Capital Outlay	<u>5,680,000</u>	<u>5,680,000</u>	<u>3,504,823</u>	<u>2,175,177</u>
Total Expenditures	<u>5,680,000</u>	<u>5,680,000</u>	<u>3,504,823</u>	<u>2,175,177</u>
(Deficiency) Of Revenues Over Expenditures	(3,380,000)	(3,380,000)	(883,262)	2,496,738
Fund Balance - Beginning of Year	<u>4,564,568</u>	<u>4,564,568</u>	<u>4,564,568</u>	-
Fund Balance - Ending of Year	<u>\$ 1,184,568</u>	<u>\$ 1,184,568</u>	<u>\$ 3,681,306</u>	<u>\$ 2,496,738</u>

**CITY OF WAYCROSS, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Special Revenue Funds							
	Cemetery Fund	Forfeited Property	Jail Fund	WPD Info Technology Fund	Community Development	EIP Revolving Loan	Waycross Fire Dept.	Okefenokee Classic
Assets								
Cash and Cash Equivalents	\$ -	\$ 15,239	\$ 1,539	\$ 4,151	\$ 60,796	\$ 103,805	\$ 2,051	\$ 13,148
Due from Other Funds	-	-	-	-	-	-	-	-
Receivable from Other Government	-	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	4,996	-	-	-	-
Other Receivable	5,725	-	-	2,141	-	62,464	-	-
Total Assets	<u>5,725</u>	<u>15,239</u>	<u>1,539</u>	<u>11,288</u>	<u>60,796</u>	<u>166,269</u>	<u>2,051</u>	<u>13,148</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts Payable	42,481	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-
Total Liabilities	<u>42,481</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources								
Unavailable revenue	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:								
Restricted	-	15,239	1,539	-	-	166,269	2,051	-
Committed	-	-	-	-	60,796	-	-	-
Assigned	-	-	-	11,288	-	-	-	13,148
Unassigned	(36,756)	-	-	-	-	-	-	-
Total Fund Balances	<u>(36,756)</u>	<u>15,239</u>	<u>1,539</u>	<u>11,288</u>	<u>60,796</u>	<u>166,269</u>	<u>2,051</u>	<u>13,148</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 5,725</u>	<u>\$ 15,239</u>	<u>\$ 1,539</u>	<u>\$ 11,288</u>	<u>\$ 60,796</u>	<u>\$ 166,269</u>	<u>\$ 2,051</u>	<u>\$ 13,148</u>

**CITY OF WAYCROSS, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Special Revenue Funds						
	FEMA Grants	Misc Grants	Hotel/Motel Tax Fund	Misc Fund	Cemetery Trust Fund	Fallen Firefighters Scholarship	ATM Machine
Assets							
Cash and Cash Equivalents	\$ 566	\$ 16,340	\$ 148,063	\$ 5,173	\$ 39,053	\$ 13,833	\$ 27,849
Due from Other Funds	-	-	-	-	-	-	-
Receivable from Other Government	-	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-	-
Other Receivable	-	-	-	-	-	-	-
Total Assets	<u>566</u>	<u>16,340</u>	<u>148,063</u>	<u>5,173</u>	<u>39,053</u>	<u>13,833</u>	<u>27,849</u>
Liabilities and Fund Balances							
Liabilities:							
Accounts Payable	-	-	1,192	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	26,000
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,192</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,000</u>
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:							
Restricted	566	16,340	146,871	-	-	-	-
Committed	-	-	-	-	39,053	-	-
Assigned	-	-	-	5,173	-	13,833	-
Unassigned	-	-	-	-	-	-	1,849
Total Fund Balances	<u>566</u>	<u>16,340</u>	<u>146,871</u>	<u>5,173</u>	<u>39,053</u>	<u>13,833</u>	<u>1,849</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 566</u>	<u>\$ 16,340</u>	<u>\$ 148,063</u>	<u>\$ 5,173</u>	<u>\$ 39,053</u>	<u>\$ 13,833</u>	<u>\$ 27,849</u>

**CITY OF WAYCROSS, GEORGIA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018**

	Capital Project Funds					
	Capital Reserve	LMIG	CDBG Grant 16P-X-148-2-5892	SPLOST 2008-2013	T-SPLOST	Total Other Governmental Funds
Assets						
Cash and Cash Equivalents	\$ 146,041	\$ 422,751	\$ -	\$ 819,011	\$ 493,677	\$ 2,333,086
Due from Other Funds	193,592	-	-	-	-	193,592
Receivable from Other Government	-	-	-	-	285,695	285,695
Prepaid Expenses	-	-	-	-	-	4,996
Other Receivable	-	-	-	-	-	70,330
Total Assets	<u>339,633</u>	<u>422,751</u>	<u>-</u>	<u>819,011</u>	<u>779,372</u>	<u>2,887,699</u>
Liabilities and Fund Balances						
Liabilities:						
Accounts Payable	-	-	-	-	-	43,673
Due to Other Funds	375,000	-	-	-	-	401,000
Total Liabilities	<u>375,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>444,673</u>
Deferred Inflows of Resources						
Unavailable revenue	-	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Restricted	-	422,751	-	819,011	779,372	2,370,009
Committed	-	-	-	-	-	99,849
Assigned	-	-	-	-	-	43,442
Unassigned	(35,367)	-	-	-	-	(70,274)
Total Fund Balances	<u>(35,367)</u>	<u>422,751</u>	<u>-</u>	<u>819,011</u>	<u>779,372</u>	<u>2,443,026</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 339,633</u>	<u>\$ 422,751</u>	<u>\$ -</u>	<u>\$ 819,011</u>	<u>\$ 779,372</u>	<u>\$ 2,887,699</u>

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

	Special Revenue Funds							
	Cemetery Fund	Forfeited Property Account	Jail Fund	WPD Info Technology Fund	Community Development	EIP Revolving Loan	Waycross Fire Dept.	
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fees	-	19,340	-	14,184	-	-	1,500	-
Intergovernmental	-	-	-	-	-	-	-	-
Interest	-	1	-	-	-	4,299	-	-
Miscellaneous	177,663	-	3,607	-	5,000	-	7,919	12,952
Total Revenues	<u>177,663</u>	<u>19,341</u>	<u>3,607</u>	<u>14,184</u>	<u>5,000</u>	<u>4,299</u>	<u>9,419</u>	<u>12,952</u>
Expenditures								
Current:								
General Government	-	-	-	-	-	-	-	-
Public Safety	-	18,639	3,099	5,417	-	-	13,589	-
Public Works	214,944	-	-	-	-	-	-	-
Community Development	-	-	-	-	13,745	-	-	807
Capital Outlay	-	-	-	20,000	-	-	-	-
Total Expenditures	<u>214,944</u>	<u>18,639</u>	<u>3,099</u>	<u>25,417</u>	<u>13,745</u>	<u>-</u>	<u>13,589</u>	<u>807</u>
Excess Revenues Over (Under) Expenditures	<u>(37,281)</u>	<u>702</u>	<u>508</u>	<u>(11,233)</u>	<u>(8,745)</u>	<u>4,299</u>	<u>(4,170)</u>	<u>12,145</u>
Other Financing Sources (Uses)								
Transfers In	39,200	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Total Other Financing Sources and (Uses)	<u>39,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>1,919</u>	<u>702</u>	<u>508</u>	<u>(11,233)</u>	<u>(8,745)</u>	<u>4,299</u>	<u>(4,170)</u>	<u>12,145</u>
Fund Balance, - Beginning	<u>(38,675)</u>	<u>14,537</u>	<u>1,031</u>	<u>22,521</u>	<u>69,541</u>	<u>161,970</u>	<u>6,221</u>	<u>1,003</u>
Fund Balance - Ending	<u>\$ (36,756)</u>	<u>\$ 15,239</u>	<u>\$ 1,539</u>	<u>\$ 11,288</u>	<u>\$ 60,796</u>	<u>\$ 166,269</u>	<u>\$ 2,051</u>	<u>\$ 13,148</u>

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

Special Revenue Funds

	FEMA Grants	Misc Grants	Hotel/Motel Tax Fund	Misc Fund	Cemetery Trust Fund	Fallen Firefighters Scholarship	ATM Machine
Revenues							
Taxes	\$ -	\$ -	\$ 400,765	\$ -	\$ -	\$ -	\$ -
Fees	-	-	-	-	-	-	-
Intergovernmental	-	2,278	-	-	-	-	-
Interest	-	-	-	3	-	-	248
Miscellaneous	-	-	-	-	-	5,990	-
Total Revenues	<u>-</u>	<u>2,278</u>	<u>400,765</u>	<u>3</u>	<u>-</u>	<u>5,990</u>	<u>248</u>
Expenditures							
Current:							
General Government	-	-	-	-	-	-	599
Public Safety	-	-	-	-	-	-	-
Public Works	-	3,250	-	-	-	-	-
Community Development	-	-	102,614	-	-	4,000	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>3,250</u>	<u>102,614</u>	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>599</u>
Excess Revenues Over (Under) Expenditures	<u>-</u>	<u>(972)</u>	<u>298,151</u>	<u>3</u>	<u>-</u>	<u>1,990</u>	<u>(351)</u>
Other Financing Sources (Uses)							
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	(240,459)	-	(39,200)	-	-
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>(240,459)</u>	<u>-</u>	<u>(39,200)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>-</u>	<u>(972)</u>	<u>57,692</u>	<u>3</u>	<u>(39,200)</u>	<u>1,990</u>	<u>(351)</u>
Fund Balance, - Beginning	566	17,312	89,179	5,170	78,253	11,843	2,200
Fund Balance - Ending	<u>\$ 566</u>	<u>\$ 16,340</u>	<u>\$ 146,871</u>	<u>\$ 5,173</u>	<u>\$ 39,053</u>	<u>\$ 13,833</u>	<u>\$ 1,849</u>

CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2018

Capital Project Funds

	Capital Reserve	LMIG	CDBG Grant 16P-X- 148-2-5892	SPLOST 2008-2013	T-SPLOST	Total Other Governmental Funds
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,765
Fees	-	-	-	-	-	35,024
Intergovernmental	-	422,751	416,516	-	779,339	1,620,884
Interest	-	-	-	12,196	33	16,780
Miscellaneous	-	-	-	-	-	213,131
Total Revenues	<u>-</u>	<u>422,751</u>	<u>416,516</u>	<u>12,196</u>	<u>779,372</u>	<u>2,286,584</u>
Expenditures						
Current:						
General Government	-	-	-	-	-	599
Public Safety	-	-	-	-	-	40,744
Public Works	-	-	-	-	-	218,194
Community Development	-	-	-	-	-	121,166
Capital Outlay	-	218,954	416,516	269,695	-	925,165
Total Expenditures	<u>-</u>	<u>218,954</u>	<u>416,516</u>	<u>269,695</u>	<u>-</u>	<u>1,305,868</u>
Excess Revenues Over (Under) Expenditures	<u>-</u>	<u>203,797</u>	<u>-</u>	<u>(257,499)</u>	<u>779,372</u>	<u>980,716</u>
Other Financing Sources (Uses)						
Transfers In	-	-	-	-	-	39,200
Transfers Out	-	-	-	-	-	(279,659)
Total Other Financing Sources and (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(240,459)</u>
Net Change in Fund Balance	<u>-</u>	<u>203,797</u>	<u>-</u>	<u>(257,499)</u>	<u>779,372</u>	<u>740,257</u>
Fund Balance, - Beginning	(35,367)	218,954	-	1,076,510	-	1,702,769
Fund Balance - Ending	<u>\$ (35,367)</u>	<u>\$ 422,751</u>	<u>\$ -</u>	<u>\$ 819,011</u>	<u>\$ 779,372</u>	<u>\$ 2,443,026</u>

**CITY OF WAYCROSS, GEORGIA
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ 174,450	\$ 174,450	\$ 177,663	\$ 3,213
Transfers In	<u>44,000</u>	<u>44,000</u>	<u>39,200</u>	<u>(4,800)</u>
Total Revenues	<u>218,450</u>	<u>218,450</u>	<u>216,863</u>	<u>(1,587)</u>
Expenditures:				
Community Development	<u>218,450</u>	<u>218,450</u>	<u>214,944</u>	<u>3,506</u>
Total Expenditures	<u>218,450</u>	<u>218,450</u>	<u>214,944</u>	<u>3,506</u>
Revenues And Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>1,919</u>	<u>\$ 1,919</u>
Fund Balance - Beginning			<u>(38,675)</u>	
Fund Balance - Ending			<u>\$ (36,756)</u>	

**CITY OF WAYCROSS, GEORGIA
FORFEITED PROPERTY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Fees	\$ -	\$ -	\$ 19,340	\$ 19,340
Investment earnings	-	-	1	1
Total Revenues	-	-	19,341	19,341
Expenditures:				
Public Safety	-	-	18,639	(18,639)
Total Expenditures	-	-	18,639	(18,639)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$ -	702	\$ 702
Fund Balance - Beginning			14,537	
Fund Balance - Ending			<u>\$ 15,239</u>	

CITY OF WAYCROSS, GEORGIA
 JAIL FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2018

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 3,607	\$ 3,607
Total Revenues	-	-	3,607	3,607
Expenditures:				
Public Safety	-	-	3,099	(3,099)
Total Expenditures	-	-	3,099	(3,099)
Revenues And Other Financing Sources Over (Under) Expenditures	\$ -	\$ -	508	\$ 508
Fund Balance - Beginning			1,031	
Fund Balance - Ending			<u>\$ 1,539</u>	

**CITY OF WAYCROSS, GEORGIA
WPD INFORMATION TECHNOLOGY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Fees	\$ 15,000	\$ 15,000	\$ 14,184	\$ (816)
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>14,184</u>	<u>(816)</u>
Expenditures:				
Public Safety	<u>25,000</u>	<u>25,000</u>	<u>25,417</u>	<u>417</u>
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>25,417</u>	<u>417</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ (10,000)</u>	<u>\$ (10,000)</u>	<u>(11,233)</u>	<u>\$ (1,233)</u>
Fund Balance - Beginning	<u>22,521</u>	<u>22,521</u>	<u>22,521</u>	<u>-</u>
Fund Balance - Ending	<u><u>\$ 12,521</u></u>	<u><u>\$ 12,521</u></u>	<u><u>\$ 11,288</u></u>	<u><u>\$ (1,233)</u></u>

**CITY OF WAYCROSS, GEORGIA
COMMUNITY DEVELOPMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 5,000	\$ 5,000
Total Revenues	-	-	5,000	5,000
Expenditures:				
Community Development	-	-	13,745	(13,745)
Total Expenditures	-	-	13,745	(13,745)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$ -	(8,745)	\$ (8,745)
Fund Balance - Beginning			69,541	
Fund Balance - Ending			<u>\$ 60,796</u>	

**CITY OF WAYCROSS, GEORGIA
EIP REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Interest Earnings	\$ -	\$ -	\$ 4,299	\$ 4,299
Total Revenues	<u>-</u>	<u>-</u>	<u>4,299</u>	<u>4,299</u>
Expenditures:				
General Government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>4,299</u>	<u>\$ 4,299</u>
Fund Balance - Beginning			<u>161,970</u>	
Fund Balance - Ending			<u>\$ 166,269</u>	

**CITY OF WAYCROSS, GEORGIA
 FIRE DEPARTMENT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 7,919	\$ 7,919
Fees	-	-	1,500	1,500
Total Revenues	<u>-</u>	<u>-</u>	<u>9,419</u>	<u>9,419</u>
Expenditures:				
Public Safety	-	-	13,589	(13,589)
Total Expenditures	<u>-</u>	<u>-</u>	<u>13,589</u>	<u>(13,589)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(4,170)</u>	<u>\$ (4,170)</u>
Fund Balance - Beginning			<u>6,221</u>	
Fund Balance - Ending			<u>\$ 2,051</u>	

**CITY OF WAYCROSS, GEORGIA
OKEFENOKEE CLASSIC FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 12,952	\$ 12,952
Transfers in	-	-	-	-
Total Revenues	-	-	12,952	12,952
Expenditures:				
Community Development	-	-	807	(807)
Total Expenditures	-	-	807	(807)
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$ -	12,145	\$ 12,145
Fund Balance - Beginning			1,003	
Fund Balance - Ending			\$ 13,148	

CITY OF WAYCROSS, GEORGIA
FEMA GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures:				
Public Safety	-	-	-	-
Total Expenditures	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund Balance - Beginning			<u>566</u>	
Fund Balance - Ending			<u><u>\$ 566</u></u>	

**CITY OF WAYCROSS, GEORGIA
MISC GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Over (Under)</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 2,278	\$ 2,278
Total Revenues	<u>-</u>	<u>-</u>	<u>2,278</u>	<u>2,278</u>
Expenditures:				
General Government	<u>-</u>	<u>-</u>	<u>3,250</u>	<u>(3,250)</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>3,250</u>	<u>(3,250)</u>
Revenues and Other Financing Sources				
Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(972)</u>	<u>\$ (972)</u>
Fund Balance - Beginning			<u>17,312</u>	
Fund Balance - Ending			<u>\$ 16,340</u>	

**CITY OF WAYCROSS, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Taxes	\$ 340,000	\$ 340,000	\$ 400,765	\$ 60,765
Total Revenues	<u>340,000</u>	<u>340,000</u>	<u>400,765</u>	<u>60,765</u>
Expenditures:				
Community Development	136,000	136,000	102,614	33,386
Transfers Out	<u>204,000</u>	<u>204,000</u>	<u>240,459</u>	<u>(36,459)</u>
Total Expenditures	<u>340,000</u>	<u>340,000</u>	<u>343,073</u>	<u>(3,073)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>57,692</u>	<u>\$ 57,692</u>
Fund Balance - Beginning			<u>89,179</u>	
Fund Balance - Ending			<u>\$ 146,871</u>	

CITY OF WAYCROSS, GEORGIA
MISC FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Interest	\$ -	\$ -	\$ 3	\$ 3
Total Revenues	<u>-</u>	<u>-</u>	<u>3</u>	<u>3</u>
Expenditures:				
General Government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>3</u>	<u>\$ 3</u>
Fund Balance - Beginning			<u>5,170</u>	
Fund Balance - Ending			<u>\$ 5,173</u>	

**CITY OF WAYCROSS, GEORGIA
CEMETERY TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Transfers Out	-	-	39,200	(39,200)
Total Expenditures	<u>-</u>	<u>-</u>	<u>39,200</u>	<u>(39,200)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(39,200)</u>	<u>\$ (39,200)</u>
Fund Balance - Beginning			<u>78,253</u>	
Fund Balance - Ending			<u><u>\$ 39,053</u></u>	

**CITY OF WAYCROSS, GEORGIA
FALLEN FIREFIGHTERS SCHOLARSHIP FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Miscellaneous	\$ -	\$ -	\$ 5,990	\$ 5,990
Total Revenues	<u>-</u>	<u>-</u>	<u>5,990</u>	<u>5,990</u>
Expenditures:				
Community Development	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>(4,000)</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>4,000</u>	<u>(4,000)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>1,990</u>	<u>\$ 1,990</u>
Fund Balance - Beginning			<u>11,843</u>	
Fund Balance - Ending			<u><u>\$ 13,833</u></u>	

**CITY OF WAYCROSS, GEORGIA
ATM MACHINE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
Revenues:				
Fees	\$ -	\$ -	\$ -	\$ -
Investment Earnings	-	-	248	248
Miscellaneous	-	-	-	-
	<u>-</u>	<u>-</u>	<u>248</u>	<u>248</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>248</u>	<u>248</u>
Expenditures:				
General Government	-	-	599	(599)
	<u>-</u>	<u>-</u>	<u>599</u>	<u>(599)</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>599</u>	<u>(599)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>(351)</u>	<u>\$ (351)</u>
Fund Balance - Beginning			<u>2,200</u>	
Fund Balance - Ending			<u>\$ 1,849</u>	

**CITY OF WAYCROSS, GEORGIA
GEFA PROJCT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	Project Length Budget	Current	Prior Years	Total	Variance With Budget Over (Under)
Revenues:					
Intergovernmental	<u>\$ 3,500,000</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ 20,000</u>	<u>\$ (3,480,000)</u>
Total Revenues	<u>3,500,000</u>	<u>-</u>	<u>20,000</u>	<u>20,000</u>	<u>(3,480,000)</u>
Expenditures:					
Capital Outlay	<u>\$ 3,500,000</u>	<u>\$ 932,965</u>	<u>\$ 20,000</u>	<u>\$ 952,965</u>	<u>\$ (2,547,035)</u>
Total Expenditures	<u>3,500,000</u>	<u>932,965</u>	<u>20,000</u>	<u>952,965</u>	<u>(2,547,035)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>-</u>	<u>(932,965)</u>	<u>-</u>	<u>(932,965)</u>	<u>\$ (932,965)</u>
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ (932,965)</u>	<u>\$ -</u>	<u>\$ (932,965)</u>	<u>\$ (932,965)</u>

**CITY OF WAYCROSS, GEORGIA
CAPITAL RESERVE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>Budgetary</u> <u>Basis</u>	<u>Final Budget</u> <u>Over (Under)</u>
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures:				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$ -	-	\$ -
Fund Balance - Beginning			(35,367)	
Fund Balance - Ending			<u>\$ (35,367)</u>	

**CITY OF WAYCROSS, GEORGIA
LMIG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance With Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 422,751	\$ 422,751
Total Revenues	<u>-</u>	<u>-</u>	<u>422,751</u>	<u>422,751</u>
Expenditures:				
Capital Outlay	<u>-</u>	<u>-</u>	<u>218,954</u>	<u>(218,954)</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>218,954</u>	<u>(218,954)</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>203,797</u>	<u>\$ 203,797</u>
Fund Balance - Beginning			<u>218,954</u>	
Fund Balance - Ending			<u><u>\$ 422,751</u></u>	

**CITY OF WAYCROSS, GEORGIA
CDBG GRANT 16P-X-148-2-5892
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	Project Length Budget	Current	Prior Years	Total	Variance With Budget Over (Under)
Revenues:					
Intergovernmental	\$ 500,000	\$ 416,516	\$ 83,484	\$ 500,000	\$ -
Total Revenues	<u>500,000</u>	<u>416,516</u>	<u>83,484</u>	<u>500,000</u>	<u>-</u>
Expenditures:					
Capital Outlay	\$ 500,000	\$ 416,516	\$ 83,484	\$ 500,000	\$ -
Total Expenditures	<u>500,000</u>	<u>416,516</u>	<u>83,484</u>	<u>500,000</u>	<u>-</u>
Revenues and Other Financing Sources Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ -</u>
Fund Balance - Beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF WAYCROSS, GEORGIA
T-SPLOST
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance With Final Budget Over (Under)
	Original	Final		
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 779,339	\$ (779,339)
	-	-	33	(33)
Total Revenues	-	-	779,372	(779,372)
Expenditures:				
Capital Outlay	-	-	-	-
Total Expenditures	-	-	-	-
Revenues and Other Financing Sources Over (Under) Expenditures	\$ -	\$ -	779,372	\$ (779,372)
Fund Balance - Beginning			-	
Fund Balance - Ending			<u><u>\$ 779,372</u></u>	

**CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2018**

	Health Insurance	Workers Compensation	Liability Insurance	Retirement	Payroll	Warehouse	City Garage	Total Internal Service Funds
Assets								
Current Assets:								
Cash and Cash Equivalents	\$ 26,995	\$ 25,839	\$ 650,455	\$ 127,917	\$ 29,462	\$ -	\$ 32,026	\$ 892,694
Accounts Receivables, net	9,256	-	-	-	-	-	-	9,256
Due from Other Funds	-	346,397	95,913	217,250	3,374	60,273	-	723,207
Inventories	-	-	-	-	-	-	29,039	29,039
Prepaid Expenses	-	31,758	-	-	-	-	-	31,758
Total Current Assets	<u>36,251</u>	<u>403,994</u>	<u>746,368</u>	<u>345,167</u>	<u>32,836</u>	<u>60,273</u>	<u>61,065</u>	<u>1,685,954</u>
Non-Current Assets:								
Capital Assets								
Buildings	-	-	-	-	-	-	138,321	138,321
Autos and Trucks	-	-	-	-	-	-	70,663	70,663
Equipment and Furniture	-	-	-	-	-	-	100,170	100,170
Less Accumulated Depreciation	-	-	-	-	-	-	(309,154)	(309,154)
Total Non-Current Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 36,251</u>	<u>\$ 403,994</u>	<u>\$ 746,368</u>	<u>\$ 345,167</u>	<u>\$ 32,836</u>	<u>\$ 60,273</u>	<u>\$ 61,065</u>	<u>\$ 1,685,954</u>
Liabilities								
Accounts Payable	\$ 2,070,182	\$ 71,477	\$ -	\$ -	\$ 11,831	\$ 64,326	\$ -	\$ 2,217,816
Salaries Payable	-	-	-	-	-	-	6,642	6,642
Due to Other Funds	872,842	-	-	-	-	-	-	872,842
Compensated Absences	-	-	-	-	-	-	14,816	14,816
Total Current Liabilities	<u>2,943,024</u>	<u>71,477</u>	<u>-</u>	<u>-</u>	<u>11,831</u>	<u>64,326</u>	<u>21,458</u>	<u>3,112,116</u>
Total Liabilities	<u>2,943,024</u>	<u>71,477</u>	<u>-</u>	<u>-</u>	<u>11,831</u>	<u>64,326</u>	<u>21,458</u>	<u>3,112,116</u>
Net Position								
Net Investment in Capital Assets	-	-	-	-	-	-	-	-
Unrestricted	(2,906,773)	332,517	746,368	345,167	21,005	(4,053)	39,607	(1,426,162)
Total Net Position	<u>\$ (2,906,773)</u>	<u>\$ 332,517</u>	<u>\$ 746,368</u>	<u>\$ 345,167</u>	<u>\$ 21,005</u>	<u>\$ (4,053)</u>	<u>\$ 39,607</u>	<u>\$ (1,426,162)</u>

**CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES
IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Health Insurance	Workers Compensation	Liability Insurance	Retirement	Payroll	Warehouse	City Garage	Total Internal Service Funds
Revenues								
Charges for Services	\$ 489,770	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 489,770
Operating Contributions	1,725,852	380,004	250,045	1,262,006	3,888	105,087	370,628	4,097,510
Total Operating Revenues	<u>2,215,622</u>	<u>380,004</u>	<u>250,045</u>	<u>1,262,006</u>	<u>3,888</u>	<u>105,087</u>	<u>370,628</u>	<u>4,587,280</u>
Operating Expenses								
Personal Services	-	-	-	-	-	108,140	319,286	427,426
Contractual Services	-	-	-	-	-	-	21,959	21,959
Repairs and Maintenance	-	-	-	-	-	-	29,666	29,666
Insurance Claims and Expenses	1,718,523	560,932	291,772	-	-	-	-	2,571,227
Retirement Payments	-	-	-	1,260,510	-	-	-	1,260,510
Depreciation	-	-	-	-	-	-	452	452
Total Expenditures	<u>1,718,523</u>	<u>560,932</u>	<u>291,772</u>	<u>1,260,510</u>	<u>-</u>	<u>108,140</u>	<u>371,363</u>	<u>4,311,240</u>
Operating Income (Loss)	<u>497,099</u>	<u>(180,928)</u>	<u>(41,727)</u>	<u>1,496</u>	<u>3,888</u>	<u>(3,053)</u>	<u>(735)</u>	<u>276,040</u>
Nonoperating Revenues (Expenses)								
Interest Revenue	-	-	-	-	30	-	-	30
Miscellaneous Revenue	47,863	-	4,466	-	-	-	-	52,329
Total Non-Operating Revenues (Expenses)	<u>47,863</u>	<u>-</u>	<u>4,466</u>	<u>-</u>	<u>30</u>	<u>-</u>	<u>-</u>	<u>52,359</u>
Income (Loss) Before Transfers	<u>544,962</u>	<u>(180,928)</u>	<u>(37,261)</u>	<u>1,496</u>	<u>3,918</u>	<u>(3,053)</u>	<u>(735)</u>	<u>328,399</u>
Transfers In	-	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-	-
Change in Net Position	<u>544,962</u>	<u>(180,928)</u>	<u>(37,261)</u>	<u>1,496</u>	<u>3,918</u>	<u>(3,053)</u>	<u>(735)</u>	<u>328,399</u>
Total Net Position - Beginning	<u>(3,451,735)</u>	<u>513,445</u>	<u>783,629</u>	<u>343,671</u>	<u>17,087</u>	<u>(1,000)</u>	<u>40,342</u>	<u>(1,754,561)</u>
Total Net Position - Ending	<u>\$ (2,906,773)</u>	<u>\$ 332,517</u>	<u>\$ 746,368</u>	<u>\$ 345,167</u>	<u>\$ 21,005</u>	<u>\$ (4,053)</u>	<u>\$ 39,607</u>	<u>\$ (1,426,162)</u>

**CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	Health Insurance	Workers Compensation	Liability Insurance	Retirement	Payroll	Warehouse	City Garage	Totals
Cash Flows from Operating Activities:								
Cash received from customers	\$ 491,197	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 491,197
Cash received from other funds for services	1,725,852	380,004	250,044	1,262,006	3,888	105,087	370,628	4,097,509
Cash payments for supplies of goods & services	(2,264,912)	(516,682)	(291,771)	(1,260,510)	-	3,053	(51,625)	(4,382,447)
Cash payments to employees						(108,140)	(318,171)	(426,311)
Net cash provided (used) by operating activities	(47,863)	(136,678)	(41,727)	1,496	3,888	-	832	(220,052)
Cash Flows From Noncapital Financing Activities:								
Miscellaneous non-operating revenue	47,863	-	4,466	-	-	-	-	52,329
Net cash flows provided (used) by Noncapital Financing Activities	47,863	-	4,466	-	-	-	-	52,329
Cash Flows From Capital and Related Financing Activities								
Payments related to acquisition of capital assets								-
Interest Expense	-	-	-	-	-	-	-	-
Principal paid on debt	-	-	-	-	-	-	-	-
Purchase of equipment	-	-	-	-	-	-	-	-
Net cash flows provided (used) by Capital & Related Financing Activities	-	-	-	-	-	-	-	-
Cash Flows From Investing Activities								
Interest Revenue	-	-	-	-	30	-	-	30
Net Cash Flows Provided (Used) by Investing Activities	-	-	-	-	30	-	-	30
Net increase (decrease) in cash & cash investments	-	(136,678)	(37,261)	1,496	3,918	-	832	(167,693)
Cash & cash investments, July 1	26,995	162,517	687,716	126,421	25,544	-	31,194	1,060,387
Cash & cash investments, June 30	\$ 26,995	\$ 25,839	\$ 650,455	\$ 127,917	\$ 29,462	\$ -	\$ 32,026	\$ 892,694

**CITY OF WAYCROSS, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Health Insurance</u>	<u>Workers Compensation</u>	<u>Liability Insurance</u>	<u>Retirement</u>	<u>Payroll</u>	<u>Warehouse</u>	<u>City Garage</u>	<u>Totals</u>
Reconciliation of Income (loss) from operations to net cash provided (used) by operating activities:								
Income (loss) from operations	497,099	(180,928)	(41,727)	1,496	3,888	(3,053)	(735)	\$ 276,040
Adjustments to reconcile net income to net cash provided by operating activities:								
Depreciation	-	-	-	-	-	-	452	452
(Increase) Decrease in Accounts Receivable	1,427	-	-	-	-	-	-	1,427
(Increase) Decrease in Prepaid Insurance	-	(1,177)	-	-	-	-	-	(1,177)
(Increase) Decrease in Inventory	-	-	-	-	-	-	-	-
(Increase) Decrease in Due from Other Funds	-	-	-	-	-	-	-	-
Increase (Decrease) in Accounts Payable	(546,389)	45,427	-	-	-	3,053	-	(497,909)
Increase (Decrease) in Accrued Expenses	-	-	-	-	-	-	1,115	1,115
Increase (Decrease) in Due to Other Funds	-	-	-	-	-	-	-	-
Total Adjustments	<u>(544,962)</u>	<u>44,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,053</u>	<u>1,567</u>	<u>(496,092)</u>
Net Cash Provided (Used) by Operating Activities	<u>(47,863)</u>	<u>(136,678)</u>	<u>(41,727)</u>	<u>1,496</u>	<u>3,888</u>	<u>-</u>	<u>832</u>	<u>(220,052)</u>
Reconciliation of total cash & cash investments:								
Current assets-cash & cash investments	<u>\$ 26,995</u>	<u>\$ 25,839</u>	<u>\$ 650,455</u>	<u>\$ 127,917</u>	<u>\$ 29,462</u>	<u>\$ -</u>	<u>\$ 32,026</u>	<u>\$ 892,694</u>

**CITY OF WAYCROSS, GEORGIA
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 FIDUCIARY FUNDS
 JUNE 30, 2018**

	Police Condemnation	Municipal Court	Total Agency Funds
Assets			
Cash and cash equivalents	\$ 67,599	\$ 58,270	\$ 125,869
Total Assets	<u>\$ 67,599</u>	<u>\$ 58,270</u>	<u>\$ 125,869</u>
Liabilities			
Refundable Court Bonds	\$ -	\$ 58,270	\$ 58,270
Seized Funds Held	\$ 67,599	-	\$ 67,599
Total Liabilities	<u>\$ 67,599</u>	<u>\$ 58,270</u>	<u>\$ 125,869</u>

SPECIAL REPORTS SECTION

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722 S. Main Street
Baxley, GA 31513
Phone: 912-367-9888
Fax: 912-367-0116

105 East Dame Avenue
Homerville, GA 31634
Phone: 912-487-5414
Fax: 912-487-5314

102 Lee Avenue
Waycross, GA 31501
Phone: 912-283-8889
Fax: 912-283-1971

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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Waycross, Georgia, as of and for the year ended June 30, 2018, 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 June 28, 2019.

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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 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 and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

**To the Honorable Mayor and
Members of the City Commission
Page 2**

Purpose of this Report

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

Respectfully submitted,

BYRT CPAs, LLC

BYRT CPAs, LLC
Waycross, Georgia
June 28, 2019

CITY OF WAYCROSS, GEORGIA
SPLOST 2008-2013
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Roads and Streets	\$ 5,381,812	\$ 5,381,812	\$ 3,607,559	\$ 132,293	\$ 3,739,852	69.49%
Public Buildings	3,600,000	3,600,000	3,265,611	-	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	995,349	137,402	1,132,751	56.64%
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	133,908	-	133,908	22.32%
Downtown Development Authority	500,000	500,000	387,259	-	387,259	100.00%
Total	\$13,506,812	\$13,526,144	\$ 9,819,939	\$ 269,695	\$10,089,634	

**CITY OF WAYCROSS, GEORGIA
SPLOST 2014
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	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	\$ 1,914,299	\$ 1,916,733	33.39%
Water and Sewer Rehabilitation	1,000,000	1,000,000	-	355,787	355,787	35.58%
Public Facility Improvements, Demolition and Acquisition	6,422,000	6,422,000	684,723	664,757	1,349,480	21.01%
Public Safety and Special Purpose Vehicle Fleet	1,500,000	1,500,000	942,446	481,954	1,424,400	94.96%
City Park Improvements	435,000	435,000	60,193	4,026	64,219	14.76%
Development Authority Construction, Infrastructure Economic Development	250,000	250,000	-	-	-	0.00%
Information Technology Equipment, Software and Training	125,000	125,000	13,887	84,000	97,887	39.15%
Total	\$ 15,472,000	\$ 15,472,000	\$ 1,703,683	\$ 3,504,823	\$ 5,208,506	

**CITY OF WAYCROSS, GEORGIA
 CDBG GRANT #16-P-X-148-2-5892
 STATEMENT OF PROGRAM COSTS AND STATEMENT OF SOURCES/STATUS OF FUNDS
 FOR THE YEAR ENDED JUNE 30, 2018**

Program Activity	Budgeted Costs	Paid to Date	Costs Obligated	Total Cost	Questioned Costs		
P-03J-01							
Water/Street Improvements	\$ 88,927	\$ 88,927	\$ -	\$ 88,927	\$ -	Total Program Funds Allocated to Recipient	\$ 500,000
P-03J-02							
Water/Sewer Improvements	187,912	237,912	-	237,912	-	Less: Funds Drawn Down by Recipient	<u>(500,000)</u>
						Funds Still Available to be Drawn Down	<u>-</u>
P-03K-02							
Street Improvements	143,161	143,161	\$ -	143,161	\$ -	Total Funds Drawn Down by Recipient	500,000
C-022-00							
Contingencies	50,000	-	-	-	-	Less: Funds Applied to Costs	<u>(500,000)</u>
A-21A-00							
Administration	<u>30,000</u>	<u>30,000</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	Total Funds Available for Disposition	<u>\$ -</u>
Totals	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ -</u>		
Expenditure per Financial Statements							
FYE 06/30/18	416,516						
FYE 06/30/17	<u>83,484</u>						
	<u>\$ 500,000</u>						

STATISTICAL SECTION

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

Year Ending	Administration	Police	Fire	Public Works	Culture/ Recreation	Community Development	Debt Service	Capital Outlay	Operating Transfers	Total
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
2017-18	394,058	4,457,716	3,516,517	1,647,989	-	837,029	125,250	-	-	10,978,559

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

Year Ending	Taxes	Licenses and Permits	Fines and Forfeitures	Charges for Service	Sale of City Property	Other	Inter- Governmental Revenue	Total
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
2017-18	9,404,737	921,365	305,929	30,324	-	236,182	141,569	11,040,105

**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
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	3,440,552	1,289,248	9,051,428
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
2017-18	3,089,294	1,107,112	3,195,674	2,012,657	9,404,737

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

Year Ending	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Collection Prior Years	Total Collections	Total Collections as a Percent of Current Levy	Outstanding Delinquent Taxes
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	3,151,698	2,990,051	94.9%	170,670	3,194,011	101.3%	363,997
2017-18	3,224,310	2,983,660	92.5%	130,525	3,089,294	95.8%	285,977

**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
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%
2017-18	293,252,424	733,131,060	40%

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

	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
Residential	\$ 106,395,490	\$ 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
Historic	652,337	652,337	821,070	22,901	951,090	22,901	27,340	326,736	327,098	211,816
Commercial	141,763,904	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
Industrial	1,507,254	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
Agriculture	2	2	20,239	20,239	-	-	-	-	-	-
Conservation Use	83,628	148,889	179,260	-	-	-	-	-	-	-
Others	287,057	-	11,305	2,287	-	-	-	-	-	-
Utilities	50,359,031	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
Motor Vehicles	6,852,240	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
Mobil Homes	1,125,766	945,609	969,619	973,543	1,048,003	1,069,291	1,020,165	1,182,293	1,078,756	1,294,481
Railroad Car (2)	-	-	-	-	-	-	-	-	-	-
	\$ 309,026,709	\$ 302,244,203	\$ 301,613,246	\$ 293,927,181	\$ 296,536,717	\$ 299,419,690	\$ 301,499,797	\$ 291,638,949	\$ 292,804,361	\$ 292,295,038
Exemptions (1)	\$ (15,774,285)	\$ (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)
Total (1)	\$ 293,252,424	\$ 286,557,019	\$ 285,614,489	\$ 278,644,347	\$ 281,746,732	\$ 285,131,153	\$ 286,017,851	\$ 276,748,900	\$ 277,944,994	\$ 277,426,950

(1) All amounts are shown at 40% estimated actual value.

(2) Current railroad equipment valuation is omitted because City does not levy tax.

**CITY OF WAYCROSS, GEORGIA
PROPERTY TAX RATES
LAST TEN YEARS**

<u>Year Ending</u>	<u>City</u>
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
2017-18	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
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%	-
2017-18	14,576	293,252,424	-	0.0%	-

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

<u>Year Ending</u>	<u>Capitalized Leases & Equipment Financing Principal & Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Total General Expenditures</u>	<u>Percent of Debt Service to General Expenditures</u>
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%
2017-18	125,250	-	-	125,250	10,978,559	1.14%

**CITY OF WAYCROSS, GEORGIA
 COMPUTATION OF LEGAL DEBT MARGIN
 AND DIRECT AND OVERLAPPING DEBT
 JUNE 30, 2018**

Assessed Value	\$ 293,252,424
Debt Limit: 10% of Assessed Value	29,325,242
Less: Debt Application to Debt Limit	
General Obligation Indebtedness	4,026,128
Legal Debt Margin	\$ 25,299,114
Direct and Overlapping Debt	
City's Direct Bonded Debt	\$ -
City's Obligation on Water and Sewer Loan	4,026,128
Bonded Debt of Other Overlapping	
Governments Assessed Against City Taxpayers	-
Total Direct and Overlapping Debt	\$ 4,026,128

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

<u>Year Ending</u>	<u>Gross Revenue</u>	<u>Expense (1)</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Coverage (2)</u>
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	6,483,913	5,274,080	1,209,833	1.22
2017-18	6,655,628	5,270,961	1,384,667	1.39

(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, 2018**

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
1) Ware Correctional Institute	\$ 163,403	\$ 171,100	\$ 334,503
2) Memorial Satilla Health	60,080	78,490	138,570
3) Waycross Housing Authority	30,024	39,242	69,266
4) CSX Transportation	36,145	19,223	55,368
5) Ware County Commission	15,890	20,605	36,495
6) Georgia Biomass, LLC	6,647	26,864	33,511
7) Kinsman Investments, LLC	13,564	17,214	30,778
8) Ware Manor Apartments	12,878	16,637	29,515
9) Baily Foods	12,678	16,650	29,328
10) Baptist Village	-	28,800	28,800
Total	<u>351,309</u>	<u>434,825</u>	<u>786,134</u>

**CITY OF WAYCROSS, GEORGIA
PRINCIPAL TAXPAYERS
FOR THE YEAR ENDED JUNE 30, 2018**

	<u>Assessed Value</u>	<u>Tax Levied</u>
1) CSX Transportation	\$ 39,161,691	\$ 430,583
2) Southeast GA Health Services	8,288,407	91,131
3) Georgia Power Company	5,583,891	61,395
4) Memorial Satilla Health	4,431,476	48,724
5) BC Waycross Associates	4,140,437	45,524
6) Mall of Waycross	3,659,997	40,242
7) Walmart Stores East LP	3,451,273	37,947
8) Lowe's Home Centers, Inc.	3,435,522	37,774
9) Walmart Stores, Inc.	2,951,744	32,454
10) Lowe's Home Centers, Inc.	1,837,594	20,204
Total	<u>\$ 76,942,032</u>	<u>\$ 845,978</u>

**CITY OF WAYCROSS, GEORGIA
MISCELLANEOUS STATISTICS
JUNE 30, 2018**

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	1,970
Number of Inspections Conducted	1,066
Police Protection	
Number of Stations	1
Number of Police Personnel and Officers	71
Number of Patrol Units	42
Number of Law Violations:	
Physical Arrests	1,248
Traffic Violations	1,938
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, 2018**

Water Accounts Active (Estimate)	6,178
Sewer Accounts Active (Estimate)	5,669
Total Water Pumped - Gallons (Estimate)	926,491,440
Total Water Consumed (Estimate)	729,021,744
Total Water Billed	\$ 2,481,972
Total Water Collected	\$ 2,590,834
Total Sewer Billed	\$ 2,741,132
Total Sewer Collected	\$ 2,705,944