

WILKINSON COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

WILKINSON COUNTY, GEORGIA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Issued by: David Franks, County Manager
under Authority of the Board of Commissioners

	<u>Exhibit</u>	<u>Page</u>
INDEPENDENT AUDITORS' REPORT		1
BASIC FINANCIAL STATEMENTS:		
Government-wide Financial Statements:		
Statement of Net Position	1	4
Statement of Activities	2	5
Fund Financial Statements:		
Governmental Fund Financial Statements:		
Balance Sheet – Governmental Funds.....	3	6
Reconciliation of Net Position – Governmental Funds in the Statement of Net Position to Total Fund Balance – Governmental Funds on the Balance Sheet	4	7
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5	8
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	6	9
Fiduciary Funds Financial Statements:		
Statement of Fiduciary Assets and Liabilities	7	10
Notes to the Financial Statements		11
REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS:		
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	8	33
Notes to Required Supplementary Information.....		37
OTHER SUPPLEMENTARY INFORMATION:		
Schedule of Funding Progress - Pension	9	39
Schedule of Funding Progress – OPEB	10	40
Combining Balance Sheet – Non-major Governmental Funds	11	42
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Non-major Governmental Funds	12	43
Budgetary Comparison:		
Emergency 911 Fund.....	13	44
Law Library Fund.....	14	45
Family Connection Fund	15	46
Law Enforcement Confiscation Fund.....	16	47
Drug Abuse Education Fund	17	48
Jail Fund	18	49
Agency Funds - Combining Statement of Fiduciary Net Assets	19	51
OTHER REPORTS		
Report on Internal control over Financial Reporting and on Compliance and other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards.....		53
Schedule of Findings and Responses.....	55	
Schedule of Prior Audit Findings.....		57
OTHER INFORMATION:		
Schedule of Expenditures of Special Purpose Local Option Sales Tax.....	20	59

Financial Section

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Wilkinson County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wilkinson County, Georgia as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise Wilkinson County, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Wilkinson County Development Authority which represents 81 percent, 92 percent, and 39 percent, respectively, of the assets, fund balances, and revenues of the discretely presented component units. We did not audit the financial statements of the Wilkinson County Board of Health which represents 19 percent, 8 percent, and 61 percent, respectively, of the assets, fund balances, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Wilkinson County Board of Health and the Development Authority of Wilkinson County, Georgia, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wilkinson County, Georgia, as of September 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 33 to 36 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.

The County has not presented the Management's Discussion and Analysis that accounting principles accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wilkinson County, Georgia's basic financial statements. The budgetary comparison schedule, combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Special Purpose Local Option Sales Tax, are presented for purposes of additional analysis and are not a required part of 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 by us and the other auditors. In our opinion, the budgetary comparison schedule, combining and individual nonmajor fund financial statements and the Schedule of Expenditures of Special Purpose Local Option Sales Tax are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 29, 2016, on our consideration of Wilkinson County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wilkinson County, Georgia's internal control over financial reporting and compliance.

Very truly yours,

A handwritten signature in black ink that reads "TJS Deemer Dana LLP". The signature is written in a cursive, flowing style.

Dublin, Georgia

April 29, 2016

Basic Financial Statements

WILKINSON COUNTY, GEORGIA

EXHIBIT 1

STATEMENT OF NET POSITION
AS OF SEPTEMBER 30, 2015

	Primary Government		Component Units		Total
	Governmental Activities	Development Authority	Board of Health		
Assets					
Cash and cash equivalents	\$ 3,259,084	\$ 352,685	\$ 523,731	\$ 4,135,500	
Certificates of deposit	4,000,000	-	-	4,000,000	
Receivables, net of allowances for uncollectible:				-	
Taxes	430,750	-	-	430,750	
Accounts	10,693	-	414	11,107	
Intergovernmental	180,254	-	5,009	185,263	
Accrued interest	13,922	-	-	13,922	
Other	31,133	-	-	31,133	
Prepaid items	100,049	-	-	100,049	
Inventory	19,795	-	-	19,795	
Capital assets:				-	
Land and other non-depreciable assets	328,857	2,031,314	-	2,360,171	
Other capital assets, net of depreciation	11,813,910	25,900	2,284	11,842,094	
Total assets	<u>20,188,447</u>	<u>2,409,899</u>	<u>531,438</u>	<u>23,129,784</u>	
Deferred Outflows of Resources	<u>243,851</u>	<u>-</u>	<u>41,775</u>	<u>285,626</u>	
Total assets and deferred outflows of resources	<u>20,432,298</u>	<u>2,409,899</u>	<u>573,213</u>	<u>23,415,410</u>	
Liabilities					
Bank overdraft	1,261	-	-	1,261	
Accounts payable	62,010	1,841	-	63,851	
Accrued expenses	147,735	1,539	-	149,274	
Intergovernmental payable	-	-	2,500	2,500	
Long-term obligations:					
Proportionate share of collective net pension liability	728,563	-	297,086	1,025,649	
Due within one year	56,729	11,665	4,529	72,923	
Due in more than one year	142,850	271,287	20,773	434,910	
Total liabilities	<u>1,139,148</u>	<u>286,332</u>	<u>324,888</u>	<u>1,750,368</u>	
Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>72,510</u>	<u>72,510</u>	
Net Position					
Net investment in capital assets	12,142,767	1,774,262	2,284	13,919,313	
Restricted for:					
Economic development	-	174,289	-	174,289	
Special Programs	1,930,844	-	-	1,930,844	
Unrestricted	5,219,539	175,016	173,531	5,568,086	
Total Net Position	<u>\$ 19,293,150</u>	<u>\$ 2,123,567</u>	<u>\$ 175,815</u>	<u>\$ 21,592,532</u>	

The Accompanying Notes to the Financial Statements are an integral part of this statement

WILKINSON COUNTY, GEORGIA

EXHIBIT 2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Units	
					Governmental Activities	Development Authority	Board of Health
Primary Government							
Governmental Activities:							
General government	\$ 3,070,785	\$ 386,516	\$ -	\$ -	\$ (2,684,269)	\$ -	\$ -
Public safety	2,232,763	508,126	23,130	-	(1,701,507)	-	-
Judicial	651,294	4,775	-	896,647	250,128	-	-
Public works	1,563,593	12,588	-	-	(1,551,005)	-	-
Health and welfare	833,313	8,647	149,112	-	(675,554)	-	-
Culture and recreation	135,872	54,280	-	-	(81,592)	-	-
Economic development	168,676	-	-	-	(168,676)	-	-
Interest on long-term debt	(30,460)	-	-	-	30,460	-	-
Total governmental activities	<u>8,625,837</u>	<u>974,932</u>	<u>172,242</u>	<u>896,647</u>	<u>(6,582,016)</u>	-	-
Total primary government	<u>\$ 8,625,837</u>	<u>\$ 974,932</u>	<u>\$ 172,242</u>	<u>\$ 896,647</u>	<u>(6,582,016)</u>	-	-
Component Units							
Wilkinson County Development Authority	\$ 141,936	\$ 4,500	\$ 287,185	\$ -	-	149,749	-
Wilkinson County Board of Health	415,387	134,747	332,964	-	-	-	52,324
Total component units	<u>\$ 557,323</u>	<u>\$ 139,247</u>	<u>\$ 620,149</u>	<u>\$ -</u>	-	<u>149,749</u>	<u>52,324</u>
General revenues:							
Property taxes					4,019,179	-	-
Sales tax					1,013,856	-	-
Energy excise tax					565,999	-	-
Insurance premium tax					231,089	-	-
Other taxes					691,229	-	-
Unrestricted investment earnings					41,390	323	1,803
Miscellaneous					206,145	3,534	-
Loss on disposal of capital assets					-	-	-
Insurance proceeds					<u>35,168</u>	-	-
Total general revenues					<u>6,804,055</u>	<u>3,857</u>	<u>1,803</u>
Change in net position					222,039	153,606	54,127
Net position - beginning					<u>19,572,437</u>	<u>1,969,961</u>	<u>461,688</u>
Prior period adjustment - Implementation of GASB 68							
Net pension liability (measurement date)					(763,091)	-	(372,926)
Deferred outflows - contributions made during fiscal year 2014					<u>261,765</u>	-	<u>32,926</u>
Net assets-beginning, as restated					<u>19,071,111</u>	<u>1,969,961</u>	<u>121,688</u>
Net position - ending					<u>\$ 19,293,150</u>	<u>\$ 2,123,567</u>	<u>\$ 175,815</u>

The Accompanying Notes to the Financial Statements are an integral part of this statement

WILKINSON COUNTY, GEORGIA

EXHIBIT 3

BALANCE SHEET – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>General</u>	<u>2013 SPLOST Fund</u>	<u>LMIG Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash and cash equivalents	\$ 1,394,593	\$ 836,999	\$ 877,776	\$ 149,716	\$ 3,259,084
Certificates of deposit	4,000,000	-	-	-	4,000,000
Receivables, net of allowances for uncollectibles:		-	-		
Taxes	430,750	-	-	-	430,750
Accounts	-	-	-	10,693	10,693
Intergovernmental	92,818	76,302	-	11,134	180,254
Accrued Interest	13,922	-	-	-	13,922
Others	31,133	-	-	-	31,133
Due from other funds	18,555	-	-	5,177	23,732
Prepaid expenditures	100,049	-	-	-	100,049
Inventory	19,795	-	-	-	19,795
Total Assets	<u>\$ 6,101,615</u>	<u>\$ 913,301</u>	<u>\$ 877,776</u>	<u>\$ 176,720</u>	<u>\$ 8,069,412</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Bank Overdraft	\$ -	\$ -	\$ -	\$ 1,261	\$ 1,261
Accounts payable	59,482	-	-	2,528	\$ 62,010
Accrued expenses	133,126	-	-	14,609	147,735
Due to other funds	5,177	-	-	18,555	23,732
Total liabilities	<u>197,785</u>	<u>-</u>	<u>-</u>	<u>36,953</u>	<u>234,738</u>
Deferred Inflows of Resources	<u>287,357</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>287,357</u>
Fund Balances:					
Nonspendable for prepaid expenditures	100,049	-	-	-	100,049
Nonspendable for inventory	19,795	-	-	-	19,795
Restricted for:					
Special Programs	-	913,301	877,776	139,767	1,930,844
Unassigned	5,496,629	-	-	-	5,496,629
Total fund balances	<u>5,616,473</u>	<u>913,301</u>	<u>877,776</u>	<u>139,767</u>	<u>7,547,317</u>
Total Liabilities and Fund Balances	<u>\$ 6,101,615</u>	<u>\$ 913,301</u>	<u>\$ 877,776</u>	<u>\$ 176,720</u>	<u>\$ 8,069,412</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 4

RECONCILIATION OF NET POSITION – GOVERNMENTAL FUNDS IN THE STATEMENT OF NET POSITION
TO TOTAL FUND BALANCE – GOVERNMENTAL FUNDS ON THE BALANCE SHEET
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Fund balance - total governmental funds	\$ 7,547,317
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	12,142,767
Other post employment benefits used in governmental activities are not financial resources and therefore are not reported in the funds.	(137,456)
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	287,357
Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds -	
Bonds payable	-
Accrued interest payable	-
Net pension liability	(728,563)
Net deferred inflows(outflows) - pension expense	243,851
Compensated absences	<u>(62,123)</u>
Net position of governmental activities	<u>\$ 19,293,150</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 5

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>General</u>	<u>2013 SPLOST Fund</u>	<u>LMIG Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes:					
Property tax	\$ 4,021,394	\$ -	\$ -	\$ -	\$ 4,021,394
Sales tax	546,674	1,071,913	-	-	1,618,587
Energy excise tax	958,819	-	-	-	958,819
Insurance premium tax	231,089	-	-	-	231,089
Other taxes	677,974	13,255	-	-	691,229
Licenses and permits	10,390	-	-	-	10,390
Intergovernmental revenues	172,242	-	896,332	44,678	1,113,252
Charges for services	483,944	-	-	41,281	525,225
Fines and forfeitures	323,240	-	-	53,059	376,299
Interest income	41,032	-	-	358	41,390
Other revenues	206,461	23,355	315	18,188	248,319
Total revenues	<u>7,673,259</u>	<u>1,108,523</u>	<u>896,647</u>	<u>157,564</u>	<u>9,835,993</u>
Expenditures:					
Current:					
General government	2,903,210	-	-	20,044	2,923,254
Public safety	1,627,038	-	-	329,026	1,956,064
Judicial	629,241	-	-	11,315	640,556
Public works	1,151,349	91,046	-	-	1,242,395
Health and welfare	741,299	-	-	55,137	796,436
Culture and recreation	119,066	-	-	-	119,066
Economic development	66,629	-	-	102,047	168,676
Payments to other governmental agencies	392,820	459,953	-	144,778	997,551
Capital outlay	-	130,467	19,840	206,508	356,815
Total expenditures	<u>7,630,652</u>	<u>681,466</u>	<u>19,840</u>	<u>868,855</u>	<u>9,200,813</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures					
	<u>42,607</u>	<u>427,057</u>	<u>876,807</u>	<u>(711,291)</u>	<u>635,180</u>
Other Financing Source (Use):					
Transfers in	-	-	-	224,828	224,828
Transfers out	(224,828)	-	-	-	(224,828)
Total other financing source (use)	<u>(189,660)</u>	<u>-</u>	<u>-</u>	<u>224,828</u>	<u>35,168</u>
Net change in fund balances	<u>(147,053)</u>	<u>427,057</u>	<u>876,807</u>	<u>(486,463)</u>	<u>670,348</u>
Fund balances - beginning	<u>5,763,526</u>	<u>486,244</u>	<u>969</u>	<u>626,230</u>	<u>6,876,969</u>
Fund balances - ending	<u>\$ 5,616,473</u>	<u>\$ 913,301</u>	<u>\$ 877,776</u>	<u>\$ 139,767</u>	<u>\$ 7,547,317</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 6

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Net change in fund balances - total governmental funds	\$ 670,348
Amounts reported for governmental activities in the Statement of Activities are different because:	
Capital outlays, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Position.	374,518
Depreciation expenses on governmental capital assets are included in the governmental activities column in the Statement of Net Position but are not shown in the governmental funds.	(797,236)
Other post employment benefits are reported in the government-wide statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(23,834)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Accrued interest payable	30,460
Compensated absences	(5,394)
Net pension liability is not available during the current period and therefore is not reported in the funds	
End of Year	(728,563)
Beginning of Year	763,091
Contributions made after pension measurement date are reported in deferred outflows.	
End of Year	243,851
Beginning of Year	(261,765)
Revenues in the statement of activities that do not provide financial resources are not reported as revenues in the funds. The amount of deferred revenues recognized as revenue in the statement of activities is as follows:	
Property taxes	(2,215)
Other revenues	<u>(41,222)</u>
Change in net position of governmental activities	<u>\$ 222,039</u>

WILKINSON COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
SEPTEMBER 30, 2015

EXHIBIT 7

	<u>Agency Funds</u>
ASSET	
Cash	\$ <u>398,953</u>
 LIABILITY	
Other liabilities	\$ <u>398,953</u>

The Accompanying Notes to the Financial Statements are an integral part of this statement

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Wilkinson County, Georgia (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to Government units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements. The more significant accounting policies established in GAAP and used by the County are described below.

A. Reporting Entity

The County is a local municipality governed by an elected five-member Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the government and its component units, entities for which the County is considered to be financially accountable.

Blended component units, although legally separate entities, are in substance part of the governments operations. The component unit column in the government-wide financial statements (see note below for description) includes the financial data of the County's discretely presented component units. Each discretely presented component unit is reported in a separate column to emphasize it is legally separate from the County.

Discretely Presented Component Units:

- ❖ **Wilkinson County Development Authority** – The Wilkinson County Commissioners appoint the members for the Authority. The Authority is charged with promoting and expanding industry and trade within Wilkinson County. The Authority receives revenue from appropriations from the County. The Authority has a fiscal year ended December 31, 2014. The Authority is fiscally dependent on the County. Complete financial statements can be obtained from the Wilkinson County Clerk.

Wilkinson County, Georgia
PO Box 161
Irwinton, GA 31042

- ❖ **Wilkinson County Health Department** - The Wilkinson County Public Health Center (the Center) provides various health services for citizens in Wilkinson County under a contract with the Georgia Department of Human Resources (DHR). The Wilkinson County Commissioners appoint the majority of the members for the governing body of the Center.

The County Commissioners have the authority to remove appointed members of the governing board at will, and the power to disapprove the Center's operating budget. The Center receives revenue through a contractual agreement with DHR as well as from Wilkinson County, Georgia. The Center has a fiscal year ended June 30, 2015.

Complete financial statements can be obtained at the entity's administrative office.

Wilkinson County Public Health Center
123 High Hill Street
Irwinton, GA 31042

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are supported by taxes and intergovernmental revenues and are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customer or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they will be collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Government.

Cumulative effect of a change in accounting principle:

The County has recorded an increased pension liability according to GASB Statement 68 "Accounting and Financial Reporting for Pensions." As a result of this implementation, net position was reduced by \$501,326 as a change in accounting principle.

The County reports the following major governmental funds:

The *General Fund* is the general operating fund of Wilkinson County, Georgia. It is used to account for all financial resources of the general government, except those required legally or by sound financial management to be accounted for in another fund.

The 2013 *SPLOST Fund* accounts for the payment of various County capital outlay projects.

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2015

The *LMIG Fund* accounts for the accumulation of LMIG revenues and the related capital expenditures.

Additionally, the County reports the following fund types:

The *Special Revenue Funds* account for revenue sources that are legally restricted to expenditure for specific purposes. The following Special Revenue Funds are used by Wilkinson County, Georgia: Drug Abuse Education, Family Connection, Law Library, Law Enforcement Confiscation, Emergency 911 and the Jail Fund.

The *Capital Projects Funds* account for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds. The following Capital Projects Funds are used by the County: Special Purpose Local Option Sales Tax 2003, Special Purpose Local Option Sales Tax 2007 and Balls Ferry.

The *Agency Funds* are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the Government holds for others in an agency capacity.

GASB 34 eliminates the presentation of *Account Groups*, but provides for these records to be maintained and used to account for capital assets and long-term liabilities that are not reflected on the balance sheet of Governmental type funds due to the current financial resources measurement focus that they use.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

Governmental activities have been consolidated in the government-wide financial statements. Total governmental funds have been combined with general capital assets and long term liabilities. The effect of interfund activity has been removed from the government-wide financial statements. Due to/from other funds have been eliminated as well as operating transfers between funds. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Non-operating revenues and expenses are revenues and expenses associated with items that are not connected with a proprietary's fund principal ongoing operations.

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

D. Assets, Liabilities and Net Position or Equity

1. **Deposits and Investments** - Cash includes amounts in both interest-bearing and non-interest-bearing demand deposits. State statutes authorize the Government to invest in obligations of the U.S. Treasury, obligations of the State of Georgia or any other states, obligations fully insured or guaranteed by the United States government or governmental agency, Local Government Investment Pool, commercial paper, corporate bonds, obligation of other political subdivisions of the State of Georgia, and repurchase agreements. Any bank deposit in excess of the total FDIC insured amount must be secured by an equivalent amount of State or U.S. obligations. Investments are recorded at cost or amortized cost plus accrued interest, which approximates market value.

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

For purposes of the statement of cash flows, the proprietary funds consider all highly liquid investments with maturity of three months or less when purchased to be cash equivalents.

2. **Receivables and Payables** - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. The current portion of these interfund receivables and payables are classified as "due from other funds" or "due to other funds" in the governmental funds.

Property tax receivables are shown net of an allowance for uncollectibles. The property tax receivable allowance is equal to 23 percent of outstanding property taxes at September 30, 2015. Property taxes are levied as of January 1 on property values assessed as of the same date.

3. **Prepaid Items** - For prepaid expenditures in the government-wide and fund financial statements, the County reports the expenditures during the benefiting period.

4. **Inventories** – Inventories of expendable supplies held for consumption are not considered material and are recorded as expenditures, or expenses, as appropriate, when purchased. Inventory in the General Fund consists of fuel, which is priced at cost using the First-In First-Out method.

5. **Capital Assets** – Capital assets, which include property, plant equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the Government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received. General infrastructure assets acquired prior to July 1, 2003 are not reported in the basic financial statements.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Major outlays for capital assets and improvements are capitalized as projects are constructed. GASB statement 37 prohibits the capitalization of interest on assets constructed for use in governmental activities. However, interest from debt not considered to be general long-term debt may be included as part of the cost of assets constructed for business-type activities. The total interest expense incurred by the County during the current fiscal year was \$-0-. Of this amount, \$-0- was included as part of the cost of capital assets under construction in connection with public building construction projects.

Property, plant and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	20 - 40
Vehicles	5
Equipment	3 - 10
Roads	30
Infrastructure	30

6. **Compensated Absences** - It is the Government's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Government does not have a policy to pay any amounts when employees separate from service with the Government. All vacation pay is accrued when incurred in the government-wide, proprietary and fiduciary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

7. **Long-term Obligations** - In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

8. **Deferred Outflows/Inflows of Resources** – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources until then.

In addition to liabilities, the statement of financial position and the balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

9. **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 assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the those funds can be spent. Fund balances are classified as follows:

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

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

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

Assigned – Funds balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commissioners can authorize a designee to assign fund balance.

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

The County uses restricted amounts to be spent when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balances, such as

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

grant agreements that require a dollar match. Additionally, the County would then use committed, assigned and lastly, unassigned amounts from the unrestricted fund balances when expending funds.

Net Position

Net investment in capital assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction or improvement of the assets.

Restricted net position – This amount is restricted by external creditors, grantors, contributors or laws or regulations of other governments.

Unrestricted net position – This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted net position.”

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

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgets and Budgetary Accounting

Prior to the fiscal year end, the Commission prepares a proposed operating budget for the year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them. The Commission holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Wilkinson County. The budget is then revised and adopted or amended by the Commission shortly after the beginning of the year to which it applies. The budget so adopted may be revised during the year only by formal action of the Commission in a regular meeting and no increase shall be made therein without provision also being made for financing same.

The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP) inasmuch as encumbrances are not recorded. Budgeted amounts for the year include amounts as originally adopted as well as amendments approved by the Commission.

The County Manager is delegated to transfer sums within departments. No increases in the departmental budgets for the County may be made without the approval of the Board of Commissioners and amendments to the budget. The General Fund is subject to budgetary control on a departmental basis.

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

B. Compliance With Legal Provisions

Deficit Fund Balances – The Law Library fund had a deficit fund balance at September 30, 2015. The deficit fund balance will be liquidated from the fines and forfeiture fees collected through the court.

C. Budget/GAAP Reconciliation

Prior year encumbrances expended in the current year are not included in the current budget. The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund has been prepared on the basis described above. The schedule below reconciles the fund's Excess Revenues and Other Sources Over (Under) Expenditures – GAAP Basis (Exhibit 5) with amounts presented on the Budget Basis (Exhibit 8).

GENERAL FUND:

Excess Revenue and Other Financial Sources Over (Under) Expenditures and Other Financing Uses:

Budget Basis	\$ (147,053)
Add - New encumbrances - current year	-
Deduct - Prior year encumbrances expended	-
Generally accepted Accounting Principles (GAAP) Basis	<u>\$ (147,053)</u>

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Investments – The Government owns no investments as of September 30, 2015.

Custodial Credit Risk - Deposits – In the case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Neither the government, nor the Wilkinson County Development Authority, discretely presented component unit, has a deposit policy for custodial credit risk. The Wilkinson County Public Health Center has a deposit policy. As of September 30, 2015, none of the Government's bank balance was exposed to custodial credit risk.

Additional disclosures with regards to deposits and investments can be located in the *Summary of Significant Accounting Policies* under the *Assets, Liabilities and Equity* section.

B. Property Taxes

State law requires that property taxes be based on assessed value, which is 40% of fair market value. All real and personal property (including motor vehicles) are valued as of January 1 of each year and must be declared and reported on a return for tax purposes by March 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, the Board of Tax Assessors of Wilkinson County makes all assessments.

Upon completion of all assessments and tax returns, the information is turned over to the Wilkinson County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the state mandated forty percent (40%) of fair market value. If not, the Commissioner may require an across the board percentage adjustment to all real property. The County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes must be paid by the birth date of the owner of the vehicle. Property taxes are usually levied on assessed valuation as of January 1. The bills were mailed (levied) as of October 21, 2014, with a due date of December 21, 2014. Property taxes are attached as an enforceable lien on the day the taxes become delinquent.

The total real and personal property tax levy is recorded as revenue in the fiscal year in which such amounts will be available (collected within 60 days of year-end) as net current assets. In the accompanying financial statements, the portion of the property tax levy for the tax year 2014 collected during the current year and within 60 days of year-end has been recognized as revenue.

Property taxes receivable at September 30, 2015, is composed of the following:

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Year of Levy:	
2015	\$ 141,930
2014	152,809
2013	132,476
2012	21,133
2011	25,453
2010	13,814
Prior to 2010	<u>37,055</u>
Total	524,670
Less - allowance for uncollectible	<u>93,920</u>
Net receivable	<u>\$ 430,750</u>

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

C. Accounts Receivable

Primary Government

Receivables at September 30, 2015 for the County's individual major funds and its non-major and fiduciary funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>SPLOST 2013</u>	<u>LMIG</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:					
Taxes	\$ 524,670	\$ -	\$ -	\$ -	\$ 524,670
Accounts	-	-	-	10,693	10,693
Intergovernmental	92,818	76,302	-	11,134	180,254
Accrued interest	13,922	-	-	-	13,922
Other	<u>31,133</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,133</u>
Gross receivables	662,543	76,302	-	21,827	760,672
Less: allowance for uncollectibles	<u>(93,920)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(93,920)</u>
Net total receivables	<u>\$ 568,623</u>	<u>\$ 76,302</u>	<u>\$ -</u>	<u>\$ 21,827</u>	<u>\$ 666,752</u>

Discretely Presented Component Units

Trade receivables from the Wilkinson County Development Authority and Wilkinson County Public Health Center as of September 30, 2015 are as follows:

	<u>Wilkinson County Development Authority</u>	<u>Wilkinson County Public Health Center</u>	<u>Total</u>
Receivables:			
Accounts	\$ -	\$ 414	\$ 414
Intergovernmental	<u>-</u>	<u>5,009</u>	<u>5,009</u>
Gross receivables	-	5,423	5,423
Less - allowance for uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>
Net total receivables	<u>\$ -</u>	<u>\$ 5,423</u>	<u>\$ 5,423</u>

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
Grant drawdowns not yet available	<u>\$ -</u>	<u>\$ -</u>
Resources received, but not yet earned	<u>\$ -</u>	<u>\$ -</u>

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

D. Interfund Receivables, Payables and Transfers

Generally, outstanding balances between funds reported as due to/from other funds include outstanding charges by one fund to another for services or goods, subsidy commitments outstanding, and other miscellaneous receivables and payables between funds. Balances to which a fiduciary fund is a party are treated as external receivables and payables. As of September 30, 2015, the composition of interfund balances, were as follows:

	<u>Due From</u>	<u>Due To</u>
Major Fund -		
General Fund	\$ 18,555	\$ 5,177
Non-major Funds:		
Family Connection	-	18,555
Emergency 911	<u>5,177</u>	<u>-</u>
	<u>\$ 23,732</u>	<u>\$ 23,732</u>

Transfers and payments within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service. Resources are accumulated in a fund or component unit to support and simplify the administration of various projects or programs.

A reconciliation of transfers is as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 224,828	\$ -
Emergency 911 Fund	<u>-</u>	<u>224,828</u>
Total interfund transfers	<u>\$ 224,828</u>	<u>\$ 224,828</u>

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

E. Capital Assets

Primary Government

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

	Primary Government			Ending Balance
	Beginning Balance	Increases	Decreases	
<u>Governmental activities</u>				
Capital assets not being depreciated -				
Land	\$ 328,857	\$ -	\$ -	\$ 328,857
Total capital assets not being depreciated	<u>328,857</u>	<u>-</u>	<u>-</u>	<u>328,857</u>
Other capital assets:				
Buildings	9,440,791	-	-	9,440,791
Vehicles	2,712,353	112,989	-	2,825,342
Machinery and equipment	3,139,811	187,884	-	3,327,695
Infrastructure	<u>5,615,264</u>	<u>73,645</u>	<u>-</u>	<u>5,688,909</u>
Total other capital assets	<u>20,908,219</u>	<u>374,518</u>	<u>-</u>	<u>21,282,737</u>
Less accumulated depreciation for:				
Buildings	(3,105,988)	(233,754)	-	(3,339,742)
Vehicles	(2,120,857)	(195,709)	-	(2,316,566)
Machinery and equipment	(2,296,089)	(175,879)	-	(2,471,968)
Infrastructure	<u>(1,148,657)</u>	<u>(191,894)</u>	<u>-</u>	<u>(1,340,551)</u>
Total accumulated depreciation	<u>(8,671,591)</u>	<u>(797,236)</u>	<u>-</u>	<u>(9,468,827)</u>
Other capital assets, net	<u>12,236,628</u>	<u>(422,718)</u>	<u>-</u>	<u>11,813,910</u>
Governmental activities capital assets, net	<u>\$ 12,565,485</u>	<u>\$ (422,718)</u>	<u>\$ -</u>	<u>\$ 12,142,767</u>

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

E. Capital Assets - Continued

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

Governmental activities:	
General government	\$ 153,017
Judicial	8,300
Public safety	269,253
Public works	316,468
Culture and recreation	16,353
Health and welfare	<u>33,845</u>
Total governmental activities depreciation expense	<u>\$ 797,236</u>

Discretely Presented Component Units

Capital asset activity for the Wilkinson County Development Authority and Wilkinson County Public Health Center for the years ended December 31, 2014 and June 30, 2015, respectively, was as follows:

	<u>Discretely Presented Component Units</u>			
	<u>Beginning</u> <u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending</u> <u>Balance</u>
<u>Wilkinson County Development Authority</u>				
Capital assets not being depreciated -				
Land	\$ 2,030,314	\$ 1,000	\$ -	\$ 2,031,314
Total capital assets not being depreciated	<u>2,030,314</u>	<u>1,000</u>	<u>-</u>	<u>2,031,314</u>
Other capital asset -				
Equipment	48,445	-	-	48,445
Less accumulated depreciation for:				
Equipment	<u>(16,596)</u>	<u>(5,949)</u>	<u>-</u>	<u>(22,545)</u>
Other capital assets:	<u>31,849</u>	<u>(5,949)</u>	<u>-</u>	<u>25,900</u>
Capital assets, net	<u>\$ 2,062,163</u>	<u>\$ (4,949)</u>	<u>\$ -</u>	<u>\$ 2,057,214</u>
<u>Wilkinson County Public Health Center</u>				
Other capital assets -				
Equipment	\$ 65,685	\$ 2,538	\$ -	\$ 68,223
Less accumulated depreciation	<u>(65,685)</u>	<u>(254)</u>	<u>-</u>	<u>(65,939)</u>
Other capital assets, net	<u>-</u>	<u>2,284</u>	<u>-</u>	<u>2,284</u>
Capital assets, net	<u>\$ -</u>	<u>\$ 2,284</u>	<u>\$ -</u>	<u>\$ 2,284</u>

WILKINSON COUNTY, GEORGIA

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2015

F. Due from Other Governments

Amounts due from other governmental entities at September 30, 2015 are as follows:

	<u>Federal</u>	<u>State</u>	<u>Other</u>	<u>Total</u>
General Fund	\$ -	\$ 53,174	\$ 39,644	\$ 92,818
2013 SPLOST Fund	-	76,302	-	76,302
Jail Fund	-	-	85	85
Family Connection	-	10,854	-	10,854
Drug Abuse Education	-	-	195	195
Total	<u>\$ -</u>	<u>\$ 140,330</u>	<u>\$ 39,924</u>	<u>\$ 180,254</u>

G. Long - Term Debt

Long-term liability activity for the year ended September 30, 2015 was as follows:

<u>Long-term liabilities:</u>	<u>Beginning</u>			<u>Ending</u>	<u>Amounts Due</u>	<u>Amounts Due</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Within One</u>	<u>Within More</u>
					<u>Year</u>	<u>Than One Year</u>
<u>Governmental Activities</u>						
OPEB obligation	\$ 113,622	\$ 23,834	\$ -	\$ 137,456	\$ -	\$ 137,456
Compensated absences payable	<u>56,729</u>	<u>135,956</u>	<u>130,562</u>	<u>62,123</u>	<u>56,729</u>	<u>5,394</u>
Total Governmental Activities	<u>\$ 170,351</u>	<u>\$ 159,790</u>	<u>\$ 130,562</u>	<u>\$ 199,579</u>	<u>\$ 56,729</u>	<u>\$ 142,850</u>

Compensated absences and pension liabilities are generally liquidated by the general fund and are therefore included in the above schedule.

G. Long - Term Debt (Continued)

Changes in Long-term Liabilities

Component Unit - Wilkinson County Development Authority

Long-term liability activity for the year ended December 31, 2014 was as follows:

<u>Development Authority</u>	<u>Beginning</u>			<u>Ending</u>	<u>Amounts Due</u>	<u>Amounts Due</u>
	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>Within One</u>	<u>Within More</u>
					<u>Year</u>	<u>Than One Year</u>
Notes payable	\$ 287,945	\$ -	\$ 4,993	\$ 282,952	\$ 11,665	\$ 271,287

WILKINSON COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

Long-term Debt - The following is a summary of long-term debt at December 31, 2014.

	<u>Total</u>	<u>Current</u>	<u>Long-Term</u>
\$142,500 note payable to the Wilkinson County Bank for purchase of land, interest at 3.25%, due in monthly principal and interest payments at \$1,700 to February 2017 and a final balloon payment of \$257,243 due March 2017	\$ 282,952	\$ 11,665	\$ 271,287
	<u>\$ 282,952</u>	<u>\$ 11,665</u>	<u>\$ 271,287</u>

Annual debt service requirements to maturity for long-term debt are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>
2015	\$ 11,665	\$ 9,018
2016	11,754	8,644
2017	259,533	2,100
	<u>\$ 282,952</u>	<u>\$ 19,762</u>

Component Unit - Wilkinson County Board of Health

Long-term liability activity for the year ended June 30, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>	<u>Amounts Due Within More Than One Year</u>
<u>Health Department</u>						
Compensated absences	\$ 29,456	\$ 14,787	\$ 18,941	\$ 25,302	\$ 4,529	\$ 20,773

IV. OTHER INFORMATION

A. DEFINED BENEFIT PENSION PLAN

The following pension and retirement plans are in effect but are not under the direct control of the County.

1. **Probate Judges' Retirement Fund of Georgia** - The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses, fines and bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.
2. **Clerk of Superior Court Retirement Fund** - The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees, fines and bond forfeitures be remitted to the pension plan before the payment of any cost or other claims.
3. **Sheriff's Retirement Fund/Peace Officer's Annuity and Benefit Fund** - The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

Defined Benefit Pension Plan

a. Plan Description

The County contributes to the Association of County Commissioners of Georgia (ACCG) Defined Benefit Plan (Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The County's payroll for employees participating in the Plan as of January 1, 2014, (the most recent actuarial valuation date) was

WILKINSON COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

\$1,755,092 (based on W-2 earnings for the preceding year). All full-time County employees are eligible to participate in the Plan at their date of hire. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 0.50% of average compensation up to \$6,600 plus 1.00% of average annual compensation in excess of \$6,600 plus \$36.00 for each year of credited service payable as a life annuity. Service is limited to 35 years. Compensation is averaged over a five-year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

ACCG issues a publicly available financial report that includes financial statements and required supplementary information (RSI) for the Plan. That report may be obtained by writing to GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339 or by calling (800) 736-7166.

Plan membership consisted of the following at January 1, 2014, the date of the latest actuarial valuation:

Retirees and beneficiaries currently receiving benefits	22
Terminated plan members entitled to but not yet receiving benefits	36
Active employees participating in the Plan	<u>56</u>
Total	<u>114</u>
Covered compensation for active participants	<u>\$ 1,755,092</u>

b. Summary of Significant Accounting Policies

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and increments in the cash value of pre-retirement life insurance policies owned by the trust.

Plan member contributions are recognized in the period in which contributions are due. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market prices. The trust fund is invested approximately in 70% equities and 30% fixed income securities on a cost basis. Plan assets do not include any loans, notes, bonds, or other instruments or securities for the County or related parties.

c. Contributions

In order to participate in the Plan, County employees are required to contribute 2% of their salary to the Plan. The County contributes the remaining cost of the Plan, using the actuarial basis described in the annual valuation report. Section 47-20 of the Georgia Code sets forth the funding standards for state and local governmental pension plans. Administrative expenses are based on total covered payroll of plan members and are added to the annual funding requirement. The required contribution for the 2015 plan year was \$267,349. This amount represents 15.2% of covered payroll.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend from time to time, the contribution rates for the employer and its plan member.

d. Net Pension Liability

The County's net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2014.

The Information presented in the required supplementary schedules was determined as part of the actuarial valuation as of as of January 1, 2014. The following summarizes the actuarial methods and assumptions used in that valuation.

WILKINSON COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

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

The Trustees shall rebalance the portfolio at least annually for asset allocation purposes. The guidelines for allocation are: equities shall not exceed 70% of total Plan assets, valued at cost. Fixed income shall be targeted at 30% of total Plan assets, valued at cost.

Valuation date	January 1, 2014
Actuarial cost method	Projected Unit Credit
Asset valuation method	Market Value
Amortization method	Level Percent of Pay (Closed)

Actuarial assumptions*:	
Investment rate of return	7.50% per annum
Projected salary increases	2.0% - 4.5% per annum
Inflation adjustments	3% per annum

The Trustees' guidelines for asset allocation are as follows:

Fixed Income:	30%	25% - 35%
Equities:	70%	65% - 75%
Large Cap	30%	25% - 35%
Mid Cap	5%	2.5% - 10%
Small Cap	5%	2.5% - 10%
REIT	5%	2.5% - 10%
International	15%	10% - 20%
Multi Cap	5%	2.5% - 10%
Global Allocation	5%	2.5% - 10%

Change in the Net Pension Liability:

9/30/2014	\$	4,981,515	\$	4,218,424	\$	763,091
Changes:						
Service cost		107,620				107,620
Interest		366,950				366,950
Employer Contributions				261,765		(261,765)
Employee Contributions				-		-
Net investment income				313,203		(313,203)
Benefit Payments		(177,684)		(177,684)		-
Administrative Expense				(11,653)		11,653
Other Changes				(54,217)		54,217
Net Changes:		296,886		331,414		(34,528)
9/30/2015	\$	5,278,401	\$	4,549,838	\$	728,563

WILKINSON COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

The following presents the County's net pension liability calculated using the discount rate of 7.5%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) of 1-percentage-point higher (8.5%) than the current rate:

	<u>6.50%</u>	<u>8.50%</u>
Total Pension Liability	\$ 5,989,698	\$ 4,686,698
Net Pension Liability	\$ 1,439,859	\$ 136,859

Detailed information about the pension plan's fiduciary net position is available in a separately issued financial report. That report may be obtained by writing to Wilkinson County Board of Commissioners, P.O. Box 161 Irwinton, GA 31042.

e. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2015, the County recognized pension expense of \$206,486. At September 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	-
Changes in proportion and difference between County contributions and proportionate share of contributions	-	-
County contributions subsequent to the measurement date	243,851	-
Total:	<u>\$ 243,851</u>	<u>\$ -</u>

County contributions of \$243,851 subsequent to the measurement date are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year September 30, 2016.

f. Funded Status and Funding Progress

The funded status of the Plan as of the most recent measurement date is as follows:

Measurement Date	Total Pension Liability	Fiduciary Net Position	Net Pension Liability	Funded Ratio	Annual Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll
December 31, 2014	\$ 5,278,402	\$ 4,549,839	\$ 728,563	86.2%	\$ 1,755,092	41.5%

This schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

B. POST – EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

In addition to the pension benefits described above, Wilkinson County provides postemployment health care insurance benefits to retired employees through the Health Care Plan of Wilkinson County. Employees who retire from the County at age 62 or older with 15 years of continuous service are eligible for continued health insurance coverage until the employees' 65th birthday. The County will pay the cost of individual coverage, however, if the

WILKINSON COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

employee elects family coverage, the employee is responsible for payment of the difference between the cost of individual and family coverage. The accounting and funding policies followed by the County are on a pay-as-you-go basis. The authority to establish and amend the benefit provision of the OPEB plan rests with the County. The plan does not issue separate financial statements.

As of January 1, 2012, employee membership data relative to the OPEB plan consist of the following:

Retirees and beneficiaries currently receiving benefits	1
Active employees participating in the Plan	60
Total	61

Summary of Significant Accounting Policies

The accrual basis of accounting is used with respect to the recognition in the financial statements of contributions in the form of insurance premiums made to the Plan. Plan investments, if any, are reported as their fair value at the reporting date. As of September 30, 2015, the Plan reported no assets.

Funding Policy

The contribution requirements are established and may be amended by the County. The required contribution was determined by an actuarial valuation. During the fiscal year ended September 30, 2015, the County paid premiums (net of retiree contributions) on behalf of current retired employees in the amount of \$-0-.

Annual OPEB Cost and Net OPEB Obligation

The County's last actuarial valuation was performed on the plan as of January 1, 2012 to determine the funded status of the plan as of that date as well as the employer's annual required contribution (ARC) for the period according to the parameters of GASB Statement 45. This valuation is completed for the County every 3 years. However, the valuation for 2015 had not been completed at the time of our audit completion and thus we have relied on the 2012 report for this audit. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The County annual OPEB cost of \$23,834 is reduced by the current year contributions of \$0.

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

Annual Required Contribution	\$ 23,680
Interest on OPEB Obligation	3,431
Amortization of OPEB Obligation	(3,277)
Annual OPEB Cost	\$ 23,834

Derivation of Net OPEB Obligation:

Annual OPEB cost for year	\$ 23,834
Contributions made for year	-
Increase (decrease) in net OPEB obligation	23,834
Net OPEB obligation, beginning of prior year	113,622
Net OPEB obligation, beginning of year	\$ 137,456

WILKINSON COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

The County's annual OPEB cost, the percentage of annual cost contributed to the plan, and the net OPEB obligation for 2012 is as follows:

Fiscal Year	OPEB Cost	Percentage of AOC Contributed	OPEB Obligation
2012	\$ 23,834	69%	\$ 93,100
2013	23,834	69%	93,100
2014	23,834	14%	113,622
2015	23,834	0%	134,144

Funded Status and Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) b-a	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
2012	\$ -	\$ 208,265	0.0%	\$ 208,265	\$ 1,816,941	11.5%

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

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability of r benefits.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the substantive plan in effect as of September 30, 2012.

Actuarial calculations reflect a long-term perspective.

Additional information as of the latest actuarial valuation is as follows:

Valuation date	January 1, 2012
Actuarial cost method	Projected Unit Credit
Asset valuation method	Market Value
Amortization method	Level Percent of Pay (Open)
Remaining amortization period	30 years

Actuarial assumptions:

Investment rate of return	4.0%
Medical cost trend rate	9.5% - 5.0%
Inflation adjustments	3%
Year of ultimate trend rate	2018

WILKINSON COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED SEPTEMBER 30, 2015

C. RISK MANAGEMENT - CLAIMS AND JUDGEMENTS

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County joined the Association Interlocal Risk Management Agency on September 28, 1991. This membership allows the County to share liability, crime, motor vehicle and property damage risks.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. The Interlocal Risk Management Agency (IRMA) is a municipal interlocal risk management agency organized to function as an unincorporated nonprofit instrumentality of its member municipalities - IRMA establishes and administers one or more group self-insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. IRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of IRMA against liability or loss.

The County must participate at all times in at least one fund which is established by IRMA. Other responsibilities of the County are as follows:

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

The County retains the first \$2,500 of each risk of loss in the form of a deductible. The County files all claims with IRMA. IRMA bills the County for any risk of loss up to the \$2,500 deductible.

The basis for estimating the liabilities for unpaid claims is the "IBNR" established by an actuary.

Pursuant to Title 34, Chapter 9, Article 150 of the Official Code of Georgia Annotated, the County became a member of the Association of County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund. The County is obligated to pay all contributions and assessments as prescribed by the fund, to cooperate with the fund's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The County is also to allow the fund's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the fund.

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

WILKINSON COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

D. JOINT VENTURE

Under Georgia law, Wilkinson County, in conjunction with other cities and counties in the middle Georgia area, is a member of the Middle Georgia Regional Commission and is required to pay annual dues thereto. Membership in a Commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the Commission in Georgia. The Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Commission.

Separate financial statements may be obtained from:

Middle Georgia Regional Commission
175 – C Emery Highway
Macon, Georgia 31201

E. COMMITMENTS

Reservations of fund balances of Governmental funds are established to either (1) satisfy legal covenants that require that a portion of the fund balance be segregated or (2) identify the portion of the fund balance that is not appropriate for future expenditures. Designations of fund balance represent tentative management plans that are subject to change.

F. CONTINGENT LIABILITIES

Grant Funds

The County participates in numerous grant programs on the federal and state level. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal Government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Government expects such amounts, if any, to be immaterial.

Litigation

During the course of normal operations of the County, various claims and lawsuits arise. As of September 30, 2015, the County was the defendant in several lawsuits. Based upon the information available, management does not expect potential liabilities as of September 30, 2015 to impair the County's financial position.

G. SUBSEQUENT EVENTS

The County performed an evaluation of subsequent events through April 29, 2016, the date upon which the County's financial statements were available for issue. The County has not evaluated subsequent events after this date. No subsequent events were identified that would have required a change to the financial statements or disclosure in the notes to the financial statements.

Required Supplementary Information

WILKINSON COUNTY, GEORGIA

EXHIBIT 8
PAGE 1 OF 4

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes Revenues:				
General property taxes	\$ 4,096,019	\$ 4,096,019	\$ 4,021,394	\$ (74,625)
Local option sales tax	673,327	673,327	546,674	(126,653)
Energy excise tax	1,000,000	1,000,000	958,819	(41,181)
Insurance premium tax	210,000	210,000	231,089	21,089
Other tax	<u>552,500</u>	<u>552,500</u>	<u>677,974</u>	<u>125,474</u>
Total taxes revenues	<u>6,531,846</u>	<u>6,531,846</u>	<u>6,435,950</u>	<u>(95,896)</u>
Licenses and permits:				
Beer and wine	1,020	1,020	1,020	-
Occupation tax	6,000	6,000	7,700	1,700
Other	<u>750</u>	<u>750</u>	<u>1,670</u>	<u>920</u>
Total licenses and permits	<u>7,770</u>	<u>7,770</u>	<u>10,390</u>	<u>2,620</u>
Intergovernmental Revenues:				
Federal grants:				
Rural transit fee reimbursement	56,000	56,000	82,258	26,258
Senior citizens	66,000	66,000	66,854	854
State grants:				
Department of Transportation	-	-	-	-
Forest land protection grant	25,000	25,000	-	(25,000)
EMA Grant	-	-	15,000	15,000
DOJ Grant	44,019	44,019	-	-
Juvenile Court Grant	-	-	-	-
Georgia Inmate Board	<u>6,000</u>	<u>6,000</u>	<u>8,130</u>	<u>2,130</u>
Total intergovernmental revenues	<u>\$ 197,019</u>	<u>\$ 197,019</u>	<u>\$ 172,242</u>	<u>\$ 19,242</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 8
PAGE 2 OF 4

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Charges for Services:				
Tax Commissioner - cost, fees and commissions	\$ 276,300	\$ 276,300	\$ 315,160	\$ 38,860
Public transit fees	8,400	8,400	8,647	247
Streets and sanitation	9,000	9,000	8,856	(144)
Pipe installations	2,500	2,500	3,732	1,232
Recreation	-	-	54,280	54,280
Resource officer	68,000	68,000	63,731	(4,269)
Commissary	-	-	29,538	29,538
Total charges for services	<u>364,200</u>	<u>364,200</u>	<u>483,944</u>	<u>119,744</u>
Fines and Forfeitures:				
Sheriffs costs and fees	89,356	89,356	113,151	23,795
Superior Court	88,000	88,000	89,616	1,616
Probate Court	77,000	77,000	94,447	17,447
Magistrate Court	25,000	25,000	25,796	796
Juvenile Court	500	500	230	(270)
Total fines and forfeitures	<u>279,856</u>	<u>279,856</u>	<u>323,240</u>	<u>43,384</u>
Interest Income:	9,455	9,455	41,032	31,577
Other Revenues:				
Rents	500	500	2,050	1,550
Highway 57 landfill site	59,000	59,000	51,846	(7,154)
Annual landfill payment	50,000	50,000	50,000	-
Tonnage sales	101,000	101,000	92,251	(8,749)
Miscellaneous	7,552	7,552	10,314	2,762
Total other revenues	<u>218,052</u>	<u>218,052</u>	<u>206,461</u>	<u>(11,591)</u>
Total Revenues	<u>\$ 7,608,198</u>	<u>\$ 7,608,198</u>	<u>\$ 7,673,259</u>	<u>\$ 65,061</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 8
PAGE 3 OF 4

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
General Government:				
Board of commissioners	\$ 1,666,645	\$ 1,666,645	\$ 1,765,139	\$ (98,494)
Tax commissioner's office	223,409	223,409	218,831	4,578
Tax assessor's office	232,024	232,024	436,656	(204,632)
Tax equalization office	3,750	3,750	2,018	1,732
Registrars	70,464	70,464	75,073	(4,609)
Public buildings	274,116	274,116	317,299	(43,183)
County extension service	38,218	38,218	29,864	8,354
Coroner's office	31,886	31,886	31,585	301
Forestry department	26,745	26,745	26,745	-
Total General Government Expenditures	<u>2,567,257</u>	<u>2,567,257</u>	<u>2,903,210</u>	<u>(335,953)</u>
Public Safety:				
Sheriff's office	1,263,704	1,263,704	939,163	324,541
Commissary	-	-	12,630	(12,630)
Jail operations	613,973	613,973	675,245	(61,272)
Total Public Safety Expenditures	<u>1,877,677</u>	<u>1,877,677</u>	<u>1,627,038</u>	<u>250,639</u>
Judicial:				
Superior Court	347,908	347,908	367,242	(19,334)
Probate Court	152,785	152,785	145,050	7,735
Magistrate Court	135,273	135,273	116,949	18,324
Total Judicial Expenditures	<u>635,966</u>	<u>635,966</u>	<u>629,241</u>	<u>6,725</u>
Public Works:				
Roads and bridges	851,036	851,036	823,183	27,853
Public transit	137,977	137,977	135,679	2,298
Streets and sanitation	204,262	204,262	192,487	11,775
Total Public Works Expenditures	<u>\$ 1,193,275</u>	<u>\$ 1,193,275</u>	<u>\$ 1,151,349</u>	<u>\$ 41,926</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 8
PAGE 4 OF 4

REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget -</u> <u>Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Health and Welfare:				
Emergency management	\$ 42,761	\$ 42,761	\$ 46,986	\$ (4,225)
Ambulance - service contract	384,000	384,000	384,000	-
Ambulance - other operating	18,600	18,600	26,142	(7,542)
Paws and Claws	6,000	6,000	10,000	(4,000)
Senior Citizens Center	120,461	120,461	101,321	19,140
Wilkinson County Board of Health	151,250	151,250	151,250	-
Department of Family and Children Services	21,600	21,600	21,600	-
Total Health and Welfare Expenditures	<u>744,672</u>	<u>744,672</u>	<u>741,299</u>	<u>3,373</u>
Culture and Recreation:				
Library	25,000	25,000	30,000	(5,000)
Recreation department	60,349	60,349	89,066	(28,717)
Total Culture and Recreation Expenditures	<u>85,349</u>	<u>85,349</u>	<u>119,066</u>	<u>(33,717)</u>
Economic Development -				
Wilkinson County Development Authority	62,252	62,252	66,629	(4,377)
Payment to Other Governmental Agencies	<u>441,750</u>	<u>441,750</u>	<u>392,820</u>	<u>48,930</u>
Total Expenditures	<u>7,608,198</u>	<u>7,608,198</u>	<u>7,630,652</u>	<u>(22,454)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>42,607</u>	<u>42,607</u>
Other Financing Source (Use):				
Transfer out	-	-	(224,828)	(224,828)
Insurance proceeds	-	-	35,168	35,168
Total Other Financing Source (Use)	<u>-</u>	<u>-</u>	<u>(189,660)</u>	<u>(189,660)</u>
Deficiency of Revenues and Other Financing Sources Under Expenditures and Other Financing Use	<u>-</u>	<u>-</u>	<u>(147,053)</u>	<u>(147,053)</u>
Fund Balance, Beginning	<u>-</u>	<u>5,763,526</u>	<u>5,763,526</u>	<u>-</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ 5,763,526</u>	<u>5,616,473</u>	<u>\$ (147,053)</u>

WILKINSON COUNTY, GEORGIA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2015

A. Excess of Expenditures over Appropriations in Individual Funds

The individual funds, which had expenditures in excess of appropriations, as well as the object level within each fund at which the excess was incurred, are as follows:

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Expenditures Over Appropriations</u>
GENERAL FUND:			
GENERAL GOVERNMENT:			
Board of commissioners	\$ 1,765,139	\$ 1,666,645	\$ 98,494
Tax assessor's office	436,656	232,024	204,632
Registrars	75,073	70,464	4,609
Public Buildings	317,299	274,116	43,183
PUBLIC SAFETY:			
Commissary	12,630	-	12,630
Jail operations	675,245	613,973	61,272
JUDICIAL:			
Superior Court	367,242	347,908	19,334
HEALTH AND WELFARE:			
Emergency management	46,986	42,761	4,225
Ambulance - other operating	26,142	18,600	7,542
Paws and Claws	10,000	6,000	4,000
CULTURE AND RECREATION -			
Library	30,000	25,000	5,000
Recreation department	89,066	60,349	28,717
ECONOMIC DEVELOPMENT -			
Wilkinson County Development Authority	66,629	62,252	4,377

Other Supplementary Information

WILKINSON COUNTY, GEORGIA

EXHIBIT 9

OTHER SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS - PENSION
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets [a]	Actuarial Accrued Liability (AAL) [b]	Funded Ratio [a/b]	Unfunded AAL (UAAL) [b-a]	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll [(b-a)/c]
2008	\$ 2,450,368	\$ 3,084,762	79.4%	\$ 634,394	\$ 1,118,484	56.7%
2009	2,478,742 *	3,123,891	79.3%	645,149	1,219,465	52.9%
2010	2,683,320 *	3,403,613	78.8%	720,293	1,315,201	54.8%
2011	2,906,482 *	3,663,460	79.3%	756,978	1,433,342	52.8%
2012	3,134,039 *	4,138,818	75.7%	1,004,779	1,593,245	63.1%
2013	3,398,953 *	4,428,971	76.7%	1,030,018	1,838,027	56.0%
2014	3,922,742 *	4,716,402	83.2%	793,660	1,738,559	45.7%

* Reflects change to asset smoothing adopted by the ACCG Pension Plan and Trust Board of Trustees.

WILKINSON COUNTY, GEORGIA

EXHIBIT 10

REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF FUNDING PROGRESS - OPEB
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) b-a	Covered Payroll	Unfunded AAL as a Percentage of Covered Payroll ((b-a)/c)
2009	\$ -	\$ 302,055	0.0%	\$ 302,055	\$ 1,879,705	16.1%
2012	-	208,265	0.0%	208,265	1,816,941	11.5%

Non-major Governmental Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

- **Emergency 911 Fund** accounts for surcharges collected on all local phone service which is specifically designated to fund the County's E911 system.
- **Law Library** accounts for the law library fees included in all fines which are specifically designated for the County's law library.
- **Family Connection** accounts for the grant funds and related expenditures for children and their families to improve school performance.
- **Law Enforcement Confiscation** accounts for funds confiscated from criminal activity and their expenditures in compliance with State and Federal laws.
- **Drug Abuse Education** accounts for drug training fees collected on all drug related charges which are specifically designated for drug training expenditures or capital outlay.
- **Jail** accounts for fines collected as required by State law for jail operations and construction.

Capital Project Funds are used to account for and report financial revenues that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

- **Special Purpose Local Option Sales Tax 2003** accounts for capital expenditures paid with the special purpose local option sales tax.
- **Balls Ferry** accounts for grant funds and related expenditures for the development of the Balls Ferry State Park.
- **Special Purpose Local Option Sales Tax 2007** accounts for the accumulation of SPLOST proceeds and payment of general obligation bond principal and interest.

WILKINSON COUNTY, GEORGIA

EXHIBIT 11

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	Special Revenue Funds						Capital Projects			Total Nonmajor Governmental Funds
	Emergency	Law	Family	Law	Drug	Special Purpose Local Option Sales Tax 2003	Special Purpose Local Option Sales Tax 2007	Balls Ferry		
	911 Fund	Library	Connection	Enforcement Confiscation	Abuse Education				Jail	
ASSETS										
Cash and cash equivalents	\$ -	\$ 693	\$ 13,549	\$ 12,036	\$ 76,886	\$ 16,358	\$ 8,433	\$ -	\$ 21,761	\$ 149,716
Accounts receivable	10,693	-	-	-	-	-	-	-	-	10,693
Intergovernmental receivable	-	-	10,854	-	195	85	-	-	-	11,134
Due from other funds	5,177	-	-	-	-	-	-	-	-	5,177
Total Assets	<u>\$ 15,870</u>	<u>\$ 693</u>	<u>\$ 24,403</u>	<u>\$ 12,036</u>	<u>\$ 77,081</u>	<u>\$ 16,443</u>	<u>\$ 8,433</u>	<u>\$ -</u>	<u>\$ 21,761</u>	<u>\$ 176,720</u>
LIABILITIES AND FUND BALANCE										
Liabilities:										
Bank overdraft	\$ 1,261	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,261
Accounts payable	-	2,528	-	-	-	-	-	-	-	2,528
Accrued expenses	14,609	-	-	-	-	-	-	-	-	14,609
Due to other funds	-	-	18,555	-	-	-	-	-	-	18,555
Total liabilities	<u>15,870</u>	<u>2,528</u>	<u>18,555</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>36,953</u>
Fund Balance-										
Restricted for special programs	-	(1,835)	5,848	12,036	77,081	16,443	8,433	-	21,761	139,767
Total Liabilities and Fund Balance	<u>\$ 15,870</u>	<u>\$ 693</u>	<u>\$ 24,403</u>	<u>\$ 12,036</u>	<u>\$ 77,081</u>	<u>\$ 16,443</u>	<u>\$ 8,433</u>	<u>\$ -</u>	<u>\$ 21,761</u>	<u>\$ 176,720</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 12

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2015

	Special Revenue Funds						Capital Projects			Total Nonmajor Governmental Funds
	Emergency 911 Fund	Law Library	Family Connection	Law Enforcement Confiscation	Drug Abuse Education	Jail	Special Purpose Local Option Sales Tax 2003	Special Purpose Local Option Sales Tax 2007	Balls Ferry	
Revenues:										
Taxes:										
Sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-	-	-	-
Charges for services	41,281	-	-	-	-	-	-	-	-	41,281
Fines and forfeitures	-	4,775	-	17,082	19,424	11,778	-	-	-	53,059
Intergovernmental revenue	-	-	44,678	-	-	-	-	-	-	44,678
Interest income	17	-	-	7	106	22	8	198	-	358
Other income	-	-	16,288	1,900	-	-	-	-	-	18,188
Total revenues	<u>41,298</u>	<u>4,775</u>	<u>60,966</u>	<u>18,989</u>	<u>19,530</u>	<u>11,800</u>	<u>8</u>	<u>198</u>	<u>-</u>	<u>157,564</u>
Expenditures:										
Current:										
General Government	-	-	-	-	-	-	-	20,044	-	20,044
Public Safety	266,126	-	-	14,204	9,434	6,443	-	32,819	-	329,026
Judicial	-	11,315	-	-	-	-	-	-	-	11,315
Health and welfare	-	-	55,137	-	-	-	-	-	-	55,137
Culture and recreation	-	-	-	-	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-	-	102,047	-	102,047
Intergovernmental	-	-	-	-	-	-	-	144,778	-	144,778
Capital outlay	-	-	-	-	-	-	-	206,508	-	206,508
Total expenditures	<u>266,126</u>	<u>11,315</u>	<u>55,137</u>	<u>14,204</u>	<u>9,434</u>	<u>6,443</u>	<u>-</u>	<u>506,196</u>	<u>-</u>	<u>868,855</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(224,828)</u>	<u>(6,540)</u>	<u>5,829</u>	<u>4,785</u>	<u>10,096</u>	<u>5,357</u>	<u>8</u>	<u>(505,998)</u>	<u>-</u>	<u>(711,291)</u>
Other Financing Source -										
Transfers in	224,828	-	-	-	-	-	-	-	-	224,828
Transfers out	-	-	-	-	-	-	-	-	-	-
Total Other Financing Source (Use)	<u>224,828</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,828</u>
Excess (Deficiency) of Revenues and Financing Source Over (Under) Expenditures	<u>-</u>	<u>(6,540)</u>	<u>5,829</u>	<u>4,785</u>	<u>10,096</u>	<u>5,357</u>	<u>8</u>	<u>(505,998)</u>	<u>-</u>	<u>(486,463)</u>
Fund Balance, Beginning	<u>-</u>	<u>4,705</u>	<u>19</u>	<u>7,251</u>	<u>66,985</u>	<u>11,086</u>	<u>8,425</u>	<u>505,998</u>	<u>21,761</u>	<u>626,230</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ (1,835)</u>	<u>\$ 5,848</u>	<u>\$ 12,036</u>	<u>\$ 77,081</u>	<u>\$ 16,443</u>	<u>\$ 8,433</u>	<u>\$ -</u>	<u>\$ 21,761</u>	<u>\$ 139,767</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 13

BUDGETARY COMPARISON – EMERGENCY 911 FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Charges for services	\$ 60,000	\$ 60,000	41,281	\$ (18,719)
Interest income	-	-	17	17
Total revenues	<u>60,000</u>	<u>60,000</u>	<u>41,298</u>	<u>(18,702)</u>
Expenditure -				
Current -				
Public safety	270,000	270,000	266,126	3,874
Deficiency of Revenue Under Expenditures	(210,000)	(210,000)	(224,828)	(14,828)
Other Financing Source -				
Transfers in	<u>210,000</u>	<u>210,000</u>	<u>224,828</u>	<u>14,828</u>
Excess of Revenue and Other Financing Source				
Over Expenditures	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 14

BUDGETARY COMPARISON – LAW LIBRARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenue -				
Fines and forfeitures	\$ 11,800	\$ 11,800	\$ 4,775	\$ (7,025)
Expenditure -				
Current -				
Judicial	11,800	11,800	11,315	485
Deficiency of Revenue Under Expenditure	-	-	(6,540)	(6,540)
Fund Balance, Beginning	4,705	4,705	4,705	-
Fund Balance, Ending	<u>\$ 4,705</u>	<u>\$ 4,705</u>	<u>\$ (1,835)</u>	<u>\$ (6,540)</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 15

BUDGETARY COMPARISON – FAMILY CONNECTION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Intergovernmental	\$ 47,000	\$ 47,000	\$ 44,678	\$ (2,322)
Other income	9,000	9,000	16,288	7,288
Total revenues	<u>56,000</u>	<u>56,000</u>	<u>60,966</u>	<u>4,966</u>
Expenditure -				
Current -				
Health and welfare	<u>56,000</u>	<u>56,000</u>	<u>55,137</u>	<u>863</u>
Excess of Revenues Over Expenditure	-	-	5,829	5,829
Fund Balance, Beginning	<u>19</u>	<u>19</u>	<u>19</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 19</u>	<u>\$ 19</u>	<u>\$ 5,848</u>	<u>\$ 5,829</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 16

BUDGETARY COMPARISON – LAW ENFORCEMENT CONFISCATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Fines and forfeitures	\$ 20,000	\$ 20,000	\$ 17,082	\$ (2,918)
Interest income	-	-	7	7
Other income	-	-	1,900	1,900
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>18,989</u>	<u>(1,011)</u>
Expenditure -				
Current -				
Public safety	<u>20,000</u>	<u>20,000</u>	<u>14,204</u>	<u>5,796</u>
Excess of Revenues				
Over Expenditure	-	-	4,785	4,785
Fund Balance, Beginning	<u>7,251</u>	<u>7,251</u>	<u>7,251</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 7,251</u>	<u>\$ 7,251</u>	<u>\$ 12,036</u>	<u>\$ 4,785</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 17

BUDGETARY COMPARISON – DRUG ABUSE EDUCATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Fines and forfeitures	\$ 20,000	\$ 20,000	\$ 19,424	\$ (576)
Interest income	-	-	106	106
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>19,530</u>	<u>(470)</u>
Expenditures:				
Public safety	20,000	20,000	9,434	10,566
Capital outlay	-	-	-	-
Total expenditures	<u>20,000</u>	<u>20,000</u>	<u>9,434</u>	<u>10,566</u>
Excess of Revenue Over Expenditures	-	-	10,096	10,096
Fund Balance, Beginning	<u>66,985</u>	<u>66,985</u>	<u>66,985</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 66,985</u>	<u>\$ 66,985</u>	<u>\$ 77,081</u>	<u>\$ 10,096</u>

WILKINSON COUNTY, GEORGIA

EXHIBIT 18

BUDGETARY COMPARISON – JAIL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
Revenues:				
Fines and forfeitures	\$ -	\$ 15,000	\$ 11,778	\$ (3,222)
Interest income	-	-	22	22
Total revenues	<u>-</u>	<u>15,000</u>	<u>11,800</u>	<u>(3,200)</u>
Expenditures:				
Current -				
Public safety	-	15,000	6,443	8,557
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>15,000</u>	<u>6,443</u>	<u>8,557</u>
Deficiency of Revenue Under Expenditures	-	-	5,357	5,357
Fund Balance, Beginning	<u>11,086</u>	<u>11,086</u>	<u>11,086</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 11,086</u>	<u>\$ 11,086</u>	<u>\$ 16,443</u>	<u>\$ 5,357</u>

Agency Funds

WILKINSON COUNTY, GEORGIA

EXHIBIT 19

AGENCY FUNDS
 COMBINING STATEMENT OF FIDUCIARY NET ASSETS
 FOR THE YEAR ENDED SEPTEMBER 30, 2015

	<u>Superior Court</u>	<u>Sheriff's Office</u>	<u>Magistrate Court</u>	<u>Probate Court</u>	<u>Juvenile Court</u>	<u>Tax Commissioner's Office</u>	<u>Total Agency Funds</u>
Asset - Cash	<u>\$ 70,696</u>	<u>\$ -</u>	<u>\$ 3,939</u>	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ 324,274</u>	<u>\$ 398,953</u>
Liability -							
Other liabilities	<u>\$ 70,696</u>	<u>\$ -</u>	<u>\$ 3,939</u>	<u>\$ -</u>	<u>\$ 44</u>	<u>\$ 324,274</u>	<u>\$ 398,953</u>

Other Reports

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

To the Board of Commissioners
Wilkinson County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wilkinson County, Georgia, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise Wilkinson County, Georgia's basic financial statements and have issued our report thereon dated April 29, 2016. Our report includes a reference to other auditors who audited the financial statements of the Wilkinson County Board of Health and the Development Authority of Wilkinson County, Georgia, as described in our report on Wilkinson County, Georgia's financial statements. This report does not include the results of the other auditors testing of internal control over financial reporting or compliance and other matters that are reported on separately by the auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Wilkinson County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Wilkinson County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Wilkinson County, Georgia's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiency 2015-001, described in the accompanying schedule of findings and questioned costs to be a material weakness.

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. We consider the deficiencies 2015-002 and 2015-003, described in the accompany schedule of findings and questioned costs to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wilkinson County, 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*.

We noted certain matters that we have reported to management of Wilkinson County, Georgia in a separate letter dated April 29, 2016.


Wilkinson County, Georgia's Response to Findings

Wilkinson County, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Wilkinson County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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.

Very truly yours,

A handwritten signature in black ink that reads "TJS Deemer Dana LLP". The signature is written in a cursive, flowing style.

Dublin, Georgia

April 29, 2016

WILKINSON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2015

SECTION II – FINANCIAL STATEMENT FINDINGS AND RESPONSES

FINDINGS – FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS:

2015-001 - Segregation of Duties (Reiteration of Prior Year)

Condition: Due to the limited number of personnel, overlapping of duties exists in the County's operations primarily in the areas of cash receipts and disbursements.

Criteria: Internal controls should be in place that provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

Effect: This overlapping of duties presents situations where unauthorized use of assets could occur and not be detected within a timely period.

Recommendation: The duties of recording, processing and reconciliation of cash accounts should be segregated between employees.

Response: We concur with the recommendation. Each elected official is working with the Wilkinson County Board of Commissioners to evaluate and determine the most efficient and effective solution to properly segregate duties between recording, processing and reconciliation of cash accounts to provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

SIGNIFICANT DEFICIENCIES:

2015-002 - Account and Transaction Reporting (Reiteration of Prior Year)

Condition: Certain audit adjustments were required to fairly state the balances on general ledger accounts at the end of the accounting period.

Criteria: Accounts should be properly adjusted and reconciled to ensure that the financial statements are presented fairly at the end of the accounting period.

Effect: Failure to properly record transactions and reconcile accounts could cause the financial statements to not be fairly stated at the end of the accounting period.

Recommendation: Management should establish policies and procedures to assist the County in fairly stating the balances of accounts at the end of the accounting period.

Response: We concur with the recommendation. We will review procedures in place to ensure that account balances are fairly stated at the end of the accounting period.

WILKINSON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2015

2015-003 - Controls Over Financial Statement Presentation (Reiteration of Prior Year)

Condition: County personnel do not currently possess the professional skills necessary to prepare or review the financial statements in sufficient detail to detect material misstatements in the financial statements and related footnotes.

Criteria: County personnel should possess professional skills sufficient to be able to perform an adequate review of the County's financial statements in order to determine that the statements are materially correct.

Effect: The deficiency identified above could result in a material misstatement to the County's financial statements that would not be prevented or detected on a timely basis.

Recommendation: The County should consider additional training that would provide accounting personnel with the skills to detect and correct misstatements in the financial statements.

Response: We concur with the recommendation and will evaluate the cost effectiveness of implementing the control and act accordingly.

2015-004 – Transfer of SPLOST Proceeds to the LMIG Fund

Condition: The County transferred funds from the SPLOST Funds into the LMIG Fund.

Criteria: The Uniform Chart of Accounts specifies that, if a government finances a capital project from multiple funding sources and SPLOST is one of the funding sources, the SPLOST fund must be used for the total financing of the project. The SPLOST fund should be used to report all of the expenditures related to a SPLOST project that has been approved in the County's referendum.

Effect: Failure to properly account for SPLOST funds could lead to SPLOST proceeds being used for unintended expenditures.

Recommendation: The County should not transfer any SPLOST funds to the LMIG for the LMIG match.

Response: We concur with the recommendation.

WILKINSON COUNTY, GEORGIA
SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2015

STATUS OF PRIOR YEAR AUDIT FINDINGS:

2014-001 - Segregation of Duties

Condition: Due to the limited number of personnel, overlapping of duties exists in the County's operations primarily in the areas of cash receipts and disbursements.

Recommendation: The duties of recording, processing and reconciliation of cash accounts should be segregated between employees.

Current Status: This finding was not corrected during the year.

2014-002 - Account and Transaction Reporting

Condition: Certain audit adjustments were required to fairly state the balances on general ledger accounts at the end of the accounting period.

Recommendation: Management should establish policies and procedures to assist the County in fairly stating the balances of accounts at the end of the accounting period.

Current Status: This finding was not corrected during the year.

2014-003 - Controls Over Financial Statement Presentation

Condition: County personnel do not currently possess the professional skills necessary to prepare or review the financial statements in sufficient detail to detect material misstatements in the financial statements and related footnotes.

Recommendation: The County should consider additional training that would provide accounting personnel with the skills to detect and correct misstatements in the financial statements.

Current Status: This finding was not corrected during the year.

Other Information

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX
YEAR ENDED SEPTEMBER 30, 2015

Project Description Per SPLOST Referendum	Original Estimated Costs	Expenditures		
		Prior Years (restated)	Current Year	Total
Sales Tax (2003):				
Recreation facilities	\$ 400,000	\$ 401,176	\$ -	\$ 401,176
Public safety - equipment	400,000	434,598	-	434,598
Public safety - vehicles	-	59,669	-	59,669
Public works	N/A	2,490,453	-	2,490,453
Courthouse/extension	4,000,000	4,010,466	-	4,010,466
Furniture and equipment	N/A	365,819	-	365,819
New cell development	N/A	245,077	-	245,077
Architectural and engineering	N/A	26,406	-	26,406
Bond issuance costs	N/A	81,467	-	81,467
Debt service	N/A	4,505,839	-	4,505,839
City of Toombsboro	N/A	37,749	-	37,749
	<u>\$ 4,800,000</u>	<u>\$ 12,658,719</u>	<u>\$ -</u>	<u>\$ 12,658,719</u>
Sales Tax (2007):				
Debt service - interest and bond issuance costs	\$ -	\$ 718,626	\$ -	\$ 718,626
Roads, streets and bridges	1,665,000	1,494,264	218,626	1,712,890
Public safety - equipment	2,400,000	883,723	150,917	1,034,640
Public safety - vehicles	-	911,871	34,606	946,477
Economic development	750,000	837,042	102,047	939,089
Recreation	325,000	-	-	-
Public buildings	2,000,000	751,322	-	751,322
Solid waste	60,000	50,646	-	50,646
City of Allentown	242,877	222,526	-	222,526
City of Danville	174,330	144,718	-	144,718
City of Gordon	1,950,000	1,551,295	-	1,551,295
City of Irwinton	496,756	414,539	-	414,539
Town of Ivey	930,889	778,737	-	778,737
City of McIntyre	607,616	507,113	-	507,113
City of Toombsboro	526,375	439,028	-	439,028
	<u>\$ 12,128,843</u>	<u>\$ 9,705,450</u>	<u>\$ 506,196</u>	<u>\$ 10,211,646</u>
Sales Tax (2013):				
Roads, streets and bridges	\$ 2,550,391	\$ -	\$ 91,046	\$ 91,046
Public safety/Economic Development	2,147,696	-	146,381	146,381
Recreation	210,000	-	-	-
Public buildings/Capital Equipment	1,300,000	-	-	-
Solid waste	235,000	-	-	-
City of Allentown	147,936	8,299	15,293	23,592
City of Danville	25,385	1,424	2,624	4,048
City of Gordon	1,765,601	99,051	182,520	281,571
City of Irwinton	515,587	28,925	53,299	82,224
Town of Ivey	858,728	48,175	88,772	136,947
City of McIntyre	568,984	31,920	58,819	90,739
City of Toombsboro	413,170	23,179	42,712	65,891
	<u>\$ 10,738,478</u>	<u>\$ 240,973</u>	<u>\$ 681,466</u>	<u>\$ 922,439</u>