

WILKINSON COUNTY, GEORGIA

FINANCIAL STATEMENTS

For the Year Ended September 30, 2017

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INDEPENDENT AUDITOR'S REPORT

To the County Commissioners
Wilkinson County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Wilkinson County, Georgia, as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Wilkinson County Board of Health which represents 17 percent, 8 percent, and 46 percent of the assets, fund balance, and revenues, respectively, of the discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Wilkinson County Board of Health is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, and each major fund, of Wilkinson County, Georgia, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 11 and the budgetary comparison and pension information on pages 43 through 45 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Wilkinson County, Georgia's basic financial statements. The combining nonmajor fund financial statements, the fiduciary funds combining statement of net position, the schedule of projects constructed with special sales tax proceeds and the other schedules included in other supplementary information as described in the accompanying table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements, the fiduciary funds combining statement of net position, the schedule of projects constructed with special sales tax proceeds, and the other schedules included in other supplementary information as described in the accompanying table of contents is the responsibility of management and was derived from and relates to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements or to the basic financial statements themselves, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated March 8, 2018 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.

Wright & Wright, P.C.

Sandersville, Georgia
March 8, 2018

Board of Commissioners Wilkinson County

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C.L. BROOKS
JAMES HAGINS
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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Wilkinson County's financial performance provides an overview of the County's financial activities for the year ended September 30, 2017. Please read it in conjunction with the County's financial statements which begin on page 12.

1. USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net position and the Statement of Activities (on pages 12 and 13) provide information about activities of the County as a whole and present a longer-term view of the County's finances. Fund financial statements start on page 14. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the County as a Whole

The Statement of Net position and the Statement of Activities

Our analysis of the County as a whole begins on page 6. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes in them. You can think of the County's net position – the difference between assets and liabilities – as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider nonfinancial factors such as changes in the County's property tax base and the condition of the County's roads and other physical assets to assess the overall health of the County.

In the Statement of Net position and the Statement of Activities, we divide the County into three kinds of activities:

- Governmental activities—Most of the County’s basic services are reported here, including public safety, court system, public works, health & welfare and general administration. Taxes, court fines and intergovernmental revenue finance most of these activities.
- Business-type activities—The County charges a fee to customers to help it cover all or most of the cost of certain services it provides. The County has no business-type activities.
- The County includes two separate legal entities in its report - the Wilkinson County Health Department and the Development Authority of Wilkinson County, Georgia. Although legally separate, these “component units” are important because the County is financially accountable for them. Complete financial statements may be obtained at 100 Bacon Street, Irwinton, Georgia 31042.

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/ Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the County’s taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

General government	Business licenses and permits; Qualifying fees; Intangible recording taxes
Public safety	Fines and forfeits; E911 telephone charges and city charges; Housing prisoners; State reimbursements for training
Judicial	All court fines and forfeits; Law library revenue
Public works	LMIG Grant from the Georgia Department of Transportation; Pipe and driveway installations
Health and welfare	Rural transit fees; Family connection and Senior Center fees and grants
Culture/recreation	Recreation department charges for services

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

Reporting the County's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 14 and provide detailed information about the most significant funds—not the County as a whole. Some funds are required to be established by State law and by bond covenants. However, the County Commissioners establish other funds to help them control and manage money for particular purposes or to show that they are meeting legal responsibilities for using certain taxes, grants, and other money (like the Emergency 911 Telephone Fund and the Capital Projects Fund which account for special purpose local option sales tax revenue). The County only has governmental funds.

- Governmental funds—Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

The County as Trustee

Reporting the County's Fiduciary Responsibilities

The County is the trustee, or fiduciary, for the offices of Tax Commissioner, Probate Court, Magistrate Court, Clerk of Courts and Sheriff. All of the County's fiduciary activities are reported in a separate Statement of Fiduciary Net Position on page 54. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

2. FINANCIAL HIGHLIGHTS

Net position may serve over time as a useful indicator of a government's financial position. In the case of Wilkinson County, assets exceeded liabilities by \$16,896,942 as of September 30, 2017.

The largest portion of the County's net position (71%) reflects its investment in capital assets (e.g., land, building, equipment, improvements, construction in progress and infrastructure), less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

	Governmental Activities	
	2017	2016
Current and other assets	\$ 6,759,277	\$ 7,326,893
Capital assets	11,925,172	12,115,582
Total assets	<u>18,684,449</u>	<u>19,442,475</u>
Current liabilities	340,044	366,981
Long-term liabilities	1,447,463	1,198,152
Total liabilities	<u>1,787,507</u>	<u>1,565,133</u>
Net position:		
Investment		
in capital assets	11,925,172	12,115,582
Restricted	1,122,680	1,283,462
Unrestricted	3,849,090	4,478,298
Total net position	<u>\$ 16,896,942</u>	<u>\$ 17,877,342</u>

As a whole the Government's financial position declined during fiscal 2017. Total net position decreased \$980,400 or 5.5% during 2017.

The following table provides a summary of the County's operations for the year ended September 30, 2017 with comparative totals for year ended September 30, 2016.

	Governmental Activities	
	2017	2016
REVENUES:		
Program revenues:		
Charges for services	\$ 933,124	\$ 1,079,991
Operating grants and contributions	236,190	638,036
Capital grants and contributions	-	-
General revenues:		
Property taxes	4,014,869	3,927,484
Local option sales tax	439,383	466,995
Energy excise tax	817,901	885,623
Insurance premium tax	263,337	247,460
Special local option sales tax	878,421	927,333
Other taxes	677,754	657,188
Other	119,182	99,728
Total revenues	<u>8,380,161</u>	<u>8,929,838</u>
EXPENSES:		
General government	3,871,673	3,783,425
Public safety	2,292,529	2,297,217
Judicial	674,329	734,815
Public works	1,408,867	2,276,920
Health and welfare	905,299	948,818
Culture and recreation	118,271	176,688
Economic development	89,593	65,458
Interest on long-term debt	-	-
Total expenses	<u>9,360,561</u>	<u>10,283,341</u>
Increase (decrease) in net position before transfers	(980,400)	(1,353,503)
TRANSFERS	-	-
Increase (decrease) in net position	<u>(980,400)</u>	<u>(1,353,503)</u>
NET POSITION, beginning of year	17,877,342	19,293,150
PRIOR PERIOD ADJUSTMENT	-	(62,305)
NET POSITION, beginning as restated	<u>17,877,342</u>	<u>19,230,845</u>
NET POSITION, end of year	<u><u>\$ 16,896,942</u></u>	<u><u>\$ 17,877,342</u></u>

3. FUND FINANCIAL INFORMATION

Major Governmental Funds

General Fund

The central operating fund for Wilkinson County, the General Fund, had total assets of \$5,175,622 and total liabilities and deferred inflows of resources of \$436,197 at the end of fiscal year 2017. Total expenditures and other financing uses for fiscal year 2017 of \$7,854,475 exceeded revenues and other financing sources of \$7,278,664.

Other Major Governmental Funds

The fund balance for the Capital Projects Fund (2013) decreased \$110,963 as the pace of capital projects exceeded the special local option sales tax revenue used to fund these projects.

4. GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the County Commissioners had no budget amendments to the General Fund budget.

General Fund revenues for the year of \$7,278,664 were 4.9% less than budgeted revenues due mainly to the County receiving less property taxes, local option sales tax and energy excise tax than was budgeted.

Total General Fund expenditures for fiscal year 2017 were 103.4% of the final budget. This was due mainly to the rising cost of employee health insurance and higher than anticipated legal fees.

5. CAPITAL ASSET AND DEBT ADMINISTRATION

Debt

The County has no debt as of September 30, 2017. Historically, the philosophy of the Wilkinson County Board of Commissioner's in regard to capital assets has been "pay-as-you-go." Thus, as funds are collected and accounted for, the Board engages in capital projects.

Capital Assets

At the end of September 30, 2017, the County had \$11.9 million invested in capital assets including equipment, buildings, infrastructure, park facilities, and construction in progress (See table below.) This represents a net decrease of \$190,410 or 1.6% compared to last year.

	Governmental Activities	
	2017	2016
Land	\$ 328,857	\$ 328,857
Infrastructure	4,104,255	4,293,885
Buildings	5,743,531	5,915,487
Equipment	1,038,421	917,557
Vehicles	661,115	642,820
Construction in progress	48,993	16,976
Total	<u>\$11,925,172</u>	<u>\$12,115,582</u>

This year's major additions included:

Caterpillar motorgrader paid for with Special Purpose Local Option Sales Tax revenues	\$ 202,941
(2) Ford Trucks for Public Works paid for with Special Purpose Local Option Sales Tax revenues	75,256
(2) Tahoes with equipment for sheriff's department paid for with Special Purpose Local Option Sales Tax revenues	91,198
	<u>\$ 369,395</u>

Additional information on Wilkinson County's capital assets can be found in Note 6 on page 30 of this report.

6. ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Wilkinson County is a rural county located in Middle Georgia, just east of the Macon-Metropolitan area. It's county seat of Irwinton is approximately 112 miles southeast of downtown Atlanta; 129 miles east of Columbus, GA; 98.2 miles of Augusta, GA; and 146 miles northwest of Savannah, Georgia. Wilkinson County is one of eleven counties that comprise the Middle Georgia Regional Commission.

The 2010 Census shows that the County's population was 9,563. There are seven (7) municipalities in the County with the following populations:

<u>City</u>	<u>Population</u>
Allentown	169
Danville	*238
Gordon	2,017
Ivey	981
Irwinton	589
McIntyre	650
Toombsboro	472

*Danville's municipal limits are partly in Twiggs County and partly in Wilkinson County.

The December 2017 unemployment rate for Middle Georgia, for which Wilkinson County comprises, was 4.8%. In reviewing the local economy, our workforce employment is comprised of the following categories:

- Goods-producing: 20.4%
- Service-producing: 49.3%
- Government: 30.3%

Since the County relies primarily on property and sales taxes for its operating revenue, changes in the economy definitely affect these revenue streams. Since sales taxes are, an “elastic revenue stream”, in a sluggish economy, the sales tax revenue are reduced immediately. Property taxes are considered “inelastic” in the short-term; this revenue stream is more stable. Fortunately, for the County, because of its revenue stream makeup, it is able to survive financially in a slow economy.

Carbo Ceramics is going back into operations, and a New Dollar General Store has opened up in Toombsboro. These actions have generated more sales taxes locally. With the advent of the new Zimmer-Schwartz Plant opening this year, it is expected that the economy will continue to improve.

The expenditure budget for FY2018 will increase by 2.0% over the final FY2017 budget. All costs will continue to be scrutinized for efficiencies. Fuel costs should be comparable to the previous year, with an expectation that those costs will not rise or fall significantly before the end of FY2018. A cost of living adjustment is budgeted for all full-time county employees at 2.0%. Employee health insurance costs will increase by approximately 5%, The County will pay a higher portion to the retirement fund in FY2018 when compared to the prior year.

7. CONTACTING THE COUNTY’S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County’s finances and to show the County’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Commissioner’s Office at 100 Bacon Street, Irwinton, Georgia 31042.

Joseph M. Mosley, AICP
County Manager

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the Governmental Accounting Standards Board ("GASB"). The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
 - Governmental funds
 - Fiduciary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

WILKINSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2017

	Primary Government		Component Units	
	Governmental	Health	Development	
	Activities	Department	Authority	
ASSETS AND DEFERRED				
OUTFLOWS OF RESOURCES:				
Current assets:				
Cash and cash equivalents	\$ 1,454,047	\$ 579,675	\$ 199,832	
Certificates of deposit	4,033,651	-	-	
Accounts receivable, net	322,837	35,871	-	
Receivable from other governments	254,465	-	73,534	
Inventories	21,436	-	-	
Prepaid expenses	107,575	-	-	
Total current assets	<u>6,194,011</u>	<u>615,546</u>	<u>273,366</u>	
Noncurrent assets:				
Nondepreciable	377,850	-	2,533,807	
Depreciable capital assets, net of accumulated depreciation	11,547,322	6,880	77,518	
Total noncurrent assets	<u>11,925,172</u>	<u>6,880</u>	<u>2,611,325</u>	
Deferred outflows of resources	565,266	121,569	-	
Total assets and deferred outflows of resources	<u>18,684,449</u>	<u>743,995</u>	<u>2,884,691</u>	
LIABILITIES AND DEFERRED				
INFLOWS OF RESOURCES:				
Current liabilities:				
Accounts payable	57,852	15,289	7,761	
Current portion of long-term debt	-	-	11,827	
Other accrued liabilities	231,422	4,375	1,446	
Accrued compensated absences	50,770	-	-	
Total current liabilities	<u>340,044</u>	<u>19,664</u>	<u>21,034</u>	
Noncurrent liabilities:				
Notes payable, less current portion	-	-	247,854	
Net pension liability	1,414,831	424,988	-	
Landfill closure & postclosure costs	-	-	-	
Total noncurrent liabilities	<u>1,414,831</u>	<u>424,988</u>	<u>247,854</u>	
Deferred inflows of resources	32,632	10,877	-	
Total liabilities & deferred inflows of resources	<u>1,787,507</u>	<u>455,529</u>	<u>268,888</u>	
NET POSITION:				
Investment in capital assets	11,925,172	6,880	2,351,644	
Restricted for:				
Prepaid expenses	107,575	-	-	
Capital projects	660,183	-	-	
Public safety	45,401	-	-	
Judicial	173	-	-	
Transportation	305,067	-	-	
Health and welfare	4,281	-	-	
Economic development	-	-	174,709	
Unrestricted	3,849,090	281,586	89,450	
	<u>\$ 16,896,942</u>	<u>\$ 288,466</u>	<u>\$ 2,615,803</u>	

See accompanying notes to the basic financial statements

WILKINSON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Governmental Activities	Development Authority	Health Department
Primary government:							
Governmental activities:							
General government	\$ 3,871,673	\$ 486,092	\$ 61,644	\$ -	\$ (3,323,937)		
Public safety	2,292,529	226,098	8,290	-	(2,058,141)		
Judicial	674,329	187,003	-	-	(487,326)		
Public works	1,408,867	6,970	-	-	(1,401,897)		
Health and welfare	905,299	7,478	166,256	-	(731,565)		
Culture and recreation	118,271	19,483	-	-	(98,788)		
Economic development	89,593	-	-	-	(89,593)		
Interest on long-term debt	-	-	-	-	-		
Total governmental activities	9,360,561	933,124	236,190	-	(8,191,247)		
Total primary government	\$ 9,360,561	\$ 933,124	\$ 236,190	\$ -	\$ (8,191,247)		
Component units:							
Health department	\$ 443,231	\$ 157,296	\$ 357,473	\$ -		\$ -	\$ 71,538
Development authority	148,323	18,000	125,885	65,000		60,562	-
	\$ 591,554	\$ 175,296	\$ 483,358	\$ 65,000		60,562	71,538
General revenues:							
Taxes:							
					4,014,869	-	-
					439,383	-	-
					817,901	-	-
					263,337	-	-
					878,421	-	-
					677,754	-	-
					33,470	307	1,644
					85,712	2,824	-
					7,210,847	3,131	1,644
					(980,400)	63,693	73,182
					17,877,342	2,552,110	215,284
					\$ 16,896,942	\$ 2,615,803	\$ 288,466

See accompanying notes to the basic financial statements

WILKINSON COUNTY, GEORGIA

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2017

	General	Capital		Other	Total
	Fund	Projects	LMIG	Governmental	Governmental
	Fund	Fund (2013)	Fund	Funds	Funds
ASSETS:					
Cash and cash equivalents	\$ 503,163	\$ 564,434	\$ 305,067	\$ 81,383	\$ 1,454,047
Certificates of deposit	4,033,651	-	-	-	4,033,651
Accounts receivable, net	307,228	-	-	15,609	322,837
Receivables from other funds	35,045	-	-	-	35,045
Receivables from other governments	167,524	73,988	-	12,953	254,465
Prepaid expenses	107,575	-	-	-	107,575
Inventories	21,436	-	-	-	21,436
Total assets	\$ 5,175,622	\$ 638,422	\$ 305,067	\$ 109,945	\$ 6,229,056
LIABILITIES:					
Accounts payable	\$ 57,802	\$ -	\$ -	\$ 50	\$ 57,852
Accrued expenses	53,064	-	-	3,234	56,298
Payable to other funds	-	-	-	35,045	35,045
Total liabilities	110,866	-	-	38,329	149,195
DEFERRED INFLOWS OF RESOURCES:					
Property taxes	325,331	-	-	-	325,331
FUND BALANCES:					
Non-spendable fund balance:					
Prepaid expenses	107,575	-	-	-	107,575
Restricted fund balance:					
Capital projects	-	638,422	-	21,761	660,183
Public safety	-	-	-	45,401	45,401
Judicial	-	-	-	173	173
Health and welfare	-	-	-	4,281	4,281
Transportation	-	-	305,067	-	305,067
Committed fund balance	-	-	-	-	-
Assigned fund balance	-	-	-	-	-
Unassigned fund balance	4,631,850	-	-	-	4,631,850
Total fund balances	4,739,425	638,422	305,067	71,616	5,754,530
Total liabilities, deferred inflows of resources and fund balance					
	\$ 5,175,622	\$ 638,422	\$ 305,067	\$ 109,945	\$ 6,229,056

(Continued)

See accompanying notes to the basic financial statements

WILKINSON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2017

Fund balances - total governmental funds	\$	5,754,530
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, net of accumulated depreciation of \$10,711,027		11,925,172
Net OPEB obligations are not due and payable in the current period and, therefore are not reported in the funds		(175,124)
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore are not reported in the funds:		
Net pension liability		(1,414,831)
Net deferred inflows (outflows) - pension expense		532,634
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Accounts receivable, net of allowance for doubtful accounts of \$0		325,331
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences		<u>(50,770)</u>
Net position of governmental activities	\$	<u><u>16,896,942</u></u>

See accompanying notes to the basic financial statements

WILKINSON COUNTY, GEORGIA
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	General	Capital Projects	LMIG	Other Governmental	Total Governmental
	Fund	Fund (2013)	Fund	Funds	Funds
REVENUES:					
Taxes	\$ 6,136,991	\$ -	\$ -	\$ -	\$ 6,136,991
Licenses and permits	7,903	-	-	-	7,903
Intergovernmental	185,645	877,819	-	48,545	1,112,009
Fees and fines	258,634	-	-	42,529	301,163
Charges for services	374,120	-	-	53,293	427,413
Other	315,371	602	346	2,110	318,429
Total revenues	<u>7,278,664</u>	<u>878,421</u>	<u>346</u>	<u>146,477</u>	<u>8,303,908</u>
EXPENDITURES:					
Current operating:					
General government	2,913,182	-	-	-	2,913,182
Public safety	1,760,420	-	-	280,516	2,040,936
Judicial	636,199	-	-	4,681	640,880
Public works	900,577	78,486	43,437	-	1,022,500
Health and welfare	840,323	-	-	50,204	890,527
Culture/recreation	91,517	-	-	-	91,517
Economic development	72,094	17,499	-	-	89,593
Intergovernmental	440,105	343,629	-	-	783,734
Debt service:					
Principal	-	-	-	-	-
Interest and other charges	-	-	-	-	-
Capital outlays	-	549,770	-	22,023	571,793
Total expenditures	<u>7,654,417</u>	<u>989,384</u>	<u>43,437</u>	<u>357,424</u>	<u>9,044,662</u>
Excess (deficiency) of revenues over expenditures	<u>(375,753)</u>	<u>(110,963)</u>	<u>(43,091)</u>	<u>(210,947)</u>	<u>(740,754)</u>
OTHER FINANCING					
SOURCES (USES):					
Loan proceeds	-	-	-	-	-
Transfers in (out)	(200,058)	-	-	200,058	-
Total other financing sources and uses	<u>(200,058)</u>	<u>-</u>	<u>-</u>	<u>200,058</u>	<u>-</u>
Net change in fund balance	<u>(575,811)</u>	<u>(110,963)</u>	<u>(43,091)</u>	<u>(10,889)</u>	<u>(740,754)</u>
FUND BALANCE, beginning	<u>5,315,236</u>	<u>749,385</u>	<u>348,158</u>	<u>82,505</u>	<u>6,495,284</u>
FUND BALANCE, ending	<u>\$ 4,739,425</u>	<u>\$ 638,422</u>	<u>\$ 305,067</u>	<u>\$ 71,616</u>	<u>\$ 5,754,530</u>

(Continued)

See accompanying notes to the basic financial statements

WILKINSON COUNTY, GEORGIA

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2017

Net change in fund balances - total governmental funds	<u>\$ (740,754)</u>
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Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital outlays	578,248
Depreciation	<u>(768,658)</u>
	<u>(190,410)</u>

The effect of various capital asset disposals and sales, net of accumulated depreciation	<u>-</u>
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Governmental funds report pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:

Cost of benefits net of employee contributions	<u>(113,747)</u>
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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	<u>(18,834)</u>
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Compensated absences 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	<u>7,092</u>
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Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds	<u>76,253</u>
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	<u><u>\$ (980,400)</u></u>
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See accompanying notes to the basic financial statements

WILKINSON COUNTY, GEORGIA
FIDUCIARY FUNDS - AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
September 30, 2017

	Agency Funds
ASSETS:	
Cash in bank	\$ 371,966
Total assets	\$ 371,966
 LIABILITIES:	
Due to others	\$ 309,585
Due to General Fund	62,381
Total liabilities	\$ 371,966

See accompanying notes to the basic financial statements

WILKINSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
September 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of Wilkinson County (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. As required by GAAP, these financial statements present the County 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 County's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County.

Included as discretely presented component units in separate columns in the combined financial statements to emphasize that each is legally separate from the County:

Wilkinson County Health Department - The Wilkinson County Health Department (the Department) provides various health services for citizens in Wilkinson County. The County appoints the majority of the Department board members, funds a portion of the Department's budget, and can disapprove the Department's operating budget. Another auditor, whose report was unqualified, audited the Health Department's financial statements which have a fiscal year end of June 30, 2017. Complete financial statements may be obtained at 123 High Hill Street, Irwinton, Georgia 31042.

Wilkinson County Development Authority - The Wilkinson County Development Authority is charged with promoting and expanding industry and trade within Wilkinson County. The County appoints the members of the Authority and funds a portion of the Authority's budget. The Authority has a fiscal year end of December 31, 2016. Complete financial statements may be obtained from the Wilkinson County Clerk's office at PO Box 161, Irwinton, Georgia 31042.

Excluded from the reporting entity:

Because they are operated as agencies controlled and/or funded by other government agencies, the Wilkinson County Board of Education, the Wilkinson County Library and the Department of Family and Children Services are not included in the County's reporting entity.

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 nonfiduciary activities of the County (the primary government) and its component units. For the most part, the effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the County is reported separately from certain legally separate component units for which the County is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The County has elected not to allocate indirect costs among the programs, functions and segments. Program revenues include 1) charges to customers 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 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 and major individual enterprise 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 are collectible 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, including accrued interest on general long-term debt, is recognized when due, and certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The County reports the following major governmental funds:

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

The Capital Projects Fund (SPLOST 2013) accounts for capital outlay and other transactions related to the additional one-percent local option sales tax in effect for the period April 2014 to March 2020.

The LMIG Fund accounts for capital outlay and other transportation improvements related to the annual LMIG grant.

Additionally, the County reports the following fund type:

Fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. The County's fiduciary funds include the following fund type:

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. The funds are used to account for assets that the County holds for others in an agency capacity.

The County complies with Governmental Accounting Standards Board ("GASB") Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting.

This Statement requires the County to apply all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB's). As permitted by GASB No. 20, the County has elected not to comply with the FASB Statements and Interpretations issued after November 30, 1989.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. The County has no proprietary funds.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts.

D. Cash and Investments

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

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

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

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

E. Inventory

Inventory is valued at cost, which approximates market, using the first-in/first-out method. The cost of governmental fund-type inventory is recorded as an expenditure when consumed rather than when purchased.

Materials purchased in the proprietary fund are expensed as purchased and are not inventoried at year end due to lack of materiality.

F. Prepaid Items

Prepaid balances, if any, are for payments made by the County in the current year to provide services occurring in the subsequent fiscal year, and a reserve for prepaid items is recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

G. Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an estimated useful life in excess of two years and an original cost of \$5,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. General infrastructure assets acquired prior to July 1, 2003 are not reported in the basic financial statements.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets 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, none was included as part of the cost of capital assets under construction in connection with public building construction projects.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows

Buildings	20-40 Years
Vehicles	5 years
Machinery and equipment	3- -10 years
Infrastructure	30 years

H. Compensated Absences

It is the County'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 and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Full time employees of the Wilkinson County Health Department (the "Department") earn 10, 12, or 14 hours of annual leave time per month depending on length of service. The maximum accumulation is 360 hours for any one employee. In accordance with the provisions of Financial Accounting Standards No. 43, "Accounting for Compensated Absences", no liability is recorded for nonvesting accumulated rights to receive sick pay benefits.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charged 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 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.

J. 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.

K. Equity Classifications

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 those funds can be spent. Fund balances are classified as follows:

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

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

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

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

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 balances may be reported in all funds.

The County uses restricted amounts to be spent first 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 grant agreements that require a dollar match. Additionally, the County would then use committed, assigned and lastly unassigned amounts from the unrestricted fund balance when expending funds.

The County does not have a formal minimum fund balance policy; however, the County Commissioners address various target reserve positions which are reviewed periodically.

Net Position

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

L. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Basis

GAAP is the budgetary basis used in the preparation of these statements.

Budget Requirements, Accounting and Reporting

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

1. Prior to year end the County Administrator submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. The Board of Commissioners 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.
3. The budget is then revised and adopted or amended by the Board of Commissioners at a regular meeting early in the year to which it applies.
4. The budget so adopted may be revised during the year only by formal action of the Board of Commissioners in a regular meeting and no increase shall be made therein without provision also being made for financing same.
5. The legal level of budgetary control is the department level within the General Fund. Increases in the total appropriations of a department, whether accomplished through an increase in estimated revenues or through a transfer of appropriations among departments, require the approval of the Board of Commissioners.

6. Formal budgetary integration is employed as a management control device during the year for the General Fund. The budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with GAAP.
7. Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. Individual amendments were not material in relation to the original appropriations which were amended.

Excesses of Expenditures over Appropriations in Individual Funds

	<u>Final Budget</u>	<u>Actual Expenditures</u>	<u>Excess</u>
Major Funds:			
General Fund:			
General government	\$3,097,722	\$3,347,951	\$ 250,229
Public safety	1,668,234	1,760,420	92,186
Culture and recreation	86,122	91,517	5,395
Economic development	62,252	72,094	9,842
General government - capital outlays	1,500	5,336	3,836
Public works - capital outlays	-	1,119	1,119

3. DEPOSITS AND INVESTMENTS

Primary Government

Deposits - Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. Neither the County nor the Wilkinson County Development Authority, discretely presented component unity, has a deposit policy for custodial credit risk. The Wilkinson County Health Department has a deposit policy. As of September 30, 2017, none of the County's bank balance was exposed to custodial credit risk.

Investments - The County owns no investments as of September 30, 2017.

Interest Rate Risk - The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increased interest rates.

Credit Risk - Statutes authorize the County to invest in obligations of the State of Georgia, other states, or the United States Government; obligations fully insured or guaranteed by the United States Government or an agency or corporation of the United States Government; and/or repurchase agreements and certificates of deposit which are secured by direct obligations of Georgia or the investments in US Agencies (Federal Home Loan Bank) are rated AAA by Standard and Poor's and AAA by Moody's Investors Service.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County had no policy on custodial credit risk. As of September 30, 2017, all of the deposits of the County were properly insured and collateralized as required by the Official Code of Georgia Annotated (OCGA) Section 45-8-12(c) and as defined by GASB pronouncements.

Concentration of Credit Risk – The County places no limit on the amount that the County may invest in any one issuer.

4. PROPERTY TAXES

The value of all real and business personal property located in the County is assessed (appraised) as of each January 1. Taxable assessed value represents the appraisal value less applicable exemptions authorized by the County Commissioners. Appraised values are established by the Wilkinson County Tax Assessors at 40% of estimated fair market value. Taxes were levied when the mileage rate was set on or about August 15, 2016. Taxes were billed on or about October 21, 2016 and were due December 21, 2016 after which date penalties and interest were assessed. Property on which taxes are not paid within 60 days of mailing may then be levied on by the County. Current tax collections for the years ended September 30, 2017, were 97.1% of the tax levy.

Property taxes are recorded as receivables and deferred at the time the tax levy is billed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible within sixty days following the close of the fiscal year, and therefore susceptible to accrual in accordance with GAAP have been recognized as revenue.

During the year ended September 30, 2017, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 77, Tax Abatement Disclosures. This statement requires the County to disclose information for any tax abatement agreements either entered into by the County, or agreements entered into by other governments that reduce the County's tax revenues.

For the year ended September 30, 2017, the County had the following property tax abatements:

- Carbo Ceramics has a nine year tiered abatement agreement with the County which began in 2009 with a 70% abatement and ends in 2017. The abatement is on specified property owned by the company. For 2017 the company received a 7.76% abatement on certain real property which totaled \$3,586.

5. ACCOUNTS RECEIVABLE

At September 30, 2017, accounts receivable consisted of the following:

	<u>General Fund</u>	<u>Capital Projects Fund (2013)</u>	<u>LMIG</u>	<u>Nonmajor Funds</u>	<u>Total</u>
Receivables:					
Property taxes	\$ 340,527	\$ -	\$ -	\$ -	\$ 340,527
Sales and excise tax	110,537	73,988		-	184,525
Accrued interest	14,886			-	14,886
Miscellaneous	40,040	-	-	15,609	55,649
Intergovernmental	56,987	-	-	12,953	69,940
	<u>562,977</u>	<u>73,988</u>	<u>-</u>	<u>28,562</u>	<u>665,527</u>
Allowance for doubtful accounts	<u>(88,225)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(88,225)</u>
	<u>\$ 474,752</u>	<u>\$ 73,988</u>	<u>\$ -</u>	<u>\$ 28,562</u>	<u>\$ 577,302</u>

6. CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended September 30, 2017 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Not being depreciated:				
Land	\$ 328,857		\$ -	\$ 328,857
Construction-in-progress	16,976	32,017	-	48,993
Subtotal	345,833	32,017	-	377,850
Other capital assets:				
Infrastructure	5,688,909	-	-	5,688,909
Buildings	9,487,935	67,798	-	9,555,733
Vehicles	3,001,224	192,423	(41,071)	3,152,576
Equipment	3,575,121	286,010	-	3,861,131
Subtotal	22,099,022	578,248	(41,071)	22,636,199
Accumulated depreciation:				
Infrastructure	1,395,024	189,630	-	1,584,654
Buildings	3,572,448	239,754	-	3,812,202
Vehicles	2,358,404	174,128	(41,071)	2,491,461
Equipment	2,657,564	165,146	-	2,822,710
Subtotal	9,983,440	768,658	(41,071)	10,711,027
Net capital assets	\$ 12,115,582	\$ (190,410)	\$ -	\$ 11,925,172

Depreciation was charged to functions as follows:

Governmental activities:	
General government	\$ 148,720
Judicial	2,078
Public safety	220,220
Public works	356,114
Health and welfare	14,772
Culture/recreation	26,754
	<u>\$ 768,658</u>

7. CHANGES IN GENERAL CAPITAL ASSETS - DISCRETELY PRESENTED COMPONENT UNIT

Changes in equipment of the Wilkinson County Health Department for the year ended June 30, 2017 are detailed below:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets being depreciated:				
Equipment	\$ 68,223	\$ 6,733	\$ -	\$ 74,956
Less accumulated depreciation	(66,447)	(1,629)	-	(68,076)
Net capital assets	<u>\$ 1,776</u>	<u>\$ 5,104</u>	<u>\$ -</u>	<u>\$ 6,880</u>

Changes in equipment of the Wilkinson County Development Authority for the year ended December 31, 2016 are detailed below:

Not being depreciated:				
Land	\$ 2,478,118	\$ 55,689	\$ -	\$ 2,533,807
Construction in progress	-	-	-	-
Subtotal	<u>2,478,118</u>	<u>55,689</u>	<u>-</u>	<u>2,533,807</u>
Depreciable capital assets:				
Buildings	-	-	-	-
Equipment	48,445	63,183	-	111,628
Subtotal	<u>48,445</u>	<u>63,183</u>	<u>-</u>	<u>111,628</u>
Accumulated depreciation:				
Buildings	-	-	-	-
Equipment	28,376	5,734	-	34,110
Subtotal	<u>28,376</u>	<u>5,734</u>	<u>-</u>	<u>34,110</u>
Net capital assets	<u>\$ 2,498,187</u>	<u>\$ 113,138</u>	<u>\$ -</u>	<u>\$ 2,611,325</u>

8. LONG-TERM LIABILITIES

Following is a summary of changes in long-term liabilities for the year ended September 30, 2017:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due in One Year</u>
OPEB obligation	\$ 156,290	\$ 18,834	\$ -	\$ 175,124	\$ -
Net pension liability	763,091	119,106	-	882,197	-
Compensated absences	57,861	-	(7,091)	50,770	50,770
Total long-term liabilities	<u>\$ 977,242</u>	<u>\$ 137,940</u>	<u>\$ (7,091)</u>	<u>\$1,108,091</u>	<u>\$ 50,770</u>
Discretely presented component unit - Health Department					
Net pension liability	\$ 277,683	\$ 120,193	\$ -	\$ 397,876	\$ -
Compensated absences	23,928	16,689	(13,505)	27,112	-
Total long-term liabilities	<u>\$ 301,611</u>	<u>\$ 136,882</u>	<u>\$ (13,505)</u>	<u>\$ 424,988</u>	<u>\$ -</u>

Discretely presented component unit - Development Authority:

Note payable	<u>\$ 271,405</u>	<u>\$ -</u>	<u>\$ (11,724)</u>	<u>\$ 259,681</u>	<u>\$ 11,826</u>
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For the governmental activities, compensated absences are generally liquidated by the general fund.

9. FUND DEFICITS

No fund had a deficit fund balance or net asset balance at September 30, 2017.

10. INTERFUND TRANSACTIONS AND BALANCES

Transfers for the year ended September 30, 2017 consisted of the following:

	<u>Transfers Out</u>	<u>Transfers In</u>
General Fund	\$ 200,058	\$ -
Emergency 911 Fund	-	200,058
	<u>\$ 200,058</u>	<u>\$ 200,058</u>

Transfers are used to move unrestricted revenue to finance various programs that the government must account for in other funds in accordance with budgetary authorizations.

Balances due to/from other funds at September 30, 2017, consist of the following -

	<u>Due From</u>	<u>Due To</u>
Major Fund		
General Fund	\$ -	\$ 35,045
Nonmajor Funds:		
Family Connection Fund	18,555	-
Emergency 911 Fund	16,490	-
	<u>\$ 35,045</u>	<u>\$ 35,045</u>

The outstanding balances due to the General Fund result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

All amounts due to the General Fund are expected to be repaid during fiscal year 2017.

11. CONTINGENT LIABILITIES - LITIGATION

Amounts expended or payable from federal grantor agencies are subject to audit and adjustment. 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 County expects such amounts, if any, to be immaterial.

Various claims and lawsuits are pending against the County. In the opinion of County management, after consultation with legal counsel, the potential loss on all claims and lawsuits will not materially effect the County's financial position.

12. RETIREMENT BENEFITS

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

Probate Judge's Retirement Fund of Georgia

The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Clerk of Superior Court Retirement Fund

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

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 plan before the payment of any costs or other claims.

These plans provide for certain sums from marriage license, fees, fines and forfeitures to be remitted directly to the pension plans before payment of any costs or other claims. The County does not make contributions to the plans, qualifying the plans as special funding situations under the requirements of GASB guidance. Management has determined the related impact on the financial statements to be immaterial. Further information and valuation reports and schedules can be found on their respective websites.

Defined Benefit Pension Plan

The following information is as of January 1, 2017, the most recent year end of the described benefit pension plan.

A. Plan Description

The County contributes to the Association 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 agency for participating counties in Georgia.

The specific benefit provisions of the County's plan were established by an adoption agreement executed by the County Board of Commissioners. The plan provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met.

The County's payroll for employees participating in the Plan as of January 1, 2017, the date of the latest actuarial valuation study, was \$2,060,501 (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 three 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 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 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 data related to the current plan membership at January 1, 2017, was as follows:

Retirees and beneficiaries currently receiving benefits	25
Terminated employees entitled to benefits but not yet receiving them	31
Active employees participating in the Plan:	<u>62</u>
Total number of Plan participants	<u><u>118</u></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.

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. The trustees shall rebalance the portfolio at least annually for asset allocation purposes.

Plan assets do not include any loans, notes, bonds, or other instruments or securities of 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 at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The required contribution for the 2016 plan year was \$296,733. This amount represents 14.4% 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 County and its plan participants.

D. Actuarial Methods and Assumptions

Valuation date	January 1, 2017
Mortality rates	Based on the RP-2000 Combined Mortality Table
Actuarial cost method	Entry age method
Asset valuation method	Market Value
Amortization method	Level Percent of Pay (Closed)
Investment rate of return	7.25% per annum
Projected salary increases	2.0% - 4.5% per annum
Inflation adjustments	3.0% per annum

E. Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2015	\$ 5,727,566	\$ 4,572,924	\$ 1,154,642
Changes for the year:			
Service cost	127,841	-	127,841
Interest	422,035	-	422,035
Liability experience (gain)/ loss	78,385	-	78,385
Assumption change	200,193	-	200,193
Employer contributions	-	296,773	(296,773)
Employee contributions	-	-	-
Net investment income	-	335,129	(335,129)
Benefit payments	(200,863)	(200,863)	-
Administrative expense	-	(17,092)	17,092
Other	-	(46,545)	46,545
Net changes	<u>627,591</u>	<u>367,402</u>	<u>260,189</u>
Balances at December 31, 2016	<u>\$ 6,355,157</u>	<u>\$ 4,940,326</u>	<u>\$ 1,414,831</u>

F. Discount Rate

The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as the forward-looking capital market assumptions for a moderate asset allocation (33.33%), as determined by UBS.

Building block expected return based on 20-year benchmarks	6.82%
Building block expected return based on 30-year benchmarks	8.28%
UBS capital market assumption for a moderate asset allocation	6.40%
20-year building blocks return (6.82% x .3333)	2.27%
30-year building blocks return (8.28% x .3333)	2.76%
UBS capital market assumption (6.40% x .3334)	2.13%
Discount Rate (rounder to the nearest .25%)	<u>7.16%</u>
	7.25%

G. Sensitivity Analysis for the Measurement Period Ended December 31, 2016

	6.25%	7.25%	8.25%
Total Pension Liability	\$ 7,257,537	\$ 6,355,157	\$ 5,607,117
Fiduciary Net Position	\$ 4,940,326	\$ 4,940,326	\$ 4,940,326
Net Pension Liability	<u>\$ 2,317,211</u>	<u>\$ 1,414,831</u>	<u>\$ 666,791</u>

H. Summary of Net Deferred Outflows and Inflows of Resources

At September 30, 2017 the County reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between expected and actual earnings on pension plan investments	\$ 221,867	\$ -
Differences in expected and actual experience	63,869	(32,632)
(Gain)/Loss due to Assumption change	279,530	-
Net position restricted for pensions	<u>\$ 565,266</u>	<u>\$ (32,632)</u>

The net amount of the County's balances of deferred outflows and inflows that will be recognized in the County's pension expense is as follows:

Year ending September 30:

2018	\$ 133,159
2019	133,159
2020	133,159
2021	99,869
2022	<u>33,288</u>
	<u>\$ 532,634</u>

I. Pension Expense for the Measurement Period Ended December 31, 2016

Service cost	\$ 127,841
Interest on TPL	422,035
Amortization of:	
Liability experience (gain)/loss	3,638
Change in assumption	75,876
Asset (gain)/loss	74,243
Employee contributions	-
Projected earnings on plan investments	(333,907)
Administrative expense	17,092
Other change in FNP	23,702
Total expense	<u><u>\$ 410,520</u></u>

J. Schedule of County Contributions

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 296,773	\$ 248,401	\$ 267,349
Contributions in relation to the actuarially determined contribution	<u>296,773</u>	<u>243,851</u>	<u>261,765</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 4,550</u>	<u>\$ 5,584</u>
Covered-employee payroll	2,060,501	1,803,234	1,755,092
Contribution as a % of covered-employee payroll	14.40 %	13.52 %	14.91 %

K. Asset Allocation Policy

The Trustees rebalance the the portfolio at least annually for asset allocation purposes. The guidelines for allocations 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.

	<u>Target</u>	
	<u>Allocation</u>	<u>Range</u>
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 %

13. OTHER POSTEMPLOYMENT BENEFITS (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. The County provides postretirement health care benefits, as per the requirements of a resolution for certain retirees. 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 employee’s 65th birthday. The County will pay the cost of individual coverage, however, if the employee elects family coverage, the employee is responsible for payment of the difference between the cost of the individual and family coverage. These postretirement benefits are funded on a pay-as-you-go basis. The County has elected not to establish a separate trust fund to account for other post-employment benefits, and has not funded the plan as of September 30, 2017. The authority to establish and amend the benefit provisions of the OPEB plan rests with the County. The plan does not issue separate financial statements. In 2017, the net cost of premiums for providing postretirement benefits for retirees was \$0.

Membership

The following schedule (derived from the most recent actuarial report) reflects membership for the OPEB Health Care Plan as of January 1, 2015.

Active members	60
Retired members	0
	<u>60</u>

Contributions

The County contributed \$0 to the OPEB Health Care Plan in fiscal year 2017. The annual required contribution amount is determined using actuarial methods and assumptions approved by the County Commissioners. The Commissioners established and may amend the funding policy for the OPEB Health Care Plan.

Schedule of Employer Costs and Contributions

Fiscal Year	Annual Required Contribution/ Annual OPEB Cost	Percentage of AOC Contributed	Net OBEB Obligation End of Year
2012	\$23,834	69%	\$ 93,100
2013	23,834	69%	93,100
2014	23,834	14%	113,622
2015	23,834	0%	137,456
2016	18,834	0%	156,290
2017	18,834	0%	175,124

Components of Net OPEB Obligation:

Annual Required Contribution	\$ 21,192
Interest on Net OPEB Obligation	4,545
Adjustment to Annual Required Contribution	(6,903)
Annual OPEB Cost	<u>18,834</u>
Contributions Made	<u>0</u>
Increase in Net OPEB Obligation	18,834
Net OPEB Obligation, beginning of year	<u>156,290</u>
Net OPEB Obligation, end of year	<u><u>\$175,124</u></u>

As of the most recent valuation date, January 1, 2015, the funded status of the OPEB Health Care Plan was as follows:

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Accrued Liability</u>	<u>Unfunded Actuarial Accrued Liability</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll</u>
2012	\$ -	\$ 208,265	\$ 208,265	-%	\$1,816,941	11.5%
2015	-	179,397	179,397	-%	1,803,234	9.9%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the plan in effect at January 1, 2015. The assumptions used in the January 1, 2015 actuarial valuations are as follows:

Basis of Valuation

Current Valuation Date	January 1, 2015
Actuarial Cost Method	Projected unit credit
Actuarial Asset Valuation Method	Market value of assets
Assumed Rate of Return on Investments	4.00%
Medical Cost Trend Rate	9.50% - 5.00%
Year of Ultimate Medical Cost Trend Rate	2018
Amortization Method	Level percentage of pay, open
Remaining Amortization Period	30 years
Payroll Inflation Rate	3.0%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include the techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

14. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors of omissions, job related illnesses or injuries to employees; natural disaster; and unemployment compensation.

The County is a member of Association County Commissioners of Georgia Interlocal Risk Management Agency (ACCG-IRMA), through which it shares liability, crime, motor vehicles and property damage risks.

The Association County Commissioners of Georgia Interlocal Risk Management was created pursuant to Chapter 85 of Title 36 of the Official Code of Georgia Annotated to function as an unincorporated nonprofit instrumentality of its member counties. ACCG-IRMA was established to administer 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 county governments. It also exists to defend and protect, in accordance with each member government contract, ACCG-IRMA members against liability or loss.

The County is obligated as follows under the intergovernmental contract of ACCG-IRMA:

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

- To report as promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in ACCG-IRMA or any Fund established by ACCG-IRMA being required to pay claim for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of a Fund or Funds in which the Member 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 ACCG-IRMA who then bills the County for any risk loss up to the \$2,500 deductible.

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

For its workers' compensation coverage, the County is a participant in the Association County Commissioners Self-Insurance Fund (the Fund), a public entity risk pool operated for the benefit of county government units located in Georgia. The County's General Fund pays an annual premium to the Fund for this coverage. The Fund provides excess insurance coverage for protection of members against excess losses and initial excess coverage is statutory specific and unlimited aggregate accounts. Government members of the Fund are jointly and severally liable for claims not covered by the Fund.

15. JOINT VENTURE

Under Georgia law, the County in conjunction with other cities and counties in the fourteen county east central Georgia area, is a member of the Middle Georgia Regional Commission and is required to pay annual dues thereto. During its year ended September 30, 2017, the County paid \$4,707 in such dues. Membership in a Regional Commission is required by the OCGA Section 50-8-34 which provides for the organizational structure of the Regional Commission in Georgia. The Regional 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 Regional Commission. Separate financial statements may be obtained from:

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

16. SUBSEQUENT EVENTS

Subsequent events were evaluated through March 8, 2018, the date the financial statements were available to be issued. 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 disclosures in the notes to the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

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

- Schedule of Changes in Net Pension Liability and Related Ratios
- Budgetary Comparison Schedules - General Fund

Schedule of Changes in the Net Pension Liability and Related Ratios

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability as of the			
beginning of year (1)	\$ 5,727,566	\$ 5,278,401	\$ 4,981,515
Service cost	127,841	109,082	107,620
Interest	429,567	388,816	366,950
Plan change	-	-	-
Changes of assumptions	200,193	194,016	-
Benefit payments (adjusted for interest)	(208,395)	(188,362)	(177,684)
Experience (gain)/(loss)	78,385	(54,387)	-
Total pension liability as of end of year (2)	<u>\$ 6,355,157</u>	<u>\$ 5,727,566</u>	<u>\$ 5,278,401</u>
Fiduciary Net Position as of beginning of year (3)	\$ 4,572,924	\$ 4,549,838	\$ 4,218,424
Contributions - employer	296,773	243,851	261,765
Contributions - employee (including buyback)	-	-	-
Net investment income	335,129	38,594	313,203
Benefit payments	(200,863)	(188,362)	(177,684)
Employee contribution refunds	-	-	-
Administrative expense	(17,092)	(12,564)	(11,653)
Other	(46,545)	(58,433)	(54,217)
Fiduciary net position as of end of year (4)	<u>\$ 4,940,326</u>	<u>\$ 4,572,924</u>	<u>\$ 4,549,838</u>
Net pension liability as of beginning of year (1)-(3)	<u>\$ 1,154,642</u>	<u>\$ 728,563</u>	<u>\$ 763,091</u>
Net pension liability as of end of year (2)-(4)	<u>\$ 1,414,831</u>	<u>\$ 1,154,642</u>	<u>\$ 728,563</u>
Fiduciary Net Position as % of Total			
Pension Liability (4)/(2)	77.7%	79.8%	86.2%
Covered-employee payroll	\$ 2,060,501	\$ 1,803,234	\$ 1,755,092
Net pension liability as a % of covered-employee payroll	68.7%	64.0%	41.5%

Notes to the schedule

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

WILKINSON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Taxes:				
General property taxes	\$ 4,076,000	\$ 4,076,000	\$ 3,938,616	\$ (137,384)
Local option sales tax	558,999	558,999	439,383	(119,616)
Energy excise tax	1,145,027	1,145,027	817,901	(327,126)
Title ad valorem tax	230,000	230,000	281,690	51,690
Vehicle tax	190,000	190,000	169,325	(20,675)
Insurance premium tax	240,000	240,000	263,337	23,337
Other taxes	197,800	197,800	226,739	28,939
	<u>6,637,826</u>	<u>6,637,826</u>	<u>6,136,991</u>	<u>(500,835)</u>
Licenses and Permits:				
Occupation tax	5,400	5,400	5,370	(30)
Other	1,820	1,820	2,533	713
	<u>7,220</u>	<u>7,220</u>	<u>7,903</u>	<u>683</u>
Intergovernmental:				
Rural transit fee reimbursement	89,000	89,000	64,887	(24,113)
Senior citizens	58,000	58,000	50,824	(7,176)
Forest land protection grant	35,000	35,000	61,644	26,644
Public safety grants	5,000	5,000	8,290	3,290
	<u>187,000</u>	<u>187,000</u>	<u>185,645</u>	<u>(1,355)</u>
Charges for services:				
Tax Commissioner	299,800	299,800	281,544	(18,256)
Public transit fees	7,000	7,000	7,478	478
Streets and sanitation	2,500	2,500	6,970	4,470
Recreation	-	-	19,483	19,483
Resource officer	68,000	68,000	58,645	(9,355)
	<u>377,300</u>	<u>377,300</u>	<u>374,120</u>	<u>(3,180)</u>
Fees and fines:				
Sheriff costs and fees	29,893	29,893	76,455	46,562
Superior Court	85,500	85,500	80,572	(4,928)
Probate Court	82,000	82,000	78,555	(3,445)
Magistrate Court	24,000	24,000	22,802	(1,198)
Juvenile Court	430	430	250	(180)
	<u>221,823</u>	<u>221,823</u>	<u>258,634</u>	<u>36,811</u>
Interest income	<u>26,751</u>	<u>26,751</u>	<u>33,014</u>	<u>6,263</u>
Miscellaneous:				
Rent	1,500	1,500	1,400	(100)
Highway 57 landfill site	51,500	51,500	52,870	1,370
Annual landfill payment	50,000	50,000	50,000	-
Tonnage sales	83,000	83,000	92,375	9,375
Other	12,700	12,700	85,712	73,012
	<u>198,700</u>	<u>198,700</u>	<u>282,357</u>	<u>83,657</u>
Total revenues	<u>7,656,620</u>	<u>7,656,620</u>	<u>7,278,664</u>	<u>(377,956)</u>

WILKINSON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
EXPENDITURES:				
Current Operating:				
General government	\$ 3,097,722	\$ 3,097,722	\$ 3,347,951	\$ (250,229)
Public safety	1,668,234	1,668,234	1,760,420	(92,186)
Judicial	672,772	672,772	636,199	36,573
Public works	933,476	933,476	899,458	34,018
Health and welfare	880,022	880,022	840,323	39,699
Culture/recreation	86,122	86,122	91,517	(5,395)
Economic development	62,252	62,252	72,094	(9,842)
Total operating expenditures	<u>7,400,600</u>	<u>7,400,600</u>	<u>7,647,962</u>	<u>(247,362)</u>
Capital Outlays:				
General government	1,500	1,500	5,336	(3,836)
Public safety	-	-	-	-
Judicial	-	-	-	-
Public works	-	-	1,119	(1,119)
Health and welfare	-	-	-	-
Culture/recreation	-	-	-	-
Economic development	-	-	-	-
Total capital expenditures	<u>1,500</u>	<u>1,500</u>	<u>6,455</u>	<u>(4,955)</u>
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>7,402,100</u>	<u>7,402,100</u>	<u>7,654,417</u>	<u>(252,317)</u>
Excess (deficiency) of revenues over expenditures	<u>254,520</u>	<u>254,520</u>	<u>(375,753)</u>	<u>(630,273)</u>
OTHER FINANCING SOURCES (USES):				
Interfund transfers:				
Emergency 911 Telephone Fund	(254,520)	(254,520)	(200,058)	54,462
	<u>(254,520)</u>	<u>(254,520)</u>	<u>(200,058)</u>	<u>54,462</u>
Excess (deficiency) of revenues over expenditures and other financing sources	-	-	(575,811)	(575,811)
FUND BALANCE, beginning of year	<u>5,315,236</u>	<u>5,315,236</u>	<u>5,315,236</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 5,315,236</u>	<u>\$ 5,315,236</u>	<u>\$ 4,739,425</u>	<u>\$ (575,811)</u>

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements not required by the GASB, nor is a part of the basic financial statements, but is presented for purposes of additional analysis. Such information includes:

- Combining Balance Sheet – Nonmajor Funds
- Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Funds
- Nonmajor Special Revenue Funds – Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (GAAP) Basis to Actual
 - Emergency 911
 - Law Library
 - Family Connection
 - Law Enforcement Confiscation
 - Drug Abuse Education
 - Jail
- General Fund Statement of Expenditures (Final Budget to Actual) Detailed by Department
- Combining Statements – Fiduciary funds
- Schedule of Projects Constructed with Special Sales Tax Proceeds
- Schedule of Required Expenditures Generated by Energy Excise Tax
- Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Schedule of Findings and Questioned Costs

WILKINSON COUNTY, GEORGIA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2017

	SPECIAL REVENUE						CAPITAL PROJECTS	Total
	Emergency 911 Fund	Law Library	Family Connection	Law	Drug	Jail	Balls Ferry	Nonmajor Governmental Funds
				Enforcement Confiscation	Abuse Education			
ASSETS:								
Cash and cash equivalents	\$ 4,395	\$ 173	\$ 9,933	\$ 4,215	\$ 5,331	\$ 35,575	\$ 21,761	\$ 81,383
Accounts receivables, net	15,329	-	-	-	195	85	-	15,609
Intergovernmental receivable	-	-	12,953	-	-	-	-	12,953
Due from other funds	-	-	-	-	-	-	-	-
Total assets	<u>\$ 19,724</u>	<u>\$ 173</u>	<u>\$ 22,886</u>	<u>\$ 4,215</u>	<u>\$ 5,526</u>	<u>\$ 35,660</u>	<u>\$ 21,761</u>	<u>\$ 109,945</u>
LIABILITIES:								
Accounts payable	\$ -	\$ -	\$ 50	\$ -	\$ -	\$ -	\$ -	\$ 50
Accrued expenses	3,234	-	-	-	-	-	-	3,234
Due to other funds	16,490	-	18,555	-	-	-	-	35,045
Total liabilities	<u>19,724</u>	<u>-</u>	<u>18,605</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,329</u>
FUND BALANCES:								
Restricted fund balance:								
Capital projects	-	-	-	-	-	-	21,761	21,761
Public safety	-	-	-	4,215	5,526	35,660	-	45,401
Judicial	-	173	-	-	-	-	-	173
Health and welfare	-	-	4,281	-	-	-	-	4,281
Total fund balances	<u>-</u>	<u>173</u>	<u>4,281</u>	<u>4,215</u>	<u>5,526</u>	<u>35,660</u>	<u>21,761</u>	<u>71,616</u>
Total liabilities								
and fund balance	<u>\$ 19,724</u>	<u>\$ 173</u>	<u>\$ 22,886</u>	<u>\$ 4,215</u>	<u>\$ 5,526</u>	<u>\$ 35,660</u>	<u>\$ 21,761</u>	<u>\$ 109,945</u>

WILKINSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENT FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	SPECIAL REVENUE						CAPITAL PROJECTS	Total Nonmajor Governmental Funds
	Emergency 911 Fund	Law Library	Family Connection	Law Enforcement Confiscation	Drug Abuse Education	Jail	Balls Ferry	
REVENUES:								
Intergovernmental	\$ -	\$ -	\$ 48,545	\$ -	\$ -	\$ -	\$ -	\$ 48,545
Fines and forfeitures	-	4,824	-	4,518	17,894	15,293	-	42,529
Charges for services	53,293	-	-	-	-	-	-	53,293
Other	40	-	2,000	4	24	42	-	2,110
Total revenues	<u>53,333</u>	<u>4,824</u>	<u>50,545</u>	<u>4,522</u>	<u>17,918</u>	<u>15,335</u>	<u>-</u>	<u>146,477</u>
EXPENDITURES:								
Current operating:								
General government	-	-	-	-	-	-	-	-
Public safety	253,391	-	-	9,235	16,606	1,284	-	280,516
Judicial	-	4,681	-	-	-	-	-	4,681
Health and welfare	-	-	50,204	-	-	-	-	50,204
Culture and recreation	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	22,023	-	-	22,023
Total expenditures	<u>253,391</u>	<u>4,681</u>	<u>50,204</u>	<u>9,235</u>	<u>38,629</u>	<u>1,284</u>	<u>-</u>	<u>357,424</u>
Excess (deficiency) of revenues over expenditures	<u>(200,058)</u>	<u>143</u>	<u>341</u>	<u>(4,713)</u>	<u>(20,711)</u>	<u>14,051</u>	<u>-</u>	<u>(210,947)</u>
OTHER FINANCING SOURCES (USES):								
Transfers in (out)	200,058	-	-	-	-	-	-	200,058
Total other financing sources and uses	<u>200,058</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>200,058</u>
Net change in fund balance	-	143	341	(4,713)	(20,711)	14,051	-	(10,889)
FUND BALANCE, beginning	<u>-</u>	<u>30</u>	<u>3,940</u>	<u>8,928</u>	<u>26,237</u>	<u>21,609</u>	<u>21,761</u>	<u>82,505</u>
FUND BALANCE, ending	<u>\$ -</u>	<u>\$ 173</u>	<u>\$ 4,281</u>	<u>\$ 4,215</u>	<u>\$ 5,526</u>	<u>\$ 35,660</u>	<u>\$ 21,761</u>	<u>\$ 71,616</u>

WILKINSON COUNTY, GEORGIA
EMERGENCY 911 TELEPHONE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Charges for services:				
E-911 fees	\$ -	\$ -	\$ 53,293	\$ 53,293
Intergovernmental:				
State grants	-	-	-	-
Other	-	-	40	40
	<u>-</u>	<u>-</u>	<u>53,333</u>	<u>53,333</u>
EXPENDITURES:				
Current operating:				
Personal services and employee benefits	241,820	241,820	238,707	3,113
Purchased/contracted services	10,000	10,000	12,833	(2,833)
Supplies	2,700	2,700	1,851	849
Capital outlays	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>254,520</u>	<u>254,520</u>	<u>253,391</u>	<u>1,129</u>
Excess revenues over (under) expenditures	<u>(254,520)</u>	<u>(254,520)</u>	<u>(200,058)</u>	<u>54,462</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	<u>254,520</u>	<u>254,520</u>	<u>200,058</u>	<u>(54,462)</u>
Excess revenues and other financing sources (uses) over (under) expenditures	-	-	-	-
FUND BALANCE, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WILKINSON COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 4,824	\$ (5,176)
Other	-	-	-	-
	<u>10,000</u>	<u>10,000</u>	<u>4,824</u>	<u>(5,176)</u>
EXPENDITURES:				
Current operating:				
Purchased/contracted services	4,000	4,000	-	4,000
Supplies	5,000	5,000	4,681	319
Capital outlays	1,000	1,000	-	1,000
	<u>10,000</u>	<u>10,000</u>	<u>4,681</u>	<u>5,319</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>143</u>	<u>143</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess revenues and other financing sources (uses) over (under) expenditures	<u>-</u>	<u>-</u>	<u>143</u>	<u>143</u>
FUND BALANCE, beginning of year	<u>30</u>	<u>30</u>	<u>30</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 173</u>	<u>\$ 143</u>

WILKINSON COUNTY, GEORGIA
FAMILY CONNECTION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Intergovernmental	\$ 49,000	\$ 49,000	\$ 48,545	\$ (455)
Other	7,000	7,000	2,000	(5,000)
	<u>56,000</u>	<u>56,000</u>	<u>50,545</u>	<u>(5,455)</u>
EXPENDITURES:				
Current operating:				
Purchased/contracted services	50,000	50,000	49,367	633
Supplies	5,000	5,000	837	4,163
Capital outlays	1,000	1,000	-	1,000
	<u>56,000</u>	<u>56,000</u>	<u>50,204</u>	<u>5,796</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>341</u>	<u>341</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess revenues and other financing sources (uses) over (under) expenditures	<u>-</u>	<u>-</u>	<u>341</u>	<u>341</u>
FUND BALANCE, beginning of year	<u>3,940</u>	<u>3,940</u>	<u>3,940</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 3,940</u>	<u>\$ 3,940</u>	<u>\$ 4,281</u>	<u>\$ 341</u>

WILKINSON COUNTY, GEORGIA
LAW ENFORCEMENT CONFISCATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Fines and forfeitures	\$ 10,000	\$ 10,000	\$ 4,518	\$ (5,482)
Other	-	-	4	4
	<u>10,000</u>	<u>10,000</u>	<u>4,522</u>	<u>(5,478)</u>
EXPENDITURES:				
Current operating:				
Purchased/contracted services	8,000	8,000	7,719	281
Supplies	1,500	1,500	1,516	(16)
Capital outlays	500	500	-	500
	<u>10,000</u>	<u>10,000</u>	<u>9,235</u>	<u>765</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(4,713)</u>	<u>(4,713)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess revenues and other financing sources (uses) over (under) expenditures	<u>-</u>	<u>-</u>	<u>(4,713)</u>	<u>(4,713)</u>
FUND BALANCE, beginning of year	<u>8,928</u>	<u>8,928</u>	<u>8,928</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 8,928</u>	<u>\$ 8,928</u>	<u>\$ 4,215</u>	<u>\$ (4,713)</u>

WILKINSON COUNTY, GEORGIA
DRUG ABUSE EDUCATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Fines and forfeitures	\$ 25,000	\$ 25,000	\$ 17,894	\$ (7,106)
Other	-	-	24	24
	<u>25,000</u>	<u>25,000</u>	<u>17,918</u>	<u>(7,082)</u>
EXPENDITURES:				
Current operating:				
Purchased/contracted services	10,000	10,000	16,606	(6,606)
Supplies	1,000	1,000	-	1,000
Capital outlays	<u>14,000</u>	<u>14,000</u>	<u>22,023</u>	<u>(8,023)</u>
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>38,629</u>	<u>(13,629)</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>(20,711)</u>	<u>(20,711)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess revenues and other financing sources (uses) over (under) expenditures	<u>-</u>	<u>-</u>	<u>(20,711)</u>	<u>(20,711)</u>
FUND BALANCE, beginning of year	<u>26,237</u>	<u>26,237</u>	<u>26,237</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 26,237</u>	<u>\$ 26,237</u>	<u>\$ 5,526</u>	<u>\$ (20,711)</u>

WILKINSON COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES:				
Fines and forfeitures	\$ 15,000	\$ 15,000	\$ 15,293	\$ 293
Other	-	-	42	42
	<u>15,000</u>	<u>15,000</u>	<u>15,335</u>	<u>335</u>
EXPENDITURES:				
Current operating:				
Purchased/contracted services	2,000	2,000	1,284	716
Supplies	5,000	5,000	-	5,000
Capital outlays	8,000	8,000	-	8,000
	<u>15,000</u>	<u>15,000</u>	<u>1,284</u>	<u>13,716</u>
Excess revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>14,051</u>	<u>14,051</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess revenues and other financing sources (uses) over (under) expenditures	<u>-</u>	<u>-</u>	<u>14,051</u>	<u>14,051</u>
FUND BALANCE, beginning of year	<u>21,609</u>	<u>21,609</u>	<u>21,609</u>	<u>-</u>
FUND BALANCE, end of year	<u>\$ 21,609</u>	<u>\$ 21,609</u>	<u>\$ 35,660</u>	<u>\$ 14,051</u>

WILKINSON COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<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>
ASSETS:							
Cash	\$ 68,064	\$ 13,353	\$ 3,716	\$ 9,456	\$ 14	\$ 277,363	\$ 371,966
LIABILITIES:							
Due to others	\$ 59,404	\$ 13,353	\$ 3,716	\$ 9,456	\$ 14	\$ 223,642	\$ 309,585
Due to General Fund	8,660	-	-	-	-	53,721	62,381
	<u>\$ 68,064</u>	<u>\$ 13,353</u>	<u>\$ 3,716</u>	<u>\$ 9,456</u>	<u>\$ 14</u>	<u>\$ 277,363</u>	<u>\$ 371,966</u>

WILKINSON COUNTY, GEORGIA

GENERAL FUND

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance with</u> <u>Final Budget</u>
GENERAL GOVERNMENT:				
Board of Commissioners:				
Personal services	\$ 253,057	\$ 253,057	\$ 260,475	\$ (7,418)
Purchased/contracted services	65,501	65,501	56,759	8,742
Supplies	5,100	5,100	3,946	1,154
Capital outlays	-	-	-	-
	<u>323,658</u>	<u>323,658</u>	<u>321,180</u>	<u>2,478</u>
Tax Commissioner:				
Personal services	170,898	170,898	166,337	4,561
Purchased/contracted services	43,639	43,639	34,364	9,275
Supplies	8,100	8,100	12,792	(4,692)
Capital outlays	1,500	1,500	1,671	(171)
	<u>224,137</u>	<u>224,137</u>	<u>215,164</u>	<u>8,973</u>
Tax Assessors:				
Personal services	173,095	173,095	168,629	4,466
Purchased/contracted services	41,655	41,655	38,219	3,436
Supplies	3,500	3,500	3,486	14
Capital outlays	-	-	-	-
	<u>218,250</u>	<u>218,250</u>	<u>210,334</u>	<u>7,916</u>
Board of Registrars and Elections:				
Personal services	60,159	60,159	61,905	(1,746)
Purchased/contracted services	12,950	12,950	15,875	(2,925)
Supplies	3,700	3,700	4,312	(612)
Capital outlays	-	-	3,665	(3,665)
	<u>76,809</u>	<u>76,809</u>	<u>85,757</u>	<u>(8,948)</u>
Coroner:				
Personal services	25,665	25,665	23,528	2,137
Purchased/contracted services	6,100	6,100	4,041	2,059
Supplies	1,300	1,300	844	456
Capital outlays	-	-	-	-
	<u>33,065</u>	<u>33,065</u>	<u>28,413</u>	<u>4,652</u>
Public Building and Property:				
Personal services	25,346	25,346	25,419	(73)
Purchased/contracted services	234,000	234,000	246,106	(12,106)
Supplies	15,000	15,000	18,311	(3,311)
Capital outlays	-	-	-	-
	<u>274,346</u>	<u>274,346</u>	<u>289,836</u>	<u>(15,490)</u>

WILKINSON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Original Budget	Final Budget	Actual	Variance with Final Budget
Tax Equalization Office:				
Personal services	\$ 1,500	\$ 1,500	\$ 1,080	\$ 420
Purchased/contracted services	1,410	1,410	2,523	(1,113)
Supplies	50	50	-	50
Capital outlays	-	-	-	-
	<u>2,960</u>	<u>2,960</u>	<u>3,603</u>	<u>(643)</u>
County Agent:				
Personal services	26,327	26,327	23,565	2,762
Purchased/contracted services	9,470	9,470	8,665	805
Supplies	2,500	2,500	1,787	713
	<u>38,297</u>	<u>38,297</u>	<u>34,017</u>	<u>4,280</u>
Miscellaneous General Government:				
Property and liability insurance	100,067	100,067	104,201	(4,134)
Employee fringe benefits	1,276,452	1,276,452	1,364,728	(88,276)
Energy excise tax payments	360,000	360,000	440,105	(80,105)
Landfill corrective measures & postclosure	94,000	94,000	81,460	12,540
Legal fees	10,000	10,000	118,551	(108,551)
Forestry department	26,745	26,745	26,745	-
Other	40,436	40,436	29,193	11,243
	<u>1,907,700</u>	<u>1,907,700</u>	<u>2,164,983</u>	<u>(257,283)</u>
Total general government	<u>3,099,222</u>	<u>3,099,222</u>	<u>3,353,287</u>	<u>(254,065)</u>
PUBLIC SAFETY:				
Sheriff's Office:				
Personal services	765,616	765,616	780,864	(15,248)
Purchased/contracted services	99,650	99,650	117,723	(18,073)
Supplies	96,000	96,000	107,535	(11,535)
Capital outlays	-	-	-	-
	<u>961,266</u>	<u>961,266</u>	<u>1,006,122</u>	<u>(44,856)</u>
Jail:				
Personal services	480,941	480,941	509,051	(28,110)
Purchased/contracted services	136,750	136,750	54,884	81,866
Supplies	9,750	9,750	131,638	(121,888)
Capital outlays	-	-	-	-
	<u>627,441</u>	<u>627,441</u>	<u>695,573</u>	<u>(68,132)</u>
Courthouse Security:				
Personal services	74,227	74,227	58,249	15,978
Supplies	5,300	5,300	476	4,824
	<u>79,527</u>	<u>79,527</u>	<u>58,725</u>	<u>20,802</u>
Total public safety	<u>1,668,234</u>	<u>1,668,234</u>	<u>1,760,420</u>	<u>(92,186)</u>

WILKINSON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
JUDICIAL SYSTEM:				
Superior Court:				
Personal services	\$ 207,767	\$ 207,767	\$ 210,037	\$ (2,270)
Purchased/contracted services	156,823	156,823	162,105	(5,282)
Supplies	8,400	8,400	5,889	2,511
Capital outlays	-	-	-	-
	<u>372,990</u>	<u>372,990</u>	<u>378,031</u>	<u>(5,041)</u>
Probate Court:				
Personal services	122,506	122,506	121,836	670
Purchased/contracted services	33,200	33,200	27,226	5,974
Supplies	6,700	6,700	2,273	4,427
Capital outlays	-	-	-	-
	<u>162,406</u>	<u>162,406</u>	<u>151,335</u>	<u>11,071</u>
Magistrate Court:				
Personal services	113,317	113,317	96,184	17,133
Purchased/contracted services	18,859	18,859	8,805	10,054
Supplies	5,200	5,200	1,844	3,356
Capital outlays	-	-	-	-
	<u>137,376</u>	<u>137,376</u>	<u>106,833</u>	<u>30,543</u>
Total Judicial	<u>672,772</u>	<u>672,772</u>	<u>636,199</u>	<u>36,573</u>
PUBLIC WORKS:				
Road Department:				
Personal services	542,488	542,488	528,444	14,044
Purchased/contracted services	65,100	65,100	56,964	8,136
Supplies	211,400	211,400	209,657	1,743
Capital outlays	-	-	1,119	(1,119)
	<u>818,988</u>	<u>818,988</u>	<u>796,184</u>	<u>22,804</u>
Sanitation Department:				
Personal services	72,038	72,038	68,997	3,041
Purchased/contracted services	37,400	37,400	29,990	7,410
Supplies	5,050	5,050	5,406	(356)
Capital outlays	-	-	-	-
	<u>114,488</u>	<u>114,488</u>	<u>104,393</u>	<u>10,095</u>
Total Public Works	<u>933,476</u>	<u>933,476</u>	<u>900,577</u>	<u>32,899</u>
HEALTH AND WELFARE:				
Public Health:				
Emergency management	45,954	45,954	36,366	9,588
Ambulance - service contract	389,000	389,000	388,583	417
Ambulance - other operating	18,800	18,800	14,481	4,319
Paws and Claws	10,000	10,000	10,000	-
Board of Health	151,250	151,250	151,250	-
Family and Children Services	21,600	21,600	21,600	-
	<u>636,604</u>	<u>636,604</u>	<u>622,280</u>	<u>14,324</u>

WILKINSON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Senior Citizen Center:				
Personal services	\$ 58,331	\$ 58,331	\$ 56,050	\$ 2,281
Purchased/contracted services	5,580	5,580	6,253	(673)
Supplies	49,005	49,005	20,964	28,041
Capital outlays	-	-	-	-
	<u>112,916</u>	<u>112,916</u>	<u>83,267</u>	<u>29,649</u>
Public Transit:				
Personal services	\$ 99,472	\$ 99,472	\$ 95,224	\$ 4,248
Purchased/contracted services	7,830	7,830	20,360	(12,530)
Supplies	23,200	23,200	19,192	4,008
Capital outlays	-	-	-	-
	<u>130,502</u>	<u>130,502</u>	<u>134,776</u>	<u>(4,274)</u>
Total Health and Welfare	<u>880,022</u>	<u>880,022</u>	<u>840,323</u>	<u>39,699</u>
CULTURE/RECREATION:				
Recreation:				
Personal services	16,122	16,122	16,089	33
Purchased/contracted services	45,000	45,000	50,428	(5,428)
Supplies	-	-	-	-
Capital outlays	-	-	-	-
	<u>61,122</u>	<u>61,122</u>	<u>66,517</u>	<u>(5,395)</u>
Library:				
Library contributions	25,000	25,000	25,000	-
Capital outlays	-	-	-	-
	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total Culture/Recreation	<u>86,122</u>	<u>86,122</u>	<u>91,517</u>	<u>(5,395)</u>
ECONOMIC DEVELOPMENT:				
Development Authority contribution	62,252	62,252	72,094	(9,842)
GRAND TOTAL	<u>\$ 7,402,100</u>	<u>\$ 7,402,100</u>	<u>\$ 7,654,417</u>	<u>\$ (252,317)</u>

WILKINSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL SALES TAX PROCEEDS
For the Year Ended September 30, 2017

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2013 Tax:						
Roads, streets and bridges	\$2,550,391	\$2,550,391	\$ 211,504	\$ 78,477	\$ 289,981	11.4%
Public safety/Economic development	2,147,696	2,147,696	495,106	209,267	704,373	32.8%
Recreation	210,000	210,000	41,567	38,720	80,287	38.2%
Public buildings/capital equipment	1,300,000	1,300,000	212,675	319,291	531,966	40.9%
Solid waste	235,000	235,000	-	-	-	-
City projects:						
City of Allentown	147,936	147,936	36,260	11,835	48,095	32.5%
City of Danville	25,385	25,385	6,222	2,031	8,253	32.5%
City of Gordon	1,765,601	1,765,601	432,771	141,247	574,018	32.5%
City of Irwinton	515,587	515,587	126,375	41,247	167,622	32.5%
City of Ivey	858,728	858,728	210,482	68,698	279,180	32.5%
City of McIntyre	568,984	568,984	139,462	45,519	184,981	32.5%
City of Toombsboro	413,170	413,170	101,271	33,052	134,323	32.5%

**WILKINSON COUNTY, GEORGIA
SCHEDULE OF REQUIRED EXPENDITURES
GENERATED BY ENERGY EXCISE TAX
For the Year Ended September 30, 2017**

REVENUE:

Energy excise taxes	<u><u>\$ 817,901</u></u>
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EXPENDITURES:

Wilkinson County	\$ 457,575
City of Allentown	11,408
City of Danville	3,548
City of Gordon	184,381
City of Irwinton	32,597
City of Ivey	63,509
City of McIntyre	37,241
City of Toombsboro	27,642
	<u><u>\$ 817,901</u></u>

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**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 County Commissioners
Wilkinson County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Wilkinson County, Georgia as of and for the year ended September 30, 2017, 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 March 8, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit, 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's internal control.

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

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

We did identify certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting noted as items 17-1 through 17-2.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 17-3.

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 responses. 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.

Wright & Wright, P.C.

Sandersville, Georgia
March 8, 2018

WILKINSON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended September 30, 2017

17-1 Segregation of Duties

Condition

Because of a limited number of available personnel in some of the Agency Funds, it is not always possible to adequately segregate certain incompatible duties, so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

Criteria

The County has a one employee in some of the Agency Funds who performs all financial duties, including receiving and depositing funds, writing checks and reconciling bank accounts. Items are approved for disbursement by the elected official, who signs checks.

Effect

Because of the lack of segregation of duties, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected.

Recommendation

We recommend that management continue to exercise alert supervision of employees in order to protect the assets of the County.

Response of Responsible Officials

We concur with and plan to implement the recommendations.

17-2 Controls Over Financial Statement Presentation

Condition

The County's financial statements and related footnotes are not prepared by County employees.

Criteria

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

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 of Responsible Officials

We concur. We will evaluate the cost effectiveness of implementing the control and act accordingly.

17-3 Budgetary**Condition**

In the County's General Fund, actual expenditures exceeded budget appropriations in several departments.

Criteria

Departmental expenditures which exceed budgeted appropriations are a violation of state law.

Effect

Fiscal control and accountability over departmental expenditures may be jeopardized.

Recommendation

The County should monitor the budget and amend it when appropriate.

Response of Responsible Officials

The County Commissioners will analyze budgetary financial data periodically and amend the budget when appropriate.