COMPREHENSIVE ANNUAL FINANCIAL REPORT

Town of Thunderbolt, Georgia

FOR THE FISCAL YEAR ENDED December 31, 2016

PREPARED BY
THE TOWN'S FINANCE DEPARTMENT


TOWN OF THUNDERBOLT
INCORPORATED
1856
GEORGIA
CHATHAM COUNTY

Town of Thunderbolt, Georgia

Annual Financial Report

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Town of Thunderbolt, Georgia

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INTRODUCTORY SECTION


TOWN OF THUNDERBOLT
INCORPORATED
1856
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CHATHAM COUNTY

BETH E. GOETTE
MAYOR

CAROLINE R. HANKINS
TOWN ADMINISTRATOR

KAY McCAFFERTY
CLERK/ZONING ADMINISTRATOR

CHARLES W. BARROW
TOWN ATTORNEY



COUNCIL MEMBERS

KIMBERLY CHAPPELL-STEVENS
MAYOR PRO-TEM

DAVID P. CRENSHAW

SHERRY ELMORE-PHILLIPS

JOHN M. HENRY

AL HENDERSON, JR.

DR. EDWARD M. DROHAN, III

June 2, 2017

Citizens of Thunderbolt
Honorable Mayor
Members of Council

The Town's office is pleased to submit the Comprehensive Annual Financial Report of the Town of Thunderbolt, Georgia for the year ended December 31, 2016. The purpose of the report is to provide the Council, Staff, the public and other interested parties with detailed information reflecting the Town's financial condition. This report also satisfies the state law to publish an annual audit within six months of the close of each fiscal year. Responsibility for both accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rest with the Town. To meet these responsibilities management has established a comprehensive framework of internal control. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

KRT, CPAs P.C. have issued an unqualified ("clean") opinion on the Town of Thunderbolt's financial statements for the year ended December 31, 2016. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

The Town of Thunderbolt is a small town which owes its name to a legend of a lightning strike that created a freshwater spring on the Wilmington bluff. The Town is located in Chatham County, Georgia adjacent to the City of Savannah.

Thunderbolt was a settlement which evolved into a shipping point for local plantation needs which also serviced the river traffic. In 1856, the Town of Thunderbolt was incorporated as Warsaw and then began its history as a processing port for the fishing community. The Town now encompasses an area of approximately 1.3 square miles and has a current population of approximately 2,668.

The Town Council appoints a Town Administrator to manage the Town on a daily basis and implement the policies and programs enacted by the Council. The Town Council also appoints a Town Clerk. The Town provides a full range of municipal services, including general government, public safety (police and fire), parks and recreation, street and drainage maintenance, code enforcement, solid waste collection and disposal, and water and sewer utilities.

The criteria used by the Town of including activities in preparing its financial statements are set forth in GASB Statement No. 61. Based on these criteria, all municipal services listed above are included in the Town's financial statements. There are no entities which are considered to be component units of the Town. The Town Council adopts and reports annual budgets for its general and special revenue funds as required by state law. The legal level of control (the level at which expenditures may not exceed appropriations) is at the department level.

Local Economy

The Town's economic base remained unchanged during the 2016 fiscal year. Most of the commercial activity in the Town is small retail businesses and restaurants, with the exception of a large nursing home and a small shipyard complex. Both employ about 100 people.

Long-term Financial Planning

The majority of our general fund revenue is generated from taxes. We observed a nominal decrease in the overall property values for 2016 while adopting the rollback mileage rate to remain revenue neutral for operation of the town. LOST distributions as well as building permit revenues were strong once again in 2016.

We conducted an extensive enterprise fund utility rate study in 2016. Through the study it was determined that the utility rates were not adequate to maintain the aging infrastructure of the water and sewer system and thus a new rate structure was adopted in the fourth quarter. We continue to monitor the results of the meter upgrades in 2015 with the new rate structure in 2016. The majority of the construction on the new Floridian Aquifer Groundwater Withdrawal Well System and updated SCADA system was also completed in 2016 with SPLOST funds.

Major Initiatives

Currently, aging hydrants, valves, and water lines are being replaced along with maintenance being conducted on storm water culverts and lines. A mixed use zoning ordinance for River Drive was adopted to promote appropriate development of the "downtown" area of Thunderbolt and keep the Town's unique character, including its cultural and architectural heritage.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2015. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized Comprehensive Annual Financial Report. This is the eighth year the Town has received this award and we are proud to have maintained this standard of excellence.

Respectfully Submitted,

Caroline R. Hankins
Town Administrator

Town of Thunderbolt, Georgia

Principal Officials

December 31, 2016

Mayor	Beth Goette
Town Administrator	Caroline R. Nguyen
Town Clerk	Kay McCafferty
Administrative Clerk	Katina Spaulding
Finance Clerk	Molly Sims
Director of Public Safety	Robert Merriman
Director of Public Works	Ray O'Neill
Town Attorney	Charles W. Barrow

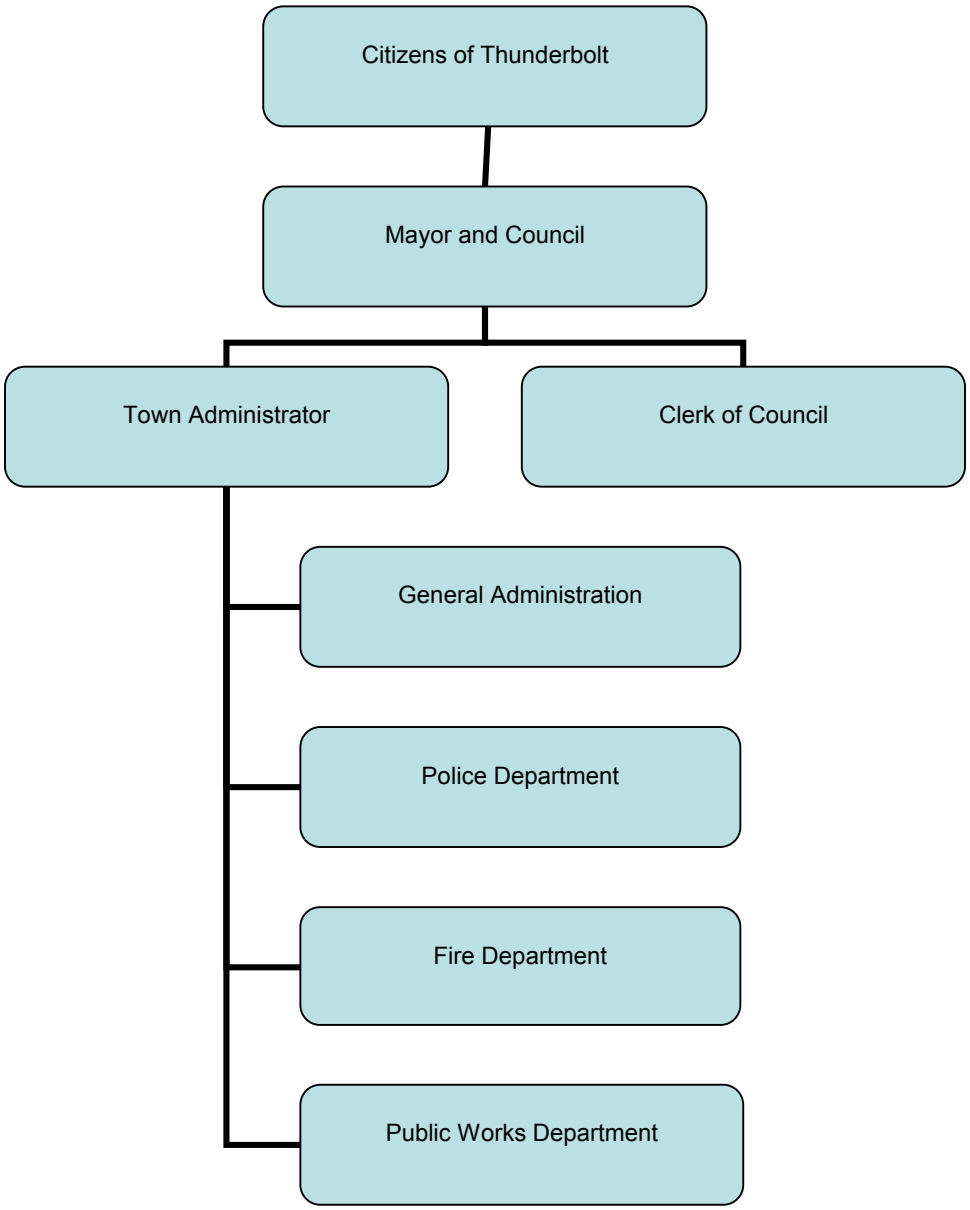
Town Council Members

Beth E. Goette	Mayor
Kimberly Chappell-Stevens	Mayor Pro-tem
John Henry	Councilman
Sherry Phillips	Councilwoman
Clair Alvin (Al) Henderson, Jr.	Councilman
Dr. Edward M. Drohan, III	Councilman
David Crenshaw	Councilman

Town of Thunderbolt, Georgia

Organizational Chart

December 31, 2016



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Thunderbolt

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015



Executive Director/CEO


TOWN OF THUNDERBOLT
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CHATHAM COUNTY

FINANCIAL SECTION


TOWN OF THUNDERBOLT
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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the Town Council
Town of Thunderbolt, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Thunderbolt, Georgia, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Town'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 conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Thunderbolt, Georgia, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the required supplementary information other than Management's Discussion and Analysis beginning on page C-1 and E-1 respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Thunderbolt, Georgia's basic financial statements. The supplementary data as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary data as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary data as listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The information identified in the table of contents as the Introductory and Statistical Sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2017 on our consideration of the Town of Thunderbolt, 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 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 Town of Thunderbolt, Georgia's internal control over financial reporting and compliance.

KRT, CPAs P.C.

KRT, CPAs P.C.

Savannah, Georgia
June 2, 2017


TOWN OF THUNDERBOLT
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CHATHAM COUNTY

Management's Discussion and Analysis

Within this section of Town of Thunderbolt, Georgia (the Town) annual financial report, the Town's management is pleased to provide this narrative discussion and analysis of the financial activities of the Town for the calendar year ending December 31, 2016. The Town's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

- The Town's assets exceeded its liabilities by $10,169,289 (net position) for the calendar year reported.
- Total net position is comprised of the following:
  - (1) Capital assets, net of related debt, of $7,298,763 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  - (2) Net position of $356,608 is restricted by constraints imposed from outside the Town such as debt covenants, grantors, laws, or regulations.
  - (3) Unrestricted net position of $2,513,918 represents the portion available to maintain the Town's continuing obligations to citizens and creditors.
- The Town's governmental funds reported total ending fund balance of $3,165,546 this year. This compares to the prior year ending fund balance of $3,114,394 showing an increase of $51,152 during the current year. Unassigned fund balance of $2,766,931 for calendar year 2016 shows a $403,779 increase over the prior year.
- At the end of the current calendar year, unassigned fund balance for the General Fund was $2,766,931 or 118.7% of total General Fund expenditures.

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

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the Town's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The Town also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

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

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

The second government-wide statement is the *Statement of Activities*, which reports how the Town's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the Town's distinct activities or functions on revenues provided by the Town's taxpayers.

Both government-wide financial statements distinguish governmental activities of the Town that are principally supported by taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Primary governmental activities include general government, judiciary, public safety, public works, health and welfare, culture and recreation, and long-term debt. Business type activities include the water and sewer system.

The government-wide financial statements are presented on pages D-1 & D-2 of this report.

Fund Financial Statements

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

The Town has three kinds of funds:

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

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

The basic governmental fund financial statements are presented on pages D-4 – D-7 of this report.

Individual fund information is presented in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the Town charges customers a fee. The one Town proprietary fund is classified as an enterprise fund, which operates the Town's water, sewer and sanitation functions. This enterprise fund essentially encompasses the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the Town organization for water and sewer utilities.

The basic enterprise fund financial statements are presented on pages D-8 – D-10 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the Town of Thunderbolt's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statement can be found on page D-11 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page D-12 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the Town's budget presentation. A budgetary comparison schedule is included as "required supplementary information" for the general fund.

Financial Analysis of the Town as a Whole

The Town's net position at calendar year-end are $10,169,289. The following table provides a summary of the Town's net position:

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current assets	$ 3,407,153	$ 3,293,380	$ 250,391	$ 265,086	$ 3,657,544	$ 3,558,466
Capital assets	4,387,452	4,687,206	2,974,379	2,155,702	7,361,831	6,842,908
Total assets	7,794,605	7,980,586	3,224,770	2,420,788	11,019,375	10,401,374
Deferred outflows of resources	223,692	122,901	-	-	223,692	122,901
Current liabilities	235,439	116,895	245,370	133,971	480,809	250,866
Long-term liabilities	592,969	515,836	-	-	592,969	515,836
Total liabilities	828,408	632,731	245,370	133,971	1,073,778	766,702
Deferred intflows of resources	-	17,724	-	-	-	17,724
Net position:						
Net investment in capital assets	4,324,384	4,599,196	2,974,379	2,126,328	7,298,763	6,725,524
Restricted	356,608	704,968	-	-	356,608	704,968
Unrestricted	2,508,897	2,148,868	5,021	160,489	2,513,918	2,309,357
Total net position	$ 7,189,889	$ 7,453,032	$ 2,979,400	$ 2,286,817	$10,169,289	$ 9,739,849

The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 14.47 to 1 and 1.02 to 1 for business type activities. Both ratios are down over last year with the governmental activities ratio remaining at an adequate level. The business type ratio is down however with a newly adopted rate structure this ratio should see improvement in 2017.

The Town reported positive balances in net position for both governmental and business-type activities. Net position decreased $263,143 for governmental activities while business-type activities recognized an increase of $692,583. A decrease in Capital Assets and an increase in Current Liabilities contributed to the overall decrease in governmental activities net position. An increase in Capital Assets contributed to the increase in the business-type activities net position.

Approximately 60.2% of the governmental activities' net assets are invested in capital assets net of related debt category. The Town uses these capital assets to provide services to its citizens. Capital assets in the business-type activities provide water and sewer services and generates revenues for this fund.

The following table provides a summary of the Town's changes in net position:

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenue:						
Program revenue:						
Charges for services	$ 444,482	$ 540,255	$ 1,179,453	$ 1,056,584	$ 1,623,935	$ 1,596,839
Operating grants and contributio	83,545	74,567	-	-	83,545	74,567
Capital grants and contributions	936,307	674,567	949,582	156,359	1,885,889	830,926
General Revenue:						
Taxes	1,980,187	1,968,213	-	-	1,980,187	1,968,213
Other	50,182	24,314	1,635	5,186	51,817	29,500
Total revenue	3,494,703	3,281,916	2,130,670	1,218,129	5,625,373	4,500,045
Program expenses:						
General government	497,126	448,392	-	-	497,126	448,392
Judiciary	125,125	139,051	-	-	125,125	139,051
Public safety	1,346,759	1,301,878	-	-	1,346,759	1,301,878
Public works	1,638,346	598,460	-	-	1,638,346	598,460
Health and welfare	82,007	72,525	-	-	82,007	72,525
Culture and recreation	57,491	43,971	-	-	57,491	43,971
Housing and development	6,137	2,271	-	-	6,137	2,271
Interest on long-term debt	4,855	5,453	-	-	4,855	5,453
Water, sewer and garbage	-	-	1,438,087	1,237,315	1,438,087	1,237,315
Total program expenses	3,757,846	2,612,001	1,438,087	1,237,315	5,195,933	3,849,316
Change in net position	(263,143)	669,915	692,583	(19,186)	429,440	650,729
Net position, beginning	7,453,032	6,783,117	2,286,817	2,306,003	9,739,849	9,089,120
Net position, ending	$ 7,189,889	$ 7,453,032	$ 2,979,400	$ 2,286,817	$10,169,289	$ 9,739,849

Governmental Activities Revenues

The Town is heavily reliant on taxes to support governmental activities. Taxes provided 56.7% of the Town's total governmental activities revenue. Local option sales taxes account for $815,639 or 41.2% of tax revenues. Property taxes, $596,858 and utility franchise fees, $214,161, account for 41% of tax revenue. The general economy and the Town businesses have a major impact on the Town's revenue streams.

Special purpose local option sales tax proceeds of $698,452 accounts for substantially all of the capital grants and contributions. Charges for services include administrative fees charged to the Town's enterprise fund. Charges for services were down 17.7% over the previous year for governmental activities and up 11.7% for business-type activities for an overall increase of 1.7%.

Governmental Activities Program Expenses

The general government, public safety, and public works functions make up 92.7% of the total governmental activities expenses.

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

	Governmental Activities			
	Total Cost of Services		Net Cost of Services	
	2016	2015	2016	2015
General government	$ 497,126	$ 448,392	$ 291,539	$ 257,848
Judiciary	125,125	139,051	34,003	12,210
Public safety	1,346,759	1,301,878	1,114,704	830,555
Public works	1,638,346	598,460	707,396	101,304
Health and welfare	82,007	72,525	77,887	69,000
Culture and recreation	57,491	43,971	56,991	43,971
Housing and developments	6,137	2,271	6,137	2,271
Interest on long-term debt	4,855	5,453	4,855	5,453
Total program expenses	$ 3,757,846	$ 2,612,001	$ 2,293,512	$ 1,322,612

All three of the largest functions saw in increase over 2015 with the largest increase in the Public Works function. While the Judiciary function was slightly down over 2015 the remaining functions of Health and Welfare, Culture and Recreation and Housing and Development all experienced an increase.

Business-Type Activities

Revenues vs. Costs

The sole business-type activity is the Town's water, sewer and sanitation program. Charges for services increased by $112,869 or a little over 10% resulting in an increase of operating revenue of $109,333 over 2015. Operating expenses also experienced an increase in the amount of $200,772 over 2015. The increase in charges for services can be attributed to an updated rate structure of the water and sewer charges approved and implemented in the beginning of the fourth quarter 2016. The increase in operating expenses is the result of infrastructure maintenance as well as an adjustment to the main sewer treatment meter that generated higher sewer expenses. It was determined through the replacement of the main sewer treatment meter that the previous older meter was not producing accurate reads thus resulting in an under billed expense.

Financial Analysis of the Town's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $3,165,546. Approximately 87.5% of this amount, $2,766,931 is unassigned and is available for spending at the Town's discretion. The remainder of the fund balance is 1) non-spendable ($42,007) because it represents prepaid expenses and 2) restricted for capital projects ($346,735) or to fund public safety programs ($9,873).

Major Governmental Funds

The General Fund is the Town's primary operating fund and the largest source of day-to-day service delivery. At the end of the year, unassigned fund balance of the general fund was $2,766,931, while total fund balance was $2,808,938. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 118.7% of total general fund expenditures, while total fund balance represents 120.5% of that same amount.

The General Fund's fund balance increased by $399,512 during the year. Key factors in this growth are as follows:

- Strong LOST and Utility Franchise revenues contributed to a budget surplus in General Fund Revenues.
- An increase in the Annual Insurance Premium Tax in addition to strong Building Permit and Business License Revenues also contributed to the surplus in General Fund Revenues.
- Department budgets were carefully managed throughout the year which aided in maintaining expenses at the end of the year when the Town experienced Hurricane Matthew and unbudgeted expenses.

The General Fund's ending unassigned fund balance experienced an increase of $403,779 over the prior year from $2,363,152 to $2,766,931. We carry this balance primarily for cash flow purposes and to cover any unforeseen emergencies.

The Special Purpose Local Option Sales Tax (SPLOST) Fund's fund balance decreased $355,282 during the year. The decrease can be attributed to the use of funds for the construction of a new groundwater well for the Town's water system in addition to a major waterline replacement project completed. The SPLOST Fund reported revenues of $730,307 which is an increase from the prior year. SPLOST revenues are available for approved capital projects and related debt service.

The Proprietary Fund

The enterprise fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, our financial analysis is presented above.

Budgetary Highlights

The General Fund revenue exceeded the final budget by $376,110. Above budgeted Utility Franchise, Local Option Sales Tax, Insurance Premium Tax, Building Permits and Business License collection accounts for the majority of the additional revenue.

General Fund budget expenditures were closely monitored. Prior to the third quarter all departments were projected to remain at or below their original budget amounts with the exception of the Planning and Zoning Department. This particular department required a budget amendment as a result of a council recommended and approved payroll addition for board members that was not proposed or approved before the original budget was adopted. At the beginning of the third quarter the Town experienced Hurricane Matthew. As a result budget amendments were required in order to maintain department budget levels. An increase in Grant revenues to recognize anticipated FEMA funds for the hurricane helped offset necessary expense increases in Government Buildings, Fire, Streets and Senior Citizens.

(continued on next page)

Capital Assets and Debt Administration

Capital Assets

The Town's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2016, was $4,387,452 and $2,974,379 respectively. The total decrease in this net investment was 9.36% for governmental activities. The business-type activities reported an increase of 38%. The overall increase was slightly more 7% for the Town as a whole. See Note 2-C for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Non-depreciable assets:						
Land	$ 290,800	$ 290,800	$ -	$ -	$ 290,800	$ 290,800
Construction in progress	-	-	788,866	29,374	788,866	29,374
Total non-depreciable assets	290,800	290,800	788,866	29,374	1,079,666	320,174
Depreciable assets:						
Buildings and improvements	5,569,013	5,569,013	4,755,673	4,565,583	10,324,686	10,134,596
Machinery, equipment and vehicles	1,538,433	1,499,110	200,403	200,403	1,738,836	1,699,513
Infrastructure	1,211,307	1,211,307	-	-	1,211,307	1,211,307
Total depreciable assets	8,318,753	8,279,430	4,956,076	4,765,986	13,274,829	13,045,416
Less accumulated depreciation	4,222,101	3,883,024	2,770,563	2,639,658	6,992,664	6,522,682
Book value - depreciable assets	4,096,652	4,396,406	2,185,513	2,126,328	6,282,165	6,522,734
Precentage depreciated	50.8%	46.9%	55.9%	55.4%	52.7%	50.0%
Book value - all assets	$ 4,387,452	$ 4,687,206	$ 2,974,379	$ 2,155,702	$ 7,361,831	$ 6,842,908

At December 31, 2016, the depreciable capital assets for governmental activities were 50.8% depreciated. This compares to 46.9% for December 31, 2015. This comparison indicates that the Town is replacing its assets at approximately the same rate as they are depreciating which is a positive indicator.

With the Town's business type activities, 55.9% of the asset values were depreciated at December 31, 2016 compared to 55.4% at December 31, 2015.

Long-term Debt

Governmental Activities:

At the end of the year the Town had an outstanding long-term liability balance of $63,068 representing capital leases.

Business-type Activities:

Business-type activities had no outstanding long-term liability as of December 31, 2016.

See Note 2-F for additional information about the Town's long-term debt.

Economic Conditions Affecting the Town

The Town is a small community to the east of the City of Savannah in Chatham County, which is situated along with Intercoastal Waterway – Wilmington River. The community's population is 2,668 according to the 2010 Census. Our community make up is 57% Caucasian, 28.8% African American, 2.8% Asian, 8.7% Hispanic and 2.7% other. A significant portion of our community is retired and on a fixed income while there has been a slight increase in middle age families moving to the area. The median family income in this community is $50,962 with a median home value of $166,800.

Noting the significant portion of the population being of retirement age and on a fixed income, it provides a challenge to continue to provide services to this community with the constantly rising cost of providing services. We have approximately 1,100 homes and of that, nearly 460 receive some type of property tax exemption. The Town's operating budget is a little over $2.5 million.

Contacting the Town's Financial Management

The financial report is designed to provide a general overview of the Town's finances, comply with finance-related laws and regulations, and demonstrate the Town's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the Town's Administrator at 2821 River Drive, Thunderbolt, GA 31404.

GOVERNMENT-WIDE FINANCIAL STATEMENTS


TOWN OF THUNDERBOLT
INCORPORATED
1856
GEORGIA
CHATHAM COUNTY

Town of Thunderbolt, Georgia

Statement of Net Position

December 31, December 31, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 2,802,936	$ 153,098	$ 2,956,034
Receivables	562,210	24,684	586,894
Prepaid	42,007	4,793	46,800
Restricted assets			
Cash and cash equivalents	-	67,816	67,816
Capital assets			
Land and construction in progress	290,800	788,866	1,079,666
Other capital assets, net of depreciation	4,096,652	2,185,513	6,282,165
Total assets	7,794,605	3,224,770	11,019,375
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	223,692	-	223,692
LIABILITIES			
Accounts payable	82,412	177,554	259,966
Deposits payable	-	67,816	67,816
Unearned revenue	69,740	-	69,740
Long-term liabilities			
Due within one year			
Capital leases payable	34,170	-	34,170
Compensated absences	49,117	-	49,117
Due in more than one year			
Capital leases payable	28,898	-	28,898
Net pension liability	564,071	-	564,071
Total liabilities	828,408	245,370	1,073,778
NET POSITION			
Net investment in capital assets	4,324,384	2,974,379	7,298,763
Restricted for			
Capital projects	346,735	-	346,735
Other purposes	9,873	-	9,873
Unrestricted	2,508,897	5,021	2,513,918
Total net position	$ 7,189,889	$ 2,979,400	$ 10,169,289

Town of Thunderbolt, Georgia

Statement of Activities

For the Year Ended December 31, December 31, 2016

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental activities:				
General government	$ 497,126	$ 205,587	$ -	$ -
Judicial	125,125	91,122	-	-
Public safety	1,346,759	143,153	83,545	5,357
Public works	1,638,346	-	-	930,950
Health and welfare	82,007	4,120	-	-
Culture and recreation	57,491	500	-	-
Housing and development	6,137	-	-	-
Interest on long-term debt	4,855	-	-	-
Total governmental activities	3,757,846	444,482	83,545	936,307
Business-type activities:				
Water and sewer	1,121,745	951,436	-	949,582
Garbage	316,342	228,017	-	-
Total business-type activities	1,438,087	1,179,453	-	949,582
Total	$ 5,195,933	$ 1,623,935	$ 83,545	$ 1,885,889

General revenues:	
Taxes:	
Property taxes	
Sales and use taxes	
Selective sales and use taxes	
Business and occupation taxes	
Unrestricted investment earnings	
Miscellaneous	
Gain on disposal of capital assets	
Total general revenues and transfers	
Change in net position	
Net position - beginning (restated)	
Net position - ending	

The accompanying notes are an integral part of the financial statements.

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	**Business-Type Activities**	**Total**
$ (291,539)	$ -	$ (291,539)
(34,003)	-	(34,003)
(1,114,704)	-	(1,114,704)
(707,396)	-	(707,396)
(77,887)	-	(77,887)
(56,991)	-	(56,991)
(6,137)	-	(6,137)
(4,855)	-	(4,855)
(2,293,512)	-	(2,293,512)
-	779,273	779,273
-	(88,325)	(88,325)
-	690,948	690,948
(2,293,512)	690,948	(1,602,564)
943,179	-	943,179
815,639	-	815,639
63,836	-	63,836
157,533	-	157,533
2,356	310	2,666
45,176	1,325	46,501
2,650	-	2,650
2,030,369	1,635	2,032,004
(263,143)	692,583	429,440
7,453,032	2,286,817	9,739,849
$ 7,189,889	$ 2,979,400	$ 10,169,289


TOWN OF THUNDERBOLT
INCORPORATED
1856
GEORGIA
CHATHAM COUNTY

FUND FINANCIAL STATEMENTS


TOWN OF THUNDERBOLT
INCORPORATED
1856
GEORGIA
CHATHAM COUNTY

Town of Thunderbolt, Georgia

Governmental Funds

Balance Sheet

December 31, 2016

	General	Special Purpose Local Option Sales Tax Fund	Other Governmental Fund - Asset Forfeiture	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 2,491,583	$ 301,480	$ 9,873	$ 2,802,936
Receivables	504,611	57,599	-	562,210
Prepaid items	42,007	-	-	42,007
Total assets	$ 3,038,201	$ 359,079	$ 9,873	$ 3,407,153
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 82,412	$ -	$ -	$ 82,412
Unearned revenue	57,396	12,344	-	69,740
Total liabilities	139,808	12,344	-	152,152
Deferred Inflows of Resources				
Unavailable revenue - property taxes	89,455	-	-	89,455
Total deferred inflows of resources	89,455	-	-	89,455
Combined liabilities and deferred inflows of resources	229,263	12,344	-	241,607
Fund Balances				
Nonspendable	42,007	-	-	42,007
Restricted:				
Capital projects	-	346,735	-	346,735
Public Safety	-	-	9,873	9,873
Unassigned	2,766,931	-	-	2,766,931
Total fund balances	2,808,938	346,735	9,873	3,165,546
Total liabilities, deferred inflows of resources and fund balances	$ 3,038,201	$ 359,079	$ 9,873	$ 3,407,153

Town of Thunderbolt, Georgia

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities

December 31, 2016

Total Governmental Fund Balances		$ 3,165,546
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds. However, in the statement of net position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	$ 8,609,553	
Less: accumulated depreciation	(4,222,101)	4,387,452
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the governmental funds balance sheet.		
Property taxes		89,455
Long-term and related liabilities are not due and payable in the current period and therefore are not reported in the governmental funds balance sheet.		
Capital leases payable		(63,068)
Compensated absences		(49,117)
Net pension liability		(564,071)
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the fund financial statements:		
Deferred outflows of resources related to pensions		223,692
Net Position of Governmental Activities		$ 7,189,889

The accompanying notes are an integral part of the financial statements.

Town of Thunderbolt, Georgia

Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balances

For the Year Ended December 31, 2016

	General	Special Purpose Local Option Sales Tax Fund	Other Governmental Fund - Asset Forfeiture	Total Governmental Funds
REVENUES				
Taxes	$ 1,952,823	$ -	$ -	$ 1,952,823
Licenses and permits	124,696	-	-	124,696
Intergovernmental	282,128	729,867	6,917	1,018,912
Charges for services	9,294	-	-	9,294
Fines and forfeitures	226,097	-	-	226,097
Investment earnings	2,351	440	5	2,796
Miscellaneous	130,071	-	-	130,071
Total revenues	2,727,460	730,307	6,922	3,464,689
EXPENDITURES				
Current				
General government	453,920	-	-	453,920
Judicial	123,278	-	-	123,278
Public safety	1,169,437	-	-	1,169,437
Public works	472,415	-	-	472,415
Health and welfare	72,643	-	-	72,643
Culture and recreation	28,544	-	-	28,544
Housing and development	6,137	-	-	6,137
Capital Outlay	-	1,060,016	-	1,060,016
Debt Service				
Principal	3,961	51,414	-	55,375
Interest	263	4,592	-	4,855
Total expenditures	2,330,598	1,116,022	-	3,446,620
Excess (deficiency) of revenues over (under) expenditures	396,862	(385,715)	6,922	18,069
OTHER FINANCING SOURCES (USES)				
Captial lease	-	30,433	-	30,433
Sale of general capital assets	2,650	-	-	2,650
Total other financing sources (uses)	2,650	30,433	-	33,083
Net changes in fund balances	399,512	(355,282)	6,922	51,152
Fund balances at beginning of year	2,409,426	702,017	2,951	3,114,394
Fund balances at end of year	$ 2,808,938	$ 346,735	$ 9,873	$ 3,165,546

The accompanying notes are an integral part of the financial statements.

Town of Thunderbolt, Georgia

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2016

Net change in Fund Balances - Total Governmental Funds		$ 51,152
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		
Capital outlays	$ 39,323	
Depreciation expense	(339,077)	(299,754)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes deferred at December 31, 2016	89,455	
Property taxes deferred at December 31, 2015	(62,091)	27,364
Governmental funds report debt proceeds as an other financing source. Hoewever, in the statement of activities, debt proceeds are recognized as a long-term liability.		
Capital leases		(30,433)
Repayment of debt principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.		
Capital leases		55,375
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences at December 31, 2016	49,117	
Compensated absences at December 31, 2015	40,926	(8,191)
In the statement of activities, pension expense represents the change in net pension liability from the beginning of the year to the end of the year. However, in the governmental funds, pension expense is measured by the amount of financial resources used (amount actually paid). This is the amount by which pension contributions paid in the current period exceeded the change in net pension liability		(58,656)
Change in Net Position of Governmental Activities		$ (263,143)

Town of Thunderbolt, Georgia

Proprietary Fund

Statement of Net Position

December 31, 2016

ASSETS	
Current assets	
Cash and cash equivalents	$ 153,098
Receivables (net of allowance)	24,684
Prepaid items	4,793
Restricted cash and cash equivalents	67,816
Total current assets	250,391
Noncurrent assets	
Land and construction in progress	788,866
Depreciable capital assets, net of depreciation	2,185,513
Total noncurrent assets	2,974,379
Total assets	3,224,770
LIABILITIES	
Accounts payable	177,554
Payable from restricted assets:	
Customer deposits payable	67,816
Total current liabilities	245,370
NET POSITION	
Investment in capital assets	2,974,379
Unrestricted	5,021
Total net position	$ 2,979,400

The accompanying notes are an integral part of the financial statements.

Town of Thunderbolt, Georgia

Proprietary Fund

Statement of Revenues, Expenses, and Changes in Fund Net Position

For the Year Ended December 31, 2016

OPERATING REVENUES	
Charges for services	$ 1,169,453
Other income	1,325
Total operating revenues	1,170,778
OPERATING EXPENSES	
Purchased and contractual services	1,211,055
Materials and supplies	96,127
Depreciation	130,905
Total operating expenses	1,438,087
Operating income (loss)	(267,309)
NONOPERATING REVENUES (EXPENSES)	
Investment earnings	310
Total nonoperating revenues (expenses)	310
Income before capital contributions	(266,999)
Capital contributions	959,582
Change in net position	692,583
Net position, beginning of year	2,286,817
Net position, end of year	$ 2,979,400

The accompanying notes are an integral part of the financial statements.

Town of Thunderbolt, Georgia

Proprietary Fund

Statement of Cash Flows

For the Year Ended December 31, 2016

CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	$ 1,165,336
Cash payments to suppliers for goods and services	(1,195,995)
Net cash provided (used) by operating activities	(30,659)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Tap fees	10,000
Net cash (used) by capital and related financing activities	10,000
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest earned on cash and investments	310
Net cash provided (used) by investing activities	310
Net increase (decrease) in cash and cash equivalents	(20,349)
Cash and cash equivalents, beginning of year	241,263
Cash and cash equivalents, end of year	$ 220,914
Operating income (loss)	$ (267,309)
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	130,905
Change in assets and liabilities:	
Decrease (increase) in accounts receivables	(2,663)
Decrease (increase) in prepaid items	307
(Decrease) Increase in accounts payable	114,178
(Decrease) increase in customer deposits	(2,779)
(Decrease) increase in interfund payables	(3,298)
Total adjustments	236,650
Net cash provided (used) by operating activities	$ (30,659)
Noncash capital and related financing activities:	
Contributions of capital assets from government	949,582

Town of Thunderbolt, Georgia

Fiduciary Fund

Statement of Fiduciary Assets and Liabilities

December 31, 2016

	Municpal Court Fund
ASSETS	
Cash and cash equivalents	$ 26,087
Total assets	$ 26,087
LIABILITIES	
Due to others	26,087
Total liabilities	$ 26,087

Note 1 Summary of Significant Accounting Policies

A. Financial Reporting Entity
B. Government-wide and Fund Financial Statements
C. Measurement Focus, Basis of Accounting and Basis of Presentation
D. Assets, Liabilities, and Net Position or Equity

Note 2 Detail Notes on Funds and Activities

A. Cash and Investments
B. Accounts Receivable
C. Capital Assets
D. Interfund Transactions and Balances
E. Capital Leases
F. Long-term Debt
G. Fund Balance Classifications

Note 3 Other Information

A. Defined Benefit Pension Plan and Net Pension Liability
B. Risk Management
C. Commitments and Contingencies


TOWN OF THUNDERBOLT
INCORPORATED
1856
GEORGIA
CHATHAM COUNTY

Note 1 – Summary of Significant Accounting Policies

The Town complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

A. Financial Reporting Entity

Generally accepted accounting principles define the reporting entity and provide parameters to use in determining which potential component units should be included in a primary government's financial statements. Inclusion is based on financial accountability or the fact that exclusion would make the financial statements misleading or incomplete. The financial reporting entity consists of (a) primary government, (b) organizations for which the primary government is financially accountable and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The nucleus of a financial reporting entity usually is a primary government; however, a governmental organization other than a primary government (such as a component unit, a joint venture, a jointly governed organization, or another stand-alone government) serves as the nucleus for its own reporting entity when it issues separate financial statements.

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is the same or substantially the same as the Town Council or the component unit provides services entirely to the Town. These component units' funds are blended into those of the Town's by appropriate activity type to compose the primary government presentation. Currently, the Town has no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. Currently, the Town has no discretely presented component units.

Membership in Regional Commission

Under Georgia law, the Town is a member of the Coastal Regional Commission and is required to pay annual dues thereto. Membership in a CRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the CRC in Georgia. The CRC 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 CRC. Management believes that the CRC is currently accumulating sufficient financial resources to meet its financial obligations. Separate financial statements may be obtained from:

Coastal Georgia Regional Commission
P.O. Box 1917
Brunswick, Georgia 31521

Note 1 – Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. *Government 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 *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to 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 instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. 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. The fiduciary fund, an agency fund, has no measurement focus. Revenues are recognized when earned and expenses are recognized 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 thirty days after year-end. Expenditures generally are recognized when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as, expenditures related to compensated absences and claims and judgments, are recorded when they are due.

Property taxes, sales tax, franchise fees, grants from other governments, and interest on investments are susceptible to accrual. Revenues from fines, forfeits and penalties become measurable and available when cash is received by the Town and are recognized as revenue at that time.

The Town reports the following major governmental funds:

- The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the government, except those required to be accounted for in another fund.
- The *Special Purpose Local Option Sales Tax Fund* is used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes only one capital project fund and it is used to account for the acquisition of capital assets with the 1% special purpose local option sales tax (SPLOST) proceeds.

Note 1 – Summary of Significant Accounting Policies (continued)

The Town reports the following major enterprise fund:

- The *Water, Sewer and Garbage Fund* accounts for water, sewer and garbage services provided to the residents of the Town. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, financing and related debt service.

Additionally, the Town reports the following fund types:

Governmental Funds

- The *Special Revenue Fund*, a fund type used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The *Police Department Asset Forfeiture Fund* accounts for all activities associated with the Town's participation in the U.S. Department of Justice Equitable Sharing Program.

Fiduciary Funds

- The *Municipal Court Fund,* a fund type to account for assets held in a trustee or agency capacity for others and therefore are not available to support Town programs. The Town has one agency fund that accounts for the receipts and disbursements of funds by the Town's municipal court activities.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule are charges for sales and purchases of goods and services between the Town's water and sewer function and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Proprietary funds distinguish operating revenues and expense from nonoperating items. Operating revenues and expense generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water, Sewer and Garbage Fund are charges to customers for services provided. Operating expenses include the cost of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

D. Assets, Liabilities and Net Position or Equity

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to invest in obligations of or obligations guaranteed by the U.S. Government and agencies or corporations of the U.S. Government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit or time deposits of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; repurchase agreements; and the Local Government Investment Pool of the State of Georgia (Georgia Fund 1). Investments are reported at fair value.

Note 1 – Summary of Significant Accounting Policies (continued)

Receivables

In the fund financial statements, material receivables in governmental funds include revenue accruals such as property taxes, grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange revenues collectible but not available are deferred in the fund financial statements. Accounts receivable comprise the majority of proprietary fund receivables. Trade receivables are shown net of an allowance for uncollectibles.

Property taxes are levied as of January 1 on property values assessed on the same date. A millage rate of 6.366 mills was adopted on August 10, 2016. Tax bills were rendered on September 15, 2016 and are considered past due 60 days after the respective tax billing date at which time the applicable property is subject to lien and penalties and interest are assessed.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

General capital assets are capital assets, which are associated with and generally arise from governmental activities. They generally result from expenditures in the governmental funds.

General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary fund are reported both in the business-type activities column of the government-wide statement of net position and in the respective fund.

General infrastructure assets acquired prior to January 1, 2003 are not reported in the basic financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to January 1, 2003. All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are reported at their fair market value as of the date received. The Town maintains a capitalization threshold of one thousand dollars ($1,000). The Town is only required to report major general infrastructure assets prospectively. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Building and improvements	5 - 50 years	
Machinery and equipment	3 - 20 years	3 - 20 years
Vehicles	4 - 15 years	4 - 15 years
Public domain infrastructure	20 years	
Water and sewer system		50 years

Note 1 – Summary of Significant Accounting Policies (continued)

Compensated Absences

It is the Town'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 (when material) 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.

Long-term Obligations

In the government-wide financial statements and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, or business-type activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. The Town did not have any premiums, discounts or issuance costs related to any outstanding bonds.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources 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.

Equity Classifications

Equity is classified as net position and displayed in three components in the government-wide financial statements.

- *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 improvements of those assets.
- *Restricted net position* consist of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- *Unrestricted net position* consists of all other net position that do not meet the definition of "restricted" or "net investment in capital assets".

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources. The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form – prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

The spendable portion of the fund balance comprises the remaining four classifications: restricted, committed, assigned, and unassigned.

- *Restricted fund balance* reflects constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balance* can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the town council – the government's highest level of decision making authority. Those committed amounts cannot be used for any other purpose unless the city council removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Note 1 – Summary of Significant Accounting Policies (continued)

- *Assigned fund balance* reflects the amounts constrained by the town's "intent" to be used for specific purposes, but are neither restricted nor committed. The town's fund balance policy provides town council and town manager the authority to assign amount to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed.
- *Unassigned fund balance* is the residual classification for the general fund. It is also used to report negative fund balances in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the town's policy to use externally restricted resources first, then unrestricted resources – committed, assigned, and unassigned – in order as needed.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that may affect the amounts reported in the financial statements and the related notes. Accordingly, actual results could differ from these estimates.

Note 2 – Detailed Notes on Funds and Activities

A. Cash and Investments

Deposits

At year-end the carrying amount of the Town's deposits was $3,049,427 and the bank balance was $2,902,800. As of December 31, 2016 the entire bank balance was insured and collateralized with securities held by the pledging financial institution's agent in the Town's name.

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to the Town. The Official Code of Georgia Annotated (OCGA) Section 45-8-12 provides that there shall not be on deposit at any time in any depository for a time longer than ten days a sum of money which has not been secured by a surety bond, by guarantee of insurance, or by collateral. The aggregate of the face value of such surety bond and the market value of securities pledged shall be equal to not less than 110% of the public funds being secured after the deduction of the amount of depository insurance. The Town has no custodial credit risk policy that would require additional collateral requirements.

Reconciliation of financial statements to notes:

Basic financial statements:		
Cash and cash equivalents.....	$	2,956,034
Restricted cash		67,816
Agency fund.....		26,087
Total.....	$	3,049,937
Notes to financial statements:		
Deposits.....	$	3,049,427
Cash on hand.....		510
Total.....	$	3,049,937

Note 2 – Detailed Notes on Funds and Activities (continued)

B. Accounts Receivable

Receivables as of year-end for the government's individual major funds and non-major funds in the aggregate including the applicable allowance for uncollectible accounts are as follows:

Receivable	General Fund	SPLOST Fund	Water, Sewer and Garbage Fund	Total
Taxes	$ 275,909	$ -	$ -	$ 275,909
Accounts	5,477	-	27,102	32,579
Intergovernmental	224,916	57,599	-	282,515
Gross receivables	506,302	57,599	27,102	591,003
Less:				
Allowance for uncollectibles	(1,691)	-	(2,418)	(4,109)
Net receivables	$ 504,611	$ 57,599	$ 24,684	$ 586,894

All accounts receivable are expected to be collected within the subsequent fiscal year.

C. Capital Assets

Changes in capital asset of governmental activities for the year ended December 31, 2016 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Non-Depreciable Assets:				
Land	$ 290,800	$ -	$ -	$ 290,800
Depreciable Assets:				
Buildings and improvements	5,569,013	-	-	5,569,013
Machinery, equipment and vehicles	1,499,110	39,323	-	1,538,433
Infrastructure	1,211,307	-	-	1,211,307
Sub-total assets	8,570,230	39,323	-	8,609,553
Accumulated Depreciation				
Buildings and improvements	(2,036,771)	(195,680)	-	(2,232,451)
Machinery, equipment and vehicles	(1,128,345)	(82,832)	-	(1,211,177)
Infrastructure	(717,908)	(60,565)	-	(778,473)
Sub-total accumulated depreciation	(3,883,024)	(339,077)	-	(4,222,101)
Total Governmental Activities	$ 4,687,206	$ (299,754)	$ -	$ 4,387,452

Note 2 – Detailed Notes on Funds and Activities (continued)

Depreciation expense was charged to governmental activities as follows:

General government	$ 30,296
Public safety	72,670
Public works	197,800
Health and welfare	9,364
Culture and recreation	28,947
Total depreciation expense	$ 339,077

Changes in capital asset of business-type activities for the year ended December 31, 2016 was as follows:

	Ending Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Non-Depreciable Assets:				
Construction in progress	$ 29,374	$ 759,492	$ -	$ 788,866
Depreciable Assets:				
Buildings and improvements	4,565,583	190,090	-	4,755,673
Machinery, equipment and vehicles	200,403	-	-	200,403
Sub-total assets	4,795,360	949,582	-	5,744,942
Accumulated Depreciation				
Buildings and improvements	(2,533,718)	(118,188)	-	(2,651,906)
Machinery, equipment and vehicles	(105,940)	(12,717)	-	(118,657)
Sub-total accumulated depreciation	(2,639,658)	(130,905)	-	(2,770,563)
Total Business-type Activities	$ 2,155,702	$ 818,677	$ -	$ 2,974,379

D. Interfund Transactions and Balances

These balances represent loans between the borrower fund and the lender fund. These balances resulted from the time lag between the dates that 1) interfund goods or services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made. Interfund receivables and payables are reported in the fund financial statements; however, they are eliminated in the government-wide financial statements if the interfund loan is between governmental funds. The town did not have any interfund receivables/payables at December 31, 2016

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, 2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and 3) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group. The town did not have any interfund transfers during the year ended December 31, 2016.

Note 2 – Detailed Notes on Funds and Activities (continued)

E. Capital Leases

The town has entered into lease agreements as lessee for financing the acquisition of equipment and vehicles valued at $205,200. This year, $39,339 was included in depreciation expense. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date.

The assets acquired through capital leases are as follows:

	Governmental Activities
Machinery and Equipment.....	$ 205,200
Less: Accumulated depreciation.....	(89,043)
Total.....	$ 116,157

The following is a schedule of the minimum lease payments under the capital leases, and the present value of the net minimum lease payments at December, 31 2016.

Year Ending December 31,	Governmental Activities Principal	Interest	Total
2017	$ 34,170	$ 3,610	$ 37,780
2018	21,083	1,687	22,770
2019	7,815	465	8,280
Totals.....	$ 63,068	$ 5,762	$ 68,830

F. Long-term Debt

Changes in Long-Term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Capital leases.....	$ 88,010	$ 30,433	$ 55,375	$ 63,068	$ 34,170
Compensated absences.....	40,926	48,997	40,806	49,117	49,117
Total Governmental Activities	$ 128,936	$ 79,430	$ 96,181	$ 112,185	$ 83,287

For governmental activities, compensated absences are liquidated by the general fund. Management has determined that 100% of the liability will be liquidated within one year.

Note 2 – Detailed Notes on Funds and Activities (continued)

G. Fund Balance Classifications

Amounts for specific purposes by fund and fund classification for the year ended December 31, 2016, are as follows:

Classification/Fund	Purpose	Amount
Nonspendable		
General Fund	Prepaid items	$ 42,007
Restricted		
SPLOST Fund	Capital projects	346,735
Confiscated Asset Fund	Public safety	9,873
Unassigned		
General Fund		2,766,931
Total fund balance		$ 3,165,546

Note 3 – Other Information

A. Defined Benefit Pension Plan and Net Pension Liability

Plan Description – The Town of Thunderbolt Retirement Plan (the Plan) is a defined benefit pension plan covering all full time employees. The Plan is affiliated with the Georgia Municipal Employees Benefit System (GMEBS), a statewide, agent multiple-employer type plan adminstered by the Georgia Municipal Association. The Georgia Municipal Association handles all administrative and investment functions relative to the Plan. The Georgia Municipal Association 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 Georgia Municipal Association, Risk Management and Employee Benefit Services, 201 Pryor Street, SW, Atlanta, Georgia 30303 or by calling (404) 688-0472.

Benefits Provided – essentially all regular employees of the Town are eligible to participate after one year of service. Generally, a member's retirement pension benefits are 100% vested after five years of service. Members are eligible for normal retirement benefits at age 65 with 5 years of service. For normal retirement, benefit payments are based on the member's last 5-year average annual salary (average final compensation) times 1.25% prior to March 1, 2001 and 1.50% on or after March 1, 2001, multiplied by the length of service (years and months).

All active participants of the plan are eligible for disability benefits from their first day of plan participation. Disability benefit payments are calculated in the same manner as retirement benefits, except that disability benefits are not less than 20% of the monthly average earnings of the last 12 months.

Benefits described above are in summary form and, accordingly, not all conditions, limitations, and restrictions are mentioned. These benefit provisions and all other requirements are established and amended by Town Council.

Note 3 – Other Information (continued)

Employees Covered by Benefit Terms - As of July 1, 2016, the date of the latest actuarial valuation, the number of participants was as follows:

Inactive employees (or their beneficiaries) currently receiving benefits	27
Inactive employees entitled to, but not yet receiving benefits	19
Active employees	29
Total	75

Contributions – The GMEBS Board of Trustees has adopted an actuarial funding policy for determination of annual contributions and the systematic funding of liabilities arising under the Plan. The annual minimum contribution is the sum of 1) the normal cost (including administrative expenses), 2) the closed level dollar amortization of the unfunded actuarial accrued liability over a period that ranges from 10 to 30 years based on the funding policy adopted by the GMEBS Board of Trustees, and 3) interest on these amounts from the valuation date to the date contributions are paid (assumed monthly). The GMEBS Board of Trustees has adopted an actuarial funding policy that requires a different funding level than the estimated minimum annual contribution to minimize fluctuations in annual contribution amounts and to accumulate sufficient funds to secure benefits under the Plan. If the employer contributes the recommended contribution developed under the actuarial funding policy each year, the Plan will meet applicable state funding standards. The estimated minimum annual contribution under these standards is $83,907.

Net Pension Liability – The Town's net pension liability was measured as of March 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016.

Actuarial Assumptions – The total pension liability in the July 1, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.75%
Projected salary increases	3.25% plus service based merit increases
Cost of living adjustment	0.00%
Source of mortality assumptions:	
Healthy	RP-2000 Combined Healthy Mortality Table
Disabled	RP-2000 Disabled Retiree Mortality Table
Plan termination basis (all lives)	1994 Group Annuity Reserving Unisex Table

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

Note 3 – Other Information (continued)

The long-term expected rate of return on pension plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The difference between the resulting rate and the rate on the ongoing basis is a margin for adverse deviation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of March 31, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	45.00%	6.75%
International equity	20.00%	7.45%
Real estate	10.00%	4.55%
Global fixed income	5.00%	3.30%
Domestic fixed income	20.00%	1.75%
Cash	0.00%	
Total	100.00%	

Discount Rate – The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed the Town contributions will be made at the current contribution rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the net pension liability are as follows:

	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at March 31, 2015	$ 1,598,091	$ 1,211,191	$ 386,900
Changes for the year:			
Service cost	69,019	-	69,019
Interest	119,066	-	119,066
Difference between expected and actual experienc	58,911	-	58,911
Contributions, employer	-	75,458	(75,458)
Net investment income	-	3,043	(3,043)
Benefit payments	(123,519)	(123,519)	-
Administrative expense	-	(8,676)	8,676
Net changes	123,477	(53,694)	177,171
Balances at March 31, 2016	$ 1,721,568	$ 1,157,497	$ 564,071

Note 3 – Other Information (continued)

The balances at March 31, 2015 and 2016 include entry age normal liabilities calculated using ages and service amounts as of July 1, 2015 and 2016, respectively, and constitute measurements of the net pension liability for the fiscal years ending December 31, 2015 and 2016 respectively.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following represents the net pension liability of the Town calculated using the discount rate of 7.75%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1.00% point lower (6.75%) or 1.00% point higher (8.75%) than the current rate:

	1.00% Decrease (6.75%)	Current Discount Rate (7.75%)	1.00% Increase (8.75%)
City's net pension liability (asset)	$ 741,664	$ 564,071	$ 413,770

Pension Plan Fiduciary Net Position – Detailed information about the pension plan's fiduciary net position is available in the separately issued GMEBS financial report.

Pension expense for the year ended December 31, 2016:

Service cost	$ 69,019
Interest on total pension liability	119,066
Administrative expenses	8,676
Expected return on assets	(91,669)
Expensed portion of current year period differences between projected and actual experience in total pension liability	19,637
Expensed portion of current year period differences between projected and actual investment earnings	17,726
Current year recognition of deferred inflows and outflows established in prior years	12,796
Total expense	$ 155,251

At December 31, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	$ 67,108	$ -
Changes of assumptions	6,620	-
Net difference between projected and actual earnings on pension plan investments	57,607	-
City's contribution to the pension plan subsequent to the measurement date	92,357	-
Total deferred outflows/(inflows)	$ 223,692	$ -

Note 3 – Other Information (continued)

The amount of deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date, $92,357, will be recognized as a reduction of the net pension liability in the year ending December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense for the next six years as follows:

	Outflows			
	Demographic	Assumption Change	Investment	Total
December 31, 2016:				
Beginning balance	$ 100,662	$ 9,930	$ 70,902	$ 181,494
Amount recognized	33,554	3,310	13,295	50,159
Ending balance	$ 67,108	$ 6,620	$ 57,607	$ 131,335
Recognized in future years:				
2017	$ 33,554	$ 3,310	$ 13,294	
2018	33,554	3,310	13,294	
2019	-	-	13,294	
2020	-	-	17,725	
	$ 67,108	$ 6,620	$ 57,607	

The required schedule of changes in the Town's net pension liability and related ratios and the schedule of Town Contributions immediately follow the notes to the financial statements.

B. Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; and workers compensation for which the Town carries the following insurance coverages. There were no significant reductions of insurance coverage compared to the prior year. Settled claims have not exceeded coverage in any of the past three fiscal years.

Risk Pools

The Town joined the Georgia Interlocal Risk Management Agency (GIRMA). Insurance coverage and deductible options for property, casualty and crime under the policy are selected by Town's management based on the anticipated needs. The Town is required to pay all premiums, applicable deductibles and assessments billed by GIRMA, as well as following loss reduction and prevention procedures established by GIRMA. GIRMA's responsibility includes paying claims, and representing the Town in defense and settlement of claims. GIRMA's basis for estimating the liabilities for unpaid claims is "IBNR" established by an actuary. The Town has not compiled a record of the claims paid up to the applicable deductible for the prior year or the current fiscal year. The Town is unaware of any claims which the Town is liable (up to the applicable deductible) which were outstanding and unpaid at December 31, 2016. No provisions have been made in the financial statements for the year ended December 31, 2016 for any estimate of potential unpaid claims.

Note 3 – Other Information (continued)

The Town has elected to be a member of the Georgia Municipal Association Workers' Compensation Self-Insurance Fund (GMAWCSIF), a risk management agency created under Georgia law. As a participant in the GMAWCSIF, the Town has no legal obligation to pay its own workers' compensation claims. The Town is required to make an annual contribution to the fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the Town's annual contribution, the Town has effectively transferred the risk and responsibility for payment of its workers' compensation claims. However, the enabling statute creating the GMAWCSIF permits the fund to levy an assessment upon its members to make up any deficiency the fund may have in surplus or reserves. No amount has been recorded in the financial statements for this contingency as management believes the likelihood for assessment is remote.

Self-Insurance

The Town pays unemployment claims to the state department of labor on a reimbursement basis. Liabilities for such claims are immaterial and are not accrued.

C. Commitments and Contingencies

The Town receives a number of grants that are subject to program compliance audits by the grantors. Noncompliance with the terms and provisions of these grant agreements could result in contingent liabilities to the grantor agencies.

The Town attorney is not aware of any pending or threatening claims of litigation of a material nature in relation to the overall financial statements.


TOWN OF THUNDERBOLT
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REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION & ANALYSIS


TOWN OF THUNDERBOLT
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Town of Thunderbolt, Georgia

General Fund

Budgetary Comparison Schedule

For the Year Ended December 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	$ 1,776,000	$ 1,776,000	$ 1,952,823	$ 176,823
Licenses and permits	76,400	76,400	124,696	48,296
Intergovernmental revenues	59,000	140,000	282,128	142,128
Charges for services	2,100	2,100	9,294	7,194
Fines and forfeitures	285,600	285,600	226,097	(59,503)
Investment earnings	750	750	2,351	1,601
Miscellaneous	70,500	70,500	130,071	59,571
Total revenues	2,270,350	2,351,350	2,727,460	376,110
EXPENDITURES				
Current operating:				
General governmental				
Mayor and Council	31,300	29,800	29,722	78
General and administrative	407,035	386,535	386,335	200
Government buildings	28,500	37,000	37,863	(863)
Judicial				
Municipal court	143,880	126,880	123,278	3,602
Public safety				
Police	850,700	825,700	809,704	15,996
Fire	339,800	369,800	359,733	10,067
Public works				
Streets and highways	365,725	460,725	472,415	(11,690)
Health and welfare				
Senior Citizens	64,550	71,550	72,643	(1,093)
Culture and recreation				
Youth and recreation	16,500	16,500	15,044	1,456
Museum	16,236	16,236	13,500	2,736
Housing and development				
Planning and zoning	1,900	6,400	6,137	263
Debt service:				
Principal	3,961	3,961	3,961	-
Interest	263	263	263	-
Total expenditures	2,270,350	2,351,350	2,330,598	20,752
Excess (deficiency) of revenues over (under) expenditures	-	-	396,862	396,862
OTHER FINANCING SOURCES (USES)				
Sale of surplus property	-	-	2,650	2,650
Total other financing sources (uses)	-	-	2,650	2,650
Net change in fund balance	-	-	399,512	399,512
Fund balance, beginning of year (restated)	2,409,426	2,409,426	2,409,426	-
Fund balance, end of year	$ 2,409,426	$ 2,409,426	$ 2,808,938	$ 399,512

Town of Thunderbolt, Georgia

Schedule of Changes in the Net Pension Liability and Related Ratios

For the Year Ended December 31, 2016

	2015	2016
TOTAL PENSION LIABILITY		
Service cost	$ 52,393	$ 69,019
Interest	110,540	119,066
Differences between expected and actual experience	55,669	58,911
Changes of assumptions	13,240	-
Benefit payments	(120,159)	(123,519)
Net change in total pension liability	111,683	123,477
Total pension liability - beginning	1,486,408	1,598,091
Total pension liability - ending	$ 1,598,091	$ 1,721,568
PLAN FIDUCIARY NET POSITION		
Contributions - employer	$ 84,294	$ 75,458
Net investment income	109,254	3,043
Benefit payments	(120,159)	(123,519)
Administrative expense	(7,915)	(8,676)
Net change in plan fiduciary net position	65,474	(53,694)
Plan fiduciary net position - beginning	1,145,717	1,211,191
Plan fiduciary net position - ending	$ 1,211,191	$ 1,157,497
NET PENSION LIABILITY - ending	$ 386,900	$ 564,071
PLAN FIDUCIARY NET POSITION AS A PERCENTAGE OF THE TOTAL PENSION LIABILITY	75.79%	67.24%
COVERED-EMPLOYEE PAYROLL	$ 1,001,927	$ 938,170
NET PENSION LIABILITY AS A PERCENTAGE OF COVERED-EMPLOYEE PAYROLL	38.62%	60.12%

Note: The Town implemented GASBS No. 68 – *Accounting and Financial Reporting for Pensions* in 2015. Historical information prior to the implementation of GASBS No. 68 is not required.

Town of Thunderbolt, Georgia

Schedule of Contributions

For the Year Ended December 31, 2015

	2015	2016 *
Actuarially determined contribution	$ 70,125	$ -
Contributions in relation to the actuarially determined contribution	70,125	-
Contribution deficiency (excess)	$ -	$ -
COVERED-EMPLOYEE PAYROLL	$ 1,001,927	$ -
CONTRIBUTIONS AS A PERCENTAGE OF COVERED-EMPLOYEE PAYROLL	7.00%	-

**** 2016 information will be determined after fiscal year end and will be included in the 2016 valuation report.***

Note: The Town implemented GASBS No. 68 – *Accounting and Financial Reporting for Pensions* in 2015. Historical information prior to the implementation of GASBS No. 68 is not required.

I. Budgetary Information

A. Budgets and Budgetary Accounting

State law requires the Town to adopt by ordinances or resolutions an annual balanced budget for the general fund and the debt service fund. A budget is balanced when the sum of estimated revenues and appropriated fund balance is equal to appropriations. The legal level of budgetary control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget is the department level within each individual fund. Appropriations lapse at year-end.

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

1. Town Council holds budget hearings and approves the budget in November with a final budget adopted prior to December 31.
2. Amendments to the budget must be approved by the Town Council. The Town Administrator may approve budget transfers within departments.
3. Formal budgetary integration is employed for the general fund and the debt service fund on a basis consistent with generally accepted accounting principles. Project length budgets are adopted for the capital projects funds.

Supplemental appropriations and decreases in budget appropriations were properly approved by the Town Council. For the year ended December 31, 2016, the following supplemental increases and decreases in appropriations were approved:

Fund Type	Original Appropriation	Supplemental Appropriation	Supplemental Decreases	Final Appropriation
General Fund	$ 2,270,350	$ 145,000	$ 64,000	$ 2,351,350
Asset Forfeiture	-	-	-	-

II. Retirement Plan Schedule of Contributions

The actuarially determined contribution rate was determined as of July 1, 2016, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending December 31, 2017. The following methods and assumptions were used to determine contribution rates:

Valuation date	7/1/2016
Actuarial cost method	Projected Unit Credit
Amortization method	Closed level dollar for remaining unfunded liability
Remaining amortization period	Remaining amortization varies for the bases, with a net effective amortization period of 19 years
Asset valuation method	Sum of the actuarial value at the beginning of year and the cash flow during the year plus the assumed investment return, adjusted by 10% of the amount that the value exceeds or is less than the market value at end of year. The actuarial value is adjusted, if necessary, to be within 20% of market value.
Actuarial Assumptions:	
Investment rate of return	7.75%
Projected salary increases	3.25% plus service based merit increases
Cost of living adjustment	0.00%
Retirement age	65
Mortality	See notes to the basic financial statements

SUPPLEMENTARY DATA – FUND SCHEDULE AND STATE MANDATED PROGRAM INFORMATION


TOWN OF THUNDERBOLT
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Town of Thunderbolt, Georgia

Police Department Asset Forfeiture Fund

Budgetary Comparison Schedule

For the Year Ended December 31, 2016

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	$ -	$ -	$ 6,917	$ 6,917
Investment earnings	-	-	5	5
Total revenues	-	-	6,922	6,922
EXPENDITURES				
Current operating:				
Public safety				
Police	-	-	-	-
Total expenditures	-	-	-	-
Net change in fund balance	-	-	6,922	6,922
Fund balance, beginning of year	2,951	2,951	2,951	-
Fund balance, end of year	$ 2,951	$ 2,951	$ 9,873	$ 6,922

Town of Thunderbolt, Georgia

Municipal Court Agency Fund

Statement of Changes in Assets and Liabilities

For the Year Ended December 31, 2016

	Balance 1/1/2016	Addtions	Deletions	Balance 12/31/2016
ASSETS				
Cash.....	$ 25,011	$ 63,337	$ 62,261	$ 26,087
Total assets.....	$ 25,011	$ 63,337	$ 62,261	$ 26,087
LIABILITIES				
Due to others.....	$ 25,011	$ 356,758	$ 355,682	$ 26,087
Total liabilities.....	$ 25,011	$ 356,758	$ 355,682	$ 26,087

Town of Thunderbolt, Georgia

Schedule of Expenditures of Special Local Option Sales Tax Proceeds

For the Year Ended December 31, 2016

Project	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Cumulative Total
2014 - 2020 SPLOST Referendum					
Capital Outlay Projects:	3,750,000	3,750,000			
Public safety vehicles and equipment.....			54,941	43,589	98,530
Public works vehicles and equipment.....			-	6,197	6,197
Water and sewer system.....			124,419	949,582	1,074,001
Total SPLOST expenditures.....	$ 3,750,000	$ 3,750,000	$ 179,360	$ 999,368	$ 1,178,728

Reconciliation of Schedule of Projects Constructed with Special Sales Tax Proceeds to Expenditures Reported in the Special Purpose Local Option Sales Tax Fund:

Total SPLOST Fund expenditures and transfers out (see page D - 6).....	$ 1,116,022
Local maintenance and improvement grant.....	(60,648)
Debt service on capital assets included on schedule.....	(56,006)
Total SPLOST expenditures.....	$ 999,368


TOWN OF THUNDERBOLT
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STATISTICAL SECTION

This part of the Town of Thunderbolt, Georgia's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Town's overall financial health.

Contents **Page**

Financial Trends..... G-2

These schedules contain trend information to help the reader understand how the Town's financial position has changed over time.

Revenue Capacity..... G-12

These schedules contain information to help the reader understand and assess the factors affecting the Town's ability to generate its most significant local revenue sources, the property tax and the sales tax.

Debt Capacity..... G-18

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

Economic and Demographic Information..... G-22

These schedules offer economic and demographic indicators to help the reader understand the environment within which the Town's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

Operating Information..... G-24

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Town's financial reports for the relevant year.


TOWN OF THUNDERBOLT
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Town of Thunderbolt, Georgia

Net Position by Component
Last Ten Calendar Years

	2007	2008	2009	2010
Governmental activities				
Net investment in capital assets	$ 5,201,222	$ 5,571,486	$ 5,327,967	$ 4,927,843
Restricted	480,302	80,114	53,706	139,712
Unrestricted	1,060,505	724,923	563,460	910,035
Total governmental activities net position	$ 6,742,029	$ 6,376,523	$ 5,945,133	$ 5,977,590
Business-type activities				
Net investment in capital assets	$ 2,451,719	$ 2,393,011	$ 2,343,529	$ 1,964,734
Unrestricted	98,947	29,232	(125,824)	(149,256)
Total business-type activities net position	$ 2,550,666	$ 2,422,243	$ 2,217,705	$ 1,815,478
Primary Government				
Net investment in capital assets	$ 7,652,941	$ 7,964,497	$ 7,671,496	$ 6,892,577
Restricted	480,302	80,114	53,706	139,712
Unrestricted	1,159,452	754,155	437,636	760,779
Total primary government net position	$ 9,292,695	$ 8,798,766	$ 8,162,838	$ 7,793,068

2011	2012	2013	2014	2015	2016
$ 4,891,646	$ 4,903,897	$ 5,028,557	$ 4,729,953	$ 4,599,196	$ 4,324,384
226,123	269,041	192,900	509,394	704,968	356,608
892,761	1,069,127	1,412,362	1,800,167	2,148,868	2,508,897
$ 6,010,530	$ 6,242,065	$ 6,633,819	$ 7,039,514	$ 7,453,032	$ 7,189,889
$ 2,069,866	$ 2,014,726	$ 2,107,383	$ 2,098,170	$ 2,126,328	$ 2,974,379
69,038	324,448	200,359	207,833	160,489	5,021
$ 2,138,904	$ 2,339,174	$ 2,307,742	$ 2,306,003	$ 2,286,817	$ 2,979,400
$ 6,961,512	$ 6,918,623	$ 7,135,940	$ 6,828,123	$ 6,725,524	$ 7,298,763
226,123	269,041	192,900	509,394	704,968	356,608
961,799	1,393,575	1,612,721	2,008,000	2,309,357	2,513,918
$ 8,149,434	$ 8,581,239	$ 8,941,561	$ 9,345,517	$ 9,739,849	$ 10,169,289

Town of Thunderbolt, Georgia

Changes in Net Position
Last Ten Calendar Years

	2007	2008	2009
Expenses			
Governmental activities:			
General government	$ 643,814	$ 742,976	$ 762,101
Judiciary	179,944	163,223	130,087
Public safety	1,001,452	1,122,919	983,655
Public works	609,750	765,921	728,230
Health and welfare	83,237	69,476	59,665
Culture and recreation	50,365	49,412	56,210
Housing and development	-	-	1,581
Interest on long-term debt	57,479	4,048	54,535
Total governmental activities expenses	2,626,041	2,917,975	2,776,064
Business-type activities:			
Water, sewer and garbage	739,373	832,106	946,493
Total business-type activities expense	739,373	832,106	946,493
Total primary government expenses	$ 3,365,414	$ 3,750,081	$ 3,722,557
Program Revenues			
Governmental activities:			
Charges for services:			
General government	$ 138,187	$ 120,483	$ 126,800
Judicial	-	-	98,462
Public safety	253,669	202,552	153,616
Public works	145,802	156,244	201,006
Health and welfare	-	-	-
Culture and recreation	-	-	-
Operating grants and contributions	40	34,306	-
Capital grants and contributions	31,281	7,062	6,446
Total governmental activities program revenues	568,979	520,647	586,330
Business-type activities - water and sewer:			
Charges for services	591,808	618,919	687,655
Capital grants and contributions	-	15,000	-
Total business type activities program revenues	591,808	633,919	687,655
Total primary government program revenues	$ 1,160,787	$ 1,154,566	$ 1,273,985
Net (Expense)/Revenue			
Governmental activities	$(2,057,062)	$(2,397,328)	$(2,189,734)
Business-type activities	(147,565)	(198,187)	(258,838)
Total primary government net expense	$(2,204,627)	$(2,595,515)	$(2,448,572)

2010	2011	2012	2013	2014	2015	2016
$ 645,839	$ 588,695	$ 491,179	$ 505,887	$ 537,209	$ 448,392	$ 497,126
124,176	135,754	131,344	140,348	141,140	139,051	125,125
946,705	1,044,245	1,053,793	1,192,030	1,285,227	1,301,878	1,346,759
489,378	588,242	656,029	483,154	619,542	598,460	1,638,346
68,646	58,601	42,414	39,496	87,491	72,525	82,007
56,428	48,785	46,101	55,041	46,210	43,971	57,491
126	805	1,223	9,250	2,556	2,271	6,137
46,947	34,708	32,250	20,580	2,145	5,453	4,855
2,378,245	2,499,835	2,454,333	2,445,786	2,721,520	2,612,001	3,757,846
1,475,046	915,155	1,085,874	1,214,521	1,102,245	1,237,315	1,438,087
1,475,046	915,155	1,085,874	1,214,521	1,102,245	1,237,315	1,438,087
$ 3,853,291	$ 3,414,990	$ 3,540,207	$ 3,660,307	$ 3,823,765	$ 3,849,316	$ 5,195,933
$ 247,907	$ 87,469	$ 85,853	$ 124,416	$ 157,383	$ 190,544	$ 205,587
104,837	79,159	84,016	78,861	122,739	126,841	91,122
170,676	134,753	131,664	144,469	169,838	219,345	143,153
455 [1]	30	-	-	-	-	-
-	-	-	3,642	3,403	3,525	4,120
-	-	-	-	150	-	500
113,391	46,734	76,105	72,870	70,433	74,567	83,545
31,515	536,815	569,439	601,080	613,415	674,567	936,307
668,781	884,960	947,077	1,025,338	1,137,361	1,289,389	1,464,334
1,024,361	1,029,266	1,095,164	1,040,441	1,030,567	1,056,584	1,179,453
5,000	-	-	-	56,579	156,359	949,582
1,029,361	1,029,266	1,095,164	1,040,441	1,087,146	1,212,943	2,129,035
$ 1,698,142	$ 1,914,226	$ 2,042,241	$ 2,065,779	$ 2,224,507	$ 2,502,332	$ 3,593,369
$(1,709,464)	$(1,614,875)	$(1,507,256)	$(1,420,448)	$(1,584,159)	$(1,322,612)	$(2,293,512)
(445,685)	114,111	9,290	(174,080)	(15,099)	(24,372)	690,948
$(2,155,149)	$(1,500,764)	$(1,497,966)	$(1,594,528)	$(1,599,258)	$(1,346,984)	$(1,602,564)

(continued)

Town of Thunderbolt, Georgia

Changes in Net Position
Last Ten Calendar Years

	2007	2008	2009
General Revenues and Other Changes in Net Position			
Governmental activities:			
Property taxes for general purposes	$ 847,535	$ 887,908	$ 864,353
Sales taxes for general purposes	769,804	736,057	703,088
Selective sales and use taxes	83,485	84,015	31,348
Business and occupation taxes	127,902	130,966	129,737
Grants and contributions not restricted to specific programs	712,361	160,846	-
Miscellaneous	49,177	32,030	29,818
Gain (loss) on disposal of capital assets	-	-	-
Transfers	-	-	-
Total governmental activities	2,590,264	2,031,822	1,758,344
Business-type activities - water and sewer:			
Miscellaneous income	64,445	69,764	54,300
Transfers	-	-	-
Total business-type activities	64,445	69,764	54,300
Total primary government	$ 2,654,709	$ 2,101,586	$ 1,812,644
Change in Net Position			
Governmental activities	$ 533,202	$ (365,506)	$ (431,390)
Business-type activities	(83,120)	(128,423)	(204,538)
Total primary government	$ 450,082	$ (493,929)	$ (635,928)

Notes:

[1] *Beginning in 2010 management began reporting garbage revenues and expenses in the Town's enterprise fund.*

2010	2011	2012	2013	2014	2015	2016
$ 895,896	$ 847,244	$ 861,947	$ 894,723	$ 958,751	$ 950,224	$ 943,179
678,670	728,607	760,848	743,482	802,433	817,855	815,639
74,014	14,156	65,996	83,735	75,586	54,700	63,836
125,966	125,140	132,920	137,626	136,131	145,434	157,533
-	-	-	-	-	-	-
36,892	24,093	18,657	2,265	10,852	5,955	47,532
(98,813)	69,032	23,601	9,115	6,101	18,359	2,650
(17,258)	(160,457)	(125,178)	(58,744)	-	-	-
1,695,367	1,647,815	1,738,791	1,812,202	1,989,854	1,992,527	2,030,369
43,700	48,858	65,802	83,489	13,360	5,186	1,635
17,258	160,457	125,178	58,744	-	-	-
60,958	209,315	190,980	142,233	13,360	5,186	1,635
$ 1,756,325	$ 1,857,130	$ 1,929,771	$ 1,954,435	$ 2,003,214	$ 1,997,713	$ 2,032,004
$ (14,097)	$ 32,940	$ 231,535	$ 391,754	$ 405,695	$ 669,915	$ (263,143)
(384,727)	323,426	200,270	(31,847)	(1,739)	(19,186)	692,583
$ (398,824)	$ 356,366	$ 431,805	$ 359,907	$ 403,956	$ 650,729	$ 429,440

(concluded)

Town of Thunderbolt, Georgia

Fund Balances, Governmental Funds
Last Ten Calendar Years

	Calendar Year Ending December 31,				
	2007	2008	2009	2010	2011
General Fund					
Reserved	$ 20,401	$ 22,583	$ 78,615	$ 83,638	$ -
Unreserved	947,924	488,560	357,515	621,898	-
Nonspendable	-	-	-	-	17,811
Unassigned	-	-	-	-	748,431
Total general fund	$ 968,325	$ 511,143	$ 436,130	$ 705,536	$ 766,242
All Other Governmental Funds					
Reserved	$ 478,926	$ 78,788	$ 52,378	$ 131,257	$ -
Unreserved, reported in:					
Debt service fund	1,376	1,326	1,328	1,308	-
Special revenue funds	-	-	-	7,147	-
Restricted:					
Capital Project Fund	-	-	-	-	218,295
Special revenue fund	-	-	-	-	7,828
Assigned:					
Debt service fund	-	-	-	-	456
Total all other governmental funds	$ 480,302	$ 80,114	$ 53,706	$ 139,712	$ 226,579

	Calendar Year Ending December 31,				
	2012	2013	2014	2015	2016
General Fund					
Reserved	$ -	$ -	$ -	$ -	$ -
Unreserved	-	-	-	-	-
Nonspendable	3,729	5,568	47,846	46,274	42,007
Unassigned	978,020	1,281,592	1,600,577	2,363,152	2,766,931
Total general fund	$ 981,749	$ 1,287,160	$ 1,648,423	$ 2,409,426	$ 2,808,938
All Other Governmental Funds					
Reserved	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:					
Debt service fund	-	-	-	-	-
Special revenue funds	-	-	-	-	-
Restricted:					
Capital Project Fund	257,075	191,413	506,446	702,017	346,735
Special revenue fund	11,966	1,487	2,948	2,951	9,873
Assigned:					
Debt service fund	3,035	-	-	-	-
Total all other governmental funds	$ 272,076	$ 192,900	$ 509,394	$ 704,968	$ 356,608

The Town of Thunderbolt implemented GASBS No. 54 for the calendar year ended December 31, 2011.


TOWN OF THUNDERBOLT
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Town of Thunderbolt, Georgia

Changes in Fund Balances, Governmental Funds
Last Ten Calendar Years

	2007	2008	2009	2010
Revenues				
Sales tax	$ 1,513,446	$ 836,905	$ 717,571	$ 695,136
Other taxes	274,712	865,635	1,068,429	1,126,256
Licenses and permits	134,851	119,143	124,868	166,910
Revenue from other governmental units	759,353	202,214	14,301	139,234
Charges for services	165,748	157,852	207,447	5,109
Fines and fees	237,059	202,284	247,569	272,696
Miscellaneous	49,217	28,830	21,089	42,564
Total revenue	3,134,386	2,412,863	2,401,274	2,447,905
Expenditures				
Current:				
General government	619,669	720,360	718,231	630,219
Judiciary	179,944	163,223	130,087	124,176
Public safety	854,626	1,029,764	975,110	874,287
Public works	617,230	561,904	485,846	280,900
Health and welfare	72,823	59,062	49,251	57,181
Culture and recreation	14,972	14,819	21,617	14,661
Hosuing and development	-	-	1,581	126
Capital outlay	185,365	16,442	33,535	20,920
Debt service:				
Principal	675,005	640,384	129,456	89,898
Interest and other charges	106,461	67,475	54,535	49,074
Total expenditures	3,326,095	3,273,433	2,599,249	2,141,442
Excess (Deficiency) of revenues over (under) expenditures	(191,709)	(860,570)	(197,975)	306,463
Other Financing sources (uses)				
Debt issuance	98,818	-	87,825	-
Transfers in	109,483	228,154	113,281	114,805
Transfers out	(109,483)	(228,154)	(113,281)	(115,140)
Sale of capital assets and other	-	3,200	8,729	2,730
Total other financing sources (uses)	98,818	3,200	96,554	2,395
Net change in fund balances	$ (92,891)	$ (857,370)	$ (101,421)	$ 308,858
Debt service as a percentage of noncapital expenditures	24.88%	21.73%	7.17%	6.55%

Notes:

Noncapital expenditures are total expenditures less capital outlay.

Housing and development account classifications were added beginning with year end December 31, 2009. Prior to December 31, 2009, Housing and development were combined in Public works.

[1] *Beginning in 2010 management began reporting garbage revenue and expense in the Town's enterprise fund.*

2011	2012	2013	2014	2015	2016
$ 728,607	$ 760,848	$ 743,482	$ 802,433	$ 817,855	$ 815,639
1,072,260	1,093,498	1,105,189	1,117,740	1,222,126	1,137,184
83,833	85,381	87,774	93,010	146,715	124,696
581,946	645,308	673,764	683,477	748,029	1,018,912
4,237	1,607	3,742	3,823	5,285	9,294
210,116	214,545	218,645	289,519	341,776	226,097
25,696	18,893	24,252	97,991	101,674	132,867
2,706,695	2,820,080	2,856,848	3,087,993	3,383,460	3,464,689
555,357	470,331	456,739	538,368	413,200	453,920
135,754	131,196	139,706	142,440	137,433	123,278
965,777	957,576	1,032,381	1,027,526	1,072,212	1,169,437
438,272	320,087	308,572	299,792	258,982	472,415
49,237	33,050	30,132	78,128	63,161	72,643
21,366	18,682	27,623	39,042	14,763	28,544
805	1,223	9,250	2,556	2,271	6,137
238,577	266,501	153,899	371,247	480,870	1,060,016
191,255	324,091	460,846	34,833	46,496	55,375
44,907	32,087	20,580	2,145	5,454	4,855
2,641,307	2,554,824	2,639,728	2,536,077	2,494,842	3,446,620
65,388	265,256	217,120	551,916	888,618	18,069
-	97,325	-	119,740	49,600	30,433
211,200	307,745	402,964	-	-	-
(211,200)	(432,923)	(402,964)	-	-	-
82,185	23,601	9,115	6,101	18,359	2,650
82,185	(4,252)	9,115	125,841	67,959	33,083
$ 147,573	$ 261,004	$ 226,235	$ 677,757	$ 956,577	$ 51,152
9.83%	15.57%	19.37%	1.56%	2.33%	1.77%

Town of Thunderbolt, Georgia

Schedule of Tax Revenues and Franchise Fees
Last Ten Calendar Years

Year Ending December 31,	Property and Intangible Tax	Local Option Sales Tax	Business & Insurance Premium Tax	Malt and Alchol Beverage Tax	Utility and Cablevision Franchise Fees	Annual Totals
2006	$ 607,825	$ 1,513,446	$ 127,902	$ 83,485	$ 199,142	$ 2,531,800
2007	660,285	836,905	130,966	84,015	158,277	1,870,448
2008	651,783	717,571	129,737	67,459	187,010	1,753,560
2009	712,578	695,136	125,966	74,014	213,698	1,821,392
2010	650,254	728,607	125,140	70,816	226,050	1,800,867
2011	683,002	760,848	132,920	65,996	211,580	1,854,346
2012	698,122	743,482	136,382	62,635	208,050	1,848,671
2014	702,326	802,433	136,131	60,432	218,851	1,920,173
2015	746,258	817,855	145,434	67,863	262,571	2,039,981
2016	685,038	815,639	157,533	80,452	214,161	1,952,823

Prior to 2008, SPLOST revenue received through Chatham County was reported along with the local option sales tax. SPLOST proceeds received from Chatham County are shared revenue and are reported as intergovernmental revenue in the Town's financial statements.


TOWN OF THUNDERBOLT
INCORPORATED
1856
GEORGIA
CHATHAM COUNTY

Town of Thunderbolt, Georgia

Assessed and Actual Value of Taxable Property
Last Ten Calendar Years

	Real Property		Personal Property		Utilities and Other Property	
Calendar Year	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2007	$ 106,036,852	$ 265,092,130	$ 9,959,554	$ 24,898,885	$ 448,245	$ 1,120,613
2008	110,266,126	275,665,315	6,193,530	15,483,825	707,391	1,768,478
2009	106,239,926	265,599,815	5,085,440	12,713,600	729,121	1,822,803
2010	99,935,046	249,837,615	4,697,625	11,744,063	749,699	1,874,248
2011	96,651,603	241,629,008	5,173,736	12,934,340	757,863	1,894,658
2012	97,882,662	244,706,655	5,368,219	13,420,548	663,879	1,659,698
2013	99,047,908	247,619,770	5,466,699	13,666,748	954,021	2,385,053
2014	98,120,513	245,301,283	6,160,809	15,402,023	925,803	2,314,508
2015	97,261,780	243,154,450	6,069,819	15,174,548	1,055,708	2,639,270
2016	89,983,989	224,959,973	6,296,445	15,741,113	1,121,408	2,803,520

Source: Chatham County Board of Assessors

Note: The ratio of total assessed to total estimated value is set at 40% by state law.

Tax rates are per $1,000 net assessed value.

Total			
Assessed Value	Estimated Actual Value	Ratio of Total Assessed To Total Estimated Value	Total Direct Tax Rate
$ 116,444,651	$ 291,111,628	40.00%	6.080
117,167,047	292,917,618	40.00%	6.018
112,054,487	280,136,218	40.00%	6.119
105,382,370	263,455,926	40.00%	6.377
102,583,202	256,458,006	40.00%	6.377
103,914,760	259,786,901	40.00%	6.496
105,468,628	263,671,571	40.00%	6.288
105,207,125	263,017,814	40.00%	6.288
104,387,307	260,968,268	40.00%	6.288
97,401,842	243,504,606	40.00%	6.288

Town of Thunderbolt, Georgia

Direct and Overlapping Property Tax Rates
Last Ten Calendar Years

	Direct	Overlapping Rates			
Tax Year	Town of Thunderbolt	School District	County	State	Total
2007	6.080	13.795	10.537	0.250	30.662
2008	6.018	13.404	10.537	0.250	30.209
2009	6.119	13.404	10.537	0.250	30.310
2010	6.377	14.131	10.537	0.250	31.295
2011	6.377	14.631	11.109	0.250	32.367
2012	6.496	14.631	11.109	0.200	32.436
2013	6.288	15.880	12.950	0.150	35.268
2014	6.288	15.881	12.543	0.100	34.812
2015	6.288	16.631	12.543	0.050	35.512
2016	6.366	16.631	12.543	-	35.540

Source: Chatham County Commission - Board Minutes and town records.

Town of Thunderbolt, Georgia

Principal Property Tax Payers
Current and Nine Years Ago

	2016			2007		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Thunderbolt Marine Inc	$ 4,802,160	1	4.93%	$ 3,608,653	2	3.10%
River Crossing Investors LLC	4,608,000	2	4.73%	4,433,000	1	3.81%
Foster, William M	2,825,600	3	2.90%	2,529,800	3	2.17%
Church & Swan Properties LLC	1,677,471	4	1.72%	632,400	9	0.54%
Morning Star Marinas/Bahai Bleu	1,396,520	5	1.43%	1,579,654	5	1.36%
Hall Family Properties LLC	1,248,160	6	1.28%	1,654,000	4	1.42%
A Store & Lock, Inc.	796,560	7	0.82%	872,400	7	0.75%
Sea Ray of Savannah	790,084	8	0.81%	-	-	0.00%
Georgia Power	720,237	9	0.74%	-	-	-
JBPP LLC	698,760	10	0.72%	-	-	-
Victory Storage Company	617,760	11	0.63%	1,094,798	6	0.94%
Regency Thunderbolt, Inc	-	-	-	744,200	8	0.64%
Boaters Paradise	-	-	-	381,661	10	0.33%
Total	$ 20,181,312		20.72%	$ 17,530,566		15.05%

Source: Chatham County Board of Assessors

Town of Thunderbolt, Georgia

Property Tax Levies and Collections
Last Ten Calendar Years

Calendar Year [1]	Total Tax Levy [2]	Collected within the Calendar Year of the Levy		Collections for subsequent years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2007	$ 565,045	$ 481,253	85.17%	$ 83,781	$ 565,034	100.00%
2008	600,714	322,532	53.69%	278,204	600,736	100.00%
2009	632,134	417,189	66.00%	214,945	632,134	100.00%
2010	621,106	554,797	89.32%	66,309	621,106	100.00%
2011	589,675	533,382	90.45%	55,502	588,884	99.87%
2012	618,919	574,672	92.85%	41,642	616,314	99.58%
2013	599,812	551,734	91.98%	44,867	596,601	99.46%
2014	604,535	542,916	89.81%	53,916	596,832	98.73%
2015	597,054	545,366	91.34%	32,107	577,473	96.72%
2016	596,521	527,659	88.46%	-	527,659	88.46%

Source: Town records.

[1] Taxes are assessed for the calendar year beginning January 1.

[2] The total tax levy includes real property, industrial area, personal property and public utilities. The total tax levy is the original state approved levy after adjustments for cancelations, releases, errors and additions.

Town of Thunderbolt, Georgia

Local Option Sales Tax History
Last Ten Calendar Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	$ 58,283	$ 61,000	$ 52,893	$ 56,288	$ 62,577	$ 68,888	$ 53,446	$ 56,623	$ 61,421	$ 52,172
February	67,448	68,036	45,966	56,780	52,164	56,203	61,506	60,234	63,095	62,821
March	57,076	47,448	44,186	56,018	57,220	60,242	66,188	68,641	69,595	71,893
April	58,742	62,664	37,856	61,334	58,114	67,950	57,879	66,625	71,770	68,858
May	62,803	66,133	51,793	57,220	61,436	61,993	63,553	68,057	70,478	68,766
June	67,211	62,727	56,015	59,365	61,037	65,249	63,599	68,655	72,869	72,506
July	66,564	68,237	59,261	58,548	63,362	66,890	61,510	70,702	72,388	69,331
August	59,919	63,302	65,382	58,307	66,157	64,595	62,752	67,514	67,303	67,886
September	69,589	63,700	54,799	58,091	63,495	61,094	61,637	66,038	60,339	68,117
October	65,380	58,021	55,990	55,186	62,607	64,302	60,970	66,188	66,396	62,510
November	71,310	70,925	51,033	57,458	58,354	63,387	58,586	66,654	66,010	69,900
December	62,173	56,743	56,288	54,254	55,772	60,055	71,854	76,501	76,191	80,879
Total	$ 766,498	$ 748,936	$ 631,462	$ 688,849	$ 722,295	$ 760,848	$ 743,480	$ 802,432	$ 817,855	$ 815,639

Town of Thunderbolt, Georgia

Ratios of Outstanding Debt by Type
Last Ten Calendar Years

Year Ended June 30,	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income [a]	Per Capita [a]
	General Obligation Bonds	Capital Leases	Notes Payable	GEFA Loans	Capital Leases			
2007	$ 1,030,043	$ 168,365	$ 560,000	$ 223,749	$ -	$ 1,982,157	3.27%	$ 806
2008	970,043	94,286	-	210,086	-	1,274,415	2.06%	518
2009	905,043	117,655	-	195,887	-	1,218,585	1.79%	460
2010	835,043	43,824	-	181,138	33,842	1,093,847	1.55%	410
2011	665,000	22,612	-	165,817	-	853,429	1.18%	319
2012	390,000	70,846	-	149,900	-	610,746	0.87%	229
2013	-	-	-	-	-	-	0.00%	-
2014	-	84,907	-	-	-	84,907	0.12%	32
2015	-	88,010	-	-	-	88,010	0.12%	33
2016	-	63,068	-	-	-	63,068	0.09%	24

Note: *Details regarding the town's outstanding debt can be found in the notes to the financial statements.*

[a] *These ratios are calculated using personal income and population for the prior calendar year.*

Town of Thunderbolt, Georgia

Ratios of Net General Bonded Debt Outstanding
Last Ten Calendar Years

Calendar Year	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value [a] of Property	Per Capita [b]
2007	$ 1,030,043	$ -	$ 1,030,043	0.35%	$ 419
2008	970,043	-	970,043	0.33%	394
2009	905,043	-	905,043	0.32%	342
2010	835,043	-	835,043	0.32%	313
2011	665,000	-	665,000	0.26%	249
2012	390,000	-	390,000	0.15%	146
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-

Note:
Details regarding the town's outstanding debt can be found in the notes to the financial statements.

[a] *See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property on page G-14 for property value data.*

[b] *Population data can be found in the Schedule of Demographic and Economic Statistics on page G-24.*

Town of Thunderbolt, Georgia

Direct and Overlapping Governmental Activities Debt
As of December 31, 2016

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable [a]	Estimated Share of Overlapping Debt
Overlapping debt repaid with property taxes:			
Chatham County, Georgia:			
DSA Chatham County Projects Series 2005A	$ 2,746,711	0.88%	$ 24,086
DSA Union Mission Series 2009	1,875,000	0.88%	16,442
DSA Union Mission Series 2011	2,680,000	0.88%	23,501
DSA Chatham County Projects Series 2014	9,045,000	0.88%	79,315
Mosquito Control	3,468,759	0.88%	30,417
Savannah-Chatham County School Board:			
General Obligation Bonded Debt	32,605,000	1.14%	370,434
Other overlapping debt repaid with property taxes:			
Capital leases			
Chatham County, Georgia	3,706,552	0.88%	32,503
Savannah-Chatham County School Board	11,620,341	1.14%	132,022
Subtotal, overlapping debt			708,719
Town of Thunderbolt direct debt			63,068
Total direct and overlapping debt			$ 771,787

Sources:

Assessed value data used to estimate applicable percentages provided by the Chatham County Board of Assessors.
Debt outstanding data provided by each governmental unit.

Note:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Thunderbolt. This process recognizes that, when considering the town's ability to issue and repay long-term-debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

[a] *For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the town's boundaries and dividing it by each unit's total taxable value. For overlapping other debt (County), the percentage of overlapping applicable is estimated using the town's population and dividing it by the county's population. For overlapping other debt (School), the percentage of overlapping applicable is estimated using the town's school enrollment and dividing it by the school district's total enrollment.*

Town of Thunderbolt, Georgia

Legal Debt Margin Information
Last Ten Calendar Years

	Calendar Year				
	2007	2008	2009	2010	2011
Total assessed value of taxable property	$ 116,444,651	$ 117,167,047	$ 112,054,487	$ 105,382,370	$ 102,555,576
Less exemptions for bond purposes	-	-	-	-	-
Net assessed value for bond purposes	$ 116,444,651	$ 117,167,047	$ 112,054,487	$ 105,382,370	$ 102,555,576
Debt limit percentage	10%	10%	10%	10%	10%
Debt limit	$ 11,644,465	$ 11,716,705	$ 10,538,237	$ 10,255,558	$ 10,546,863
Total net debt applicable to limit:					
General obligation bonds (net of set aside)	1,030,043	970,043	905,043	835,043	665,000
Legal debt margin	$ 10,614,422	$ 10,746,662	$ 9,633,194	$ 9,420,515	$ 9,881,863
Total net debt applicable to the limit as a percentage of debt limit	0.88%	0.83%	0.81%	0.79%	0.65%

	Calendar Year				
	2012	2013	2014	2015	2016
Total assessed value of taxable property	$ 104,175,163	$ 105,468,628	$ 104,352,245	$ 102,223,558	$ 97,401,842
Less exemptions for bond purposes	-	-	-	-	-
Net assessed value for bond purposes	$ 104,175,163	$ 105,468,628	$ 104,352,245	$ 102,223,558	$ 97,401,842
Debt limit percentage	10%	10%	10%	10%	10%
Debt limit	$ 10,417,516	$ 10,546,863	$ 10,435,225	$ 10,222,356	$ 9,740,184
Total net debt applicable to limit:					
General obligation bonds (net of set aside)	390,000	-	-	-	-
Legal debt margin	$ 10,027,516	$ 10,546,863	$ 10,435,225	$ 10,222,356	$ 9,740,184
Total net debt applicable to the limit as a percentage of debt limit	0.37%	0.00%	0.00%	0.00%	0.00%

The present constitutional limit on direct general obligation bonds for the Town of Thunderbolt is the amount equivalent to 10% of the net assessed valuation of taxable property for debt service (bond) purposes.

The Constitutional debt limitation applies to all general obligation bonds authorized. Additional general obligation bonds may be authorized to be issued if so approved by a majority of those voting in an election held for that purpose. The Town of Thunderbolt has no general obligation bonds authorized but unissued.

Town of Thunderbolt, Georgia

Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population	Personal Income [2]	Per Capita Personal Income [1]	Unemployment Rate [3]
2007	2,460	$ 60,631,620	$ 24,647	5.8%
2008	2,460	61,964,940	25,189	5.4%
2009	2,649	68,193,207	25,743	8.5%
2010	2,668	70,776,704	26,528	9.0%
2011	2,672	72,087,824	26,979	8.7%
2012	2,670	70,554,750	26,425	8.7%
2013	2,670	71,782,950	26,885	6.8%
2014	2,688	73,524,864	27,353	6.6%
2015	2,688	74,804,352	27,829	5.1%
2016	2,668	75,539,084	28,313	5.2%

Source:

[1] United States Census Bureau - Community Facts

[2] Personal income has been estimated based upon the municipal population and per capita personal income presented.

[3] State Department of Labor

Town of Thunderbolt, Georgia

Principal Employers
Current Year and Nine Years Ago

	2016			2007		
Employer	**Employees**	**Rank**	**Percentage of Total Metro Area Employment**	**Employees**	**Rank**	**Percentage of Total Metro Area Employment**
Gulfstream Aerospace	9,878	1	8.18%	5,000	2	4.15%
Ft. Stweart/Hunter Army Airfield	5,773	2	4.78%	3,200	5	2.66%
Savannah-Chatham Board of Education	5,654	3	4.68%	4,781	3	3.97%
Memorial Medical Center	4,775	4	3.96%	5,351	1	4.44%
St Joseph's Candler Health System	3,617	5	3.00%	3,300	4	2.74%
City of Savannah	2,468	6	2.04%	2,500	6	2.08%
Wal-Mart	2,421	7	2.01%	2,182	7	1.81%
Savannah College of Art and Design	1,886	8	1.56%	1,457	8	1.21%
Chatham County	1,600	9	1.33%	1,356	10	1.13%
Georgia Ports Authority	1,420	10	1.18%	1,420	9	1.18%
	39,492		32.72%	30,547		25.37%

Source: Savannah Economic Development Authority - Leading Employers

Note: This data includes employer and employee information for the Savannah Metropolitan Service Area.

Town of Thunderbolt, Georgia

Full Time City Employees by Function/Program
Last Ten Calendar Years

	Full-time and Part-time Town Employees as of December 31				
Function/Program	**2007**	**2008**	**2009**	**2010**	**2011**
General government	7	7	7	6	7
Judiciary	3	3	3	3	3
Public safety	16	13	13	13	14
Public works	-	-	-	-	6
Total	26	23	23	22	30

	Full-time and Part-time Town Employees as of December 31				
Function/Program	**2012**	**2013**	**2014**	**2015**	**2016**
General government	7	7	7	7	7
Judiciary	3	4	4	4	3
Public safety	14	13	17	19	20
Public works	5	6	6	4	3
Total	29	30	34	34	33

Source: Town Personnel Records

Town of Thunderbolt, Georgia

Operating Indicators by Function
Last Ten Calendar Years

	Calendar Year				
	2007	**2008**	**2009**	**2010**	**2011**
Police:					
Number of emergency calls	1,825	1,916	2,642	2,640	2,180
Fire:					
Number of emergency calls	375	615	463	449	371
Public works:					
Street resurfacing (miles)	-	0.2	-	-	-

	Calendar Year				
	2012	**2013**	**2014**	**2015**	**2016**
Police:					
Number of emergency calls	3,200	3,391	3,296	2,580	2,491
Fire:					
Number of emergency calls	373	393	388	498	534
Public works:					
Street resurfacing (miles)	-	-	>1.0	>1.0	>1.0

Sources: Town records

na - The number of police department emergency calls prior to 2007 is not available.

Town of Thunderbolt, Georgia

Capital Asset Statistics by Function

Last Ten Calendar Years

	Calendar Year				
	2007	**2008**	**2009**	**2010**	**2011**
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	1	1	1	1	1
Public works:					
Streets (miles)	11	11	11	11	11
Streetlights	210	210	210	210	210
Traffic signals	3	3	3	3	3
Parks and recreation:					
Parks	4	4	4	4	4
Water:					
Water mains (miles)	10	10	10	10	10
Maximum daily capacity (thousands of gallons)	400	400	400	400	400
Wastewater:					
Sanitary sewers (miles)	10	10	10	10	10

	Calendar Year				
	2012	**2013**	**2014**	**2015**	**2016**
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	1	1	1	1	1
Public works:					
Streets (miles)	11	11	11	11	11
Streetlights	210	210	210	210	210
Traffic signals	3	3	3	3	3
Parks and recreation:					
Parks	4	4	4	4	4
Water:					
Water mains (miles)	10	10	10	10	10
Maximum daily capacity (thousands of gallons)	400	400	400	400	400
Wastewater:					
Sanitary sewers (miles)	10	10	10	10	10

Sources: Town records and Georgia Department of Transportation, Office of Transportation

COMPLIANCE SECTION


TOWN OF THUNDERBOLT
INCORPORATED
1856
GEORGIA
CHATHAM COUNTY

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*

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the Town Council
Town of Thunderbolt, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Thunderbolt, Georgia, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated June 2, 2017.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Town of Thunderbolt, 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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

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

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

Tel 912-232-0475 *Fax* 912-232-0478

6600 Abercorn Street, Suite 200 | Savannah, GA 31405 | P.O. Box 16149 | Savannah, GA 31416 | krtcpa.com

Compliance and Other Matters

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

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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KRT, CPAs P.C.



Savannah, Georgia
June 2, 2017

Tel 912-232-0475 *Fax* 912-232-0478

6600 Abercorn Street, Suite 200 | Savannah, GA 31405 | P.O. Box 16149 | Savannah, GA 31416 | krtcpa.com