ELBERT COUNTY, GEORGIA

FINANCIAL STATEMENTS

For the fiscal year ended June 30, 2018

WALKER, PIERCE & TUCK, CPA'S, PC

ELBERT COUNTY, GEORGIA
FISCAL YEAR ENDED JUNE 30,2018
TABLE OF CONTENTS

FINANCIAL SECTION

Independent Auditor's Report 1-2

Basic Financial Statements
Government-Wide Financial Statements
Statement of Net Position **3**
Statement of Activities 4

Fund Financial Statements
Governmental Fund Financial Statements
Balance Sheet 5
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 6
Statement of Revenues, Expenditures, and Changes in Fund Balances 7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 8
Proprietary Fund Financial Statements
Statement of Net Position 9
Statement of Revenues, Expenses, and Changes in Net Position 10
Statement of Cash Flows **11**
Fiduciary Funds Financial Statements
Statement of Fiduciary Assets and Liabilities 12
Notes to Financial Statements 13-37

Required Supplementary Information (other than MD&A)
Budgetary Comparison Schedules
General Fund 38
Senior Center Fund 39
Victims Assistance Fund 40
Multi-Grant Fund 41
Notes to Required Supplementary Information on Budgetary Accounting and Control 42
Defined Benefit Retirement Plan
Schedule of Changes in Net Pension Liability and Related Ratios 43
Schedule of Contributions 44

Combining and Individual Fund Statements
Combining Balance Sheet- Nonmajor Governmental Funds 45
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds. 46
Combining Statement of Fiduciary Assets and Liabilities 47

COMPLIANCE SECTION

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards 48-49
Schedule of Findings and Questioned Costs 50-54
Independent Auditor's Report on Compliance for each Major Program and Internal Control over Compliance Required by Uniform Guidance 55-56
Schedule of Expenditures of Federal Awards 57-58
Notes to Schedule of Expenditures of Federal Awards 59
Schedule of Special Purpose Local Option Sales Tax Estimated Cost and Expenditure Summary 60-61

Walker Pierce & Tuck
CERTIFIED PUBLIC ACCOUNTANTS, PC

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Elbert County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental act1v1t1es, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Elbert County, Georgia, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Elbert County Board of Health, a discretely presented component unit, which represents one hundred percent of the assets, net position, and revenues of the aggregate discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the E lbert Cou nty Board of Health, is based solely on the report ofthe other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the *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 tree 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 mate rial misstatement of the financi a l 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 th e financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of ex pressing an opinion on the effec tiveness of the entity's internal co ntrol. Accordingly, we ex press no such opinion . An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Elbert County, Georgia, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information. However, accounting principles generally accepted in the United States of America require that the budgetary comparison information and schedules of changes in net pension liability and contributions on pages 37-43 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 and other auditors 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 Elbert County Georgia's basic financial statements. The combining and individual fund financial statements and the Schedule of Expenditures of Special Local Option Sales Tax, as required by O.C.G.A 48-8-121 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 accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures ofSpecial Local Option Sales Tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of Special Local Option Sales Tax are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated June 28, 2019, on our consideration of Elbert County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provision 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 Elbert County, Georgia's internal control over financial reporting and compliance.

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Walker, Pierce & Tuck, CPA's P.C.
Gainesville, Georgia
June 28, 2019

ELBERT COUNTY, GEORGIA

Statement of Net Position

June 30, 2018

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	Health Department
Assets				
Current Assets				
Cash and cash equivalents	$ 3,045,371	$ 381,738	$ 3,427,109	$ 532,149
Restricted cash	8,331		8,331	
Accounts Receivables (net)	764,773	86.043	850,816	5,792
Intergovernmental receivable	949,658	584.674	1,534,332	
Prepaid expenditures	394,590		394.590	
Interfund balances	(709)	709		
Total Current Assets	5.162,014	1,053,164	6,215,178	537,941
Noncurrent Assets				
Capital assets				
Nondepreciable	2,079.377	193.190	2,272.567	
Depreciable, net	15,647.032	397,748	16.044.780	30,419
Advances to other funds	386,072	(386.072)		
Total Noncurrent Assets	18,112,481	204,866	18,317,347	30.419
Total Assets	23,274,495	1,258.030	24,532,525	568,360
Deferred Outflows of Resources	1,164,099		1,164,099	142,104
Total Assets and Deferred Outflows of Resources	24,438,594	1.258,030	25.696,624	710,464
Liabilities				
Current Liabilities				
Accounts payable	592,568	96,937	689,505	37,476
Accrued expenses	145,382	8.381	153.763	
Lease payable	104,959		104.959	
Notes payable	58,224		58,224	
Amounts held in trust	8,331		8,331	
Unearned revenue	14,904		14,904	
Landfill closure/postclosure cost		53,580	53,580	
Total Current Liabilities	924,368	158,898	1,083,266	37,476
Long-term Liabilities				
Net pension liability	1,649,399		1.649,399	652,144
Lease payable	322,011		322,011	
Notes payable	91,534		91,534	
Compensated absences	54,911	9,541	64,452	31,277
Landfill closure/ postclosure cost		1,018,019	1,018,019	
Total Long-term Liabilities	2,117,855	1,027,560	3,145,415	683,421
Total Liabilities	3,042.223	1,186.458	4,228,681	720,897
Deferred Inflows of Resources	1,125,916		1,125,916	30,972
Total Liabilities and Deferred Inflows of Resources	4,168,139	1,186.458	5,354,597	751,869
Net Position				
Net Investment in Capital Assets	17,149.681	590.938	17,740,619	30,419
Restricted for:				
Capital projects	1.280.838		1,280,838	
Public safety	538,155		538,155	
Tourism	9,788		9,788	
Health and welfare	186,569		186,569	
Housing and development	281,550		281,550	
Fire insurance	294.023		294,023	
Unrestricted	529.851	(519,366)	10,485	(71,824)
Total Net Position	$ 20.270,455	$ 71.572	$ 20,342,027	$ (41,405)

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

ELBERT COUNTY, GEORGIA

Statement of Activities

For the Year Ended June 30, 2018

	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
				Primary Government			Comuonent Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Health Department
Primary Government:								
Governmental Activities:								
General government	$ 4,322,899	$ 81,513	$ 283,982	$ 2,216,316	$ (1,741,088)	$	$ (1,741,088)	$
Judicial	2,014,619	1,008,126		155,387	(851,106)		(851,106)	
Public safety Public	6,022,330	1,691,010	410,040		(3,921,280)		(3,921,280)	
works Health and	1,970,397		643,273		(1,327,124)		(1,327,124)	
welfare	551,861	14,328	212,474		(325,059)		(325,059)	
Recreation and culture	405,436	22,850			(382,586)		(382,586)	
Housing and development	645,344	55,990		393,451	(195,903)		(195,903)	
Interest on Debt	37,627				(37,627)		(37,627)	
Total Governmental Activities	15,970,513	2,873,817	1,549,769	2,765,154	(8,781,773)		(8,781,773)	
Business-type Activities:								
Gas	687,277	684,448	9,597			6,768	6.768	
Public Transporlation	305,622	9,847	366,685	40,922		111,832	111,832	
Bobby Brown Park	170,687	98,359	6,450			(65,878)	(65,878)	
Total Business-type Activities	1,163,586	792,654	382,732	40,922		52,722	52,722	
Total Primary Government	$ 17,134,099	$ 3,666,471	$ 1,932,501	$ 2,806,076	(8,781,773)	52,722	(8,729,051	
Component Units:								
Health Department	$ 566,329	$ 213,770	$ 422,584	$				70,025
Total Component Units	$ 566,329	$ 213,770	$ 422,584	$				$ 70,025
General Revenues:								
Taxes:								
Property taxes, levied for general purposes					6,992,498		6,992,498	
Real estate transfer tax					18,899		18,899	
Franchise fees					94,854		94,854	
Business tax					925,156		925,156	
Sales tax					1,359,535		1,359,535	
Alcoholic beverage tax					86,890		86,890	
Hotel/Motel tax					40,182		40,182	
Interest and investment earnings					1,754	82	1,836	227
Miscellaneous					140,491	2,828	143,319	
Gain on disposition of assets					4,851		4,851	
Insurance refunds and recoveries					19,274		19,274	
Transfers					92,051	(92,051)		
Total General Revenues and Transfers					9,776,435	(89,141)	9,687,294	227
Change in Net Position					994,662	(36,419)	958,243	70,252
Net Position Beginning of Year					19,275,793	107,991	19,383,784	185,990
Prior Period Adjustment								(297,647)
Restated Beginning Net Position								(111,657)
Ending Net Position					$ 20,270,455	$ 71,572	$ 20,342,027	$ (41,405)

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

ELBERT COUNTY, GEORGIA

Balance Sheet

Governmental Funds

June 30, 2018

	General Fund	Senior Center	Capital Projects Fund	Victims Assistance Fund	Multi-Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 1,576,340	$ 152,515	$ 175,134	$ 338,658	$ 506,526	$ 296,198	$ 3,045,371
Restricted cash	8,331						8,331
Intergovernmental receivable	306,165	51,796	338,881	72,634	167,216	12,966	949,658
Receivables (net)	696,904			11,090		56,779	764,773
Prepaid expenditures	394,590						394,590
Due from other funds	320,555	47			11,936	39,024	371,562
Advances to other funds	521,454						521,454
Total Assets	3,824,339	204,358	514,015	422,382	685,678	404,967	6,055,739
Deferred Outflows of Resources							
Total Assets and Deferred Outflows of Resources	$ 3,824,339	$ 204,358	$ 514,015	$ 422,382	$ 685,678	$ 404,967	$ 6,055,739
Liabilities							
Accounts payable	$ 272,334	$ 4,089	$ 60,330	$ 186,026	$ 41,887	$ 27,902	$ 592,568
Accrued expenses	127,416	3,136		692		14,138	145,382
Due to other funds	66,824	10,564	124,336	2,936	68,579	99,032	372,271
Advances from other funds					135,382		135,382
Amounts held in trust	8,331						8,331
Unearned revenue	14,904						14,904
Total Liabilities	489,809	17,789	184,666	189,654	245,848	141,072	1,268,838
Deferred Inflows of Resources	403,334						403,334
Total Liabilities and Deferred Inflows of Resources	893,143	17,789	184,666	189,654	245,848	141,072	1,672,172
Fund Balances							
Nonspendable:							
Prepaid expenditures	394,590						394,590
Advances to other funds	521,454						521,454
Restricted for:							
Capital projects			329,349				329,349
Public safety				232,728	63,904	140,071	436,703
Tourism						9,788	9,788
Health and Welfare		186,569					186,569
Housing and development					20,220		20,220
Public works					355,706		355,706
Fire insurance fund						114,036	114,036
Unassigned	2,015,152						2,015,152
Total Fund Balances	2,931,196	186,569	329,349	232,728	439,830	263,895	4,383,567
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 3,824,339	$ 204,358	$ 514,015	$ 422,382	$ 685,678	$ 404,967	$ 6,055,739

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

ELBERT COUNTY, GEORGIA

Reconciliation of the Governmental Funds Balance Sheet
to the Statement ofNet Position
June 30, 2018

Total Governmental Fund Balances		$ 4,383,567
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Governmental capital assets	$ 31,402,240	
Less: Accumulated depreciation	(13,675,831)	
Total capital assets		17,726,409
Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:		
Accrued compensated absences not reported in governmental funds		(54,911)
Notes payable		(149,758)
Capital leases		(426,970)
Some of the County's revenues will be collected after year-end, but are not available soon enough to pay for the curTent period's expenditures and therefore are deferred in the funds.		403,334
Pension items not included in fund financial statements.		
Deferred outflows of resources		1,164,099
Deferred inflows of resources		(I,125,916)
Net pension liability		(I,649,399)
Net Position of Governmental Activities		$ 20,270,455

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

ELBERT COUNTY, GEORGIA

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

For the Year Ended June 30, 2018

	General Fund	Senior Center	Capital Projects Fund	Victims Assistance Fund	Multi-Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Property tax	$6,879,994	$ -	$ -	$ -	$ -	$ -	$ 6,879,994
Real estate transfer tax	18,899						18,899
Sales tax	1,359,265	-	2,059,767				3,419,032
Business tax	925,156						925,156
Franchise tax	94,854						94,854
Alcohol tax	86,890						86,890
Hotel/Motel tax						40,182	40,182
Intergovernmental	82,313	199,681	156,819	337,668	1,251,983	392,108	2,420,572
Licenses and permits	10,080						10,080
Fines and forfeitures	350,630			148,701		66,861	566,192
Charges for services	1,597,773	14,328			24,546	314,410	1,951,057
Contributions		12,793				7,500	20,293
Interest	1,406	40				308	1,754
Miscellaneous	140,481					10	140,491
Total Revenue	11,547,741	226,842	2,216,586	486,369	1,276,529	821,379	16,575,446
Expenditures							
Current:							
General government	2,840,986		88,487			34,722	2,964,195
Judicial	1,007,675			498,059	178,280	383,988	2,068,002
Public safety	4,969,975		44,837		9,150	887,198	5,911,160
Public works	982,158		237,017		662,281		1,881,456
Health and welfare	256,811	278,224					535,035
Recreation and culture	390,792		46,030				436,822
Housing and development	391,647		9,318		3,597	56,539	461,101
Intergovernmental			638,328				638,328
Debt Service:							
Interest Expenditure	3,765		33,702			1,296	38,763
Principal retirement			188,616			39,917	228,533
Capital Outlay			708,580		452,433	173,425	1,334,438
Total Expenditures	10,843,809	278,224	1,994,915	498,059	1,305,741	1,577,085	16,497,833
Excess (Deficiency) of Revenues Over (Under) Expenditures	703,932	(51,382)	221,671	(11,690)	(29,212)	(755,706)	77,613
Other Financing Sources (Uses)							
Transfers in	100,000					525,000	625,000
Transfers out	(525,000)		(7,949)				(532,949
Insurance refunds and recoveries	17,849					1,425	19,274
Proceeds from sale of assets	4,851						4,851
Total Other Financing Sources (Uses)	(402,300)		(7,949)			526,425	116,176
Net Change in Fund Balances	301,632	(51,382)	213,722	(11,690)	(29,212)	(229,281)	193,789
Fund Balances Beginning of Year	2,629,564	237,951	205,627	244,418	469,042	403,176	4,189,778
Prior Period Adjustment			(90,000)			90,000	
Fund Balances End of Year	$2,931,196	$186,569	$ 329,349	$ 232,728	$ 439,830	$ 263,895	$ 4,383,567

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

ELBERT COUNTY, 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 June 30, 2018

Net Changes in Fund Balances-Total Governmental Funds		$ 193,789
Amounts reported as governmental activities in the Statement of Activities are different from the amounts reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance because:		
Capital outlays are reported as expenditures in Governmental Funds. However, in the Statement of Activities the cost of those assets is allocated over their useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation.		
Capital outlay	1,345,478	
Less: Current year depreciation	(953,453)	
		392.025
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the statement of net position. This is the amount by which proceeds exceeded repayments.		228.533
Net pension liability is not available during the current period and therefore is not reported in the funds		
End of Fiscal Year	(1.649,399)	
Beginning of Fiscal Year	3,240.620	
		1.591,221
Contributions made after pension measurement date, changes in assumptions, and differences in expected and actual results of the defined benefit pension plan are reported as deferred outflows and not reported in the funds.		
End of Fiscal Year	1,164,099	
Beginning of Fiscal Year	(1,541.601)	
		(377,502)
Differences in expected and actual results of the detined benefit pension plan are reported as deferred inflows and not reported in the funds.		
End of Fiscal Year	(1,125,916)	
Beginning of Fiscal Year	31,358	
		(1.094.558)
Compensated absences are reported in the Statement of Activities, but do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Compensated absence liability at June 30, 2017	76,726	
Compensated absence liability at June 30, 2018	(54,911)	
		21.815
Accrued interest and amortization of deferred charges are reported in the Statement of Activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Accrued interest at June 30, 2017	1,136	
Accrued interest at June 30, 2018		
		1,136
Because some revenues will not be collected for several months after the County's fiscal year end. they are considered "available" revenues and are deferred in the governmental funds.		
Deferred revenue at June 30, 2017	(365,131)	
Deferred revenue at June 30, 2018	403,334	
		38,203
Change in Net Position of Governmental Activities		$ 994,662

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

ELBERT COUNTY, GEORGIA

Statement of Net Position

Proprietary Funds

June 30, 2018

	Solid Waste Fund	Public Transportation Fund	Bobby Brown Park	Total
Current Assets				
Cash and cash equivalents	$ 72,593	$ 294,867	$ 14,278	$ 381,738
Accounts receivable (net)	79,457		6,586	86,043
Due from other governments	535,800	48,874		584,674
Due from other funds		15,864		15,864
Total Current Assets	687,850	359,605	20,864	1,068,319
Noncurrent Assets				
Capital assets				
Non-depreciable	193,190			193,190
Depreciable, net	228,037	103,158	66,553	397,748
Total Noncurrent Assets	421,227	103,158	66,553	590,938
Total Assets	1,109,077	462,763	87,417	1,659,257
Deferred Outflows of Resources				
Total Assets and Deferred Outflows of Resources	1,109,077	462,763	87,417	1,659,257
Liabilities				
Current Liabilities				
Accounts payable	67,253	5,040	24,644	96,937
Accrued expenses	2,982	3,784	1,615	8,381
Due to other funds	1,114	14,041		15,155
Landfill closure/postclosure	53,580			53,580
Total Current Liabilities	124,929	22,865	26,259	174,053
Long-term Liabilities				
Advances from other funds	135,291		250,781	386,072
Landfill closure/postclosure	1,018,019			1,018,019
Compensated absences		9,541		9,541
Total Long-term Liabilities	1,153,310	9,541	250,781	1,413,632
Total Liabilities	1,278,239	32,406	277,040	1,587,685
Deferred Inflows of Resources				
Total Liabilities and Deferred Inflows of Resources	1,278,239	32,406	277,040	1,587,685
Net Position				
Net investment in capital assets	421,227	103,158	66,553	590,938
Unrestricted	(590,389)	327,199	(256,176)	(519,366)
Total Net Position	$ (169,162)	$ 430,357	$ (189,623)	$ 71,572

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

ELBERT COUNTY, GEORGIA

Statement of Revenues, Expenses, and Changes in Net Position

Proprietary Funds

For the Year Ended June 30, 2018

	Solid Waste Fund	Public Transportation Fund	Bobby Brown Park	Total
Operating Revenue				
Charges for services	$ 684,448	$ 9,847	$ 98,359	$ 792,654
Donations			1,450	1,450
Miscellaneous income	1,884		944	2,828
Total Operating Revenue	686,332	9,847	100,753	796,932
Operating Expenses				
Personnel services:				
Salaries and wages	133,776	172,389	58,342	364,507
Employment Taxes	10,107		5,622	15,729
Benefits	14,509			14,509
Total Personnel Services	158,392	172,389	63,964	394,745
Purchased / contracted services:				
Professional and technical	26,140	14,880		41,020
Rentals	1,200			1,200
Other purchased services	424,478		36,769	461,247
Total Purchased / contracted services	451,818	14,880	36,769	503,467
Other operating expenses:				
Landfill closure/postclosure	11,534			11,534
Administrative	1,624	3,865	160	5,649
Supplies	9,623	31,280	38,565	79,468
Repairs and maintenance	21,956	20,073	1,123	43,152
Utilities	14,011	22,238	24,857	61,106
Engineering, lab fees and training		148		148
Depreciation	16,794	39,158	1,325	57,277
Marketing and advertising		1,591	5,249	6,840
Miscellaneous	200			200
Total other operating expenses	75,742	305,622	172,012	553,376
Total Operating Expenses	685,952	305,622	172,012	1,163,586
Operating Income (Loss)	380	(295,775)	(71,259)	(366,654)
Nonoperating Revenues (Expenses)				
Interest income	82			82
Total Nonoperating Revenues and (Expenses)	82			82
Income (Loss) Before Contributions and Transfers	462	(295,775)	(71,259)	(366,572)
Intergovernmental grant	9,597	407,607	5,000	422,204
Transfer in			7,949	7,949
Transfer (out)		(100,000)		(100,000)
Change in Net Position	10,059	111,832	(58,310)	(36,419)
Net Position Beginning of Year	(179,221)	418,525	(131,313)	107,991
Net Position End of Year	$ (169,162)	$ 430,357	$ (189,623)	$ 71,572

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

ELBERT COUNTY, GEORGIA

Statement of Cash Flows

Proprietary Funds

For The Year Ended June 30, 2018

	Solid Waste Fund	Public Transportation Fund	Bobby Brown Park	Total
Cash flows from operating activities:				
Receipts from customers	$ 654,602	$ 1,707	$ 94.167	$ 750,476
Payments to supp liers	(484.217)	(160.257)	(89.487)	(733.961)
Payments to empl oyees	(158.469)	(170,046)	(63,585)	(392.100)
Net cash provided (used) by operating activities	11,916	(328,596)	(58.905)	(375,585)
Cas h flows from noncapital financing activities:				
Transfer to other funds		(100.000)		(100.000)
Intergovernmental grants	9,597	331,807	5.000	346.404
Increase (decrease) in advances from other funds	(50,694)		87.102	36,408
Net cash provided (used) by noncapital linancing activities	(41.097)	231.807	92, 102	282.812
Cash flows from capital and related financing activities:				
Transfer from other funds			7,949	7.949
Intergovernmental grants		92,226		92, 226
Acquisition and construction of capital assets		(40,922)	(67,878)	(108,800)
Net cash provided (used) by capital and related financing activities		51,304	(59,929)	(8.625)
Cash flows from investing activities:				
Interest income	82			82
Net cash provided (used) by investin g activities	82			82
Net increase (decrease) in cash and cash equivalents	(29.099)	(45,485)	(26,732)	(101,316)
Cash and cash equivalents, June 30, 2017	101,692	340,352	41,010	483,054
Cash and cash equivalents, June 30, 2018	$ 72,593	$ 294,867	$ 14,278	$ 381.738
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operat ing income (loss)	$ 380	$ (295,775)	$ (71.259)	$ (366,654)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	16,794	39, 158	1.325	57.277
Landfill closure/ postclosure	23,068			23,068
Changes in assets and liabilities:				
(Increase) decrease in accounts receivable	(20, 196)		(6,586)	(26, 782)
(Increase) decrease in due from other governments	(11.534)			(11,534)
(Increase) decrease in due from other funds		(8,140)		(8,140)
Increase (decrease) in due to other funds	(21,558)	(65,551)		(87,109)
Increase (decrease) in accounts payable	25,039	(631)	17,236	41,644
Increase (decrease) in accrued expenses	(77)	(430)	379	(128)
Increase {decrease) in compensated absences		2.773		2.773
Net cash provided (used) by operating activities	$ 11,916	$ (328,596)	$ (58,905)	$ (375.585)

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

ELBERT COUNTY, GEORGIA

Statement of Fiduciary Assets and Liabilities

June 30, 2018

	Agency Funds
Assets	
Cash and cash equivalents	$ 528,726
Taxes receivable	240,627
Total Assets	$ 769,353
Liabilities	
Due to others	$ 769,353
Total Liabilities	$ 769,353

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

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Elbe11County, Georgia have been prepared in conformity with generally accepted accounting principles in the United States of America (GAAP) as applied to government units. The County's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements and Accounting Principles Board (APB) opinions, unless those pronouncements conflict with or contract GASB pronouncements, in which case GASB prevails. The more significant of the government's accounting policies are described below.

1-A The Reporting Entity

Elbert County, Georgia was incorporated in 1803 in the State of Georgia. The County operates under a six-member commission and County Administrator form of Government. Other officials elected by citizens of the county that manage various segments of the County's operations are the Clerk of Court, District Attorney, Chief Magistrate, Probate Judge, Sheriff, and Tax Commissioner. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire county.

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the County are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County. Component units are legally separate organizations for which the County appoints a voting majority of the organization's governing board and (I) the County is able to significantly influence the programs or services provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the issuance of debt, or the levying of taxes.

Discretely Presented Component Units

The component unit column on the combined financial statements includes the financial data of the County's discretely presented component unit. It is reported in a separate column to emphasize it is legally separate from the County. Discretely presented component unit include the following:

Elbert County Health Department – The Health Department was constituted and is operated in accordance with the Georgia Health Code, Chapter 88-2,Georgia Laws 1964. The District Health Director is the Executive Officer of the Elbert County Health Department and is responsible for the overall coordination of local health activities. The center operates under the supervision of the local Board of Health, which is appointed by the Elbert County Board of Commissioners and the City of Elberton. Elbert County provides the facilities for the Health Department and provides matching funds for its operation. The Health Department issues separately audited financial statements. Copies of the audit may be obtained from the Health Department at the following address:

Elbert County Public Health Department
618 Jones Street, SW, Elberton, GA. 30635

Other Entities

Other entities, which are excluded from the reporting entity because the County is unable to impose its will on the entities governing board or does not receive specific financial benefits or incur specific financial burdens from the entities, include the following:

- The Board of Education of Elbert County
- The Development Authority of Elbert County, Elbe11on and Bowman
- The Elbert County Hospital Authority
- The Department of Family and Children Services
- The City of Elberton Housing Authority
- The Elbert County Library Board

Related Organization

Elbert County Richard B. Russell Development Authority – The Authority is a related organization to the County. The Board of Commissioners appoints the board but is not financially or operationally accountable to the Authority. The Authority does not meet the criteria for inclusion as a component unit.

Joint Ventures- The County participates in the followingjoint venture:

E lbert County, in conjunction with cities and counties in the twelve county Northeast Georgia regions are members of the Northeast Georgia Regional Commission . Membership in the Commission is automatic for each municipality and county in the state. The Official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the Commissions. Each county and municipality in the state is required by law to pay minimum annual dues. The Commission's board membership includes the chief elected official of each county and the chief elected official of each municipality. The county board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from a County. The Georgia Planning Act of 1989 (O.C.G . A . 50-8-34) defines Commissions as "public agencies and instrumentalities of their member". Georgia laws also provide that the member governments are liable for any debts or obligations of a Commission beyond its resources, (O.C.G . A. 50-8-39.1). Complete financial statements of the Northeast Georgia Regional Commission can also be obtained directly from their office at:

Northeast Georgia Regional Commission
305 Research Drive
Athens, GA. 30605-2795

1-B Basis of Presentation

Government- Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the County at year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County 's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and , therefore, clearly identifiable to a particular function . Program revenues include charges paid by the recipients of the goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capita l requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements

Durin g the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid fin a ncial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid.

The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

- General Fund – This is the County's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the county for any purposes provided it is expended or transferred according to the general laws of Georgia.
- Senior Center Fund – The Senior Center fund is used to account for fees from senior adults to pay for activities and home delivered meals as well as on site meals. The Senior Center also receives various donations for individuals and organizations in the community.
- Capital Projects Fund – This fund is used to account for revenue and expenditures resulting from the Special Purpose Local Option Sales Tax referendum. The primary revenue sources are one percent (I%) sales taxes and the primary expenditures are capital outlay projects, primarily for road and bridge repairs, County facility improvements, County equipment purchases, City of Elberton projects, and City of Bowman projects.
- Victims Assistance Fund – This fund is used to account for funds collected to provide support to victims of violent crimes.
- Multi-Grant Fund – This fund is used for revenue and expenditures resulting from several grant projects that span several years. The grants are from federal, state and private sources and are for capital project and operational functions.

The non-major governmental funds are combined and reported in a single column in the fund financial statements.

Proprietary Funds

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

Receivables from and payables to external parties are reported separately and not offset in the proprietary fund financial statements and business-type activities of the government-wide financial statements, unless a right of offset exists.

The County reports the following major proprietary fund:

- Solid Waste – This entity was established for the collection and disposal of solid waste. This entity is responsible for the closure care of the old landfill.
- Transportation – This entity was formed to provide public transportation services to the citizens of Elbert County. Funding includes federal, state, local funds as well as charges for services.
- Bobby Brown Park – This entity was established in 2015 through a lease agreement with the Georgia Department of Natural Resources. Revenue is derived from the park's campsites rental fees.

Fiduciary Funds

The County has five agency fiduciary funds, Probate Court, Magistrate Court, Sheriff, Clerk of Court, and the Tax Commissioner. These agency funds are unlike all other types of funds in that they report only assets and liabilities and do not have a measurement focus. The accrual basis of accounting is utilized in these funds to recognize receivables and payables.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of the County are included on the Statement ofNet Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of government-wide

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

Like the government-wide financial statements, the proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows reflects how the County finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

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

Revenues – Exchange and Non-exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty-days after year end. Property taxes, sales taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, includes property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenses / Expenditures

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

Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The procedures for establishing the General Fund budget are as follows:

Each department furnishes its budget request to the County Administrator. The County finance officer compiles these requests into a comprehensive general fund budget. The Commissioners review the budget requests in a budget workshop that is open to the public. The budget is adopted by the Board of Commissioners in a public meeting held by the Board prior to July 1". All budgetary appropriations, except for open projects, lapse at year end. The level of budgetary control is at the department level.

1-C Assets, Liabilities, and Equity

Cash and Investments

Cash and cash equivalents are cash on hand as well as demand deposits, investments and certificates of deposit included in pooled cash and non-pooled investments with original maturities of three months or less. Cash and cash equivalents on the Statement of Cash Flows for proprietary funds represent available cash on hand and demand deposits. Investments include pooled investments and certificates of deposit (with original maturities of three months or greater). The County maintained no cash funds in investment accounts at June 30, 2018.

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

- Obligations of the State of Georgia, or of any other state
- Obligations of the United States Government or any corporation of the US government
- Obligations fully insured or guaranteed by the U.S. government or by a governmental agency of the U.S.
- Prime bankers' acceptances
- The State of Georgia local government investment pool
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Net Position

Net position represents the residual of all other elements presented in the Statement of Net Position. Net position is reported as Net investment in Capital Assets, balances restricted by enabling legislation and unrestricted balances. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted balances are available.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2018, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of the fund balance is reserved as this amount is not available for general appropriation.

Inventory

Expendable supplies are recorded as expenditures at the time the items are purchased. The County does not record inventories of supplies at year end in governmental funds due to the lack of materiality. The proprietary fund inventory is stated at the lower of cost or market on a first-in, first-out basis.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide Statement of Net Position, but does not report these assets in the governmental fund financial statements. Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the proprietary funds' Statement of Net Position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County's capitalization threshold is $5,000. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are reported as expenses. The County has recorded the value of infrastructure assets (roads, bridges and water lines, etc.) for additions made since July 1, 2003.

All capital assets are depreciated except for land, right-of-ways 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:

Assets	Years
Infrastructure	25-50
Buildings and improvements	10-50
Machinery and equipment	7-20
Vehicles	5

Interfund Receivables/Payables

Activity between funds that are representative of lending / borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to / from other funds" (i.e., the current portion of interfund loans) or "advances to / from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances" and eliminated on the Statement of Net Position.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Compensated Absences

Effective January 1, 2006, the County adopted a new policy for compensated absences. Under the new policy, an employee is awarded annual leave based on the number of years of continuous employment from 12 days up to 24 days leave. All unused leave remaining at the end of the calendar year is forfeited. Leave accrued under the old policy will be honored by the County and can be used by the employee in addition to all current leave awarded to that employee. Employees may purchase annual leave that they have accumulated under the old system once per year not to exceed $800. Upon termination, any remaining hours of accrued leave are to be paid out to the employee.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignation and retirements, or through the annual leave pay-out provision. On the government-wide financial statements, the balance of compensated absences is recorded as a noncurrent liability and disclosed as a long term debt.

Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. Loans and capital leases are recognized as a liability on the fund financial statements when due.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services in the Solid Waste Proprietary Fund and charges for public transportation in the Public Transportation Proprietary Fund. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of each fund. Revenues and expenses not meeting these definitions are reported as non-operating.

Interfund Transactions

These balances resulted from the time lag between the dates that (I) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

This government reports interfund transfers between several of its funds. Some of the transfers are considered immaterial and are aggregated into a single column or row titled *All Others.* The sum of all transfers presented in the table agrees with the sum of interfund

transfers presented in the governmental and proprietary fund financial statements. These transfers have been eliminated from the government- wide financial statements.

Transfers are used to (I) move revenues fTom the fund that statute or budget requires to collect 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) provide unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Estimates

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

Property Tax Calendar

Property taxes were levied on September 21, 2018, billed on October 16, 2018, and were due on December 17, 2018. Unpaid property taxes were considered delinquent on December 18, 2018. Property taxes attach as an enforceable lien ninety days later on March 18, 2019, which is considered as the lien date.

Deferred Outflows/ Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category. This item consists of the deferred charges related to the County's defined benefit retirement plan. Note 4: Deferred Outflows of Resources for further disclosure.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has two items that qualify for reporting in this category. One of the items is property tax. This item only arises under the modified accrual basis of accounting. Accordingly, this item, *unavailable revenue,* is reported only in the governmental funds balance sheet. The second item that qualifies for reporting in this category consists of the deferred income related to the County's defined benefit retirement plan. See Note 5: DefetTed Inflows of Resources for further disclosure.

1-D Fund Equity

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

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

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

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

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

Assigned- Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County's finance officer to assign fund balances.

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

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

Committed
Assigned
Unassigned

NOTE 2: CASH AND CASH EQUIVALENTS

Primary Government

The County's cash balance is classified into three categories of credit risk: 1) cash that is insured or collateralized with securities held by the County or by its agent in its name, 2) cash collateralized with securities held by the pledging financial institution's trust department or agent in the County's name, and 3) uncollateralized bank accounts including any bank balance that is collateralized with securities held by the pledging institution's trust department or agent but not in the County's name.

At June 30, 2018, the carrying amount of the County's deposits was $3,435,440, and the related bank balance totaled $3,755,293. All deposits were fully collateralized as of June 30, 2018.

Cash	$ 3,435,440
Agency Funds	$ 528,726

The County's custodial credit risk policy is to require all banks to collateralize the County's deposits at 110% of account balances and to have a perfected security agreement supporting the collateral agreement with the bank. TheCounty does not have a foreign credit risk.

Component Unit

The Elbert County Health Department has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. The carrying amount of the Health Department's deposits as of June 30, 2018, was $532,149 and the bank balances were $540,611.

NOTE 3: RECEIVABLES

Primary Government

Receivables at June 30, 2018, at the fund level, consisted of taxes, accounts (billings for user charges), intergovernmental receivables arising from sales tax collections and interfund receivables.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be materiala nd substantiated not only by supporting documentation but also by a reasonable, systematic method of determining their existence, completeness, valuation and, in the case of receivables, collectability.

Receivables are reported net of an allowance for doubtful accounts and consist of the following:

GJvernmental Funds:		
Taxes receivables	$	519,196
Accounts receivable - EMS Charges for Services		180,355
Accounts receivable- E911 Charges for Services		49,087
Accounts receivable - Other Charges for Services		5,045
Fines Receivable		11,090
Due from other governments - SPLDST		182,062
Due from other governments - State of GA		565,390
Due from other governments -Other		202,206
Total GJvernmental Receivables:	$	1,714,431
Business-type Funds:		
Due from other governments - GA DOT	$	10,095
Due from other governments - DHS		38,779
Due from other governments - City of Elberton		535,800
Accounts receivable - Solid waste service charges		86,043
Total Business-type Receivables:	$	670,717

Component Unit

The Elbert County Health Department has an amount due from the Georgia Department of Public Health of $5,792 which represents the June 2018 amount in aid reimbursement requests.

NOTE 4: DEFERRED OUTFLOWS OF RESOURCES

Government-Wide Financial Statements:

Deferred outflows of resources - governmental activities		
Defined benefit retirement plan - See Note 6	$	1,164,099
Total deferred outflows of resources- governmental activities	$	1,164,099

NOTE 5: DEFERRED INFLOWS OF RESOURCES

Governmental Fund Financial Statements :

Delerred inflows ofresources		
Property taxes	$	403,334 Non-exchange transaction resource collected
Total deferred inflows of resources -governmental fund	$	403,334 beyond the City's period of availability.

Government-Wide Financial Statements:

Defenred inflows of resources- govemmental activities		
Defined benefit retirement plan - See Note 6	$	1,125,916
Total defenred inflows of resources - govemmental activities	$	1,125.916

NOTE 6: RETIREMENT PLANS

Defined Benefit Retirement Plan

Plan Description

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia as defined in the Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting/or Pension Plans.*

The specific benefit provisions of the Elbert County Defined Benefit Plan was established by an adoption agreement executed by the County Board of Commissioners. The Plan provides for benefits upon retirement, death , disablement, and termination of employment, if certain eligibility conditions are met. The Board of Trustees for the ACCG Pension Plan and Trust oversees the administration , investment and funding of the ACCG Retirement Program for member employers. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish , and amend from time-to-time the contribution rates for the County and its plan participants. The pension plan's financial report is included in the report of the ACCG Elbert County Defined Benefit Plan prepared by GEBCorp.

A copy of the Pension Plan financial reports can be obtained from:

GEBCorp
191 Peachtree Street NE, Suite 700
Atlanta, Georgia 30303

Employee membership data related to the Plan, as of January 1, 2017 (the most recent actuarial valuation date are shown below:

Active participants	164
Deferred Vested Participants	99
Retirees, Beneficiaries and Disables Receiving Benefits	61
Total Number of Plan Participants	324

Funding Policy

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth the minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The required annual contributions for Elbert County is $562,802 for FY 2018, which is 11.3% of fiscal year 2017's covered payroll.

Plan Benefits and Eligibility

The Plan went effective on December 1, 1968 and was last amended and restated on January 1, 20 II. Any full-time employee meeting the provisions as set out in the Adoption Agreement are eligible upon employment. The normal form of benefit is a straight life annuity. Other forms of payment are available and are actuarially equivalent to the normal form. There have been no substantive changes since the last actuarial valuation.

Benefits

Normal Retirement	Attained age 65 & 5 years of service.
Late Retirement	Any date subsequent to Normal Retirement.
Early Retirement	Attained age 50 and 25 years of Service or age 60 & 10 years ofService. Prior Contributory Plan participants are eligible at age 55 with 25 years of Service at no reduction.
Disability Retirement	10 years of Service, deemed to be totally disabled by the Federal Social Security Administration.
Vested Termination	100% vested after 5 years of Service.
Pre-Retirement Death Benefit	Lump Sum for active Participants & terminated vested Participants receiving a Disability Retirement benefit and not yet age 65.
Post-Retirement Death Benefit	Termination of employment due to Early, Nonnal or Late Retirement. Participants receiving a Disability Retirement benefit and who have attained nomlal retirement age are also eligible.
Accrued Benefit	Effective January 1, 1993 through October 31, 2000: 2.00% of Average Annual compensation plus $36 multiplied by years of Service. Effective November 1, 2000:2.5% of Average Annual compensation plus $36 multiplied by years ofService. No contributory plan participants: 1.25% of Average Annual Compensation for Credit Services after January 1, 2011.

Benefit Amounts

Nomlal Retirement	Benefit payable monthly for life- Participant's Accrued Benefit at Nonnal Retirement
Late Retirement	Benefit payable monthly for life- Participant's Accrued Beneflt at Late Retirement
Early Retirement	Benefit payable monthly for life- Participant's Accrued Benefit actuarially reduce at Early Retirement Prior Contributory Plan: 25 years ofService with minimum age 55, unreduced benefit.
Disability Retirement	Benefit payable rronthly lor life equal to the Participant's Accrued Disability at Disability Retirement
Vested Termination	Benefit payable rronthly tor life equal to the Participant's Accrued Benefit at tennination. Participants with 25 years of Service or 10 years of Service may elect to receive benefits at an early retirement date calculated in the same manner as an early retirement benefit.
Pre-Retirement Death Benefit	Lump-Sum (i) 100 times the projected monthly benefit based on level earnings and continued Service to Nomlal Retirement (ii) 50 times the participant's monthly pension benelit limited to $50.000
Post-Retirement Death Benefit	Termination of employment due to Early, Nomlal or Late Retirement. Participants receiving a Disability Retirement benefit and who have attained nonnal retirement age are also eligible.

The following chart shows the historical funding information. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Funding History

Actuarial Valuation Date	1/1/2017
Actuarial Value of Assets (a)	$ 17,441,886
Actuarial Accrued Liability (b)	$ 19,091,285
Underfunded/(Surplus) (b) - (a)	$ 1,649,399
Funded Ratio (a) / (b)	91.36%
Covered Payroll	$ 5,431,405
Underfunded Actuarial Accrued Liability as a Percentage of Covered Payroll	30.37%

Actuarial Cost Method. Entry Age Normal: A method under which actuarial present value ofthe projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age(s).

Amortization Method. Closed level percentage of pay.

Asset Valuation Method. Smoothed market value with a 5-year smoothing period.

Actuarial assumptions. The total pension liability in the January 1, 2016 actuarial valuation date was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Expected Long-Term Rate of Return	7.5% per year. Revised to 7.25% as of December 31, 2016. *(Based on analysis peljormed by the Board ofTrustees in 20/6)*
Future Salary Increases	3.50% per year with an age based scale *(Based on results o,/the February 2014 experience study)*
Mortality Rates	RP-2000 projected with Scale AA
Cost of Living Adjustment	N/A

The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as the forward-looking capital market assumptions for a moderate asset allocation (33.34%), as detemlined by the UBS.

Discount Rate Building Blocks

Benchmark	Asset Allocation	Average 20 Yr Return	Weighted 20 Yr Return	Average 30 Yr Return	Weighted 30 Yr Return
S&P 500	30%	7.91%	2.37%	10.22%	3.07%
Barlay's Agg.	30%	5.60%	1.68%	6.56%	1.97%
MSCI EAFE	15%	4.29%	0.64%	5.73%	0.86%
Citi Non US WEB!	5%	4.66%	0.23%	5.98%	0.30%
NAREIT Equity	5%	10.79%	0.54%	10.44%	0.52%
Russell 2000	5%	8.06%	0.40%	9.33%	0.47%
Russell 3000	5%	8.03%	0.40%	10.14%	0.51%
S&P Mid Cap	5%	11.22%	0.56%	11.53%	0.58%
Weighted Return			6.82%		8.28%

Future salary increases 3.50% per year with an age based scale based on results of the February 2014 experience study as follows:

Age	Salary Increase
Under 30	3.5% rate plus 1.5%
30-39	3.5% rate plus 1.0%
40-49	3.5% rate plus 0.5%
50+	3.5% rate plus 1.0%

Termination rates were determined from an experienced based, age and service based set of rates; sample rates as follows:

Age	Probability of Termination
25	10.8%
35	8.3%
45	5.5%
55	0.0%

Years of Service	Probability of Termination
3 or less	175% of the age-based assumption
4	150% of the age-based assumption
5	125% of the age- based assumption
6	Same as the age-based assumption

Disability rates for both sexes were determined from a 1977 Social Security Administration study. For valuation purposes, rate are used with a one-year set forward. Incidence of disability resulting in eligibility for both disability benefits under the County retirement plan and the Social Security samples rates as follows:

Age	Probability of Disability
Under 20	0.0000%
20	0.0100%
25	0.1131%
30	0.1900%
35	0.2712%
40	0.4000%
45	0.6331%
50	1.0400%
55 & Over	0.0000%

Asset Allocation Policy. The Trustees shall rebalance the portfolio at least annually for asset allocation purposes. The guidelines for allocation are: equities shall not exceed 70% of total Plan assets, valued at cost. Fixed Income shall be targeted at 30% of total Plan assets, valued at cost. The Trustee's guidelines for asset allocation are as follows:

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

Discount Rate. The discount rate used to measure the total pension liability was 7.25 percent. In projecting plan assets, the assumed contribution was based on the average contribution made to the plan over the prior five years. Projected assets are sufficient to pay all projected benefits promised to cutTent plan participants. Therefore, the expected long-term rate of return (7.50 percent) was used to discount all projected benefit payments. As of December 31, 2016, the expected long term rate of return was revised to 7.25%. The discount rate reflects the long-term expected rate of return on pension plan investments during the period in which the fiduciary net position is projected to be sufficient to pay benefits.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the County's net pension liability calculated using the discount rate of 7.25 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is !-percentage-point lower (6.25 percent) or !-percentage-point higher (8.25 percent) than the current rate:

	Discount Rate	Net Pension Liability
1% Decrease	6.25%	$ 4,063,225
Current Discount Rate	7.25%	$ 1,649,399
1% Increase	8.25%	$ (368,649)

Pension Expense for the Year Ended June 30, 2018

Pension Expense For The Year Ended June 30,2018

Service Cost	$ 283,536
Interest on TPL	1,302,069
Employee Contributions	(120,660)
Administrative Expenses	29,265
Projected Earnings on Plan Investments	(1,083,669)
Other Changes -Investment Expense, Post-Retirement & Pre-Retirement Death Benefit Expense	28,260
AmortiZation of:	
Liability Experience (Gain)/Loss	(25,572)
Change in Assumptions	168,351
Asset (Gain)/Loss	(10,741)
Total Pension Expense	$ 570,839

For the year ended June 30, 2018, Elbert County, Georgia recognized pension expense of $570,829.

Net Pension Liability. The County's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017. At June 30, 2018, the County reported a net pension liability. Changes in the County's net pension liability for the year ended December 31, 2017 were as follows:

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Plan Net Position (FNP) (b)	Net Pension Liability (NPL) (a)-(b)
Balances at December 31, 2016	18,333,506	15,092,886	3.240,620
Changes for the Year:			
Service Cost	$ 283,536	$	$ 283,536
Interest Expense	1,302,069		1.302,069
Benclit Changes (Changes ofbenefi t terms)			
Experience Losses (Gains)	(115,419)		(115,419)
(Amortized over avg remain svc period of actives & inactives)			
Changes of Assumptions	35,451		35,451
Contributions- Employer!Nonemployer		690,000	(690,000)
Contributions - Employee		120,660	(120,660)
Other Changes - Contribution timing differences			
Net Investment Income		2.420.925	(2,420.925)
Expected Return on Plan Investments			
Amortized Portion ofCurrent-period			
Diflerences between Actual			
and Expected Returns on Plan Investments			
Refunds ofContributions			
Benefits Paid	(747.858)	(747,858)	
Plan Administrative Expenses		(29,265)	29,265
Contributions lor Specific Liabilities			
Other Changes		(105,462)	105.462
Amortization of or Change in Beginning Balances ofDeferred Outflow			
NET CHANGES:	$ 757,779	$ 2,349,000	$ (1,591,221)
Balances at December 31, 2017	$ 19,091,285	$ 17,441,886	$ 1,649,399

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

At December 31, 2017, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Inflow/Outflows of Resources Related to Pension

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Investment Earnings	$ 481,311	$ (1,008,043)
Difference Betwee m Expected and Actual Pension Liability	14,995	(117,873)
Changes in Assumption	667,793	
Total	$ 1,164,099	$ (1,125,916)

Other amounts reported as defened outflows of resources and deferred inflows of resources will be recognized in the pension expense as follows:

Projected Reco :nition of Deferred Outtlows/(lntlows}

	Year Esrablished	Oulslanding Balance al 1-Jan-17	Amounl Recog nized During FYE 30-Ju n-18	Ourstanding Balance al 30-Jun -18	Delen·ed Ourtlows /(lnflows) Recog nized in Fulure Years 2019	2020	2021	2022	2023	2024 and lhereatler
Fiscal Year Ouitl o ws										
In ves trrent	2015	39,699	$ 19,849	$ 19,850	$ 19,850	$	$		$	
In ves tn-.:nt	2016	608,414	202,804	405,610	202,805	202,805				
Inves tn-cnt	2017	74,468	18,617	55,851	18,617	18,617	18,617			
1\ss umpl ion Change	2016	353,790	80,407	273,383	80,407	80,407	80,407	32,162		
1\s s umprio n Chan ge	2017	446,903	81,255	365,648	81,255	81,255	81,255	81,255	40,628	
Ass umplio n Chan ge	2018	35,451	6,689	28,762	6,689	6,689	6,689	6,689	2,006	
E>.perie nce	2017	18,327	3,332	14.995	3,332	3,332	3,332	3,332	1,667	
Total OutOo"'		$ 1,577.052	$ 412,953	$ 1,164,099	$ 412,955	$ 393,105	$ 190,300	$ 123,438	$ 44,301	$
Fiscal Year Inflows										
E>.perience	2016	$ (31,358)	$ (7,127)	$ (24,231)	$ (7,127)	$ (7,127)	$ (7,127)	$ (2,850)	$	$
In ves trrenl	2018	(1,260,054)	(252,011)	(1,008,043)	(252,011)	(252,0 II)	(252,011)	(252,010)		
Experience	2018	$ (115,41 9)	$ (21,777)	$ (93,642)	$ (21,777)	$ (21,777)	$ (21,777)	(21,777)	$ (6,534)	
Total lnOo"'		$ (1,406,831)	$ (280,915)	$ (1,125,916)	$ (280,915)	$ (280,915)	$ (280,915)	$ (276,637)	$ (6,534)	

Other Retirement Plans

Certain qualified employees of the County are included in two of the seven retirement plans in which the County participates. These retirement plans are the Georgia Firefighters' Pension Fund and the Sheriffs Retirement Fund of Georgia. The County does not maintain the accounting records, hold the investments or administer these retirement funds.

Plan Description

The Georgia Firefighters' Pension Fund was created in 1955 by an act of the Georgia G e nera l Assembly to provide retirement benefits for qualified firefighters. The fund administers a cost-sharing, multiple-employer defined benefit pension plan as defined in the Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Stat ement N o. 25.* Any person employed as a firefighter or enrolled as a volunteer firefighter within the State of Georgia or any regular employee of the Fund is eligible for membership in the Fund.

The Sheriff s Retirement Fund of Georgia was created by an act ofthe Georgia General Assembly in 1963. The purpose ofthe Fund is to provide a source of revenue for the purpose of providing benefits to the elected officials serving in the capacity of Sheriff of the counties of Georgia. The fund administers a cost-sharing multiple employer defined benefit pension plan as defined in the Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment ofGASB Statement No. 25.* Membership in the fund is availab le to those serving as a duly qualified and commissioned sheriff of a county of the State of Georgia, serving as a sheriff of the Superior Court of that county at the time the application is filed. Membership is voluntary and an application must be filed within 12 months of assuming the Office of Sheriff, or within the first 30 days of a newly elected term.

Contributions

Special Funding Situation. The State of Georgia provides non-employer contributions directly to the abovementioned retirement funds through the collection of insurance premium tax, court fines a nd filing fees, court fines and forfeitures as well as membership dues. The various county departments, as the employers ofthe Fund , do not make contributions to the Fund. The County is n ot l egally responsible for contributions to the fund a nd does not recognize net pension liability. T h erefore, these non-employer contributions are recognized as revenue and expenditures by the County. See Note 15: On-Behalf Payments for further disclosure.

Actuarial Valuation Date

The co llect ive total pension li ab ility used to calcu l ate the net pension liability is based upon the June 30, 2017 actuarial valuation for the Georgia Firefighters' Pension Fund and the Sheriffs Retirement Fund of Georgia.

Pension Liabilities, Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* requires participating employers and non-employers contributing entities to recognize their proportionate share of collective net pension liability and pension expense. As discussed above, the County departments, as employers of the Fund's members, do not make contributions to the Fund; therefore, the proportionate share of collective net pension liability for Elbert County, Georgia is 0%. Elbert County, Georgia does not recognize any net pension liability (asset) or deferred inflows or outflows of resources in the financial statements.

However, the County is required to disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability (asset) associated with the County as follows:

Retirement Plan	County's Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liablity
Georgia Firefighters' Pension Fund	$	$ 1,069,646
	$	$ 1,069,646

The net pension liability was measured as of June 30, 2018.

In accordance with GASB 68, Elbert County, Georgia is required to disclose the deferred inflows and outflows of resources allocated to the County. The County does not recognize any amounts in the financial statements. The deferred inflows of resources and outflows of resources allocated to Elbert County, Georgia are as follows:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
Retirement Plan	Changes in Assumptions	Difference Between Expected & Actual Experience	Difference Between Expected & Actual Investment Earnings	Difference Between Expected & Actual Experience
Georgia Firefighters' Pension Fund	$ 237,662	$ 3,753	$ 71,876	$ 42,675
	$ 237,662	$ 3,753	$ 71,876	$ 42,675

NOTE 7: CAPITAL ASSET

Capital asset activities for the year ended June 30, 2018 were as follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Primary Government:				
Governmental Activities:				
Non-Depreciable Assets:				
Land	$ 1,667,511	$ 67,865	-	$ 1,735,376
Construction in Progress		344,001		344,001
Total non-depreciable capital assets	1,667,511	411,866		2,079,377
Depreciable Assets:				
Buildings & Improvements	13,437,252			13,437,252
Machinery & Equipment	10,669,334	530,752		11,200,086
Vehicles	1,466,349	402,860		1,869,209
Infrastructure	2,816,316			2,816,316
Total depreciable capital assets	28,389,251	933,612		29,322,863
Accumulated Depreciation:				
Buildings & Improvements	3,269,806	296,211		3,566,017
Machinery & Equipment	8,571,733	358,385		8,930,118
Vehicles	457,518	230,787		688,305
Infrastructure	423,321	68,070		491,391
Total accumulated depreciation	12,722,378	953,453		13,675,831
Total depreciable capital assets, net	15,666,873	(19,841)		15,647,032
Governmental activities capital assets, net	$ 17,334,384	$ 392,025	$	$ 17,726,409
Business-type Activities:				
Non-Depreciable Assets:				
Land	$ 193,190	$	-	$ 193,190
Total non-depreciable capital assets	193,190			193,190
Depreciable Assets:				
Buildings & Improvements	383,761	59,929		443,690
Machinery & Equipment	308,379	7,949		316,328
Vehicles	271,611	40,922		312,533
Total depreciable capital assets	963,751	108,800		1,072,551
Accumulated Depreciation:				
Buildings & Improvements	163,178	9,594		172,772
Machinery & Equipment	284,132	8,525		292,657
Vehicles	170,216	39,158		209,374
Total accumulated depreciation	617,526	57,277		674,803
Total depreciable capital assets, net	346,225	51,523		397,748
Business-type activities capital assets, net	$ 539,415	$ 51,523	$ -	$ 590,938

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

Governmental Activities:	
General Government	$ 143,679
Judicial	5,905
Public Safety	485,920
Public Works	170,063
Health & Welfare	50,488
Culture & Recreation	27,504
Housing & Development	69,894
Total depreciation expense- governmental activities	$ 953,453
Business-type Activities:	
Solid Waste Fund	$ 16,794
Transportation Fund	40,483
Total depreciation expense- business-type activities	$ 57,277

Component Unit- Health Department

	Beginning Balance	Additions	Retirements	Reclassifications	Ending Balance
Governmental Activities:					
Depreciable Assets:					
Office & Medical Equipment	$ 128,516	$	$	$	$ 128,516
Total depreciable capital assets	128,516				128,516
Accumulated Depreciation:					
Office & Medical Equipment	86,485	11,612			$ 98,097
Total accumulated depreciation	86,485	11,612			98,097
Governmental activities capital assets, net	$ 42,031	$ (11,612)	$	$	$ 30,419

Depreciation expense was charged to functions/programs of the Health Department as follows:

Governmental activities:	
Health	$ 11,612

NOTE 8: SHORT TERM DEBT

The County issues tax anticipation notes in advance of property tax collections, depositing the proceeds into its General Fund. The notes are necessary because the County does not currently possess sufficient resources to carry it from one year to the next. The note is with Northeast Georgia Bank and may not exceed $3 million. In December 2017, the notes were closed. As of the year ending June 30, 2018, the County had no short term debt balance. The activity during the year was as follows:

	Beginning Balances July 1, 2017	Issued	Redeemed	Ending Balance June 30, 2018
2017 Tax Anticipation Note:	$ -	$ 900,000	$ 900,000	$
	$ -	$ 900,000	$ 900,000	$

NOTE 9: LONG-TERM DEBT

The retirement cost of debt, pension liabilities, and compensated absences is typically charged to the general fund.

Governmental Activities-Capital Leases:

On June 6, 2013, the County financed the purchase of an Interact E-911 System through a 60 month capital lease. The lease is payable in monthly installments of $6,497. The original lease was for $355,591 at an interest rate of 3.675% matured in June 2018. Therefore, there is no future maturities as June 30, 2018. The lease was secured by the equipment and payments will be made out of the Capital Projects Fund. Interest expense paid in 2018 was $1,296.

Expense resulting from amortization of assets recorded under capital leases is included with depreciation expense. The assets acquired through capital leases are as follows:

Asset:	Governmental Activities
Machinery and Equipment	$ 355,591
Less: Accumulated Depreciation	(207,428)
Total	$ 148,163

On November 9, 2016, the County financed the purchase of a Radio Communication System through a 60 month capital lease. The lease is payable in monthly installments of $9,560. The original lease was for $538,822 at an interest rate of 2.575% with a maturity in May 2022. The lease is secured by the equipment and payments will be made out of the Capital Projects Fund. Interest expense paid in 2018 was $12,427.

Expense resulting from amortization of asset recorded under capital leases is included with depreciation expense. The asset acquired through the capital lease and future maturities is as follows:

Asset:	Governmental Activities
Machinery and Equipment	$ 538,822
Less: Accumulated Depreciation	(58,372)
Total	$ 480,450

Year Ending	Total Payments	Principal	Interest
2019	$ 114,720	$ 104,959	$ 9,761
2020	114,720	107,693	7,027
2021	114,720	110,499	4,221
2022	105,160	103,819	1,341
Total	$ 449,320	$ 426,970	$ 22,350

Governmental Activities-Inteqovernmentalloans:

On December 16, 2010, the County financed the purchase of fire trucks through a USDA loan. The original loan amount was $523,037 with an interest rate of 3.75% and matures January 16, 2021. The loan is amortized with 120 monthly payments of $5,236 each. The loan is secured by the fire trucks. Interest expense paid in 2018 was $6,748. The asset acquired through the loan and future maturities is as follows:

Asset:	Governmental Activities
Machinery and Equipment	$ 650,100
Less: Accumulated Depreciation	(650,100)
Total	$

Year Ending	Total Payments	Principal	Interest
2019	$ 62,832	$ 58,224	$ 4,608
2020	62,832	60,445	2,387
2021	31,416	31,089	327
Total	$ 157,080	$ 149,758	$ 7,322

Changes in long-term debt:

	Balance as of June 30, 2017	Additions	Reductions	Balance as of June 30, 2018	Due Within One Year
Governmental Activities:					
Compensated Absences	$ 76,726	$	$ (21,815)	$ 54,911	$
USDA Loan	205,832		(56,074)	149,758	58,224
Capital Leases	599,429		(83,463)	426,970	104,959
Total governmental activities	$ 881,987	$ -	$ (161,352)	$ 631,639	$ 163,183
Business-Type Activities:					
Compensated Absences	$ 6,768	$ 2,773	$ -	$ 9,541	$
Closure Liability	1,048,531	23,068		1,071,599	53,580
Total business-type activities	$ 1,055,299	$ 25,841	$ -	$ 1,081,140	$ 53,580

Component Unit

	Balance as of June 30,2017	Additions	Reductions	Balance as of June 30, 2018	Due Within One Year
Net Pension Liability	$ 382,644	$	$ (28,780)	$ 353,864	$
Net OPEB Liability	337,381		(39,101)	298,280	
Compensated Absences	29,266	23,621	(21,610)	31,277	
Total component unit liabilities	$ 749,291	$ 23,621	$ (89,491)	$ 683,421	$

NOTE 10: INTERFUND BALANCES AND TRANSFERS

Interfund Balances:

Due To: \ Due From:	General Fund	Senior Center	Capital Projects Fund	Victims Assistance Fund	Multi-Grant Fund	Solid Waste Fund	Public Transportation Fund	E-911 Fund	Public Defender Fund	Total
General Fund	$	$ 10,564	$ 124,336	$ 2,936	$ 68,579	$ 1,114	$ 13,994	$ 95,554	$ 3,478	$ 320,555
Senior Center							47			47
Multi-Grant Fund	11,936									11,936
Public Transportation Fund	15,864									15,864
Fire Insurance Fund	1,524									1,524
E-911 Fund	37,500									37,500
	$ 66,824	$ 10,564	$ 124,336	$ 2,936	$ 68,579	1,114	$ 14,041	$ 95,554	$ 3,478	$ 387,426

Advances to/from Other Funds:

Due to: \ Due from:	Multi-Grant Fund	Solid Waste Fund	Public Transportation Fund	Bobby Brown Park	Revolving Loan Fund	Fire Insurance Fund	Total
General Fund	$ 135,382	$ 135,291	$ -	$ 250,781	$ -	$ -	$ 521,454
	$ 135,382	$ 135,291	$ -	$ 250,781	$ -	$ -	$ 521,454

Interfund balances at June 30, 2018, consisted of the following amounts and represent charges for services or reimbursable expenses and expenditures out of capital outlay (SPLOST) funds for operating expenses in the general fund occurring in prior years. These remaining 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 records, and (3) payments between funds are made. The County

expects to repay some of the interfund balances within one year. The General Fund receivables from the Multi-Grant, Solid Waste, and Bobby Brown Park are considered as being long term interfund receivables.

Interfund Transfers:

	Trans fer F'rorn:			
Trans fer To:	General Fund	Capital Projects Fund	Public Transportation Fund	Total
General Fund Bobby	$ -	$ -	$ 100,000	$ 100,000
Brown Park Fire		7,949		7,949
Insurance Fund E-	75,000			75,000
911 Fund	450,000			450,000
	$ 525,000	$ 7,949	$ 100,000	$ 632,949

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and provide unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is complete.

NOTE II: LANDFILL CLOSURE AND POSTCLOSURE COST

Closure and Post-closure care is required by both federal and state regulations. The estimate for post closure liability is for the cost of monitoring for thirty years after landfill closure. In 2000, the County closed its solid waste landfill and is now in the post-closure phase. The post-closure estimate will be amortized over a 30 year period following closure. These costs and estimates are recognized in the government-wide financial statements. The actual post-closure cost will be met by resources out of the general fund. The unamortized balance of post-closure cost at June 30, 2018 was $1 ,071,599. The estimated costs are based on what it would cost to perfom1 all closure and post-closure in 2018. Actual cost may be higher due to inflation , changes in technology, or changes in regulations. Should any problems occur during this period, the costs and time period required for maintenance and monitoring functions may increase.

NOTE 12: HOTEL/MOTEL TAX COMPLIANCE- PRIMARY GOVERNMENT

Elbert County, Georgia collects five percent (5%) hotel /motel tax. State statutes require the County to contract with a not for profit organization and fund that organization with a minimum of 40% of collections which must be expended on the promotion of tourism and trade. The County has a working relationship with Elbert County Chamber of Commerce and funds that organization with hotel/motel tax collections.

For the fiscal year ending June 30, 2018:

Tax collections	$ 40,182
Amounts provided to:	
Chamber of Commerce	$ 6,510
Promotion expenditures	5,200
Georgia DNR	44,829
Total tax and investment earnings disbursements:	$ 56,539

NOTE 13: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which, except as described in the following paragraph, the County carries commercial insurance with Travelers Corporation in amounts deemed prudent by County management. The County participates in the Association of the County

Commissioners of Georgia Group Self-Insurance Worker's Compensation Fund public entity risk pools, currently operating as a common risk management and insurance programs for member local governments. As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any claim of loss. The County is also to allow the pools' agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds. The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

There have been no significant reductions of insurance coverage from coverage in the prior years, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 14: COMMITMENTS AND CONTINGENCIES

Litigation and Assessments

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

Grant Contingencies

The County has received Federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

NOTE 15. ON-BEHALF PAYMENTS

The County receives on-behalf payments from the State of Georgia to be used for the Georgia Firefighters' Pension Fund and Sherifrs Retirement Fund of Georgia contributions. Such payments are recorded as intergovernmental revenue and expenditures in the GAAP basis government-wide and general fund financial statements, but are not budgeted and therefore are not included in the general fund budgetary basis financial statements. The County is not legally responsible for these contributions. On-behalf payments to the County totaled $235,350 for the fiscal year ended June 30, 2018.

Retirement Plan	Nonemployer Contribution Amount
Georgia Firefighters' Pension Fund	$ 235,350
	$ 235,350

NOTE 16: COMPLIANCE

At June 30, 2018, the County was not in compliance with the following statutes:

OCGA 36-81-3 Relating to expenditures in excess of budgeted amounts.

At June 30, 2018, the County was in compliance with O.C.G.A 36-81-7:

E-911 Funds: All E-911 funds collected by Elbert County were expended in accordance with state statutes

NOTE 17: BUDGETS

The following are Governmental Funds for which expenditures exceeded appropriations:

De2artment	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Actual in Excess of Appropriations
General Fund			
General Government	$ 2,546,888	$ 2,840,986	$ 294,098
Judicial	1,037,590	1,007,675	
Public Safety	5,065,780	4,969,975	
Public Works	1,052,500	982,158	
Health & Welfare	235,241	256,811	21,570
Recreation & Culture	349,220	390,792	41,572
Housing & development	407,415	391,647	
Debt Service- interest	4,500	3,765	
Transfers Out	525,000	525,000	
Senior Center			
Health & Welfare	207,300	278,224	70,924
Victims Assistance Fund			
Judicial	305,700	498,059	192,359
Multi-Grant Fund			
Judicial	116,100	178,280	62,180
Public Safety Exp	500	9,150	8,650
Public Works	530,000	662,281	132,281
Housing & Development	450	3,597	3,147
Capital Outlay		452,433	452,433
Law Library	6,000	2,983	
10% Fines Jail Fund	47,500	44,876	
Special Drug Fund	28,100	51,263	23,163
Hotel/Motel Fund	39,050	56,539	17,489
Revolving Loan Fund	34,730	34,722	
Fire Insurance Fund	75,600	215,708	140,108
E-911 Fund	798,150	789,989	
Public Defender Fund	364,332	381,005	16,673

The County's legal level of control is at the department level.

NOTE 18. PRIOR PERIOD ADJUSTMENT

During fiscal year 2018, the County recorded a prior period adjustment of $90,000 to record a transfer of SPLOST funds to the Fire Insurance Fund to fund the prior year expenditure to purchase a fire truck. As a result of this error, a prior period adjustment was recorded to decrease the Capital Project Fund's fund balance and increase the Fire Insurance Fund's fund balance by $90,000 as of June 30, 2017.

During fiscal year 2018, the Health Department, component unit, recorded a prior period adjustment to implement GASBS No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions." This statement required employers participating in cost-sharing OPEB plans to report their proportionate share of the plan's net OPEB liability in their statement of net position. Per the requirements of the statement, restatement of beginning net position is required. As such, the beginning net position in the government-wide financial statement has been decreased by $297,647 to reflect the Board of Health's OPEB related balances as of June 30, 2017.

NOTE 19: SUBSEQUENT EVENT

The County entered into an intergovernmental agreement with the City of Elberton and the City of Bowman to approve a resolution to implement a 1 percent TSPLOST beginning on July 1, 2019. The proceeds from TSPLOST will be used to fund roads, streets, and bridges improvements and maintenance. The proposed share is 73 percent Elbert County, 23 percent to the City of Elbetlon, and 4 percent to the City of Bowman.

Subsequent events have been evaluated through June 28, 2019.

ELBERT COUNTY, GEORGIA

Budgetary Compa rison Schedul e G

eneral Fund

For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with
	Original	Final	Budgeta[Y Basis	Over / {Under)	GAAP Basis	Final Budget
Revenues						
Property tax	$ 6,807,600	$ 6,807,600	$ 6,879,994	$	$ 6,879,994	$ 72,394
Real estate transfer tax	20,000	20,000	18,899		18,899	(1,101)
Sales tax	1,255,000	1,255,000	1,359,265		1,359,265	104,265
Business tax	861,000	861,000	925,156		925,156	64,156
Franchise tax	85,000	85,000	94,854		94,854	9,854
Alcohol tax	80,000	80,000	86,890		86,890	6,890
Intergovernmental	91,821	91,821	82,313		82,313	(9,508)
Licenses and permits	7,100	7,100	10,080		10,080	2,980
Fines and forfeitures	381,500	381,500	350,630		350,630	(30,870)
Charges for services	1,330,213	1,330,213	1,597,773		1,597,773	267,560
Investment earnings	1,100	1,100	1,406		1,406	306
Miscellaneous	107,350	107,350	140,481		140,481	33,131
Total Revenues	11,027,684	11,027,684	11,547,741		11,547,741	520,057
Expenditures						
Current Operating:						
General government	2,546,888	2,546,888	2,840,986		2,840,986	294,098
Judicial	1,037,590	1,037,590	1,007,675		1,007,675	(29,915)
Public safety	5,065,780	5,065,780	4,969,975		4,969,975	(95,805)
Public works	1,052,500	1,052,500	982,158		982,158	(70,342)
Health and welfare	235,241	235,241	256,811		256,811	21,570
Recreation and culture	349,220	349,220	390,792		390,792	41,572
Housing and development	407,415	407,415	391,647		391,647	(15,768)
Debt service	4,500	4,500	3,765		3,765	(735)
Total Expenditures	10,699,134	10,699,134	10,843,809		10,843,809	144,675
Excess (Deficiency) of Revenues Over (Under) Expenditures	328,550	328,550	703,932		703,932	375,382
Other Financing Sources (Uses)						
Transfers in	100,000	100,000	100,000		100,000	
Transfers out	(525,000)	(525,000)	(525,000)		(525,000)	
Insurance refunds and recoveries	2,000	2,000	17,849		17,849	15,849
Proceeds from sale of assets			4,851		4,851	4,851
Budgeted Fund Balance	94,450	94,450				(94,450)
Total Other Finallcing Sources (Uses)	(328,550)	(328,550)	(402,300)		(402,300)	(73,750)
Net Change in Fund Balances	$ -	$	301,632	$	301,632	$ 301,632
Fund Balance Beginnin g of Year			2,629,564		2,629,564	
Fund Balance End of Year		$	2,931,196	$	2,931,196	

ELBERT COUNTY, GEORGIA

Budgetary Comparison Schedule

Senior Center

For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Over / (Under)	GAAP Basis	Final Budget
Revenues						
Intergovernmental	$ 132,200	$ 132,200	$ 199,681	$ -	$ 199,681	$ 67,481
Charges for services	13,300	13,300	14,328		14,328	1,028
Investment earnings			40		40	40
Contributions and donations			12,793		12,793	12,793
Total Revenues	145,500	145,500	226,842		226,842	81,342
Expenditures						
Current Operating:						
Health and welfare	207,300	207,300	278,224		278,224	70,924
Total Expenditures	207,300	207,300	278,224		278,224	70,924
Excess (Deficiency) of Revenues Over (Under) Expenditures	(61,800)	(61,800)	(51,382)		(51,382)	10,418
Other Financing Sources (Uses)						
Budgeted Fund Balance	61,800	61,800				(61,800)
Total Other Financing Sources (Uses)	61,800	61,800				(61,800)
Net Change in Fund Balances	$	$	(51,382)	$	(51,382)	$ (51,382)
Fund Balance Beginning of Year			237,951		237,951	
Fund Balance End of Year		$	186,569		$ 186,569	

ELBERT COUNTY, GEORGIA

Budgetary Comparison Schedule

Victims Assistance Fund

For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Over / (Under)	GAAP Basis	Final Budget
Revenues						
Intergovernmental	199,900	199,900	337,668		337,668	137,768
Fines and forfeitures	136,650	136,650	148,701		148,701	12,051
Total Revenues	336,550	336,550	486,369		486,369	149,819
Expenditures						
Current Operating:						
Judicial	305,700	305,700	498,059		498,059	192,359
Total Expenditures	305,700	305,700	498,059		498,059	192,359
Excess (Deficiency) of Revenues Over (Under) Expenditures	30,850	30,850	(11,690)		(11,690)	42,540
Other Financing Sources (Uses)						
Budgeted Fund Balance	(30,850)	(30,850)				(30,850)
Total Other Financing Sources (Uses)	(30,850)	(30,850)				(30,850)
Net Change in Fund Balances	$ -	$	(11,690)	$	(11,690)	$ (11,690)
Fund Balance Beginning of Year			244,418		244,418	
Fund Balance End of Year			$ 232,728		$ 232,728	

ELBERT COUNTY, GEORGIA

Budgetary Comparison Schedule

Multi-Grant Fund

For the Year Ended June 30, 2018

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Over / {Under}	GAAP Basis	Final Budget
Revenues						
Intergovernmental	$ 104,100	$ 104,100	$ 1,251,983	$ -	$ 1,251,983	$ 1,147,883
Charges for services	19,500	19,500	24,546		24,546	5,046
Total Revenues	123,600	123,600	1,276,529		1,276,529	1,152,929
Expenditures						
Current Operating:						
Judicial	116,100	116,100	178,280		178,280	62,180
Public safety	500	500	9,150		9,150	8,650
Public works	530,000	530,000	662,281		662,281	132,281
Housing and development	450	450	3,597		3,597	3,147
Capital outlay			452,433		452,433	452,433
Total Expenditures	647,050	647,050	1,305,741		1,305,741	658,691
Excess (Deficiency) of Revenues Over (Under) Expenditures	(523,450)	(523,450)	(29,212)		(29,212)	494,238
Other Financing Sources (Uses)						
Budgeted Fund Balance	523,450	523,450				(523,450)
Total Other Financing Sources (Uses)	523,450	523,450				(523,450)
Net Change in Fund Balances	$ -	$	(29,212)	$	(29,212)	$ (29,212)
Fund Balance Beginning of Year			469,042		469,042	
Fund Balance End of Year		$	439,830	$	439,830	

BUDGETARY ACCOUNTING AND CONTROL

Budget Law

The County prepares its annual operating budget under the provisions of the official Code of Georgia. In accordance with those provisions, the following process is used to adopt the annual budget:

(a) Prior to June 1, the County Finance Officer submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

(b) Public hearings are conducted at regular Commission meetings to obtain taxpayer comments. Public hearings are normally scheduled no later than 15 days prior to the beginning ofthe budget year.

(c) Subsequent to the public hearings, the budget is legally enacted through the passage of a resolution by the County Commissioners.

All governmental funds with revenues and/or expenditures as defined by State law are required to have annual budgets. The legal level of control at which expenditures may not legally exceed appropriations is at the department level within a fund.

Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, function, and department. The government's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Budget Requirements

There were no budget amendments by the County Commissioners for the year ended June 30, 2018.

ELBERT COUNTY, GEORGIA

Required Supplementary Information

Defined Benefit Retirement Plan

June 30, 2018

Schedule of Changes in the Net Pension Liability and Related Ratios

Elbert County, Georgia Retirement Plan

Last 10 Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Pension Liability										
Service Cost	$ 283,536	$ 303,149	$ 301.083	$ 297,316						
Interest	1,302,069	1,243,934	1,153,856	1.101,101						
Differences Between Expected and Actual Ex	(115,419)	21,659	(45,612)							
Changes of Assumptions	35.451	528,158	514,604							
Changes of Benefit TemlS										
Other Changes										
Benefit Payments, Including Refunds of Employee Contributions	(747.858)	(698,355)	(747,421)	(642,636)						
Net Change in Total Pension Liability	757.779	1,398,545	1,176,510	755.781						
Total Pension Liability - Beginning	18,333,506	16.934,961	15.758,451	15.002,670						
Total Pension Liability - Ending (a)	$ 909.28[illegible]	$18333506	$16,934.96[illegible]	$15,758451						
Plan Fiduciary Net Position										
Contributions - Employer	$ 690,000	$ 600,000	$ 567,117	$ 640.583						
Contributions -Employee	120,660	134,994	136,368	148,882						
Net Investment Income	2,420,925	1,025,242	52,358	904,414						
Benefit Payments, Including Refunds of Employee Contributions	(747.858)	(698,355)	(747.421)	(688.101)						
Administrative Expense	(29,265)	(32,487)	(29.742)	(27,491)						
Other Changes	(105,462)	(157,369)	(26,095)	(64,961)						
et Change in Fiduciary Net Position	2,349.000	872,025	(47,415)	913.326						
Plan Fiduciary Net Position - Beginning	15,092,886	14,220.861	14,268.276	13,354.950						
Plan Fiduciary Net Position - Ending (b)	$ 17.441.886	$15,092.886	$14,220,861	$14,268.276						
Net Pension Liability- Ending: (a)-(b)	$ 1,649,399	$ 3,240.620	$ 2,714,100	$ 1,490,175						
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	91.36%	82.32%	84.00%	90.50%						
Covered-Employee Payroll (Prior Year)	$ 5.431.405	$ 5,331.251	$ 5,269.420	$ 5.220.302						
Net Pension Liability as a Percentage of Covered-Employee Payroll	30.37%	60.79"/o	51.51%	28.55%						

Note: The schedule is intended to show information for 10 years. Additional years will be displayed as they become available.

ELBERT COUNTY, GEORGIA
Required Supplementary Information
Defined Benefit Retirement Plan
June 30, 2018

Schedule of Contributions
Elbert County, Georgia Retirement Plan
Last 10 fiscal Years

	2018	2017	2016	2015	2013	2012	2011	2010	2009	2008
Actuarially Determined Contribution	$ 562,802	$ 593,350	$ 567.117	$ 640.583						
Contributions in Relation to the Actuarially Dctennined Contribution	$ 562,802	$ 593.350	567,117	640.583						
Contribution Deficiency (Excess)										
Covered-Employee Payroll	5,431.405	5,331,251	5.269,420	5,220.302						
Contributions as a Percentage of Covered-Employee Payroll	10%	11%	11%	12%						

Changes of Assumptions

There has been no substantive changes in assumptions since the last actuarial valuation.

Benefit Changes

There has been no substantive changes in plan provisions since the last actuarial valuation.

ELBERT COUNTY, GEORGIA

Combining Balance Sheet

Nonmajor Governmental Funds

June30, 2018

	Law Library	10% Fines Jail Fund	Special Drug Fund	Hotel/Motel Fund	Revolving Loan Fund	Fire Insurance Fund	E-911 Fund	Public Defender Fund	Total Nonmajor Governmental Funds
Assets									
Cash and cash equivalents	$ 22,603	$ 23,215	$ 28,871	$ 9,288	$ -	$ 116,445	$ 75,672	$ 20,104	$ 296,198
Accounts receivable (net)			599	5,668		1,425	49,087		56,779
Due from other governments	605	2,169	3,111					7.081	12,966
Due !Tom other funds						1,524	37,500		39,024
Total Assets	23.208	25.384	32,581	14,956		119,394	162,259	27,185	404,967
Deferred Outflows of Resources									
Total Assets and Deferred Outflows of Resources	23,208	25 384	32,581	14 956		119,394	162 259	27 185	404,967
Liabilities									
Accounts payable		10,518	581	5,168		5,358	4,925	1,352	27,902
Accrued expenses							13,169	969	14,138
Due to other funds							95,554	3.478	99,032
Total Liabilities		10,518	581	5,168		5,358	113,648	5,799	141,072
Deferred Inflows of Resources									
Total Liabilities and Deferred Inflows of Resources		10,518	581	5,168		5,358	113,648	5,799	141,072
Fund Balance									
Restricted for:									
Law Enforcement	23,208	14,866	32,000				48,61 1	21 ,386	140,071
Tourism				9,788					9,788
Fire Insurance Fund						114,036			114,036
Total Fund Balance	23,208	14,866	32,000	9,788		114,036	48,611	21 ,386	263,895
Total Liabilities, Deferred Inflows and Fund Balance	$ 23,208	$ 25,384	$ 32,581	$ 14,956	$ -	$ 119,394	$ 162,259	$ 27,185	$ 404,967

ELBERT COUNTY, GEORGIA

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2018

	Law Library	10% Fines Jail Fund	Special Drug Fund	Hotel/Motel Fund	Revolving Loan Fund	Fire Insurance Fund	E-911 Fund	Public Defender Fund	Total Nonmajor Governmental Funds
Revenues									
Hotel/Motel tax	$	$ -	$ -	$ 40,182	$ -	$ -	$ -	$	$ 40,182
Intergovernmental						5,000		387,108	392,108
Fines and forfeitures	7,227	27,384	32,250						66,861
Charges for services						10	314,400		314,410
Contributions						7,500			7,500
Interest		28	36	17		143	84		308
Miscellaneous						10			10
Total Revenue	7,227	27,412	32,286	40,199		12,663	314,484	387,108	821,379
Expenditures									
Current:									
General government					34,722				34,722
Judicial	2.983							381,005	383,988
Public safety		39,638	51,263			47,521	748,776		887,198
Housing and development				56,539					56,539
Debt Service:									
Interest expenditure							1,296		1,296
Principal retirement							39,917		39.917
Capital Outlay		5,238				168,187			173,425
Total Expenditures	2,983	44,876	51,263	56,539	34,722	215,708	789.989	381,005	1_577_085
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,244	(17,464)	(18,977)	(16,340)	(34,722)	(203,045)	(475,505)	6,103	(755,706)
Other Financing Sources (Uses)									
Transfers in						75,000	450,000		525,000
Insurance refunds and recoveries						1,425			1,425
Total Other Financing Sources (Uses)						76,425	450,000		526,425
Net Change in Fund Balances	4,244	(17,464)	(18,977)	(16,340)	(34,722)	(126,620)	(25,505)	6,103	(229,281)
Fund Balances Beginning of Year	18.964	32.330	50,977	26,128	34,722	150,656	74,116	15,283	403,176
Prior Period Adjustment						90,000			90,000
Fund Balances End of Year	$ 23,208	$ 14.866	$ 32,000	$ 9,788	$	$ 114,036	$ 48,611	$ 21,3R6	$ 263.895

ELBERT COUNTY, GEORGIA Combining
Statement of Fiduciary Assets and Liabilities All Agency
Funds
June 30, 2018

	Tax Commissioner	Probate Court	Magistrate Court	Clerk of Court	Sheriff	Totals
Assets						
Cash and cash equivalents	$ 402,949	$ 52,397	$ 5,547	$ 44,758	$ 23,075	$ 528,726
Taxes receivable	240,627					240,627
Total Assets	643,576	52,397	5,547	44,758	23,075	769,353
Liabilities						
Due to others	643,576	52,397	5,547	44,758	23,075	769,353
Total Liabilities	$ 643,576	$ 52,397	$ 5,547	$ 44,758	$ 23,075	$ 769,353

Walker Pierce & Tuck
CERTIFIED PUBLIC ACCOUNTANTS, P.C

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

To the Board of Commissioners
Elbert County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Elbert County, Georgia, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Elbert County, Georgia's basic financial statements and have issued our report thereon dated . Our report also makes reference to other auditors who audited the financial statements of the Elbert County Health Department, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identifY certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be material weaknesses as items 2018-1 thru 2018-7.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Elbert County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as item 2018-8.

Elbert County, Georgia's Response to Findings

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

Purpose of this Report

The purpose of this repo11 is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Walker, Pierce & Tuck CPA's P.C.

Walker, Pierce & Tuck CPA 's P.C.
Gainesville, Georgia
June 28, 2019

ELBERT COUNTY, GEORGIA Schedule of Findings and Questioned Costs For the Year Ending June, 30, 2018

Section I Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	Unmodified
Internal control over financial reporting: Material weakness(es) identified?	X Yes No
Signitlcant deficiencies identified not considered to be material weaknesses?	— Yes X None Reported
Noncomp liance material to financial statements noted?	X Yes No

Federal Awards

Internal Control over major programs: Material weaknesses identified ?	X Yes No
Significant deficiencies identified not considered to be material weaknesses?	Yes X None Reported
Type of auditor's report issued on compliance for major programs	
Airport Improvement Program	Qualified
Transit Services Program	Unmodified
Assistance to Fire Fighters Program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	X Yes No

Identification of major programs:

CFDA Number	Name of Program or Cluster
20.106	Airport Improvement Program
20.509	Transit Services Program
97.044	Assistance to Fire Fighters Grant Program

Dollar threshold used to distinguish between Type A and Type B programs:	$750.000
Auditee qualified as low-risk auditee?	Yes X No

ELBERT COUNTY, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

Section II Financial Statement Findings and Responses

Material Weakness

2018-1 (Previous year finding)

Criteria: An individual employee's duties should not include all aspects of a transaction.

Condition: The County finance department staff performs duties that are conflicting from an internal control perspective. Overlapping of duties exists in the areas of cash receipts, cash disbursements and payroll.

Effect: Inadequate segregation of duties presents a risk of unauthorized or incorrect transactions occurring and not being detected within a timely period.

Recommendation: Compensating controls should be established to reduce the inherent risks created by the lack of segregation of duties. These controls may include items such as continual supervision of employees, rotation of duties and periodic internal review by others not directly involved in the daily operations.

Response: The County agrees with this findings.

2018-2 (Previous year finding)

Condition: The Tax Commissioner's office does not employ internal control procedures to verify receipts, deposits and changes in the tax accounts due the County.

Criteria: Internal control procedures should be in place that provide reasonable assurance that all changes in the tax balances are reconciled on a monthly basis

Cause: There are no procedures in place to require the reconciliations.

Effect: Due to the lack of reconciliation procedures, the Tax Commissioner's office does not possess the ability to detect errors and omissions in a timely manner.

Recommendation: Written policies and procedures should be developed and training provided to the Tax Commissioner's staff on how to reconcile receipts, bank deposits, and authorized changes in outstanding tax accounts to changes in tax receivable on a monthly basis.

Response: The County agrees with this finding. Management will discuss this finding with the Commissioner.

2018-3 (Previous year finding)

Criteria: Written internal control procedures should be to in place and followed to ensure an accurate accounting of all funds held by the tax commissioner can be produced at all times.

Condition: The Tax Commissioner's office does not employ internal control procedures to reconcile and track funds held in the property tax bank account verify receipts. deposits and changes in the tax accounts due the County, School Board. State of Georgia, and other third parties.

Cause: There are no procedures in place to require the reconciliations.

Effect: Due to the lack of reconciliation procedures. the Tax Commissioner's office is unable to identity the appropriate party to remit monies in the motor vehicle funds and the property tax account resulted in excess liabilities over cash balances held at June 30. 2018.

Section II Financial Statement Findings and Responses (continued)

2018-3 (continued)

Recommendation: Written policies and procedures should be promptly created and implemented to insure the Tax Commissioner's office is able to reconcile and remit all fund collected to the appropriate parties on a monthly basis.

Response: The County agrees with this finding. Management will discuss this finding with the Tax Commissioner.

2018-4

Criteria: Written internal control procedures should be to in place and followed to insure an accurate accounting of all funds held by the Sherifrs office can be produced at all times.

Condition: The Sherifrs office does not maintain timely prepared reconciliations of funds held in bank accounts managed by the Sherifrs office.

Cause: There are no procedures in place to requi re the reconciliations.

Effect: The Sherifrs ortice does not perform a monthly reconciliation of bank accounts held or maintain a reconciliation of funds held for third parties pending the outcome of court proceedings.

Recommendation: Written policies and procedures should be promptly created and implemented to insure the Sherifrs office performs monthly bank reconciliation on all bank accounts held and is able to reconcile and report on all fund by held for third parties pending the outcome of court proceedings.

Response: The County agrees with this finding. Management will discuss this finding with the Sheriff's office.

2018-5

Criteria: A basic part of proper internal controls includes a written policy and procedure manual for all accounting tasks.

Condition: The County does not maintain a complete and accurate policy and procedure manual for all repetitive monthly accounting tasks performed by accounting and non-accounting staff responsible for task involving the revenue and expenditure processes.

Cause: The County does not have a complete and accurate policy and procedure manual of accounting tasks for reference and use by staff.

Effect: The County's staff does not have written policy and procedures manual to follow to insure internal control procedures are followed as intended to prevent errors.

Recommendation: A written policy and procedures manual should be created, regularly updated and provided to staff to help insure proper internal procedures for all accounting tasks are consistently followed.

Response: The County agrees with this finding.

2018-6

Criteria: The Schedule of Federal Awards Expenditures (SEFA) should properly identify expenditures of all federal awards, federal awards from pass-through entities and the federal portion of muti-funded awards..

Condition: The County's SEFA was incomplete and did not initially identify all expenditures of federal awards obtained during fiscal year 2018.

Section II Financial Statement Findings and Responses (continued)

2018-6 (continued)

Cause: Due to staffing limitations. the County's accounting staff was unable to maintain an up-to-date SEFA that included all federal grants obtained by County departments, agencies and component unit.

Effect: The County had to prepare a revised SEFA to include all federal grant expenditures in order to reconcile the SEFA to the underlying accounting records and financial statements.

Recommendation: In addition to increasing the professional staffing levels of the accounting office the County should develop policies and procedures to ensure the federal portion of all grant awards are identified, reconciled and included in the preparation of the SEFA.

Response: The County agrees with this finding.

2018-7

Criteria: All movements of moneys between funds should be timely recorded appropriately in accordance with generally accepted accounting principles

Condition: The County either failed to record the movements of moneys between funds or incorrectly recorded the transactions.

Cause: The failure to properly record the movement of money's between funds was due to an oversight by the accounting department.

Effect: The County financials records of the effected funds were misstated and required multiple auditor adjusting entries to properly report revenue, expenditure, asset and liability balances at year end.

Recommendation: The County should develop written policies and procedures to ensure the movement of moneys between funds are recorded timely and correctly in accordance with generally accepted accounting principles.

Response: The County agrees with this finding.

Instances of Noncompliance

2018-8

Criteria: Georgia code OCGA 36-81-3 requires limiting expenditures to the legally approved budget amounts.

Condition: The County had expenditures in excess of appropriations in the General Fund. Senior Center, Multi-Grant Fund, Fire Insurance Fund, Special Drug Fund, Hotel/Motel Fund, Public Defender Fund and Victim's Assistance Fund.

Cause: The County did not amend its budget to authorize expenditures in excess of the original budget.

Effect: At June 30. 2018, the County was not in compliance with OCGA 36-81-3.

Recommendation: We recommend the County comply with all relevant statues concerning the operation of a local government in order to reduce the risk of litigation and other unforeseen actions.

Response: The County agrees with this finding and will amend its budget.

ELBERT COUNTY, GEORGIA
Schedule of Findings and Questioned Costs
For the Year Ended June 30,2018

Section Ill Federal Awards Findings and Questioned Costs

Compliance

2018-9

Type of Finding:	Compliance
Compliance Requirement:	Cash Management
Federal Program Title:	Airport Improvement Program
Federal Catalog Number:	20.106
Federal Agency:	U.S. Federal Aviation Administration
Grant Number	APO18-9033-25(105)
Award Year:	2018

Criteria: Per requirements of2 CFR Part 200, Appendix XI a vendor should be paid timely for their products or services..

Condition: The County failed to make final payment to vendor until 93 days after receipt of grant funds.

Cause: The County internal controls failed to catch the oversight until notified by the vendor.

Effect: The County was not in compliance with the requirement to timely pay vendors performing work on projects funded by federal grant.

Recommendation: We recommend the County implement written policies and procedures to ensure all federal grant requirements are followed.

Response: The County agrees with this finding.

Material Weakness

2018-10

Criteria: A basic part of proper internal controls includes a written policy and procedure manual for all accounting tasks including the management, oversight and operations of federal grants.

Condition: The County does not maintain a complete and accurate policy and procedure manual to insure federal grant compliance requirements are known and followed by both accounting and non-accounting staff responsible the grant application, acceptance, implementation. funding requests and reporting requirements.

Cause: The County does not have a complete and accurate policy and procedure manual regarding the compliance with federal grant requirements for use by staff when performing tasks that involve federal grant funds.

Effect: The County's staff may be unaware of federal grant requirements and as a result, unintentionally violate material compliance requirements that could result in the federal agency requesting the County to repay federal grant funds

Recommendation: A written policy and procedures manual should be created. regularly updated and provided to staff to help insure proper internal procedures for all accounting tasks are consistently followed.

Response: The County agrees with this finding.

Walker Pierce & Tuck
CERTIFIED PUBLIC ACCOUNTANTS, PC.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Elbert County Commission
Elberton, Georgia

Report on Compliance for Each Major Federal Program

We have audited the Elbert County, Georgia's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of the Elbert County, Georgia's major federal programs for the year ended June 30, 2018. Elbert County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Elbert County, Georgia 's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Elbert County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our qualified and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the Elbert County, Georgia's compliance.

Basis for Qualified Opinion on Airport Improvement Program

As described in the accompanying schedule of findings and questioned costs, Elbert County, Georgia did not comply with requirements regarding [CFDA 20.106, Airport Improvement Program as described in finding number 2018-10 for Cash Management. Compliance with such requirements is necessary, in our opinion, for Elbert County, Georgia to comply with the requirements applicable to that program.

Qualified Opinion on Airport Improvement Program

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph , Elbert County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on CFDA 20.106 Airport Improvement Program for the year ended June 30, 2018.

Unmollified Opinion on Each of the Other Major Federal Programs

In our opinion, Elbert County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2018.

Other Matters

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

Report on Internal Control over Compliance

Management of Elbell County, Georgia, is responsible for establishing and maintammg effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Elbert County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Elbert County, Georgia's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as item 2018-10, that we consider to be material weaknesses.

Elbert County, Georgia's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Elbert County, Georgia's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Firm's signature

Walker, Pierce & Tuck, CPA's P.C.

Walker, Pierce & Tuck, CPA's P.C.
Gainesville, Georgia
June 28, 2019

ELBERT COUNTY GEORGIA
Schedule of Exependitures of Federal Awards
For the Year Ending June 30, 2018

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Federal Aviation Administration			
Pass-through programs			
Georgia Department of Transportation			
Airport Improvement Program	20.106	APO17-9029-24(105)	13.842
Airport Improvement Program	20.106	APO18-9033-25(105)	235,985
Total Pass-through programs			249.827
Total U.S. Federal Aviation Administration			249.827
U.S. Department of Transportation			
Pass-through programs			
Transit Services Programs		T005977	1,140
Transit Services Programs	20.509	T006157 CAP	36,375
Transit Services Programs	20.509	T006157 OPR	102.321
Enhanced Mobility for Seniors Program	20.513	unavailable	8.258
Total Pass-through programs			148,094
Total U.S. Department of Transportation			148.094
U.S. Department of Health and Human Services			
Pass-through programs			
Georgia Department of Human Services			
Aging Cluster			
Special Program for the Aging	93.044	42700-373-0000060372	24,618
Special Program for the Aging	93.045	42700-373-0000060372	51,221
Special Program for the Aging	93.053	42700-373-0000060372	15,309
Nutrition Services Incentive Program	93.667	42700-373-0000060372	137.688
Total Aging Cluster			228,836
Temporary Assistance for Needy Families	93.558	42700-362-0000061358	6,317
Total Pass-through programs			235.153
Total U.S. Department of Health and Human Services			235.153
U.S. Department of Justice			
Pass-through programs			
Georgia Criminal Justice Coordinating Council			
Crime Victims Assistance Program	16.575	C13-8-048	1,216
Crime Victims Assistance Program	16.575	C-13-8-102	57,210
Crime Victims Assistance Program	16.575	C14-8-072	133.283
Total Pass-through programs			191,709
Total U.S.Department of Justice			191,709
U.S. Department of Housing & Urban Development			
Pass-through programs			
Community Development Block Grant	14.218	ISh-y-052-1-5763	133,182
Porter Drive Project			
U.S. Department of Homeland Security			
Pass-through programs			
Georgia Emergency Management Agency			
Homeland Security Grant Program	97.067	OEM-II-054SOI	8.012
Total Pass-through programs			8,012
Total U.S.Department of Homeland Security			8.012

ELBERT COUNTY GEORGIA
Schedule of Exependitures of Federal Awards
For the Year Ending June 30, 2018

Continued

U.S. **Department of Homeland Security**			
Pass-through programs			
Georgia Emergency Management Agency			
Homeland Security Grant Program	97.036	FEMA-4338-DR-GA	47,143
Total Pass-through programs			47,143
Federal Emergency Management Agency	97.044	FEMA-2017-F6-Cill	156,819
Total U.S.Department of Homeland Security			203,962
U.S. **Department of Agriculture**			
Pass-through programs			
Georgia Department of Community Health			
Special Supplement Nutrition Program			
for Women, Infants, and Children (WIC)	10.557	Elbert County	36.063
FNS SMAP E&T Pilot Program	10.596	Elbert County	22.005
Total Pass-through programs			58,068
Total U.S. Department of Agriculture			58,068
U.S. **Department of Education**			
Pass-through programs			
North Georgia Regional Development Authority			
Vocational Rehablitation Grant	84.126	42700-362-0000061358	29,297
Total Pass-through programs			29,297
Total U.S.Department of Homeland Security			29,297
Total expenditures of federal awards			$ 1,257,304

ELBERT COUNTY, GEORGIA

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2018

Note I. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Elbert County, Georgia (the "County"), and is presented on the modified accrual basis of accounting for governmental fund types and the accrual basis of accounting for the proprietary fund types. The County reporting entity is defined in Note 1 to the County's basic financial statements. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note II. Cluster Programs

The programs included in the schedule of expenditures offederal awards with CFDA No., 93.044, 93.045, 93.053 and 93.667, are considered cluster programs for purposes of performing internal control and compliance testing.

Note Ill. NonCash Assistance and Loans

There were no federal awards expended in the form of noncash assistance during year. There were also no loans or loan guarantees outstanding at year end.

Note IV. De Minimus Indirect Cost Rate

The County did not use the 10% de minimis indirect cost rate.

ELBERT COUNTY, GEORGIA

Schedule of Special Purpose Local Option Sales Tax
Estimated Cost and Expenditure Summary
For the Year Ended June 30, 2018

SPLOST 2011

Project Description	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Capital Projects					
Road, Street & Bridges	$ 4,800,000	$ 4,800,000	$ 4,487,110	$ 12,082	$ 4,499,192
Total Capital Projects	4,800,000	4,800,000	4,487,110	12,082	4,499,192
Vehicles and Equipment					
Computer Equipment & Software	130,000	130,000	89,972	4,259	94,231
Parks & Recreation	110,000	110,000	64,956	22,781	87,737
Fire Department	250,000	250,000	420,733		420,733
Emergency Services	997,000	997,000	867,093		867,093
E911 Department	165,000	165,000	184,589	5,500	190,089
Sheriff's Department	396,000	396,000	341,1 27	1,786	342,913
Senior Center	40,000	40,000	40,000		40,000
Building & Maintenance	32,000	32,000	9,684		9,684
Cooperative Extension / 4-H	61,000	61,000	36,685		36,685
Board of Assessors	145,000	145,000	83,751	26,140	109,891
Total Vehicles and Equipment	2,326,000	2,326,000	2,138,590	60,466	2,199,056
Repayment of Debt					
Fire Station Construction Loan	800,000	800,000	350,815	62,832	413,647
Total Repayment of Debt	800,000	800,000	350,815	62,832	413,647
County Facilities and Infrastructure					
Construct/Improve Complex & Courthouse	60,000	60,000	72,919		72,919
Total Facilities & Infrastructure	60,000	60,000	72,919		72,919
Total County Projects	7,986,000	7,986,000	7,049,434	135,380	7,184,814
Elberton Projects	3,828,000	3,828,000	3,378,516		3,378,516
Hospital Authority Projects	726,000	726,000	633,960		633,960
Bowman Projects	660,000	660,000	582,454		582,454
Total:	$13,200,000	$13,200,000	$ II,644,364	$ 135,380	$11,779,744

ELBERT COUNTY, GEORGIA

Schedule of Special Purpose Local Option Sales Tax

Estimated Cost and Expenditure Summary

For the Year Ended June 30, 2018

SPLOST 2017

Project Description	Estimated Cost		Expenditures		
	Original	Current	Prior Years	Current Year	Total
Capital Projects					
Roads & Bridges	$ 4,036,240	$ 4,036,240	$ -	$ 357,930	$ 357,930
Total Capital Projects	4,036,240	4,036,240		357,930	357,930
Vehicles and Equipment					
Computer Equipment & Software	150,000	150,000		14,805	14,805
Parks & Recreation	80,000	80,000		44,030	44,030
Fire Depattment	730,000	730,000	90,000	360,789	450,789
Emergency Services	450,000	450,000	550,636	179,320	729,956
E911 Depattment	900,000	900,000		153,986	153,986
Sheriffs Depattment	400,000	400,000	31 ,642	63,086	94,728
Senior Center	40,000	40,000			
Building & Maintenance	35,000	35,000		16,618	16,618
Cooperative Extension / 4-H	55,000	55,000		6,905	6,905
Board of Assessors	95,000	95,000		14,863	14,863
Solid Waste Depattment	225,000	225,000		14,824	14,824
Animal Control / Code Enforcement	75,000	75,000			
Bobby Brown Park	54,000	54,000		2,000	2,000
Total Vehicles & Equipment	3,289,000	3,289,000	672,278	871 ,226	1,543,504
Repayment of Debt					
Fire Station Construction Loan	365,560	365,560			
Total Repayment of Debt	365,560	365,560			
County Facilities and Infrastructure					
Construct/Improve Compl ex & Coutthouse	150,000	150,000			
Total County Facilities & Infrastructure	150,000	150,000			
Total County Projects	7,840,800	7,840,800	672,278	1,229,156	1,901 ,434
Elbetton Projects	3,445,200	3,445,200		544,469	544,469
Bowman Projects	594,000	594,000		93,859	93,859
Total:	$ 11,880,000	$ 11,880,000	$ 672,278	$ 1,867,484	$ 2,539,762

SPLOST 2017 Current Year Expenditures:

Funds from SPLOST revenue sources	$ 1,846,045
Funds from other revenue sources (intergovernmental grant)	156,819
Total SPLOST Expenditures repotted at June 30, 2018	$ 2,002,864

In 2018, the county recorded a prior period adjustment in the amount of $90,000 to record an interfund transfer from the SPLOST fund to the Fire Insurance Fund that should have been recorded in 2017 to provide funding for the purchase of a fire truck in the Fire Depattment.