TATTNALL COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Tattnall County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tattnall County, Georgia, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Tattnall County Board of Health, a discretely presented component unit, which represents 3.2% of the assets, 4.0% of the of the net position, and 4.9% of the revenues of Tattnall County, Georgia.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Tattnall County Board of Health, a discretely presented component unit, which represents 3.2% of the assets, 4.0% of the net position, and 4.9% of the revenues of Tattnall County, Georgia. Those financial 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 Tattnall County Board of Health, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tattnall County, Georgia, as of September 30, 2014, and the respective changes in financial position, and the respective budgetary comparison for the General Fund and Solid Waste Fund 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 the 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 the missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Tattnall County, Georgia's basic financial statements. The combining and individual major and nonmajor fund financial statements and schedules and schedule of projects paid with SPLOST proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual major and nonmajor fund financial statements and schedules and schedule of projects paid with SPLOST proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and nonmajor fund financial statements and schedules and schedule of projects paid with SPLOST proceeds 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 April 30 2015, on our consideration of Tattnall County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Tattnall County, Georgia's internal control over financial reporting and compliance.

Thigpen, Lanier, Waterfield & Deal

Statesboro, Georgia
April 30, 2015

TATTNALL COUNTY, GEORGIA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

	Primary Government	Component Units	
ASSETS	Governmental Activities	Tattnall County Board of Health	Tattnall County Development Authority
Current Assets:			
Cash	$ 6,303,700	$ 791,067	$ 199,324
Receivables:			
Accounts	330,426	-	-
Taxes	685,837	-	-
Intergovernmental	708,516	22,508	-
Other	114,108	-	-
Prepaid items	174,953	-	-
Capital Assets:			
Nondepreciable capital assets	1,039,139	-	-
Depreciable capital assets, net	16,309,906	5,294	-
Total Assets	25,666,585	818,869	199,324
LIABILITIES			
Current Liabilities:			
Accounts payable	763,532	-	-
Accrued payroll	69,877	-	-
Intergovernmental payable	245,288	-	-
Funds held for others	24,479	-	-
Unearned revenue	1,362	-	-
Compensated absences payable	53,370	16,015	-
Bonds payable	575,000	-	-
Capital leases payable	346,863	-	-
Landfill postclosure care costs	20,000	-	-
Long-Term Liabilities:			
Compensated absences payable (net of current portion)	213,480	16,015	-
Bonds payable (net of current portion)	2,925,000		
Capital leases payable (net of current portion)	628,595	-	-
Net pension obligation	89,522		
Landfill postclosure care costs (net of current portion)	180,000	-	-
Total Liabilities	6,136,368	32,030	-
NET POSITION			
Net investment in capital assets	15,998,828	5,294	-
Restricted for:			-
Capital projects	1,149,449	-	-
Program purposes	234,278	218,617	-
Unrestricted	2,147,662	562,928	199,324
Total Net Position	$ 19,530,217	$ 786,839	$ 199,324

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Program/Function	Expenses	Program Revenues: Fees, Fines, and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government Governmental Activities	Component Units: Tattnall County Board of Health	Component Units: Tattnall County Development Authority
Primary Government							
General government	$ 1,824,607	$ 51,125	-	-	$ (1,773,482)		
Judicial	1,326,628	183,611	-	-	(1,143,017)		
Public safety	5,589,478	1,934,896	$ 10,045	$ 26,000	(3,618,537)		
Sanitation	761,753	583,424	-	-	(178,329)		
Public works/Roads	2,586,622	23,852	-	645,692	(1,917,078)		
Health and welfare	236,375	-	35,754	-	(200,621)		
Libraries and recreation	190,981	-	-	-	(190,981)		
Conservation	214,878	-	-	-	(214,878)		
Community services	416,282	-	-	-	(416,282)		
Economic development	147,818	-	-	-	(147,818)		
Interest and fiscal charges	162,256	-	-	-	(162,256)		
Total Governmental Activities - Primary Government	$ 13,457,678	$ 2,776,908	$ 45,799	$ 671,692	(9,963,279)		
Component Units:							
Tattnall County Board of Health	$ 713,482	$ 218,916	$ 513,759	$ -		$ 19,193	-
Tattnall County Development Authority	12,183	-	133,146	-		-	$ 120,963
Total Component Units	$ 725,665	$ 218,916	$ 646,905	$ -		$ 19,193	$ 120,963
		General Revenues					
		Property taxes levied for general purposes			6,260,905	-	87
		Sales taxes			4,210,301	-	-
		Insurance premium tax			781,060	-	-
		Other taxes			179,943	-	-
		Interest earned			19,980	-	335
		Gain on sale of capital assets			43,402	-	-
		Miscellaneous			64,660	-	-
		Total general revenues			11,560,251	-	422
		Change in Net Position			1,596,972	19,193	121,385
		Net Position, October 1, 2013			17,933,245	767,646	77,939
		Net Position, September 30, 2014			$ 19,530,217	$ 786,839	$ 199,324

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	General	Solid Waste Fund	2009 Special Sales Tax Fund	2014 Special Sales Tax Fund	T-SPLOST Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash	$ 1,281,387	$ 45,420	$ 392,770	$ 3,828,227	$ 455,455	$ 300,441	$ 6,303,700
Receivables:							
Accounts	-	330,426	-	-	-	-	330,426
Taxes	685,837	-	-	-	-	-	685,837
Intergovernmental	107,223	-	-	145,528	455,083	682	708,516
Other	51,202	-	-	-	-	62,906	114,108
Due from other funds	602,053	-	-	-	-	15,359	617,412
Prepaid items	162,446	-	-	-	-	12,507	174,953
TOTAL ASSETS	$ 2,890,148	$ 375,846	$ 392,770	$ 3,973,755	$ 910,538	$ 391,895	$ 8,934,952
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	$ 114,875	$ 92,037	$ 67,674	$ 2,200	$ 485,649	$ 1,097	$ 763,532
Accrued payroll	69,877	-	-	-	-	-	69,877
Intergovernmental payable	-	-	-	245,288	-	-	245,288
Due to other funds	-	283,809	201,715	-	-	131,888	617,412
Funds held for others	-	-	-	-	-	24,479	24,479
Unearned revenue	1,362	-	-	-	-	-	1,362
TOTAL LIABILITIES	186,114	375,846	269,389	247,488	485,649	157,464	1,721,950
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	609,696	-	-	-	-	-	609,696
FUND BALANCES							
Nonspendable	162,446	-	-	-	-	12,507	174,953
Restricted	-	-	123,381	3,726,267	424,889	234,431	4,508,968
Assigned	277,256	-	-	-	-	-	277,256
Unassigned	1,654,636	-	-	-	-	(12,507)	1,642,129
TOTAL FUND BALANCES	2,094,338	-	123,381	3,726,267	424,889	234,431	6,603,306
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 2,890,148	$ 375,846	$ 392,770	$ 3,973,755	$ 910,538	$ 391,895	$ 8,934,952

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2014

Amounts reported for governmental activities in the statement of net position are different because:			
Total Governmental Fund Balances			$ 6,603,306
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:			
	Cost	$ 28,389,681	
	Less accumulated depreciation	(11,040,636)	17,349,045
Other long-term assets are not available to pay for current period expenditures and therefore are reported as unavailable revenue in the funds:			
	Property taxes		609,696
Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net position:			
	Interfund receivables	$ 617,412	
	Interfund payables	(617,412)	-
An asset is reported on the government-wide statement of net position for the County's cumulative underfunding of its annual required contribution to its pension plan.			(89,522)
Liabilities, including capital leases, bonds payable, compensated absences and accrued landfill postclosure care costs are not due and payable in the current period and therefore are not reported in the funds but are reported on the statement of net position:			
	Capital leases payable	$ (975,458)	
	Bonds payable	(3,500,000)	
	Landfill postclosure care costs	(200,000)	
	Compensated absences	(266,850)	(4,942,308)
Net Position Of Governmental Activities			$ 19,530,217

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	General	Solid Waste Fund	2009 Special Sales Tax Fund	2014 Special Sales Tax Fund	T-SPLOST Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES							
Taxes	$ 8,298,615	$ 138,891	$ 841,927	$ 876,031	$ 1,324,145	-	$ 11,479,609
Licenses and permits	29,000	-	-	-	-	-	29,000
Charges for services	973,879	583,424	23,852	-	-	$ 324,827	1,905,982
Fees, fines and forfeitures	667,097	-	-	-	-	127,666	794,763
Intergovernmental	71,799	-	-	-	-	636,302	708,101
Interest	3,360	16,038	1,622	6,750	732	868	29,370
Other	87,822	-	9,482		-	14,519	111,823
Total revenues	10,131,572	738,353	876,883	882,781	1,324,877	1,104,182	15,058,648
EXPENDITURES							
Current:							
General government	1,626,328	-	-	-	-	-	1,626,328
Judicial	1,259,546	-	-	-	-	15,373	1,274,919
Public safety	4,593,693	-	-	-	-	514,616	5,108,309
Sanitation	-	711,423	-	-	-	-	711,423
Public works/Roads	1,479,501	-	-	-	-	-	1,479,501
Health and welfare	186,050	-	-	-	-	-	186,050
Libraries and recreation	103,865	-	-	-	-	-	103,865
Conservation	210,141	-	-	-	-	-	210,141
Economic development	133,146	-	-	-	-	-	133,146
Capital outlay	-	-	285,240	501,974	1,175,875	689,023	2,652,112
Debt service:							
Principal	145,280	-	420,872	-	-	-	566,152
Interest	2,174	-	50,818	27,764	-	-	80,756
Bond issuance costs	-	-	-	81,500	-	-	81,500
Intergovernmental	-	-	206,035	210,247	-	-	416,282
Total expenditures	9,739,724	711,423	962,965	821,485	1,175,875	1,219,012	14,630,484
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	391,848	26,930	(86,082)	61,296	149,002	(114,830)	428,164
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	27,114	-	58,341	-	-	-	85,455
Proceeds from issuance of bonds	-	-	-	3,500,000	-		3,500,000
Proceeds from capital lease	-	-	-	164,971	-	-	164,971
Transfers in	13,115	-	560,000	-	-	141,848	714,963
Transfers out	(701,848)	-	-	-	-	(13,115)	(714,963)
Total other financing sources (uses)	(661,619)	-	618,341	3,664,971	-	128,733	3,750,426
NET CHANGE IN FUND BALANCES	(269,771)	26,930	532,259	3,726,267	149,002	13,903	4,178,590
FUND BALANCES, OCTOBER 1, 2013	2,364,109	(26,930)	(408,878)	-	275,887	220,528	2,424,716
FUND BALANCES, SEPTEMBER 30, 2014	$ 2,094,338	$ -	$ 123,381	$ 3,726,267	$ 424,889	$ 234,431	$ 6,603,306

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2014

Amounts reported for governmental activities in the statement of activities are different because:			
Net Changes In Fund Balances - Total Governmental Funds			$ 4,178,590
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.			
	Depreciation expense	$ (1,293,004)	
	Capital outlay	2,040,259	747,255
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.			
	Property taxes:		
	Deferred @ 9/30/14	609,696	
	Deferred @ 9/30/13	(657,096)	(47,400)
Elimination of transfers between governmental funds:			
	Transfers in	714,963	
	Transfers out	(714,963)	-
Governmental funds do not report the cost of disposed capital assets but the cost is reported on the statement of activities.			(42,053)
The inception of capital leases and proceeds from bonds payable are reported as an other financing source on the fund level financial statement and as a liability on the statement of net position.			(3,664,971)
A inccrease in expense for the pension plan is recognized in the government-wide statement of activities for the increase in the net pension obligation.			(123,556)
Repayment of capital lease and notes payable principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			566,152
Some expenses reported in the statement of activities, such as compensated absences and landfill post-closure care costs, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			(17,045)
Change In Net Position of Governmental Activities			$ 1,596,972

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes:				
Property	$ 6,200,877	$ 6,200,877	$ 6,308,305	$ 107,428
Local option sales tax	1,200,000	1,200,000	1,168,198	(31,802)
Alcoholic beverage	40,000	40,000	49,220	9,220
Insurance premium	700,000	700,000	642,169	(57,831)
Other	105,500	105,500	130,723	25,223
Licenses and permits	26,325	26,325	29,000	2,675
Charges for services	900,550	900,550	973,879	73,329
Fees, fines and forfeitures	538,600	538,600	667,097	128,497
Intergovernmental	73,000	73,000	71,799	(1,201)
Interest	1,500	1,500	3,360	1,860
Other	74,566	74,566	87,822	13,256
Total revenues	9,860,918	9,860,918	10,131,572	270,654
EXPENDITURES				
Current:				
General government:				
General administration	1,100,283	735,912	550,467	185,445
Public buildings	352,808	355,670	347,966	7,704
Tax commissioner	275,745	288,195	295,389	(7,194)
Elections	190,400	194,179	136,287	57,892
Tax assessor	274,880	284,452	255,042	29,410
Code enforcement	50,040	51,590	37,923	13,667
Tax equalizers	7,800	7,800	3,254	4,546
Total general government	2,251,956	1,917,798	1,626,328	291,470
Judicial:				
State and Superior Court	495,397	501,402	484,292	17,110
State Court Solicitor	43,725	45,220	43,923	1,297
Clerk of Superior Court	355,828	372,486	365,260	7,226
Probate Court	185,275	194,024	184,748	9,276
Magistrate Court	182,600	191,231	181,323	9,908
Total judicial	1,262,825	1,304,363	1,259,546	44,817
Public safety:				
Sheriff	1,315,709	1,385,089	1,365,358	19,731
Public safety director	143,260	145,619	137,510	8,109
Jail	1,195,772	1,232,410	1,424,094	(191,684)
Emergency management/civil defense	150,672	153,083	146,558	6,525
Ambulance service	1,100,135	1,151,086	1,143,479	7,607
Coroner	31,580	31,901	26,148	5,753
Animal control	87,760	89,883	90,291	(408)
Probation	60,572	63,231	62,469	762
Fire	117,575	117,575	117,562	13
Drug condemnations	10,000	10,000	80,224	(70,224)
Total public safety	$ 4,213,035	$ 4,379,877	$ 4,593,693	$ (213,816)

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (Continued)				
Public works/Roads:				
Roads	$ 1,454,845	$ 1,545,835	$ 1,312,607	$ 233,228
County road shop	204,500	210,792	166,894	43,898
Total public works/Roads	1,659,345	1,756,627	1,479,501	277,126
Health and welfare:				
Senior center	9,200	9,200	8,244	956
School resource officer	53,490	55,959	53,817	2,142
Health department/other	132,093	132,093	123,989	8,104
Total health and welfare	194,783	197,252	186,050	11,202
Libraries and recreation:				
Recreation	70,000	70,000	70,000	-
Libraries	38,650	38,650	33,865	4,785
Total libraries and recreation	108,650	108,650	103,865	4,785
Conservation:				
Extension service	179,874	186,717	191,456	(4,739)
Forestry commission	18,800	18,800	18,685	115
Total conservation	198,674	205,517	210,141	(4,624)
Economic development	137,150	137,150	133,146	4,004
Debt service:				
Principal	46,000	46,000	145,280	(99,280)
Interest	4,000	4,000	2,174	1,826
Total debt service	50,000	50,000	147,454	(97,454)
Total expenditures	10,076,418	10,057,234	9,739,724	317,510
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(215,500)	(196,316)	391,848	588,164
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	5,000	5,000	27,114	22,114
Transfers in	-	-	13,115	13,115
Transfers out	(50,000)	(69,134)	(701,848)	(632,714)
Total other financing sources (uses)	(45,000)	(64,134)	(661,619)	(597,485)
NET CHANGE IN FUND BALANCE	$ (260,500)	$ (260,450)	(269,771)	$ (9,321)
FUND BALANCE, BEGINNING OF YEAR			2,364,109	
FUND BALANCE, END OF YEAR			$ 2,094,338	

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA
SOLID WASTE FUND - MAJOR SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Insurance premium tax	$ 30,000	$ 30,000	$ 138,891	$ 108,891
Charges for services	682,000	682,000	583,424	(98,576)
Interest	18,303	18,303	16,038	(2,265)
Total revenues	730,303	730,303	738,353	8,050
EXPENDITURES				
Current:				
Sanitation	730,303	733,451	711,423	22,028
Total expenditures	730,303	733,451	711,423	22,028
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(3,148)	26,930	30,078
FUND BALANCE, OCTOBER 1, 2013	(26,930)	(26,930)	(26,930)	-
FUND BALANCE, SEPTEMBER 30, 2014	$ (26,930)	$ (30,078)	$ -	$ 30,078

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA

COMPARATIVE STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

SEPTEMBER 30, 2014 AND 2013

	2014	2013
ASSETS		
Cash	$ 466,465	$ 488,582
TOTAL ASSETS	$ 466,465	$ 488,582
LIABILITIES		
Due to other entities and individuals	466,465	448,582
TOTAL LIABILITIES	$ 466,465	$ 448,582

See accompanying notes to the basic financial statements.

Tattnall County, Georgia (the "County") operates under a Commissioner – County Manager form of Government. The County is governed by a board of six commissioners elected by the voters of the County.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements 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 is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; 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 also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The component unit columns included on the government-wide financial statements identify the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

A brief description of the County's discretely presented component units follows:

Tattnall County Development Authority (the Authority) – The Authority was created to promote industry, trade, and economic growth in the County. There are no separate financial statements for the Tattnall County Development Authority.

Tattnall County Board of Health (Health Department) – The Health Department provides health care services and health education to residents of Tattnall County. The Health Department receives financial support from Tattnall County, Georgia, the State of Georgia and the Federal Government. The County Commission appoints a majority of the Board of Directors. The Health Department issued separately audited financial statements with a fiscal year ended June 30, 2014. Copies of these financial statements may be obtained from their administrative office at:

Tattnall County Board of Health
200B South Main Street
Reidsville, Georgia

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements – The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Fiduciary activities are not included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes, grants and the County's general revenues, from business-type activities, generally financed in whole or part with service charges to external customers. The County had no business-type activities at September 30, 2014.

The statement of net position presents the financial position of the governmental and business-type activities of the County and its discretely presented component units at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted.*

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements – During the year, the county segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental and fiduciary funds.

Major individual governmental funds are reported in separate columns with composite columns for non-major funds. Fiduciary funds are reported by type.

Fund Accounting – The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County only uses the governmental category of funds.

Governmental Funds – Governmental funds are those through which most governmental functions typically 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 or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the State of Georgia.

2009 Special Sales Tax Fund – This capital project fund accounts for the special purpose local option sales tax collected pursuant to a referendum for various capital improvements within the County.

2014 Special Sales Tax Fund – This capital project fund accounts for the special purpose local option sales tax collected pursuant to a referendum for various capital improvements within the County.

Solid Waste Fund – This special revenue fund accounts for the revenues and expenditures related to providing sanitation services to the citizens of Tattnall County. The major revenue sources are charges for services and insurance premium taxes allocated to this fund.

T-SPLOST Fund – This fund accounts for the regional transportation special purpose local option sales tax proceeds received for transportation purposes within the County.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds – Fiduciary fund reporting focuses on net position. The County's fiduciary funds are agency funds. These agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Constitutional officers use these funds to temporarily hold assets.

1-C. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

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 generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred outflows/inflows of resources, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions – Revenue 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 recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenue – Non-exchange Transactions – Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities, Deferred Inflows of Resources, and Net Position

Cash, Cash Equivalents, and Investments

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

Investments are stated at fair value based on quoted market prices.

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

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

Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable. The Solid Waste special revenue fund reported an allowance for uncollectibles of $308,000 at September 30, 2014.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "due from/to other funds." These amounts are eliminated in the governmental and business-type activities columns on the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances on this statement. These amounts are ultimately eliminated from the total column on the statement of net position.

Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

Prepaid Items

Payments made to vendors for services that will benefit periods beyond September 30, 2014, 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 fund balance is reported as nonspendable as this amount is not available for general appropriation.

Capital Assets

The County reports general capital assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the County fund financial statements.

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 maintains a capitalization threshold of five thousand dollars. The County's infrastructure consists of roads and bridges. For roads and bridges, the County has capitalized only infrastructure constructed after September 30, 2003. 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 expensed.

All reported 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. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Estimated Lives
Buildings	15-40 years
Improvements other than buildings	15-40 years
Machinery and equipment	5-15 years
Infrastructure	15-25 years

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

Deferred Outflows /Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expenses/expenditures) until then. The County does not have any deferred outflows of resources as of September 30, 2014.

In addition to liabilities, the statement of financial 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 periods(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

Compensated Absences

Personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only "*when due.*"

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements when due.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net position, bond premiums and discounts are netted against bonds payable and bond issuance costs are expensed when incurred. On the government-wide statement of activities, bond premiums and discounts are amortized over the life of the bonds using the effective interest method.

At the governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as debt service expenditures.

Fund Equity

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

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

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

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

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

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

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Flow Assumptions – 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

Net Position – Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its 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. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayment from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental funds on the government-wide statement of activities are eliminated.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States, 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.

Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The County adopts an annual operating budget for the general fund, each special revenue fund, and capital projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. The County Manager may approve budget transfers within departments. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

During the year, the Board of Commissioners approved budget revisions.

All unexpended annual appropriations lapse at year-end.

Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations for the year ended September 30, 2014, in the following departments for the general fund:

	General Fund
Tax commissioner	$ 7,194
Jail	191,684
Animal control	408
Drug condemnations	70,224
Extension service	4,739
Debt service - principal	99,280

The overexpenditures in these areas were funded by underexpenditures in other departments.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY(Continued)

Expenditures exceeded appropriations in the following special revenue funds and these overexpenditures were funded by additional revenues over amounts budgeted and/or available fund balance.

	Overexpenditures
Law library	$ 5,373
Jail phone fund	15,212
Sheriff seized funds	33,915
Drug abuse treatment and education fund	4,008

NOTE 3 – DEPOSITS AND INVESTMENTS

At September 30, 2014, the carrying amount of the County's deposits and investments was $6,770,165 and the bank balance was $7,152,031. Of the bank balance, $1,434,312 was covered by federal depository insurance and $5,717,719 was collateralized with securities held by the pledging financial institution's trust department or agent in the County's name.

The County maintains investments in a local government investment pool through the Office of State Treasurer. The balance at September 30, 2014 was $23,971 for all funds.

"Georgia Fund 1," created by O.C.G.A 36-83-8, is a stable net asset value invested pool which follows Standard and Poor's criteria for AAAm rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value.) Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share.

Discretely Presented Component Units

At September 30, 2014, the bank deposits of the Tattnall County Development Authority totaling $199,324 were all insured or collateralized with securities held by the pledging financial institution's trust department or agent in the Tattnall County Development Authority's name.

NOTE 3 – DEPOSITS AND INVESTMENTS (Continued)

At June 30, 2013, the bank deposits of the Tattnall County Board of Health totaling $796,067 were all insured or collateralized with securities held by the pledging financial institution's trust department or agent in the Tattnall County Board of Health's name.

NOTE 4 – PROPERTY TAXES

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are billed on or about October 20th of each year and are payable within sixty days. The County bills and collects its own property taxes. Collection of taxes for the County and other government agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in an Agency Fund. County property tax revenues at the fund reporting level are recognized when levied to the extent that they result in current receivables (i.e., collectible in 60 days). For the year ended September 30, 2014, property taxes were levied on October 10, 2013, mailed on October 22, 2013, and were due December 30, 2013.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2014, is as follows:

Receivable Fund	Payable Fund	Amount
General	Solid Waste Fund	$283,809
	Telephone E-911 Fund	130,588
	2009 Special Sales Tax	187,656
DOT Special	2009 Special Sales Tax	14,059
Juvenile Probation Fees	Jail Fund	1,300
Total		$617,412

Interfund balances at September 30, 2014 represent reimbursable expenses and temporary loans. The County expects to repay all interfund balances within one year.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (Continued)

Interfund transfers for the year ended September 30, 2014, consisted of the following:

	Transfers From:		
Transfers To:	General Fund	Law Library	Total
Telephone E-911 Fund	$ 141,848	-	$ 141,848
2009 Special Sales Tax	560,000		560,000
General Fund	-	$ 13,115	13,115
Total	$ 701,848	$ 13,115	$ 714,963

The general fund transferred funds to the Telephone E-911 fund to help fund its operating deficit. The general fund transferred $560,000 to the 2009 special sales tax fund to retire short-term notes payable for that fund. The Law Library transferred $13,115 to the general fund to assist with judicial costs paid by the general fund.

NOTE 6 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2014 was as follows:

	Balance 10/01/13	Additions	Deductions	Balance 09/30/14
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 542,098	-		$ 542,098
Construction in progress	197,571	$ 497,041	197,571	497,041
Total capital assets not being depreciated	739,669	497,041	197,571	1,039,139
Capital assets being depreciated:				
Buildings & improvements	15,535,290	163,209	-	15,698,499
Machinery and equipment	7,234,378	533,067	217,600	7,549,845
Infrastructure	3,057,685	1,044,513	-	4,102,198
Total capital assets being depreciated	25,827,353	1,740,789	217,600	27,350,542
Total capital assets	26,567,022	2,237,830	415,171	28,389,681
Accumulated depreciation:				
Buildings & improvements	4,577,844	391,256	-	4,969,100
Machinery and equipment	4,638,049	775,116	175,547	5,237,618
Infrastructure	707,286	126,632	-	833,918
Total accumulated depreciation	9,923,179	1,293,004	175,547	11,040,636
Governmental activities capital assets, net	$ 16,643,843	$ 944,826	$ 239,624	$ 17,349,045

NOTE 6 – CAPITAL ASSETS (Continued)

Governmental activities depreciation expense:

General government	$ 99,736
Judicial	55,250
Public safety	568,538
Sanitation	4,032
Roads	478,475
Health and welfare	50,325
Libraries and recreation	17,736
Economic development	14,175
Conservation	4,737
Total governmental activities depreciation expense	$ 1,293,004

	Balance 7/1/2013	Additions	Deductions	Balance 6/30/2014
Component unit - Tattnall County Board of Health:				
Capital assets being depreciated:				
Machinery and equipment	$ 170,010	-	-	$ 170,010
Accumulated depreciation:				
Machinery and equipment	161,478	$ 3,238	-	164,716
Component units capital assets, net	$ 8,532	$ (3,238)	-	$ 5,294

NOTE 7 – ACCRUED LANDFILL POSTCLOSURE CARE COSTS

State and federal laws and regulations required the County to place a final cover on its closed landfill site and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The County reports a liability for these postclosure care costs in its government-wide statement of net positions. The accrued landfill postclosure care costs at September 30, 2014 are based on what it would cost to perform all postclosure care in 2014. Actual costs may be higher due to inflation, unexpected mitigation requirements, changes in technology, or changes in regulations.

NOTE 8 – NOTES PAYABLE

The County uses short-term lines of credit with local banks to provide short-term cash flow to carry on County operations until tax revenues are received in December. Repayment of the notes comes from tax payments received in the fiscal year. The County also used a short-term line of credit for jail expansion costs to be paid by the 2009 special sales tax fund.

NOTE 8 – NOTES PAYABLE (Continued)

Short-term debt activity for the year ended September 30, 2014, was as follows:

	Balance 10/01/13	Increases	Decreases	Balance 9/30/14
South Georgia Bank loan	$ 700,350	-	$ 700,350	-

NOTE 9 – BONDS PAYABLE

In February 2014, the County issued $3,500,000 in General Obligation Sales Tax Bonds, Series 2014, primarily to fund the construction of fire stations throughout the County.

The bonds have an interest rate of 1.67 percent. The bonds require annual principal payments beginning February 1, 2015 through February 1, 2020, and interest is payable semiannually on February 1 and August 1 each year.

The principal and interest on the bonds are payable from SPLOST funds. As of September 30, 2014, annual debt service requirements for the bonds are as follows:

Fiscal Year	Principal	Interest	Total Debt Service
2015	575,000	53,649	628,649
2016	575,000	44,046	619,046
2017	580,000	34,402	614,402
2018	585,000	24,674	609,674
2019	590,000	14,863	604,863
2020	595,000	4,968	599,968
Total	3,500,000	176,602	3,676,602

NOTE 10 – CAPITAL LEASES

The County has entered into lease agreements as lessee for financing the acquisition of various equipment costing $1,784,801. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. Amortization of the cost of the equipment is included in deprecation expense in the government-wide financial statements. Depreciation expense and accumulated depreciation on the leased equipment was $186,178 and $528,161, respectively, for the year ended September 30, 2014.

NOTE 10 – CAPITAL LEASES (Continued)

The following is a schedule of future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at September 30, 2014:

Year ending September 30	
2015	$ 376,473
2016	226,796
2017	65,877
2018	230,875
2019	139,816
Total minimum lease payments	1,039,837
Less amount representing interest	64,379
Present value of future minimum lease payments	$ 975,458

NOTE 11 – CHANGES IN LONG-TERM DEBT

	Balance October 1, 2013	Additions	Reductions	Balance September 30, 2014	Amounts Due In One Year
Compensated absences payable	$ 295,805	$ 15,548	$ 44,503	$ 266,850	$ 53,370
Accrued landfill postclosure care costs	154,000	46,000	-	200,000	20,000
Notes payable	127,281	-	127,281	-	-
Bonds payable	-	3,500,000	-	3,500,000	575,000
Capital leases payable	1,249,358	164,971	438,871	975,458	346,863
	$ 1,826,444	$ 3,726,519	$ 610,655	$ 4,942,308	$ 995,233

The compensated absences liability will be paid primarily from the General Fund. The bonds payable and capital lease obligations will be paid from the Special Sales Tax Capital Projects Funds. The landfill postclosure care costs will be paid primarily from the Solid Waste Fund.

NOTE 12 – FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2014, governmental fund balances are composed of the following:

	General Fund	Solid Waste Fund	2009 Special Sales Tax Fund	2014 Special Sales Tax Fund	T-SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:							
Prepaid items	$ 162,446	-	-	-	-	$ 12,507	$ 174,953
Restricted:							
Capital projects	-	-	$ 123,381	$ 3,726,267	-	153	3,849,801
Sheriff	-	-	-	-	-	33,274	33,274
Law library	-	-	-	-	-	41,444	41,444
Drug education	-	-	-	-	-	36,601	36,601
Jail	-	-	-	-	-	118,746	118,746
Juvenile probation	-	-	-	-	-	4,213	4,213
Roads	-	-	-	-	$ 424,889	-	424,889
Total restricted	-	-	123,381	3,726,267	424,889	234,431	4,508,968
Assigned:							
Subsequent years' budget	277,256	-	-	-	-	-	277,256
Unassigned	1,654,636	-	-	-	-	(12,507)	1,642,129
Total fund balances	$ 2,094,338	-	$ 123,381	$ 3,726,267	$ 424,889	$ 234,431	$ 6,603,306

NOTE 13 – EMPLOYEE RETIREMENT PLANS

Defined Benefit Pension Plan

A. Plan Description

The County contributes to the Association of County Commissioners of Georgia (ACCG) Defined Benefit Plan (The Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The County's payroll for employees covered by the Plan as of January 1, 2014 (the most recent actuarial valuation date) was $3,206,664.

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 with three years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1 percent of average annual compensation up to $10,000 plus 1.50 percent of average annual compensation in excess of $10,000 plus $36 for each year of service payable as a life annuity. Service is limited to 35 years. Compensation is averaged over a five-year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the Tattnall County Board of Commissioners.

NOTE 13 – EMPLOYEE RETIREMENT PLANS (Continued)

The ACCG Defined Benefit Plan issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan using the actuarial basis described in the annual valuation report.

B. Summary of Significant Accounting Policies

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

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 60 percent equities and 40 percent fixed income securities.

Plan assets do not include any loans, notes, bonds or other instruments or securities of the County or related parties.

C. Contributions

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

D. Annual Pension Cost

For 2014, the County's annual pension cost was $438,340. The County's required contribution was $438,156 and the actual contribution was $314,784. The required contribution was determined as part of an actuarial valuation performed as of January 1, 2014 using the projected unit credit actuarial cost method. Significant actuarial assumptions used in the valuation include (a) a rate of return on the investment of present and future assets of 7.50 percent per year compounded annually, (b) projected salary increases of 3.0-5.5 percent per year, and (c) no post-retirement benefit increases. Both (a) and (b) included an inflation component of 3 percent. The asset valuation method used for Plan assets is based on market values. The Plan's unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The remaining amortization period at September 30, 2014 was 10 years.

NOTE 13 – EMPLOYEE RETIREMENT PLANS (Continued)

E. Derivation of Annual Pension Cost and Net Pension Obligation (Asset)

Annual required contribution	$ 438,156
Interest on net pension obligation	(2,638)
Amortization of net pension obligation	2,822
Annual pension cost	438,340
Contributions made	(314,784)
Increase in net pension obligation	123,556
Net pension obligation (asset), beginning of year	(34,034)
Net pension obligation (asset), end of year	$ 89,522

F. Three-Year Trend Information

Year Ended 9/30	Annual Pension Cost	Actual County Contribution	Percentage Contributed	Net Pension Obligation (Asset)
2012	$ 385,224	390,233	101.3%	(133,271)
2013	399,237	300,000	75.1%	(34,034)
2014	438,340	314,784	71.8%	89,522

G. Analysis of Funding Progress

Fiscal Year Ending (09/30)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2012	3,954,999	5,200,466	76.1%	1,245,467	3,028,616	41.1%
2013	4,245,904	5,525,538	76.8%	1,279,634	3,100,778	41.3%
2014	4,778,450	5,894,752	81.1%	1,116,302	3,206,664	34.8%

Analysis of the dollar amounts of actuarial value of assets available for benefits, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan. Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the plan.

NOTE 13 – EMPLOYEE RETIREMENT PLANS (Continued)

Probate Judges' Retirement Fund of Georgia

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

Clerk of Superior Court Retirement Fund

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

Sheriff's Retirement Fund/Peace Officers' Annuity and Benefit Fund

The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Magistrate Court and Clerk of Superior Court to the pension plans before the payment of any costs or other claims.

Tattnall County Board of Health (component unit)

The employees of the Tattnall County Board of Health participate in the Georgia State Employees Retirement System. The plan is administered by the State of Georgia, and accumulated benefits and plan assets are not determined or allocated to the individual participating governmental entities. The retirement contributions for the year ended June 30, 2014 were $57,652. Contributions are fully vested to employees after 10 years of continuous service.

NOTE 14 – 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; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Association of County Commissioners of Georgia (ACCG) Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia (ACCG) Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management insurance program 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 pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

NOTE 14 – RISK MANAGEMENT (Continued)

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 worker's compensation law of Georgia. The funds are to pay all cost 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.

Settled claims in the past three years have not exceeded the coverages.

NOTE 15 – CONTINGENCIES

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County attorney, the resolution of these matters probably will not have a material adverse effect on the financial condition of the County.

NOTE 16 – JOINT VENTURE

Under Georgia law, the County, in conjunction with other cities and counties in the seventeen county East Middle Georgia area, is a member of the Heart of Georgia Altamaha Regional Commission (RC) and is required to pay annual dues thereto. During its year ended September 30, 2014, the County paid $17,007 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-33 which provides for the organizational structure of the RC in Georgia. The RC Regional Council membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Heart of Georgia Altamaha Regional Commission
5405 Oak Street
Eastman, Georgia 31023

NOTE 17 – SUBSEQUENT EVENTS

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through April 30, 2015, the date the financial statements were available to be issued.

TATTNALL COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS

	SEPTEMBER 30, 2014	SEPTEMBER 30, 2013
ASSETS		
Cash	$ 1,281,387	$ 1,226,027
Receivables:		
Taxes	685,837	719,995
Intergovernmental	107,223	134,065
Other	51,202	-
Due from other funds	602,053	947,638
Prepaid items	162,446	160,547
TOTAL ASSETS	$ 2,890,148	$ 3,188,272
LIABILITIES		
Accounts payable	$ 114,875	$ 103,455
Accrued payroll	69,877	48,475
Unearned revenue	1,362	1,362
Due to other funds	-	13,775
Total liabilities	186,114	167,067
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	609,696	657,096
FUND BALANCE		
Nonspendable	162,446	160,547
Assigned	277,256	260,500
Unassigned	1,654,636	1,943,062
Total fund balance	2,094,338	2,364,109
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 2,890,148	$ 3,188,272

TATTNALL COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

	YEAR ENDED SEPTEMBER 30, 2014	YEAR ENDED SEPTEMBER 30, 2013
REVENUES		
Taxes	$ 8,298,615	$ 8,110,166
Licenses and permits	29,000	27,260
Charges for services	973,879	1,046,643
Fees, fines and forfeitures	667,097	608,063
Intergovernmental	71,799	93,460
Interest	3,360	1,746
Other	87,822	98,008
Total revenues	10,131,572	9,985,346
EXPENDITURES		
Current:		
General government	1,626,328	1,555,568
Public safety	4,593,693	4,564,427
Judicial	1,259,546	1,187,895
Public works/Roads	1,479,501	1,732,730
Health and welfare	186,050	205,035
Libraries and recreation	103,865	104,987
Conservation	210,141	203,746
Economic development	133,146	71,287
Debt service		
Principal	145,280	25,474
Interest	2,174	2,304
Total expenditures	9,739,724	9,653,453
EXCESS OF REVENUES OVER EXPENDITURES	391,848	331,893
OTHER FINANCING SOURCES (USES)		
Sale of capital assets	27,114	73,471
Proceeds from capital leases	-	64,669
Transfers in	13,115	-
Transfers out	(701,848)	(83,295)
Total other financing sources (uses)	(661,619)	54,845
NET CHANGE IN FUND BALANCE	(269,771)	386,738
FUND BALANCE, BEGINNING OF YEAR	2,364,109	1,977,371
FUND BALANCE, END OF YEAR	$ 2,094,338	$ 2,364,109

TATTNALL COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

	Nonmajor Special Revenue Funds	DOT Special Capital Project Fund	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 314,347	$ (13,906)	$ 300,441
Receivables:			
Intergovernmental	682	-	682
Other	62,906	-	62,906
Due from other funds	1,300	14,059	15,359
Prepaid Items	12,507	-	12,507
TOTAL ASSETS	$ 391,742	$ 153	$ 391,895
LIABILITIES			
Liabilities:			
Accounts payable	$ 1,097	-	$ 1,097
Funds held for others	24,479	-	24,479
Due to other funds	131,888	-	131,888
Total liabilities	157,464	-	157,464
FUND BALANCES			
Nonspendable	12,507	-	12,507
Restricted	234,278	$ 153	234,431
Unassigned	(12,507)	-	(12,507)
Total fund balances	234,278	153	234,431
TOTAL LIABILITIES AND FUND BALANCES	$ 391,742	$ 153	$ 391,895

TATTNALL COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Nonmajor Special Revenue Funds	DOT Special Capital Project Fund	Total Nonmajor Governmental Funds
REVENUES			
Charges for services	$ 324,827	-	$ 324,827
Fines and forfeitures	127,666	-	127,666
Intergovernmental	-	$ 636,302	636,302
Interest	582	286	868
Other	14,519	-	14,519
Total revenues	467,594	636,588	1,104,182
EXPENDITURES			
Current:			
Judicial	15,373	-	15,373
Public safety	514,616	-	514,616
Capital outlay:			
Public safety	52,190	-	52,190
Roads	-	636,833	636,833
Total expenditures	582,179	636,833	1,219,012
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(114,585)	(245)	(114,830)
OTHER FINANCING SOURCES (USES)			
Transfers in	141,848	-	141,848
Transfers out	(13,115)	-	(13,115)
Total financing sources (uses)	128,733	-	128,733
NET CHANGE IN FUND BALANCES	14,148	(245)	13,903
FUND BALANCES, BEGINNING OF YEAR	220,130	398	220,528
FUND BALANCES, END OF YEAR	$ 234,278	$ 153	$ 234,431

TATTNALL COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2014

	Telephone E-911 Fund	Jail Fund	Law Library	Jail Phone Fund	Sheriff's Seized Funds	Drug Abuse Treatment and Education Fund	Juvenile Probation Fees Fund	Total Nonmajor Special Revenue Funds
ASSETS								
Cash	$ 56,272	$ 64,531	$ 41,444	$ 54,962	$ 57,753	$ 36,472	$ 2,913	$ 314,347
Receivables:								
Intergovernmental	-	553	-	-	-	129	-	682
Other	62,906	-	-	-	-	-	-	62,906
Due from other funds	-	-	-	-	-	-	1,300	1,300
Prepaid items	12,507	-	-	-	-	-	-	12,507
TOTAL ASSETS	$ 131,685	$ 65,084	$ 41,444	$ 54,962	$ 57,753	$ 36,601	$ 4,213	$ 391,742
LIABILITIES AND FUND BALANCE								
Liabilities:								
Accounts payable	$ 1,097	-	-	-	-	-	-	$ 1,097
Funds held for others	-	-	-	-	$ 24,479	-	-	24,479
Due to other funds	130,588	$ 1,300	-	-	-	-	-	131,888
Total liabilities	131,685	1,300	-	-	24,479	-	-	157,464
Fund balance:								
Nonspendable	$ 12,507	-	-	-	-	-	-	$ 12,507
Restricted	-	63,784	$ 41,444	$ 54,962	33,274	$ 36,601	$ 4,213	234,278
Unassigned	(12,507)	-	-		-	-		(12,507)
Total fund balance	-	63,784	41,444	54,962	33,274	36,601	4,213	234,278
TOTAL LIABILITIES AND FUND BALANCE	$ 131,685	$ 65,084	$ 41,444	$ 54,962	$ 57,753	$ 36,601	$ 4,213	$ 391,742

TATTNALL COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Telephone E-911 Fund	Jail Fund	Law Library	Jail Phone Fund	Sheriff's Seized Funds	Drug Abuse Treatment and Education Fund	Juvenile Probation Fees Fund	Total Nonmajor Special Revenue Funds
REVENUES								
Charges for services	$ 324,827	-	-	-	-	-	-	$ 324,827
Fees, fines and forfeitures	-	$44,906	$ 9,498	-	$35,630	$ 36,067	$ 1,565	127,666
Interest	40	56	130	$ 227	108	21	-	582
Other	-	-	-	14,519	-	-	-	14,519
Total revenues	324,867	44,962	9,628	14,746	35,738	36,088	1,565	467,594
EXPENDITURES								
Current:								
Public safety	464,478	-	-	15,212	12,948	19,033	2,945	514,616
Judicial	-	-	15,373	-	-	-	-	15,373
Capital outlay:								
Public safety	2,237	28,986	-	-	20,967	-	-	52,190
Total expenditures	466,715	28,986	15,373	15,212	33,915	19,033	2,945	582,179
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(141,848)	15,976	(5,745)	(466)	1,823	17,055	(1,380)	(114,585)
OTHER FINANCING SOURCES								
Transfers in	141,848	-	-	-	-	-	-	141,848
Transfers out	-	-	(13,115)	-	-	-	-	(13,115)
Total other financing sources (uses)	141,848	-	(13,115)	-	-	-	-	128,733
NET CHANGE IN FUND BALANCE	-	15,976	(18,860)	(466)	1,823	17,055	(1,380)	14,148
FUND BALANCE, BEGINNING OF YEAR	-	47,808	60,304	55,428	31,451	19,546	5,593	220,130
FUND BALANCE, END OF YEAR	$ -	$63,784	$ 41,444	$ 54,962	$ 33,274	$ 36,601	$ 4,213	$ 234,278

TATTNALL COUNTY, GEORGIA
TELEPHONE E-911 FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2013 Actual
REVENUES					
Charges for services	$ 348,000	$ 348,000	$ 324,827	$ (23,173)	$ 354,145
Interest	100	100	40	(60)	30
Total revenues	348,100	348,100	324,867	(23,233)	354,175
EXPENDITURES					
Current:					
Public safety	446,275	462,261	464,478	(2,217)	435,176
Capital outlay:					
Public safety	3,500	3,500	2,237	1,263	2,194
Total expenditures	449,775	465,761	466,715	(954)	437,370
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(101,675)	(117,661)	(141,848)	(24,187)	(83,195)
OTHER FINANCING SOURCES					
Transfers in	50,000	65,986	141,848	75,862	83,195
NET CHANGE IN FUND BALANCE	(51,675)	(51,675)	-	51,675	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-	-
FUND BALANCE, END OF YEAR	(51,675)	(51,675)	-	51,675	-

TATTNALL COUNTY, GEORGIA
JAIL FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)	2013 Actual
REVENUES				
Fees, fines and forfeitures	$ 40,000	$ 44,906	$ 4,906	$ 44,685
Interest	-	56	56	26
Total revenues	40,000	44,962	4,962	44,711
EXPENDITURES				
Current outlay:				
Public safety	40,000	-	40,000	-
Capital outlay:				
Public safety	-	28,986	(28,986)	-
Total expenditures	40,000	28,986	11,014	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	15,976	15,976	44,711
FUND BALANCE, BEGINNING OF YEAR	47,808	47,808	-	3,097
FUND BALANCE, END OF YEAR	$ 47,808	$ 63,784	$ 15,976	$ 47,808

TATTNALL COUNTY, GEORGIA
LAW LIBRARY - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)	2013 Actual
REVENUES				
Fees, fines and forfeitures	$ 10,000	$ 9,498	$ (502)	$ 9,611
Interest	250	130	(120)	165
Total revenues	10,250	9,628	(622)	9,776
EXPENDITURES				
Current:				
Judicial	7,000	15,373	(8,373)	7,507
Capital outlay:				
Judicial	3,000	-	3,000	-
Total expenditures	10,000	15,373	(5,373)	7,507
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	250	(5,745)	(5,995)	2,269
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(13,115)	(13,115)	-
NET CHANGE IN FUND BALANCE	250	(18,860)	(19,110)	2,269
FUND BALANCE, BEGINNING OF YEAR	60,304	60,304	-	58,035
FUND BALANCE, END OF YEAR	$ 60,554	$ 41,444	$ (19,110)	$ 60,304

TATTNALL COUNTY, GEORGIA
JAIL PHONE FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)	2013 Actual
REVENUES				
Telephone commissions	$ 18,000	$ 14,519	$ (3,481)	$ 23,124
Interest	-	227	227	286
Total revenues	18,000	14,746	(3,254)	23,410
EXPENDITURES				
Current:				
Public safety	-	15,212	(15,212)	800
Capital outlay:				
Public safety	-	-	-	113,614
Total expenditures	-	15,212	(15,212)	114,414
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	18,000	(466)	(18,466)	(91,004)
FUND BALANCE, BEGINNING OF YEAR	55,428	55,428	-	146,432
FUND BALANCE, END OF YEAR	$ 73,428	$ 54,962	$ (18,466)	$ 55,428

TATTNALL COUNTY, GEORGIA
SHERIFF'S SEIZED FUNDS - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)	2013 Actual
REVENUES				
Fees, fines and forfeitures	$ 8,000	$ 35,630	$ 27,630	$ 15,969
Interest	-	108	108	159
Total revenues	8,000	35,738	27,738	16,128
EXPENDITURES				
Current:				
Public safety	-	12,948	(12,948)	42,833
Capital outlay:				
Public safety	-	20,967	(20,967)	9,500
Total expenditures	-	33,915	(33,915)	52,333
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,000	1,823	(6,177)	(36,205)
FUND BALANCE, BEGINNING OF YEAR	31,451	31,451	-	67,656
FUND BALANCE, END OF YEAR	$ 39,451	$ 33,274	$ (6,177)	$ 31,451

TATTNALL COUNTY, GEORGIA

DRUG ABUSE TREATMENT AND EDUCATION FUND - SPECIAL REVENUE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)	2013 Actual
REVENUES				
Fees, fines and forfeitures	$ 15,000	$ 36,067	$ 21,067	$ 20,944
Interest	25	21	(4)	15
Total revenues	15,025	36,088	21,063	20,959
EXPENDITURES				
Current:				
Public safety	15,025	19,033	(4,008)	17,777
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	17,055	17,055	3,182
FUND BALANCE, BEGINNING OF YEAR	19,546	19,546	-	16,364
FUND BALANCE, END OF YEAR	$ 19,546	$ 36,601	$ 17,055	$ 19,546

TATTNALL COUNTY, GEORGIA
JUVENILE PROBATION FEES FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Original and Final Budget	Actual	Variance Positive (Negative)	2013 Actual
REVENUES				
Fees, fines and forfeitures	$ 4,000	$ 1,565	$ (2,435)	$ 2,455
EXPENDITURES				
Current:				
Public safety	4,000	2,945	1,055	1,534
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,380)	(1,380)	921
FUND BALANCE, BEGINNING OF YEAR	5,593	5,593	-	4,672
FUND BALANCE, END OF YEAR	$ 5,593	$ 4,213	$ (1,380)	$ 5,593

TATTNALL COUNTY, GEORGIA

COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES

AGENCY FUNDS

SEPTEMBER 30, 2014

	Tax Commissioner	Probate Court	Clerk of Courts	Magistrate Court	Sheriff	Probation Office	Totals
ASSETS							
Cash	$ 293,169	$ 12,850	$ 40,993	$ 25,292	$ 76,344	$ 17,817	$ 466,465
TOTAL ASSETS	$ 293,169	$ 12,850	$ 40,993	$ 25,292	$ 76,344	$ 17,817	$ 466,465
LIABILITIES							
Due to other entities and individuals	$ 293,169	$ 12,850	$ 40,993	$ 25,292	$ 76,344	$ 17,817	$ 466,465
TOTAL LIABILITIES	$ 293,169	$ 12,850	$ 40,993	$ 25,292	$ 76,344	$ 17,817	$ 466,465

TATTNALL COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

	Balance September 30, 2013	Additions	Deductions	Balance September 30, 2014
Tax Commissioner				
Assets				
Cash	$ 247,877	$ 14,603,272	$ 14,557,980	$ 293,169
Liabilities				
Due to other entities and individuals	$ 247,877	$ 14,603,272	$ 14,557,980	$ 293,169
Probate Court				
Assets				
Cash	$ 13,029	$ 96,304	$ 96,483	$ 12,850
Liabilities				
Due to other entities and individuals	$ 13,029	$ 96,304	$ 96,483	$ 12,850
Clerk of Courts				
Assets				
Cash	$ 64,454	$ 892,071	$ 915,532	$ 40,993
Liabilities				
Due to other entities and individuals	$ 64,454	$ 892,071	$ 915,532	$ 40,993
Magistrate Court				
Assets				
Cash	$ 29,737	$ 210,071	$ 214,516	$ 25,292
Liabilities				
Due to other entities and individuals	$ 29,737	$ 210,071	$ 214,516	$ 25,292
Sheriff				
Assets				
Cash	$ 74,063	$ 544,865	$ 542,584	$ 76,344
Liabilities				
Due to other entities and individuals	$ 74,063	$ 544,865	$ 542,584	$ 76,344
Probation Office				
Assets				
Cash	$ 19,422	$ 259,084	$ 260,689	$ 17,817
Liabilities				
Due to other entities and individuals	$ 19,422	$ 259,084	$ 260,689	$ 17,817
Total Agency Funds				
Assets				
Cash	$ 448,582	$ 16,605,667	$ 16,587,784	$ 466,465
Liabilities				
Due to other entities and individuals	$ 448,582	$ 16,605,667	$ 16,587,784	$ 466,465

TATTNALL COUNTY, GEORGIA
SCHEDULE OF PROJECTS PAID
WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED SEPTEMBER 30, 2014

2009 Special Sales Tax

Project	Original Estimated Cost	Current Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total	Estimated Percentage of Completion
Roads and bridges	$ 3,150,000	$ 2,719,079	$ 1,889,115	$ 672,741	$ 2,561,856	94%
Jail and other buildings	3,360,000	2,997,431	2,947,581	49,850	2,997,431	100%
Emergency services	1,050,000	940,869	940,869	-	940,869	100%
Recreation	420,000	369,840	335,501	34,339	369,840	100%
City of Cobbtown	100,800	88,761	80,520	8,241	88,761	100%
City of Collins	176,400	155,333	140,910	14,423	155,333	100%
City of Glennville	1,512,000	1,331,426	1,207,805	123,621	1,331,426	100%
City of Manassas	25,200	22,191	20,131	2,060	22,191	100%
City of Reidsville	705,600	621,332	563,642	57,690	621,332	100%
	$10,500,000	$ 9,246,262	$ 8,126,074	$ 962,965	$ 9,089,039	98%

2014 Special Sales Tax

Project	Original Estimated Cost	Current Estimated Cost	Expenditures Prior Years	Expenditures Current Year	Expenditures Total	Estimated Percentage of Completion
Roads and bridges	$ 3,240,000	$ 3,240,000	-	-	-	0%
Various buildings	540,000	540,000	-	-	-	0%
Emergency services	540,000	540,000	-		-	0%
Fire stattions/equipment	3,456,000	3,456,000	-	$ 329,726	$ 329,726	10%
Recreation	432,000	432,000	-	35,041	35,041	8%
City of Cobbtown	129,600	103,432	-	8,410	8,410	8%
City of Collins	207,360	172,093	-	14,718	14,718	9%
City of Glennville	1,296,000	1,524,377	-	126,148	126,148	8%
City of Manassas	25,920	27,700	-	2,102	2,102	8%
City of Reidsville	933,120	764,398	-	58,869	58,869	8%
	$10,800,000	$ 10,800,000	-	$ 575,014	$ 575,014	5%

Reconciliation of current year expenditures to Statement of Revenues, Expenditures and Changes in Fund Balances:

Total 2014 Special Sales Tax fund expenditures per Statement of Revenues, Expenditures and Changes in Fund Balances	$ 821,485
Less:	
Bond issuance costs	(81,500)
Proceeds from capital leases	(164,971)
Total current year expenditures per above	$ 575,014

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

To the Board of Commissioners
Tattnall County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Tattnall County, Georgia, as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise Tattnall County, Georgia's basic financial statements, and have issued our report thereon dated April 30, 2015. Our report includes a reference to other auditors who audited the financial statements of the Tattnall County Board of Health, a component unit, as described in our report on Tattnall County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct,

misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described below as 2014-1 through 2014-4 and 2014-6 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described below as 2014-5 to be a significant deficiency.

2014-1 Financial reporting process is inadequate for recording the activity in the County's agency funds and certain special revenue funds

The County has several agency funds and special revenue funds for which a trial balance summarizing the annual activity and year end balances is not maintained. Accurate trial balances are needed on these funds in order for them to be properly included in the County's financial statements. Also, the amounts due from agency funds need to be recorded properly in the general ledger of the general fund and other appropriate fund at year end.

County response: We concur with this finding, and we will consult with our auditors on developing the appropriate procedures to prepare accurate trial balances at year end for our agency funds and special revenue funds not maintained on our computerized accounting system.

2014-2 Recording of year end accruals for the financial statements

The County's procedures to make sure all year end accruals such as receivables, accounts payable, prepaid items and deferred revenue are included in the financial statements are inadequate. Many of the adjusting journal entries needed to record these accruals were material to the County's financial statements.

County response: We concur with these findings, and we will implement procedures to make sure all accruals are included in the year end financial statements.

2014-3 Recording the activity of cash accounts by other departments

County has some cash accounts that are reported in the general fund which are maintained by other departments. The activity for these accounts is not being properly recorded in the general fund. We recommend that the activity for the Sheriff's bond fee account, DARE account, and jail petty cash account be submitted to the County's accounting department on a monthly basis to be recorded in the general fund on a timely basis.

County response: We concur with this finding, and we will request that the activity for these cash accounts be submitted to the County's accounting department on a monthly basis to be recorded in the general fund.

2014-4 Accounting for capital leases

During our audit we noted a new capital lease for $164,971 for road equipment that was not recorded in the County's financial statements. Also, the budget was not amended to reflect the new capital lease entered into during the year. At the inception of capital leases at the governmental fund

reporting level, expenditures and an other financing source called "proceeds from capital leases" of an equal amount should be recorded at the net present value of the future minimum lease payments.

County response: We concur with this finding, and we will implement procedures to make sure that as new capital leases are entered into, a copy of the lease agreement is forwarded to the County Clerk who will be responsible for recording the capital lease in the County's accounting records.

2014-5 Accounting for capital assets

We noted that the County does not have a process to accumulate information on additions and disposals to capital assets and has not designated a person to be responsible for maintaining capital asset records. The County should have procedures in place that require each department and/or accounts payable personnel to forward any information to the designated person responsible for maintaining capital assets records. The information accumulated on additions and disposals should be provided to the auditors after the County's fiscal year end.

County response: We concur with this finding, and we will implement procedures requiring each department to forward any information on capital purchases and disposals to the person responsible for maintaining the capital assets records.

2014-6 Interfund balances

We noted that several interfund balances were not reconciled for the year ended September 30, 2014 resulting in adjusting journal entries that were material to the County's financial statements. Interfund balances should be reconciled on a monthly basis.

County response: We concur with this finding, and we will begin reconciling intefund balances on a monthly basis.

Compliance and Other Matters

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

Tattnall County, Georgia's Response to Findings

Tattnall County, Georgia's response to the findings indentified in our audit is described above. Tattnall County, Georgia's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Thigpen, Lanier, Westerfield & Deal

Statesboro, Georgia
April 30, 2015