TATTNALL COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED SEPTEMBER 30, 2017

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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, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Tattnall County Board of Health, a discretely presented component unit, which represents 2.6% of the assets, 1.1% of the net position, and 4.8% 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 2.6% of the assets, 1.1% of the net position, and 4.8% 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, 2017, 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

Accounting principles generally accepted in the United States of America require that the Schedule of Changes in the Net Pension Liability and Related Ratios and the Schedule of Contributions on pages 38 and 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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, 2018, 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.

Lanier, Neal & Proctor

Statesboro, Georgia
April 30, 2018

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

	Primary Government	Component Units	
ASSETS	Governmental Activities	Tattnall County Board of Health	Tattnall County Development Authority
Current Assets:			
Cash	$ 6,442,381	$ 822,600	$ 500,935
Receivables:			
Accounts	302,751	-	-
Taxes	867,300	-	-
Intergovernmental	605,029	25,212	-
Other	115,678	-	-
Prepaid items	196,514	-	-
Capital Assets:			
Nondepreciable capital assets	542,098	-	-
Depreciable capital assets, net	23,195,379	156	-
Total Assets	32,267,130	847,968	500,935
DEFERRED OUTFLOWS OF RESOURCES			
Resources related to pensions	707,339	151,522	-
LIABILITIES			
Current Liabilities:			
Accounts payable	433,967	-	-
Accrued payroll	163,630	-	-
Intergovernmental payable	84,826	-	-
Funds held for others	19,126	-	-
Unearned revenue	7,021	-	-
Compensated absences payable	48,839	15,797	-
Bonds payable	585,000	-	-
Capital leases payable	340,897	-	-
Accrued landfill postclosure care costs	20,000	-	-
Long-Term Liabilities:			
Compensated absences payable (net of current portion)	195,358	15,797	-
Bonds payable (net of current portion)	1,185,000	-	-
Capital leases payable (net of current portion)	697,660	-	-
Net pension obligation	1,879,110	665,192	-
Accrued landfill postclosure care costs (net of current portion)	120,000	-	-
Total Liabilities	5,780,434	696,786	-
DEFERRED INFLOWS OF RESOURCES			
Resources related to pensions	134,641	9,303	-
NET POSITION			
Net investment in capital assets	20,928,920	156	-
Restricted for:			
Capital projects	3,117,375	-	-
Program purposes	360,442	228,590	-
Unrestricted	2,652,657	64,655	500,935
Total Net Position	$ 27,059,394	$ 293,401	$ 500,935

See accompanying notes to the basic financial statements.

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

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	Net (Expense) Revenue and Changes in Net Position: Component Units: Tattnall County Board of Health	Net (Expense) Revenue and Changes in Net Position: Component Units: Tattnall County Development Authority
Primary Government							
General government	$ 1,966,842	$ 27,083	$ 38,497	-	$ (1,901,262)		
Judicial	1,495,299	241,472	76,407	-	(1,177,420)		
Public safety	6,669,227	2,196,307	222,471	-	(4,250,449)		
Sanitation	714,233	603,097	-	-	(111,136)		
Public works/Roads	3,144,935	-	561,708	$ 905,366	(1,677,861)		
Health and welfare	195,336	-	-	-	(195,336)		
Libraries and recreation	207,794	-	-	-	(207,794)		
Conservation	208,461	-	-	-	(208,461)		
Economic development	164,175	-	-	-	(164,175)		
Interest and fiscal charges	54,667	-	-	-	(54,667)		
Total Governmental Activities - Primary Government	$ 14,820,969	$ 3,067,959	$ 899,083	$ 905,366	(9,948,561)		
Component Units:							
Tattnall County Board of Health	$ 778,316	$ 282,728	$ 519,895	-		$ 24,307	-
Tattnall County Development Authority	48,264	45,003	150,000	-		-	$ 146,739
Total Component Units	$ 826,580	$ 327,731	$ 669,895	$ -		24,307	146,739
		General Revenues					
		Property taxes levied for general purposes			6,822,189	-	34
		Sales taxes			3,394,361	-	-
		Insurance premium tax			938,799	-	-
		Other taxes			234,396	-	-
		Interest earned			17,168	-	1,599
		Gain on sale of capital assets			214,843	-	-
		Miscellaneous			104,162	-	-
		Total general revenues			11,725,918	-	1,633
		Change in Net Position			1,777,357	24,307	148,372
		Net Position, October 1, 2017			25,282,037	269,094	352,563
		Net Position, September 30, 2017			$ 27,059,394	$ 293,401	$ 500,935

See accompanying notes to the basic financial statements.

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

	General	Solid Waste Fund	DOT Special Fund	2014 Special Sales Tax Fund	T-SPLOST Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS							
Cash	$ 2,397,312	$ 546,523	$ 1,007,189	$ 1,297,238	$ 876,722	$ 317,397	$ 6,442,381
Receivables:							
Accounts	-	302,751	-	-	-	-	302,751
Taxes	867,300	-	-	-	-	-	867,300
Intergovernmental	370,105	-	-	157,424	38,863	38,637	605,029
Other	52,948	-	-	-	-	62,730	115,678
Due from other funds	946,055	-	-	-	-	-	946,055
Prepaid items	185,297	-	-	-	-	11,217	196,514
TOTAL ASSETS	$ 4,819,017	$ 849,274	$ 1,007,189	$ 1,454,662	$ 915,585	$ 429,981	$ 9,475,708
LIABILITIES							
Accounts payable	$ 250,852	$ 10,393	-	$ 43,485	$ 125,348	$ 3,889	$ 433,967
Accrued payroll	151,600	3,100	-	-	1,276	7,654	163,630
Intergovernmental payable	-	-	-	84,826	-	-	84,826
Due to other funds	-	835,781	-	5,126	-	105,148	946,055
Funds held for others	-	-	-	-	-	19,126	19,126
Unearned revenue	7,021	-	-	-	-	-	7,021
TOTAL LIABILITIES	409,473	849,274	-	133,437	126,624	135,817	1,654,625
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	802,738	-	-	-	-	-	802,738
FUND BALANCES							
Nonspendable	185,297	-	-	-	-	11,217	196,514
Restricted	66,278	-	$ 1,007,189	1,321,225	788,961	294,164	3,477,817
Assigned	473,555	-	-	-	-	-	473,555
Unassigned	2,881,676	-	-	-	-	(11,217)	2,870,459
TOTAL FUND BALANCES	3,606,806	-	1,007,189	1,321,225	788,961	294,164	7,018,345
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 4,819,017	$ 849,274	$ 1,007,189	$ 1,454,662	$ 915,585	$ 429,981	$ 9,475,708

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, 2017

Amounts reported for governmental activities in the statement of net position are different because:			
Total Governmental Fund Balances			$ 7,018,345
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	$ 37,672,253	
	Less accumulated depreciation	(13,934,776)	23,737,477
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		802,738
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	$ 946,055	
	Interfund payables	(946,055)	-
Deferred outflows and deferred inflows related to pensions is not reported in the governmental funds			572,698
The County's net pension obligation is not reported in the governmental funds but is in the statement of net position.			(1,879,110)
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	$ (1,038,557)	
	Bonds payable	(1,770,000)	
	Landfill postclosure care costs	(140,000)	
	Compensated absences	(244,197)	(3,192,754)
Net Position Of Governmental Activities			$ 27,059,394

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, 2017

	General	Solid Waste Fund	DOT Special Fund	2014 Special Sales Tax Fund	T-SPLOST Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES							
Taxes	$ 9,026,289	$ 111,943	-	$ 1,740,715	$ 469,972	-	$ 11,348,919
Licenses and permits	25,425	-	-	-	-	-	25,425
Charges for services	1,416,425	603,097	-	-	-	$ 323,370	2,342,892
Fees, fines and forfeitures	576,456	-	-	-	-	88,778	665,234
Intergovernmental	576,330	-	$ 899,491	-	-	34,250	1,510,071
Interest	2,741	13,695	426	3,322	2,127	732	23,043
Other	77,404	-	-	-	-	1,211	78,615
Total revenues	11,701,070	728,735	899,917	1,744,037	472,099	448,341	15,994,199
EXPENDITURES							
Current:							
General government	1,769,226	-	-	-	-	-	1,769,226
Judicial	1,328,173	-	-	-	-	19,236	1,347,409
Public safety	5,296,407	-	-	-	-	583,431	5,879,838
Sanitation	-	728,735	-	-	-	-	728,735
Public works/Roads	1,748,484	-	-	-	-	-	1,748,484
Health and welfare	145,011	-	-	-	-	-	145,011
Libraries and recreation	120,370	-	-	-	-	-	120,370
Conservation	207,246	-	-	-	-	-	207,246
Economic development	150,000	-	-	-	-	-	150,000
Capital outlay	-	-	981,227	888,690	442,921	19,331	2,332,169
Debt service:							
Principal	-	-	-	847,498	-	-	847,498
Interest	-	-	-	54,667	-	-	54,667
Intergovernmental	-	-	-	487,745	-	-	487,745
Total expenditures	10,764,917	728,735	981,227	2,278,600	442,921	621,998	15,818,398
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	936,153	-	(81,310)	(534,563)	29,178	(173,657)	175,801
OTHER FINANCING SOURCES (USES)							
Sale of capital assets	284,612	-	-	225,645	-	-	510,257
Proceeds from capital lease	-	-	-	290,290	-	-	290,290
Insurance recoveries	2,677	-	-	57,278	-	-	59,955
Transfers in	-	-	-	-	-	166,171	166,171
Transfers out	(166,171)	-	-		-	-	(166,171)
Total other financing sources (uses)	121,118	-	-	573,213	-	166,171	860,502
NET CHANGE IN FUND BALANCES	1,057,271	-	(81,310)	38,650	29,178	(7,486)	1,036,303
FUND BALANCES, OCTOBER 1, 2016	2,549,535	-	1,088,499	1,282,575	759,783	301,650	5,982,042
FUND BALANCES, SEPTEMBER 30, 2017	$ 3,606,806	$ -	$1,007,189	$ 1,321,225	$ 788,961	$ 294,164	$ 7,018,345

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, 2017

Amounts reported for governmental activities in the statement of activities are different because:			
Net Changes In Fund Balances - Total Governmental Funds			$ 1,036,303
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	$ (1,787,632)	
	Capital outlay	2,313,334	525,702
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 @ 9/30/17	802,738	
	Deferred @ 9/30/16	(761,912)	40,826
Elimination of transfers between governmental funds:			
	Transfers in	166,171	
	Transfers out	(166,171)	-
Governmental funds do not report the cost of disposed capital assets but the cost is reported on the statement of activities.			(295,414)
The inception of capital leases are reported as an other financing source on the fund level financial statement and as a liability on the statement of net position.			(290,290)
The change in the net pension liability and pension related deferred outflows and deferred inflows of resources is reported on the gevernment-wide statement of activities but not in the governmental funds.			(140,510)
Repayment of capital lease and bonds payable principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.			873,416
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.			27,324
Change In Net Position of Governmental Activities			$ 1,777,357

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, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Taxes:				
Property	$ 7,222,346	$ 7,222,346	$ 6,781,363	$ (440,983)
Local option sales tax	1,100,000	1,100,000	1,183,674	83,674
Alcoholic beverage	45,000	45,000	51,499	6,499
Insurance premium	850,000	850,000	826,856	(23,144)
Other	128,500	128,500	182,897	54,397
Licenses and permits	23,525	23,525	25,425	1,900
Charges for services	1,051,250	1,051,250	1,416,425	365,175
Fees, fines and forfeitures	536,500	536,500	576,456	39,956
Intergovernmental	35,000	28,000	576,330	548,330
Interest	1,000	1,000	2,741	1,741
Other	67,066	67,066	77,404	10,338
Total revenues	11,060,187	11,053,187	11,701,070	647,883
EXPENDITURES				
Current:				
General government:				
General administration	1,222,199	1,123,538	624,211	499,327
Public buildings	298,414	299,121	231,429	67,692
Tax commissioner	336,924	340,784	377,477	(36,693)
Elections	216,998	218,938	162,072	56,866
Tax assessor	312,284	315,314	321,992	(6,678)
Code enforcement	72,824	73,649	48,354	25,295
Tax equalizers	6,300	6,300	3,691	2,609
Total general government	2,465,943	2,377,644	1,769,226	608,418
Judicial:				
State and Superior Court	485,791	487,484	525,997	(38,513)
State Court Solicitor	47,640	48,123	46,928	1,195
Clerk of Superior Court	385,459	390,459	341,664	48,795
Probate Court	245,666	253,489	214,717	38,772
Magistrate Court	210,986	213,766	198,867	14,899
Total judicial	1,375,542	1,393,321	1,328,173	65,148
Public safety:				
Sheriff	1,435,701	1,356,898	1,379,228	(22,330)
Sheriff investigator	143,566	145,204	131,205	13,999
Jail	1,343,350	1,448,021	1,534,595	(86,574)
School resource officer	58,289	59,113	54,673	4,440
Fire and rescue	374,438	375,621	496,655	(121,034)
Southern nuclear	50,835	51,409	48,972	2,437
Ambulance service	1,346,133	1,361,788	1,393,426	(31,638)
Coroner	33,604	33,702	31,063	2,639
Animal control	115,995	123,754	147,129	(23,375)
Probation	78,444	79,395	78,897	498
Drug condemnations	20,000	20,000	564	19,436
Total public safety	5,000,355	5,054,905	5,296,407	(241,502)

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, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES (Continued)				
Public works/Roads:				
Roads	$ 1,524,070	$ 1,539,997	$ 1,568,868	$ (28,871)
Sanitation	25,000	25,000	-	25,000
County road shop	195,877	197,937	179,616	18,321
Total public works/Roads	1,744,947	1,762,934	1,748,484	14,450
Health and welfare:				
Senior center	14,200	14,200	10,514	3,686
Health department/other	147,093	147,093	134,497	12,596
Total health and welfare	161,293	161,293	145,011	16,282
Libraries and recreation:				
Recreation	70,000	70,000	70,000	-
Libraries	66,320	66,320	50,370	15,950
Total libraries and recreation	136,320	136,320	120,370	15,950
Conservation:				
Extension service	227,305	229,770	188,631	41,139
Forestry commission	18,800	18,800	18,615	185
Total conservation	246,105	248,570	207,246	41,324
Economic development	150,000	150,000	150,000	-
Total expenditures	11,280,505	11,284,987	10,764,917	520,070
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(220,318)	(231,800)	936,153	1,167,953
OTHER FINANCING SOURCES (USES)				
Sale of capital assets	5,000	5,000	284,612	279,612
Insurance recoveries	-	-	2,677	2,677
Transfers out	(115,000)	(85,000)	(166,171)	(81,171)
Total other financing sources (uses)	(110,000)	(80,000)	121,118	201,118
NET CHANGE IN FUND BALANCE	$ (330,318)	$ (311,800)	1,057,271	$ 1,369,071
FUND BALANCE, BEGINNING OF YEAR			2,549,535	
FUND BALANCE, END OF YEAR			$ 3,606,806	

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, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Insurance premium tax	$ 718,000	$ 718,000	$ 111,943	$ (606,057)
Charges for services	-	-	603,097	603,097
Interest	-	-	13,695	13,695
Total revenues	718,000	718,000	728,735	10,735
EXPENDITURES				
Current:				
Sanitation	718,000	719,007	728,735	(9,728)
Total expenditures	718,000	719,007	728,735	(9,728)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,007)	-	1,007
FUND BALANCE, OCTOBER 1, 2016	-	-	-	-
FUND BALANCE, SEPTEMBER 30, 2017	$ -	$ (1,007)	$ -	$ 1,007

See accompanying notes to the basic financial statements.

TATTNALL COUNTY, GEORGIA
COMPARATIVE STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2017 AND 2016

	2017	2016
ASSETS		
Cash	$ 691,704	$ 625,445
TOTAL ASSETS	$ 691,704	$ 625,445
LIABILITIES		
Due to other entities and individuals	$ 691,704	$ 625,445
TOTAL LIABILITIES	$ 691,704	$ 625,445

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, 2017. 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, 2017.

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.

DOT Special Fund – This capital project fund accounts for the LMIG funds and other revenue received for road 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 $400,000 at September 30, 2017.

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, 2017, 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 only has one item that qualifies for reporting in this category. It is resources related to pensions reported at the government-wide level for governmental activities.

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 an 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. The County can also have deferred inflows of resources related to its pension plan at the government-wide level for governmental activities.

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, 2017, in the following departments for the general fund:

	General Fund
Tax commissioner	$ 36,693
Tax assessor	6,678
State/Superior court	38,513
Sheriff	22,330
Jail	86,574
Fire and rescue	121,034
Ambulance service	31,638
Animal control	23,375
Roads	28,871

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 or available fund balance.

	Overexpenditures
Solid waste fund	$ 9,728
Jail fund	4,784
Jail phone fund	13,957
Sheriff's seized funds	578
Drug abuse treatment and education fund	2,811
Clerk of Courts technology fund	3,648

NOTE 3 – DEPOSITS AND INVESTMENTS

At September 30, 2017, the carrying amount of the County's deposits and investments was $7,134,085 and the bank balance was $7,047,227. Of the bank balance, $1,880,461 was covered by federal depository insurance and $5,166,766 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, 2017 was $309,288 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, 2017, the carrying amount of the Tattnall County Development Authority's deposits was $500,935 and the bank balance was $517,107. Of the bank balance, $250,000 was covered by federal depository insurance and $267,107 was 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, 2017, the bank deposits of the Tattnall County Board of Health totaling $822,488 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, 2017, property taxes were levied on August 1, 2016, mailed on October 14, 2016, and were due December 15, 2016.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of September 30, 2017, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Solid Waste Fund	$835,781
	Telephone E-911 Fund	105,148
	Sales Tax	5,126
Total		$946,055

Interfund balances at September 30, 2017 represent reimbursable expenses and temporary loans. The County expects to repay all interfund balances within one year.

The General fund transferred $166,171 to the Telephone E-911 fund to help fund its operating deficit for the year ended September 30, 2017.

NOTE 6 – CAPITAL ASSETS

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

	Balance 10/01/16	Additions	Deductions	Balance 09/30/17
Governmental Activities:				
Capital assets not being depreciated:				
Land	$ 542,098	-	-	$ 542,098
Construction in progress	-	-	-	-
Total capital assets not being depreciated	542,098	-	-	542,098
Capital assets being depreciated:				
Buildings & improvements	16,231,814	$ 27,500	-	16,259,314
Machinery and equipment	10,436,052	1,021,718	$ 602,975	10,854,795
Infrastructure	9,029,352	1,214,926	-	10,244,278
Total capital assets being depreciated	35,697,218	2,264,144	602,975	37,358,387
Total capital assets	36,239,316	2,264,144	602,975	37,900,485
Accumulated depreciation:				
Buildings & improvements	5,735,186	389,921	-	6,125,107
Machinery and equipment	5,753,097	1,047,948	547,415	6,253,630
Infrastructure	1,243,844	364,969	-	1,608,813
Total accumulated depreciation	12,732,127	1,802,838	547,415	13,987,550
Governmental activities capital assets, net	$ 23,507,189	$ 461,306	$ 55,560	$ 23,912,935

Governmental activities depreciation expense:

General government	$ 123,809
Judicial	55,000
Public safety	837,972
Sanitation	3,650
Roads	700,172
Health and welfare	50,325
Libraries and recreation	17,736
Economic development	14,176
Total governmental activities depreciation expense	$ 1,802,840

NOTE 6 – CAPITAL ASSETS (Continued)

	Balance 07/01/16	Additions	Deductions	Balance 06/30/17
Component unit - Tattnall County Board of Health:				
Capital assets being depreciated:				
Machinery and equipment	$ 34,147	-	$ -	$ 34,147
Accumulated depreciation:				
Machinery and equipment	33,803	$ 188	-	33,991
Component units capital assets, net	$ 344	$ (188)	$ -	$ 156

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, 2017 are based on what it would cost to perform all postclosure care in 2017. Actual costs may be higher due to inflation, unexpected mitigation requirements, changes in technology, or changes in regulations.

NOTE 8 – 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, 2016 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, 2017, annual debt service requirements for the bonds are as follows:

Fiscal Year	Principal	Interest	Total Debt Service
2018	$ 585,000	$ 24,674	$ 609,674
2019	590,000	14,863	604,863
2020	595,000	4,968	599,968
Total	$ 1,770,000	$ 44,505	$ 1,814,505

NOTE 9 – CAPITAL LEASES

The County has entered into lease agreements as lessee for financing the acquisition of various equipment costing $1,519,917. 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 depreciation expense in the government-wide financial statements. Depreciation expense and accumulated depreciation on the leased equipment was $191,849 and $751,607, respectively, for the year ended September 30, 2017.

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, 2017:

Year ending September 30	
2018	$ 359,827
2019	234,410
2020	212,463
2021	80,356
2022	178,230
Total minimum lease payments	1,065,286
Less amount representing interest	(26,729)
Present value of future minimum lease payments	$ 1,038,557

NOTE 10 – CHANGES IN LONG-TERM DEBT

	Balance October 1, 2016	Additions	Reductions	Balance September 30, 2017	Amounts Due In One Year
Compensated absences payable	$ 251,521	$ 22,824	$ 30,148	$ 244,197	$ 48,839
Accrued landfill postclosure care costs	160,000	-	20,000	140,000	20,000
Bonds payable	2,350,000	-	580,000	1,770,000	585,000
Capital leases payable	1,041,683	290,290	293,416	1,038,557	340,897
	$ 3,803,204	$ 313,114	$ 923,564	$ 3,192,754	$ 994,736

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 11 – FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2017, governmental fund balances are composed of the following:

	General Fund	DOT Special Fund	2014 Special Sales Tax Fund	T-SPLOST Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepaid items	$ 185,297	-	-	-	$ 11,217	$ 196,514
Restricted:						
Capital projects	-	-	$ 1,321,225	-	-	1,321,225
Sheriff	66,278	-	-	-	29,285	95,563
Clerk of Courts	-	-	-	-	25,921	25,921
Law library	-	-	-	-	24,675	24,675
Drug education	-	-	-	-	84,878	84,878
Jail	-	-	-	-	126,356	126,356
Juvenile probation	-	-	-	-	3,049	3,049
Roads	-	$ 1,007,189	-	$ 788,961	-	1,796,150
Total restricted	66,278	1,007,189	1,321,225	788,961	294,164	3,477,817
Assigned:						
Subsequent years' budget	473,555	-	-	-	-	473,555
Unassigned	2,881,676	-	-	-	(11,217)	2,870,459
Total fund balances	$3,606,806	$ 1,007,189	$ 1,321,225	$ 788,961	$ 294,164	$ 7,018,345

NOTE 12 – RETIREMENT PLAN

Plan Description

The County's defined benefit pension plan, the Tattnall County Defined Benefit Plan (the "Plan"), provides retirement, disability, and death benefits to plan members and beneficiaries. The Plan is affiliated with the Association 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 specific benefit provisions of the County's plan were established by an adoption agreement executed by the Tattnall County Board of Commissioners. The ACCG issues a publicly available financial report that includes financial statements and required supplementary information. The report can be obtained by writing to GEBCorp, 191 Peachtree Street NE, Suite 700, Atlanta, Georgia 30303.

Benefits Provided

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. At that time, an employee is entitled to a lifetime pension equal to 1.50% of average annual compensation multiplied by the years of service.

NOTE 12 – RETIREMENT PLAN – Continued

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 and all other requirements, including amendments or termination, are established by an adoption agreement executed by the Tattnall County Board of Commissioners.

Employees Covered by Benefit Terms

Retirees and beneficiaries receiving benefits	47
Deferred vested (former employees)	80
Active participants	90
Total plan participants	217
Covered Compensation	$ 2,861,852

Contributions

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in section 47-20 of the Georgia Code. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The County contributed $386,222 to the Plan for the year ended December 31, 2016 which was 100% of the annual required contribution and represented 13.5% of covered employee payroll.

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

Net Pension Liability

The County's net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016.

Actuarial Assumptions

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

Investment rate of return	7.25% per year
Future salary increases	4.00% plus an aged base scale ranging from -1.0% to 1.5%
Mortality	RP-2000 projected with Scale AA
Future payroll growth	5.50% per year
Inflation	3.00%

NOTE 12 – RETIREMENT PLAN – Continued

The actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the period January 1, 2010 to December 31, 2014.

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. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market price. The trust fund is invested approximately 70% in equities and 30% in fixed income securities on a cost basis.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that County contributions will be made at rates equal to the actuarially determined contribution rates. Based on the assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 12 – RETIREMENT PLAN – Continued

Changes in the Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a)-(b)
Balance, January 1, 2016	$ 7,489,614	$ 5,635,274	$ 1,854,340
Changes for the year:			
Service cost	146,887	-	146,887
Interest on the total pension liability	549,759	-	549,759
Liability Experience (Gain)/Loss	(181,069)	-	(181,069)
Assumption change	231,140	-	231,140
Contributions from the employer	-	386,222	(386,222)
Net investment income	-	398,733	(398,733)
Administrative expenses	-	(20,769)	20,769
Benefit payments	(318,981)	(318,981)	-
Other changes	-	(42,239)	42,239
Net Changes	427,736	402,966	24,770
Balance, December 31, 2016	$ 7,917,350	$ 6,038,240	$ 1,879,110

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the County, calculated using the discounted rate of 7.25 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

	Discount Rate - 1% (6.25%)	Current Discount Rate (7.25%)	Discount Rate + 1% (8.25%)
County's net pension liability	$ 2,921,377	$ 1,879,110	$ 1,015,270

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

For the year ended September 30, 2017, the County recognized pension expense of $526,732. At September 30, 2017, the County reported deferred outflows and deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net differences between projected and actual net investment income	$ 291,343	-
Liability experience gain/loss	118,451	$ 134,641
Asumption change	297,545	-
	$ 707,339	$ 134,641

NOTE 12 – RETIREMENT PLAN – Continued

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending September 30		
2018	$	203,977
2019		203,977
2020		157,109
2021		7,635
	$	572,698

Defined Contribution Plan

The County has adopted a prototype 457 Deferred Compensation Plan for Tattnall County (the 457 Plan) administered by the Board of Commissioners through GEBCORP. The County has the authority to establish the Plan or amend the adoption agreement which defines the specific provisions of the plan as provided in the prototype document. The Plan covers substantially all employees who meet the minimum years of service requirement. The County does not contribute to the Plan. Total employee contributions to the Plan for the year ended September 30, 2017 was $18,707.

Judges of the Probate Courts 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.

Magistrates Retirement Fund of Georgia

The Magistrate Judge is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the state sponsored pension plan.

NOTE 12 – RETIREMENT PLAN – Continued

Georgia Judicial Retirement System

This system provides retirement benefits for Superior Court Judges, District Attorneys, State Court Judges, Solicitors-General of the State Courts, and Juvenile Court Judges.

Employee's Retirement System of Georgia

Tattnall County tax officials are covered under this retirement plan.

In the government-wide statement of activities, the County recognized $288,503 in revenue as support provided by nonemployer contributing entities. The amount was also recognized as expense in the appropriate functional expense category.

Tattnall County Board of Health (component unit)

The employees of the Tattnall County Board of Health participate in the Georgia State Employees Retirement System (ERS). The plan is administered by the State of Georgia. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov. The retirement contributions for the year ended June 30, 2017 were $80,825. Contributions are fully vested to employees after 10 years of continuous service.

At June 30, 2017, the Board of Health reported $665,192 for its proportionate share of the net pension liabilities. For the year ended June 30, 2017, the Board of Health recognized pension expense of $93,080.

NOTE 13 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; 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.

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 14 – 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 15 – 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, 2017, the County paid $17,753 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 16 – SUBSEQUENT EVENTS

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through April 30, 2018, the date the financial statements were available to be issued.

TATTNALL COUNTY BOARD OF COMMISSIONERS
REQUIRED SUPPLEMENTARY INFORMATION
TATTNALL COUNTY DEFINED BENEFIT PLAN
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	2017 (1)	2016 (1)	2015 (1)
Total pension liability			
Service cost	$ 146,887	$ 161,554	$ 149,757
Interest	549,759	490,651	463,837
Liability experience (gain)/loss	(181,069)	209,567	-
Assumption change	231,140	222,341	-
Benefit payments	(318,981)	(273,021)	(239,113)
Net change in total pension liability	427,736	811,092	374,481
Total pension liability-beginning	7,489,614	6,678,522	6,304,041
Total pension liability-ending (a)	$ 7,917,350	$ 7,489,614	$ 6,678,522
Plan fiduciary net position			
Contributions-employer	$ 386,222	$ 400,045	$ 378,017
Net investment income	398,733	36,076	371,471
Benefit payments	(318,981)	(273,021)	(239,113)
Administrative expense	(20,769)	(19,112)	(17,964)
Other	(42,239)	(53,647)	(48,578)
Net change in plan fiduciary net position	402,966	90,341	443,833
Plan fiduciary net position-beginning	5,635,274	5,544,933	5,101,100
Plan fiduciary net position-ending (b)	$ 6,038,240	$ 5,635,274	$ 5,544,933
Net pension liability-ending (a)-(b)	$ 1,879,110	$ 1,854,340	$ 1,133,589
Plan fiduciary net position as a percentage of the total pension liability	76.27%	75.24%	83.03%
Covered-employee payroll	2,861,852	3,185,636	3,103,112
Net pension liability as a percentage of covered-employee payroll	65.66%	58.21%	36.53%

(1) Only fiscal year 2017, 2016 and 2015 were available. The County will continue to present information for years available until a full 10-year trend is compiled.

TATTNALL COUNTY BOARD OF COMMISSIONERS
REQUIRED SUPPLEMENTARY INFORMATION
TATTNALL COUNTY DEFINED BENEFIT PLAN
SCHEDULE OF CONTRIBUTIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	2017	2016	2015
Actuarially determined contribution	*	$ 386,222	$ 400,045
Contributions in relation to the actuarially determined contribution	*	(386,222)	(400,045)
Contribution deficiency (excess)	*	-	-
Covered-employee payroll	*	$ 2,861,852	$ 3,185,636
Contributions as a percentage of covered-employee payroll	*	13.5%	12.6%

*2017 information will be determined after fiscal year end and will be included in the 2017 valuation report

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Closed level dollar for remaining unfunded liability
Remaining Amortization Period	N/A
Asset Valuation Method	Smoothed market value with a 5-year smoothing period
Actuarial Assumptions:	
Net Investment Rate of Return	7.25%
Projected Salary Increases	4.50% plus an aged base scale ranging from -1.0% to 1.5%
Cost of Living Adjustments	N/A
Retirement Age	Probability of retirement calculated as 10% at age 55 to 60, 20% at age 61 to 64, 30% at age 65 to 69, and 100% at age 70
Mortality	RP-2000 projected with Scale AA

TATTNALL COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS

	SEPTEMBER 30, 2017	SEPTEMBER 30, 2016
ASSETS		
Cash	$ 2,397,312	$ 1,600,985
Receivables:		
Taxes	867,300	806,782
Intergovernmental	370,105	123,438
Other	52,948	25,722
Due from other funds	946,055	873,532
Prepaid items	185,297	181,363
TOTAL ASSETS	$ 4,819,017	$ 3,611,822
LIABILITIES		
Accounts payable	$ 250,852	$ 195,069
Accrued payroll	151,600	84,094
Due to other funds	-	19,850
Unearned revenue	7,021	1,362
Total liabilities	409,473	300,375
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	802,738	761,912
FUND BALANCE		
Nonspendable	185,297	181,363
Restricted	66,278	74,979
Assigned	473,555	300,318
Unassigned	2,881,676	1,992,875
Total fund balance	3,606,806	2,549,535
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 4,819,017	$ 3,611,822

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

	YEAR ENDED	
	SEPTEMBER 30, 2017	SEPTEMBER 30, 2016
REVENUES		
Taxes	$ 9,026,289	$ 8,953,121
Licenses and permits	25,425	25,690
Charges for services	1,416,425	1,280,928
Fees, fines and forfeitures	576,456	532,969
Intergovernmental	576,330	11,156
Interest	2,741	2,899
Other	77,404	98,214
Total revenues	11,701,070	10,904,977
EXPENDITURES		
Current:		
General government	1,769,226	1,786,646
Public safety	5,296,407	4,906,105
Judicial	1,328,173	1,296,335
Public works/Roads	1,748,484	1,718,833
Health and welfare	145,011	192,562
Libraries and recreation	120,370	132,898
Conservation	207,246	211,119
Economic development	150,000	150,000
Total expenditures	10,764,917	10,394,498
EXCESS OF REVENUES OVER EXPENDITURES	936,153	510,479
OTHER FINANCING SOURCES (USES)		
Sale of capital assets	284,612	14,703
Insurance recoveries	2,677	-
Transfers out	(166,171)	(113,165)
Total other financing sources (uses)	121,118	(98,462)
NET CHANGE IN FUND BALANCE	1,057,271	412,017
FUND BALANCE, BEGINNING OF YEAR	2,549,535	2,137,518
FUND BALANCE, END OF YEAR	$ 3,606,806	$ 2,549,535

TATTNALL COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2017

	Telephone E-911 Fund	Jail Fund	Law Library	Jail Phone Fund	Sheriff's Seized Funds	Drug Abuse Treatment and Education Fund	Clerk of Courts Technology Fund	Juvenile Probation Fees Fund	Total Nonmajor Special Revenue Funds
ASSETS									
Cash	$ 4,766	$ 61,896	$ 24,675	$ 63,801	$ 48,411	$ 84,878	$ 25,921	$ 3,049	$ 317,397
Receivables:									
Intergovernmental	38,637		-	-	-		-	-	38,637
Other	62,071	659	-	-	-	-	-	-	62,730
Prepaid items	11,217	-	-	-	-	-	-	-	11,217
TOTAL ASSETS	$ 116,691	$ 62,555	$ 24,675	$ 63,801	$ 48,411	$ 84,878	$ 25,921	$ 3,049	$ 429,981
LIABILITIES AND FUND BALANCE									
Liabilities:									
Accounts payable	$ 3,889	-		-	-	-	-	-	$ 3,889
Accrued payroll	7,654	-	-	-	-	-	-	-	7,654
Funds held for others	-	-	-	-	$ 19,126	-	-	-	19,126
Due to other funds	105,148	-	-	-	-	-	-	-	105,148
Total liabilities	116,691	-	-	-	19,126	-	-	-	135,817
Fund balance:									
Nonspendable	11,217	-	-	-	-	-	-	-	11,217
Restricted	-	$ 62,555	$ 24,675	$ 63,801	29,285	$ 84,878	$ 25,921	$ 3,049	294,164
Unassigned	(11,217)	-	-	-	-	-	-	-	(11,217)
Total fund balance	-	62,555	24,675	63,801	29,285	84,878	25,921	3,049	294,164
TOTAL LIABILITIES AND FUND BALANCE	$ 116,691	$ 62,555	$ 24,675	$ 63,801	$ 48,411	$ 84,878	$ 25,921	$ 3,049	$ 429,981

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

	Telephone E-911 Fund	Jail Fund	Law Library	Jail Phone Fund	Sheriff's Seized Funds	Drug Abuse Treatment and Education Fund	Clerk of Courts Technology Fund	Juvenile Probation Fees Fund	Total Nonmajor Special Revenue Funds
REVENUES									
Charges for services	$ 311,312	-	-	-	-	-	$ 12,058	-	$ 323,370
Intergovernmental	34,250	-	-	-	-	-		-	34,250
Fees, fines and forfeitures	-	$ 39,852	$ 12,400	-	$ 1,450	$ 33,426	-	$ 1,650	88,778
Interest	100	76	39	$ 423	-	72	22	-	732
Other	-	-	-	1,211	-	-	-	-	1,211
Total revenues	345,662	39,928	12,439	1,634	1,450	33,498	12,080	1,650	448,341
EXPENDITURES									
Current:									
Public safety	503,560	39,834	-	17,849	2,578	17,836	-	1,774	583,431
Judicial	-	-	15,588	-	-	-	3,648	-	19,236
Capital outlay:									
Public safety	8,273	4,950	-	6,108	-	-	-	-	19,331
Total expenditures	511,833	44,784	15,588	23,957	2,578	17,836	3,648	1,774	621,998
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(166,171)	(4,856)	(3,149)	(22,323)	(1,128)	15,662	8,432	(124)	(173,657)
OTHER FINANCING SOURCES									
Transfers in	166,171	-	-	-	-	-	-	-	166,171
NET CHANGE IN FUND BALANCE	-	(4,856)	(3,149)	(22,323)	(1,128)	15,662	8,432	(124)	(7,486)
FUND BALANCE, BEGINNING OF YEAR	-	67,411	27,824	86,124	30,413	69,216	17,489	3,173	301,650
FUND BALANCE, END OF YEAR	$ -	$ 62,555	$ 24,675	$ 63,801	$ 29,285	$ 84,878	$ 25,921	$ 3,049	$ 294,164

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, 2017

	Original Budget	Final Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES					
Charges for services	$ 348,000	$ 348,000	$ 311,312	$ (36,688)	$ 324,973
Intergovernmental revenue	68,500	68,500	34,250	(34,250)	68,500
Interest	100	100	100	-	170
Total revenues	416,600	416,600	345,662	(70,938)	393,643
EXPENDITURES					
Current:					
Public safety	548,666	585,160	503,560	81,600	498,039
Capital outlay:					
Public safety	6,500	6,500	8,273	(1,773)	4,158
Total expenditures	555,166	591,660	511,833	79,827	502,197
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(138,566)	(175,060)	(166,171)	8,889	(108,554)
OTHER FINANCING SOURCES					
Transfers in	115,000	115,000	166,171	51,171	108,554
NET CHANGE IN FUND BALANCE	(23,566)	(60,060)	-	60,060	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-	-
FUND BALANCE, END OF YEAR	$ (23,566)	$ (60,060)	$ -	$ 60,060	$ -

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, 2017

	Original and Final Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES				
Fees, fines and forfeitures	$ 40,000	$ 39,852	$ (148)	$ 40,421
Interest	-	76	76	67
Total revenues	40,000	39,928	(72)	40,488
EXPENDITURES				
Current outlay:				
Public safety	40,000	39,834	166	5,839
Capital outlay:				
Public safety	-	4,950	(4,950)	5,748
Total expenditures	40,000	44,784	(4,784)	11,587
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(4,856)	(4,856)	28,901
FUND BALANCE, BEGINNING OF YEAR	67,411	67,411	-	38,510
FUND BALANCE, END OF YEAR	$ 67,411	$ 62,555	$ (4,856)	$ 67,411

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, 2017

	Original and Final Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES				
Fees, fines and forfeitures	$ 13,000	$ 12,400	$ (600)	$ 11,501
Interest	43	39	(4)	63
Total revenues	13,043	12,439	(604)	11,564
EXPENDITURES				
Current:				
Judicial	15,900	15,588	312	12,892
Capital outlay:				
Judicial	-	-	-	5,081
Total expenditures	15,900	15,588	312	17,973
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,857)	(3,149)	(292)	(6,409)
FUND BALANCE, BEGINNING OF YEAR	27,824	27,824	-	34,233
FUND BALANCE, END OF YEAR	$ 24,967	$ 24,675	$ (292)	$ 27,824

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, 2017

	Original and Final Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES				
Telephone commissions	$ 18,000	$ 1,211	$ (16,789)	$ 21,968
Interest	-	423	423	222
Total revenues	18,000	1,634	(16,366)	22,190
EXPENDITURES				
Current:				
Public safety	10,000	17,849	(7,849)	72
Capital outlay:				
Public safety	-	6,108	(6,108)	3,200
Total expenditures	10,000	23,957	(13,957)	3,272
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,000	(22,323)	(30,323)	18,918
FUND BALANCE, BEGINNING OF YEAR	86,124	86,124	-	67,206
FUND BALANCE, END OF YEAR	$ 94,124	$ 63,801	$ (30,323)	$ 86,124

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, 2017

	Original and Final Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES				
Fees, fines and forfeitures	$ 2,000	$ 1,450	$ (550)	$ 9,063
Interest	-	-	-	54
Total revenues	2,000	1,450	(550)	9,117
EXPENDITURES				
Current:				
Public safety	2,000	2,578	(578)	4,190
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(1,128)	(1,128)	4,927
FUND BALANCE, BEGINNING OF YEAR	30,413	30,413	-	25,486
FUND BALANCE, END OF YEAR	$ 30,413	$ 29,285	$ (1,128)	$ 30,413

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, 2017

	Original and Final Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES				
Fees, fines and forfeitures	$ 15,025	$ 33,426	$ 18,401	$ 34,370
Interest	-	72	72	58
Total revenues	15,025	33,498	18,473	34,428
EXPENDITURES				
Current:				
Public safety	15,025	17,836	(2,811)	20,423
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	15,662	15,662	14,005
FUND BALANCE, BEGINNING OF YEAR	69,216	69,216	-	55,211
FUND BALANCE, END OF YEAR	$ 69,216	$ 84,878	$ 15,662	$ 69,216

TATTNALL COUNTY, GEORGIA
CLERK OF COURTS TECHNOLOGY FUND - SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Original and Final Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES				
Charges for services	$ -	$ 12,058	$ 12,058	$ 9,620
Interest	-	22	22	12
Total revenues	-	12,080	12,080	9,632
EXPENDITURES				
Current:				
Judicial	-	3,648	(3,648)	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	8,432	8,432	9,632
FUND BALANCE, BEGINNING OF YEAR	17,489	17,489	-	7,857
FUND BALANCE, END OF YEAR	$ 17,489	$ 25,921	$ 8,432	$ 17,489

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, 2017

	Original and Final Budget	Actual	Variance Positive (Negative)	2016 Actual
REVENUES				
Fees, fines and forfeitures	$ 4,000	$ 1,650	$ (2,350)	$ 2,075
EXPENDITURES				
Current:				
Public safety	4,000	1,774	2,226	2,637
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(124)	(124)	(562)
FUND BALANCE, BEGINNING OF YEAR	3,173	3,173	-	3,735
FUND BALANCE, END OF YEAR	$ 3,173	$ 3,049	$ (124)	$ 3,173

TATTNALL COUNTY, GEORGIA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2017

	Tax Commissioner	Probate Court	Clerk of Courts	Magistrate Court	Sheriff	Probation Office	Totals
ASSETS							
Cash	$ 257,569	$ 254,002	$ 49,543	$ 24,662	$ 96,500	$ 9,428	$ 691,704
TOTAL ASSETS	$ 257,569	$ 254,002	$ 49,543	$ 24,662	$ 96,500	$ 9,428	$ 691,704
LIABILITIES							
Due to other entities and individuals	$ 257,569	$ 254,002	$ 49,543	$ 24,662	$ 96,500	$ 9,428	$ 691,704
TOTAL LIABILITIES	$ 257,569	$ 254,002	$ 49,543	$ 24,662	$ 96,500	$ 9,428	$ 691,704

TATTNALL COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	Balance October 1, 2016	Additions	Deductions	Balance September 30, 2017
Tax Commissioner				
Assets				
Cash	$ 231,532	$ 15,225,139	$ 15,199,102	$ 257,569
Liabilities				
Due to other entities and individuals	$ 231,532	$ 15,225,139	$ 15,199,102	$ 257,569
Probate Court				
Assets				
Cash	$ 231,394	$ 149,537	$ 126,929	$ 254,002
Liabilities				
Due to other entities and individuals	$ 231,394	$ 149,537	$ 126,929	$ 254,002
Clerk of Courts				
Assets				
Cash	$ 29,369	$ 868,868	$ 848,694	$ 49,543
Liabilities				
Due to other entities and individuals	$ 29,369	$ 868,868	$ 848,694	$ 49,543
Magistrate Court				
Assets				
Cash	$ 21,056	$ 197,828	$ 194,222	$ 24,662
Liabilities				
Due to other entities and individuals	$ 21,056	$ 197,828	$ 194,222	$ 24,662
Sheriff				
Assets				
Cash	$ 99,188	$ 774,076	$ 776,764	$ 96,500
Liabilities				
Due to other entities and individuals	$ 99,188	$ 774,076	$ 776,764	$ 96,500
Probation Office				
Assets				
Cash	$ 12,906	$ 233,608	$ 237,086	$ 9,428
Liabilities				
Due to other entities and individuals	$ 12,906	$ 233,608	$ 237,086	$ 9,428
Total Agency Funds				
Assets				
Cash	$ 625,445	$ 17,449,056	$ 17,382,797	$ 691,704
Liabilities				
Due to other entities and individuals	$ 625,445	$ 17,449,056	$ 17,382,797	$ 691,704

TATTNALL COUNTY, GEORGIA
SCHEDULE OF PROJECTS PAID
WITH SPECIAL SALES TAX PROCEEDS
FOR THE YEAR ENDED SEPTEMBER 30, 2017

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	$ 764,216	$ 247,821	$ 1,012,037	31%
Various buildings	540,000	540,000	108,663	200,162	308,825	57%
Emergency services	540,000	540,000	113,051	155,256	268,307	50%
Fire stations/equipment	3,456,000	3,456,000	3,128,167	34,402	3,162,569	92%
Recreation	432,000	432,000	172,948	69,688	242,636	56%
City of Cobbtown	129,600	103,432	41,419	16,690	58,109	56%
City of Collins	207,360	172,093	68,874	27,753	96,627	56%
City of Glennville	1,296,000	1,524,377	610,319	245,842	856,161	56%
City of Manassas	25,920	27,700	11,067	4,460	15,527	56%
City of Reidsville	933,120	764,398	306,018	123,313	429,331	56%
	$10,800,000	$ 10,800,000	$ 5,324,742	$ 1,125,387	$ 6,450,129	60%

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	$ 2,278,600
Less:	
Bond principal payments	(580,000)
Insurance recoveries	(57,278)
Sale of capital assets	(225,645)
Proceeds from capital leases	(290,290)
Total current year expenditures per above	$ 1,125,387

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GEORGIA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

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, 2017, 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, 2018. 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 2017-1 through 2017-3, 2017-6, and 2017-7 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 deficiencies described below as 2017-4, 2017-5, and 2017-8 to be a significant deficiencies.

2017-1 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.

2017-2 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.

2017-3 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 bond fee account, DARE account, Sheriff petty cash account, and jury 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.

2017-4 Accounting for capital leases

During our audit we noted new capital leases for $290,290 for road equipment that were not recorded in the County's financial statements. Also, the budget was not amended to reflect the new capital leases entered into during the year. At the inception of capital leases at the governmental fund

reporting level, expenditures and 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 Finance Manager who will be responsible for recording the capital lease in the County's accounting records.

2017-5 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.

2017-6 Interfund balances and transfers

We noted that several interfund balances and transfers were not reconciled for the year ended September 30, 2017 resulting in adjusting journal entries that were material to the County's financial statements. Interfund balances and transfers should be reconciled on a monthly basis.

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

2017-7 Bank reconciliations

During our audit, we noted that monthly bank reconciliations were being performed, but were incomplete. Specifically, they contained unreconciled differences. Adjusting journal entries were required to properly state cash balances as of September 30, 2017, requiring additional time of audit staff. We recommend that unreconciled differences be investigated and corrected in the period they occur.

County response: We concur with this finding, and we will implement procedures to prepare accurate bank reconciliations on a monthly basis.

2017-8 Allocation of employee health insurance to County departments

During our audit, we noted that employee health insurance was not properly allocated to the appropriate County departments for two months. This caused employee health insurance expense to be overstated for general administration and understated for other County departments. Monthly financial statements and general ledger activity should be reviewed by the Finance Manager or County Manager to ensure that all transactions are properly posted within the County's general ledger.

County response: We concur with this finding, and we will implement procedures to have the Finance Manager and/or County Manager review monthly financial statements to ensure employee health insurance expense is properly allocated to all County departments each month.

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 identified 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.

Lanier, Dail & Proctor

Statesboro, Georgia
April 30, 2018