

PULASKI COUNTY, GEORGIA
FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2016
AND
INDEPENDENT AUDITOR'S REPORT

PULASKI COUNTY, GEORGIA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

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**PULASKI COUNTY, GEORGIA
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016**

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the County Commissioner
Pulaski 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 Pulaski County, Georgia (the County), as of and for the year ended December 31, 2016, 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 Pulaski County Board of Health, which is a discretely presented component unit and which represents 64.63 percent and 11.46 percent, respectively, of the assets and revenues of the aggregate discretely presented component units.

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 Pulaski County Board of Health, which represent 64.63 percent and 11.46 percent, respectively, of the assets and revenues of the aggregate discretely presented component units. 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 Pulaski 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 Pulaski County, Georgia, as of December 31, 2016, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

The County 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 this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pulaski County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the General Fund Departmental Schedules, and the schedules to meet regulatory requirements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the General Fund Departmental Schedules, the schedules to meet regulatory requirements and other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements and schedules, the General Fund Departmental Schedules, the schedules to meet regulatory requirements, and other supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2017, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pulaski County, Georgia's internal control over financial reporting and compliance.

L. M. Vickers & Associates, P.C.

September 25, 2017

BASIC FINANCIAL STATEMENTS

PULASKI COUNTY, GEORGIA
STATEMENT OF NET POSITION
DECEMBER 31, 2016

	PRIMARY GOVERNMENT	COMPONENT UNITS		
	GOVERNMENTAL ACTIVITIES	HAWKINSVILLE- PULASKI COUNTY DEVELOPMENT AUTHORITY	PULASKI COUNTY BOARD OF HEALTH	HOSPITAL AUTHORITY OF PULASKI COUNTY
ASSETS:				
Cash and cash equivalents	\$ 1,409,859	\$105,831	\$137,341	\$8,016
Receivables (net of allowance, where applicable):				
Accounts	39,209	- - -	- - -	130
Interest	6,296	- - -	- - -	- - -
Taxes	573,719	- - -	- - -	- - -
Intergovernmental	121,280	- - -	22,587	- - -
Inventory	2,502	- - -	- - -	- - -
Prepaid items	15,886	- - -	- - -	- - -
Capital assets:				
Nondepreciable	2,057,019	- - -	- - -	- - -
Depreciable, net	<u>9,123,799</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
Total assets	<u>13,349,569</u>	<u>105,831</u>	<u>159,928</u>	<u>8,146</u>
DEFERRED OUTFLOWS OF RESOURCES -				
Pensions	<u>168,140</u>	<u>- - -</u>	<u>48,323</u>	<u>- - -</u>
LIABILITIES:				
Accounts payable	264,167	- - -	- - -	- - -
Interest payable	17,491	- - -	- - -	- - -
Intergovernmental payable	411	- - -	- - -	- - -
Unearned revenue	4,969	- - -	- - -	- - -
Accrued liabilities	103,598	- - -	- - -	- - -
Noncurrent liabilities:				
Due within one year:				
Compensated absences	82,379	- - -	1,870	- - -
Capital leases payable	99,125	- - -	- - -	- - -
Post-closure care costs	5,520	- - -	- - -	- - -
Due in more than one year:				
Compensated absences	- - -	- - -	7,480	- - -
Capital leases payable	818,647	- - -	- - -	- - -
Post-closure care costs	78,878	- - -	- - -	- - -
Net pension liability	<u>154,918</u>	<u>- - -</u>	<u>252,564</u>	<u>- - -</u>
Total liabilities	<u>1,630,103</u>	<u>- - -</u>	<u>261,914</u>	<u>- - -</u>
DEFERRED INFLOWS OF RESOURCES -				
Pensions	<u>- - -</u>	<u>- - -</u>	<u>33,119</u>	<u>- - -</u>
NET POSITION:				
Net investment in capital assets	10,263,046	- - -	- - -	- - -
Restricted for:				
Capital projects	565,412	- - -	- - -	- - -
Jail construction	20,290	- - -	- - -	- - -
Drug condemnation	31,722	- - -	- - -	- - -
E-911 operations	25,819	- - -	- - -	- - -
Law library	11,407	- - -	- - -	- - -
Public safety	87	- - -	- - -	- - -
Prior year program income	- - -	- - -	4,231	- - -
Culture and recreation	7,220	- - -	- - -	- - -
Health and welfare	- - -	- - -	- - -	8,146
Economic development	- - -	105,831	- - -	- - -
Unrestricted	<u>962,603</u>	<u>- - -</u>	<u>(91,013)</u>	<u>- - -</u>
Total net position	<u>\$11,887,606</u>	<u>\$105,831</u>	<u>\$(86,782)</u>	<u>\$8,146</u>

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENTAL ACTIVITIES	COMPONENT UNITS		
						HAWKINSVILLE- PULASKI COUNTY DEVELOPMENT AUTHORITY	PULASKI COUNTY BOARD OF HEALTH	HOSPITAL AUTHORITY OF PULASKI COUNTY
Primary Government								
Governmental activities:								
General government	\$1,227,050	\$ 124,703	\$ - - -	\$ - - -	\$ (1,102,347)	\$ - - -	\$ - - -	\$ - - -
Judicial	578,492	210,831	- - -	- - -	(367,661)	- - -	- - -	- - -
Public safety	3,583,479	1,084,753	12,190	51,902	(2,434,634)	- - -	- - -	- - -
Public works	1,106,912	- - -	271,687	517	(834,708)	- - -	- - -	- - -
Health and welfare	403,560	34,316	- - -	- - -	(369,244)	- - -	- - -	- - -
Culture and recreation	354,160	155,476	9,641	- - -	(189,043)	- - -	- - -	- - -
Community and economic development	96,015	- - -	17,046	- - -	(78,969)	- - -	- - -	- - -
Interest on long-term debt	55,602	- - -	- - -	- - -	(55,602)	- - -	- - -	- - -
Total governmental activities	<u>7,405,270</u>	<u>1,610,079</u>	<u>310,564</u>	<u>52,419</u>	<u>(5,432,208)</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
Total primary government	<u>\$7,405,270</u>	<u>\$1,610,079</u>	<u>\$ 310,564</u>	<u>\$52,419</u>	<u>(5,432,208)</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
Component Units								
Hawkinsville-Pulaski County Development Authority	\$ 20,000	\$ - - -	\$ - - -	\$ - - -	- - -	(20,000)	- - -	- - -
Pulaski County Board of Health	330,802	100,471	213,212	- - -	- - -	- - -	(17,119)	- - -
Hospital Authority of Pulaski County	<u>2,710,319</u>	<u>- - -</u>	<u>2,710,319</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
Total component units	<u>\$3,061,121</u>	<u>\$ 100,471</u>	<u>\$2,923,531</u>	<u>\$ - - -</u>	<u>- - -</u>	<u>(20,000)</u>	<u>(17,119)</u>	<u>- - -</u>
General revenues:								
Taxes:								
Property taxes, levied for general purposes					3,720,887	- - -	- - -	- - -
Sales taxes					1,098,290	- - -	- - -	- - -
Insurance premium tax					350,577	- - -	- - -	- - -
Alcoholic beverage taxes					26,777	- - -	- - -	- - -
Financial institutions taxes					15,700	- - -	- - -	- - -
Franchise taxes					31,586	- - -	- - -	- - -
Intergovernmental					- - -	- - -	36,728	- - -
Interest and investment earnings					532	- - -	- - -	120
Miscellaneous					74,741	- - -	407	- - -
Gain on sale of property					<u>746</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
Total general revenues					<u>5,319,836</u>	<u>- - -</u>	<u>37,135</u>	<u>120</u>
Change in net position					(112,372)	(20,000)	20,016	120
Net position - beginning					<u>11,999,978</u>	<u>125,831</u>	<u>(106,798)</u>	<u>8,026</u>
Net position - ending					<u>\$11,887,606</u>	<u>\$105,831</u>	<u>\$ (86,782)</u>	<u>\$8,146</u>

The notes are an integral part of these financial statements.

**PULASKI COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2016**

	GENERAL FUND	2010 SPLOST CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<u>ASSETS</u>				
Cash on hand	\$ 200	\$ - - -	\$ - - -	\$ 200
Cash - financial institutions	794,489	571,519	43,651	1,409,659
Receivables:				
Accounts	- - -	- - -	39,209	39,209
Interest	6,296	- - -	- - -	6,296
Property taxes	573,719	- - -	- - -	573,719
Due from other funds	31,211	- - -	- - -	31,211
Intergovernmental	84,238	287	- - -	84,525
Inventory	2,502	- - -	- - -	2,502
Prepaid items	15,886	- - -	- - -	15,886
Total assets	<u>\$1,508,541</u>	<u>\$571,806</u>	<u>\$82,860</u>	<u>\$2,163,207</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES:				
Accounts payable	\$ 246,553	\$ 3,828	\$13,786	\$ 264,167
Other payables	1,126	411	- - -	1,537
Due to other funds	- - -	- - -	31,211	31,211
Unearned revenue	- - -	2,155	2,814	4,969
Total liabilities	<u>247,679</u>	<u>6,394</u>	<u>47,811</u>	<u>301,884</u>
DEFERRED INFLOWS OF RESOURCES -				
Unavailable revenue - property tax	<u>308,872</u>	<u>- - -</u>	<u>- - -</u>	<u>308,872</u>
Total deferred inflows of resources	<u>308,872</u>	<u>- - -</u>	<u>- - -</u>	<u>308,872</u>
FUND BALANCES:				
Nonspendable:				
Prepaid items	15,886	- - -	- - -	15,886
Inventory	2,502	- - -	- - -	2,502
Restricted:				
Jail construction	20,290	- - -	- - -	20,290
Drug condemnation	31,722	- - -	- - -	31,722
E-911 operations	- - -	- - -	31,116	31,116
Law library	- - -	- - -	11,407	11,407
Public safety	- - -	- - -	87	87
Capital projects	- - -	565,412	- - -	565,412
Unassigned:				
General fund	881,590	- - -	- - -	881,590
Special revenue funds	- - -	- - -	(7,561)	(7,561)
Total fund balances	<u>951,990</u>	<u>565,412</u>	<u>35,049</u>	<u>1,552,451</u>
Total liabilities and fund balances	<u>\$1,508,541</u>	<u>\$571,806</u>	<u>\$82,860</u>	<u>\$2,163,207</u>

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2016

TOTAL FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 1,552,451

Amounts reported for governmental activities
in the Statement of Net Position are
different because:

Capital assets used in governmental activities are
not financial resources and therefore are not
reported in the Governmental Funds Balance Sheet:

Governmental capital assets	\$19,563,775	
Less: accumulated depreciation	<u>(8,382,957)</u>	11,180,818

Other receivables are not available to pay for
current period expenditures and therefore are
deferred in the Governmental Funds Balance Sheet -

Property taxes		308,872
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Interfund receivables and payables between
governmental funds are reported on the Governmental
Funds Balance Sheet but are eliminated on the
Statement of Net Position:

Interfund receivables	\$ 31,211	
Interfund payables	<u>(31,211)</u>	- - -

Other receivables are not available to pay for current period expenditures and therefore are not reported on the Governmental Funds Balance Sheet		36,755
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Deferred outflows of resources related to pensions are applicable to future reporting periods, and therefore, are not reported on the Governmental Funds Balance Sheet		168,140
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Liabilities, including notes payable, compensated
absences, and capital leases payable, are not due
and payable in the current period and therefore
are not reported in the Governmental Funds
Balance Sheet:

Accrued compensated absences	\$ (82,379)	
Salaries and wages payable	(102,472)	
Capital leases payable	(917,772)	
Post-closure care costs	(84,398)	
Net pension liability	(154,918)	
Accrued interest payable	<u>(17,491)</u>	<u>(1,359,430)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$11,887,606

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL FUND	2010 SPLOST CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:				
Taxes	\$4,552,351	\$653,455	\$ - - -	\$5,205,806
Licenses and permits	29,791	- - -	- - -	29,791
Intergovernmental	297,830	33,438	177,138	508,406
Charges for services	222,571	- - -	225,868	448,439
Fines and forfeitures	150,114	- - -	- - -	150,114
Interest	530	517	2	1,049
Miscellaneous	<u>850,939</u>	<u>18,465</u>	<u>9,641</u>	<u>879,045</u>
Total revenues	<u>6,104,126</u>	<u>705,875</u>	<u>412,649</u>	<u>7,222,650</u>
EXPENDITURES:				
Current:				
General government	834,300	- - -	- - -	834,300
Judicial	577,597	- - -	4,844	582,441
Public safety	2,807,004	- - -	427,989	3,234,993
Public works	821,289	- - -	- - -	821,289
Health and welfare	384,518	- - -	- - -	384,518
Culture and recreation	28,491	- - -	239,950	268,441
Community and economic development	96,087	- - -	- - -	96,087
Intergovernmental	- - -	317,166	- - -	317,166
Capital outlay:				
General government	- - -	10,075	- - -	10,075
Public safety	- - -	101,033	- - -	101,033
Public works	- - -	155,227	- - -	155,227
Debt service:				
Principal retirements	96,974	- - -	1,120	98,094
Interest and finance charges	<u>49,476</u>	<u>- - -</u>	<u>- - -</u>	<u>49,476</u>
Total expenditures	<u>5,695,736</u>	<u>583,501</u>	<u>673,903</u>	<u>6,953,140</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>408,390</u>	<u>122,374</u>	<u>(261,254)</u>	<u>269,510</u>

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	GENERAL FUND	2010 SPLOST CAPITAL PROJECTS FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES (from previous page)	<u>\$ 408,390</u>	<u>\$122,374</u>	<u>\$ (261,254)</u>	<u>\$ 269,510</u>
OTHER FINANCING SOURCES (USES) :				
Proceeds from sales of capital assets	952	- - -	- - -	952
Transfers in	- - -	- - -	273,902	273,902
Transfers out	<u>(273,902)</u>	<u>- - -</u>	<u>- - -</u>	<u>(273,902)</u>
Total other financing sources (uses)	<u>(272,950)</u>	<u>- - -</u>	<u>273,902</u>	<u>952</u>
NET CHANGE IN FUND BALANCES	135,440	122,374	12,648	270,462
FUND BALANCE - BEGINNING	<u>816,550</u>	<u>443,038</u>	<u>22,401</u>	<u>1,281,989</u>
FUND BALANCE - ENDING	<u><u>\$ 951,990</u></u>	<u><u>\$565,412</u></u>	<u><u>\$ 35,049</u></u>	<u><u>\$1,552,451</u></u>

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS

\$ 270,462

Amounts reported for governmental activities in the
Statement of Activities are different because:

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Expenditures for capital assets	\$ 103,883	
Less: current year depreciation	<u>(658,265)</u>	(554,382)

In the Statement of Activities, only the gain on the disposal of capital assets is reported, whereas in the Governmental Funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets disposed of and accumulated depreciation:

Cost of disposed capital assets	\$ (206)	
Accumulated depreciation of disposed capital assets	<u>- - -</u>	(206)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in Governmental Funds:

Property taxes	\$ 38,010	
Intergovernmental revenues	<u>31,492</u>	69,502

Expenditures in the Statement of Activities that do not require the use of current financial resources are not reported as expenditures in Governmental Funds:

Compensated absences	\$ 16,026	
Salaries and wages	<u>(3,750)</u>	12,276

Pension expense which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities		(7,462)
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Issuance of long-term debt provides current financial resources to Governmental Funds, while the repayment of the principal of long-term debt consumes current financial resources of Governmental Funds. Neither transaction, however, has any effect on net position:

Capital lease principal payments	\$ 98,094	
Post-closure care costs	5,470	
Accrued interest paid	<u>(6,126)</u>	<u>97,438</u>

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ (112,372)

The notes are an integral part of these financial statements.

PULASKI COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS - AGENCY FUNDS
DECEMBER 31, 2016

ASSETS

Cash - financial institutions	<u>\$73,711</u>
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Total assets	<u><u>\$73,711</u></u>
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LIABILITIES

Other liabilities	\$47,949
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Funds held in escrow	<u>25,762</u>
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Total liabilities	<u><u>\$73,711</u></u>
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The notes are an integral part of these financial statements.

**PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Pulaski County, Georgia (the County) is a political subdivision of the State of Georgia. The County operates under a sole commissioner form of government. The County provides various services, levies taxes, and issues licenses as provided by the Charter. These services include public safety, highways and streets, and administrative services.

The financial statements of the County have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. The County's reporting entity applies all relevant GASB pronouncements. The following is a summary of the more significant policies:

- A. THE REPORTING ENTITY:** As required by GAAP, the financial reporting entity consists of (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that the exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The financial statements are formatted to allow the user to clearly distinguish between the primary government and its component units. The financial statements presented herein do not include agencies that have been formed under applicable state laws or separate and distinct units of government apart 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 organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Some component units, because of the closeness of their relationship with the County, should be blended as though they are part of the County. Otherwise, most component units should be discretely presented. At present, there are three organizations which would be considered discretely presented component units of the County because the County appoints the majority of the governing board of these respective organizations, and two organizations that are considered blended component units because of the close relation to and financial integration with the County:

Hawkinsville-Pulaski County Recreation Board - Management has determined that the Hawkinsville-Pulaski County Recreation Board (the Recreation Board) is considered to be a blended component unit of the County, due to the closeness of its relationship to the County and is included as a Special Revenue Fund. The Recreation Board is governed by a nine member advisory board appointed by the County Commissioner and the City of Hawkinsville's Board of Commissioners. The Recreation Board's purpose is to establish a system of supervised recreation for the citizens of Pulaski County, Georgia and the City of Hawkinsville, Georgia. The Recreation Board's financial statements were audited in conjunction with the County audit. However, a separate set of financial statements is not issued. During 2016, the County transferred \$69,843 to the Recreation Board.

**PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Pulaski-Wilcox County Regional Jail Authority - Management has determined that the Pulaski-Wilcox County Regional Jail Authority (the Jail Authority) is considered to be a blended component unit of the County due to the closeness of its relationship with the County and should be included as a Capital Projects Fund and a Debt Service Fund. However, the Jail Authority had no financial activity during 2016. The Jail Authority is governed by a five member board appointed by the County Commissioner and the Wilcox County's Board of Commissioners and one member is elected by the Jail Authority Board. The Jail Authority's purpose is to establish and maintain a jail or a jail-holding facility in Pulaski County, Georgia and Wilcox County, Georgia. Due to the Jail Authority not having any financial activity, no financial statements were prepared, audited, or issued.

Hawkinsville-Pulaski County Development Authority - Management has determined that the Hawkinsville-Pulaski County Development Authority (the Authority) is considered to be a discretely presented component unit of the County. The Authority is governed by a nine member board appointed by the County Commissioner and the City of Hawkinsville's Board of Commissioners. The Authority's purpose is to encourage and promote the expansion and development of industrial and commercial facilities in Pulaski County, Georgia and the City of Hawkinsville, Georgia. Component unit financial statements are available from the Authority, P.O. Box 29, Hawkinsville, Georgia.

Pulaski County Board of Health - Management has determined that the Pulaski County Board of Health (the Board of Health) is considered to be a discretely presented component unit of the County. The Board of Health is governed by a seven member board appointed by the County Commissioner and the City of Hawkinsville's Board of Commissioners. The Board of Health provides various health services for citizens in the County under a contract with the Georgia Department of Human Resources. Component unit financial statements are available from the Board of Health, Lumpkin Street, Hawkinsville, Georgia.

Hospital Authority of Pulaski County, Georgia - Management has determined that the Hospital Authority of Pulaski County, Georgia (the Hospital Authority) is considered to be a discretely presented component unit of the County. The Hospital Authority was created December 31, 2012 and is governed by a nine member board appointed by the County Commissioner. The Hospital Authority's purpose is to evaluate and assist in providing healthcare to citizens and visitors including availability, accessibility, and affordability of quality care. The Hospital Authority's financial statements were audited in conjunction with the County audit. However, a separate set of financial statements is not issued.

- B. RELATED ORGANIZATIONS:** The County's officials are responsible for appointing the members of the boards of other organizations, but the County's accountability for these organizations does not extend beyond making these appointments. The County Commissioner appoints the board members of the Pulaski County Board of Family and Children Services.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

C. JOINT VENTURE -

Middle Georgia Regional Commission - Under Georgia law, the County, in conjunction with municipalities and counties in the eleven (11) county Middle Georgia area are members of the Middle Georgia Regional Commission (MGRC), formerly known as the Middle Georgia Regional Development Center. Membership in an MGRC is required for each municipality and county in the Middle Georgia region. The Official Code of Georgia Section 50-8-34 provides for the organizational structure of the RCs. The MGRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one Member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as a nonpublic member and a minority member who must be an elected official to serve as board members from a County. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements for the MGRC are available from:

Middle Georgia Regional Commission
175 Emery Highway, Suite C
Macon, GA 31217

D. JOINTLY GOVERNED ORGANIZATIONS: The County, in connection with the City of Hawkinsville, Georgia (the City), has created the Library Board and the Hawkinsville-Pulaski County Development Authority. The board members for each organization are composed as follows:

Library Board - 6 appointed by the County, 6 appointed by the City;
Hawkinsville-Pulaski County Development Authority (the Authority) - 3
appointed by the County along with the sole Commissioner, 3 appointed by
the City with Commission Chairman, and 1 member at large.

The County's expenditures for December 31, 2016, were \$28,491 and \$-0- to the Library Board, and the Authority, respectively.

E. BASIC FINANCIAL STATEMENTS - GASB STATEMENT NO. 34: The basic financial statements consist of the government-wide financial statements, fund financial statements, and notes to the financial statements. Both the government-wide financial statements and the fund financial statements categorize activities as either governmental activities or business-type activities. These statements provide valuable information that can be analyzed and compared.

Government-Wide Financial Statements - The government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements display information about the reporting government as a whole and provide a consolidated financial picture of the government. All funds other than fiduciary activities are included at the government-wide reporting level. The primary government and component units are presented separately within the financial statements with the focus on the primary government. In the government-wide Statement of Net Position, both governmental activities and component units columns are presented on a consolidated basis by column and are reflected on a full accrual, economic resources basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

The government-wide Statement of Activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each component unit 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 government-wide Statement of Activities also reports functional categories of programs provided by the County and demonstrates how and to what degree those programs are supported by specific revenues. Program revenues are classified into three categories: charges for services, operating grants and contributions, and capital grants and contributions. Charges for services relate to charges to customers who purchase, use, or directly benefit from goods or services provided by a given function. Grants and contributions refer to revenues restricted for specific functions for operational or capital requirements. The general revenues section displays revenues collected that help support all functions of the government and contribute to the change in the net position for the fiscal year. The gross expenses (including depreciation) are reduced by related program revenues, operating grants, and capital grants. The net costs (by function) are normally covered by general revenue.

Fund Financial Statements - Fund financial statements for the government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate for governmental funds. The governmental funds statements in the fund financial statements are presented on a current financial resource and modified accrual basis of accounting. The fiduciary funds statements are presented on a full accrual, economic resources basis. The fiduciary funds are presented by type. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented on the page following the statement which briefly explains the adjustment necessary to transform the fund based financial statements into the governmental activities column of the government-wide presentation.

- F. BASIS OF PRESENTATION:** The financial transactions of the County are organized on the basis of funds. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which the resources are to be spent and the means by which spending activities are controlled. GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category and the governmental and enterprise funds combined) for the determination of major funds. The County has used GASB No. 34 minimum criteria for major fund determination. The non-major funds, if more than one, are combined in a column in the fund financial statements and detailed in the supplementary information section of this report.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Governmental Funds - Governmental Funds are those through which most governmental functions typically are financed. The acquisition, use, and balances of the government's expendable financial resources and the related current liabilities - except those accounted for in other funds - are accounted for through governmental funds. The flow of current financial resources measurement focus is used for governmental funds. It is based on the determination of financial position, rather than on net income determination. Major Governmental Funds used by the County include:

General Fund - The General Fund is the general operating fund of the County. It is used to account for and report all financial resources except those required to be accounted for and reported in another fund.

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other assets other than those financed by Proprietary Funds or for assets that will be held in trust for individuals, private organizations, or other governments.

2010 SPLOST Fund is used to account for and report SPLOST revenues and expenditures to be used to purchase capital items for the Recreation Board, the Pulaski County Fire Department, Pulaski County Road Department, and Sheriff Department and construction and maintenance of roads within the county.

Additionally, the County reports the following nonmajor governmental fund type:

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources and grants that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. Restricted or committed specific revenue sources should comprise a substantial portion of fund's resources. The proceeds from these special revenue sources should be expected to continue to comprise a substantial portion of inflows.

E-911 Fund is used to account for and report revenues from various telephone and cellular companies and expenditures to be used in support of the Enhanced 911 service.

Pulaski County Law Library Fund is used to account for and report the law library fees included in all fines which are specifically designated for the County's law library.

Confiscated Assets Fund is used to account for and report the cash confiscations or cash received from the sale of capital assets acquired from a drug case to be used for public safety expenditures.

Hawkinsville-Pulaski County Recreation Board Fund is used to account for and report the revenues and expenditures for the Recreation Board.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Fiduciary Funds - Fiduciary Funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Fiduciary Funds used by the County include -

Agency Funds - Agency Funds are used to account for assets held by the County as an agent for individuals, private organizations, other governments, and/or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus.

Noncurrent Governmental Assets/Liabilities - GASB Statement No. 34 eliminates the presentation of Account Groups, but provides for these records to be maintained and incorporates the information into the Governmental column in the government-wide Statement of Net Position.

- G. **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, governmental funds use the modified 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 revenue, 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 calendar 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 calendar year. For the County, the phrase, "available for exchange transaction" means expected to be received within 60 days of year end.

Revenues - Nonexchange Transactions - Nonexchange 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 and on the modified accrual basis, it is recognized in the year available. Revenue from property taxes is recognized in the calendar year for which the taxes are levied. Revenue from grants and donations is recognized in the calendar year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions also must be available (i.e., collected within 60 days of year end) before it can be recognized.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

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

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as unearned revenue (i.e., they are measurable but not available) rather than as revenue. Property taxes receivable not collected within 60 days of year end have been recorded as unearned revenue. Grants received before the eligibility requirements are met also are recorded as unearned revenue.

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.

Interfund Activity - The County has two types of interfund transactions. Services rendered transactions are accounted for as revenues and expenditures in the funds involved and operating appropriations are accounted as transfers in the funds involved. Interfund transfers, except interfund services provided and used and interfund reimbursements, are reported as transfers in or out in the funds involved as other financing sources. However, as a general rule, recorded interfund revenues and expenditures have been eliminated in the GAAP-basis government-wide financial statements.

- H. **CASH AND CASH EQUIVALENTS**: Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

- I. **CONTRACTUAL PROVISIONS FOR DEPOSITS AND INVESTMENTS**: The County follows the practice of maintaining separate cash accounts for each fund.

Various restrictions on deposits and investments, including repurchase agreements, are imposed by State statutes. These restrictions are summarized below:

Deposits - All deposits with financial institutions must be collateralized in an amount equal to 110% of uninsured deposits. However, the County may waive the collateral requirement for operating funds placed in demand deposit accounts.

Investments - The County may invest and reinvest funds subject to its control and jurisdiction in obligations of the United States and of its agencies and instrumentalities; and in bonds or certificates of indebtedness of this State and of its agencies and instrumentalities; and certificates of deposit of banks that have deposits insured by the Federal Deposit Insurance Corporation. The County may also invest through the Georgia Fund 1 state investment pool and other specific Georgia and Georgia related financial instruments.

- J. **RECEIVABLES**: The County does not normally record an allowance for doubtful accounts, nor does the County account for bad debts. The amounts that are potentially uncollectible are considered immaterial.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- K. **INTERFUND RECEIVABLES/PAYABLES:** Outstanding balances resulting in transactions between funds are reported as "due to/from other funds." To the extent that these balances are between governmental funds, they have been eliminated on the government-wide financial statements.
- L. **PROPERTY TAXES:** Property taxes attach as an enforceable lien on property as of December 2. Taxes are levied on October 1, and are due and payable by December 1. All unpaid taxes become delinquent after December 1, and fifa's are recorded on or after March 1.
- M. **INVENTORIES:** On government-wide financial statements, inventories are recorded at the lower of cost or market using the first in first out flow assumption and are accounted for using the consumption method.
- On the fund financial statements, inventories of governmental funds are recorded at cost using the first in first out flow assumption and are accounted for using the purchase method.
- N. **PREPAID ITEMS:** Payments made to vendors for services that benefit periods beyond December 31, 2016, are recorded as prepaid items.
- O. **CAPITAL ASSETS:** Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, bridges, water and sewerage distribution systems and similar items) are reported in the applicable governmental activities and discretely presented component units columns in the government-wide financial statements. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized in the governmental activities columns of the government-wide financial statements to the extent the County's capitalization threshold of \$5,000 and the Recreation Board's capitalization threshold of \$2,500 is met. Likewise, such items are capitalized in the component units columns of the government-wide financial statements to the extent the Board of Health's capitalization threshold of \$1,000 is met.

All property, plant, and equipment acquired after December 31, 1983, is valued at cost. Assets acquired before 1984 are recorded at historical cost where available and insured values which approximate appraised value. This is a departure from GAAP; however, these amounts are immaterial to the financial statements. Donated property, plant, and equipment is valued at the estimated fair value on the date donated. General infrastructure assets acquired or constructed prior to January 1, 2004 are not reported in the financial statements. General infrastructure assets include all roads and bridges and other infrastructure assets acquired or constructed subsequent to January 1, 2004.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. The County follows the policy of capitalizing interest as a component of the cost of property, plant, and equipment constructed for its own use. During the current fiscal year, no interest was capitalized.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

Depreciation for capital assets is computed using the straight-line method over the assets estimated useful lives. The estimated useful lives for governmental activities and component units are as follows:

	<u>Governmental Activities</u>	<u>Component Units Recreation Board</u>	<u>Board of Health</u>
Buildings	20-40 years	20-40 years	- - -
Improvements other than buildings	20-50 years	20-50 years	- - -
Machinery and equipment	5-10 years	5-10 years	5 years
Infrastructure	20-50 years	20-50 years	- - -
Intangibles	3 years	3 years	- - -

- P. **COMPENSATED ABSENCES:** Vacation leave is earned by all full-time County employees at the rate of five days per year for the first two years of service. After two years of service and up to ten years of service, the employees earn at a rate of ten days per year. After ten years of service, the employees earn at a rate of fifteen days per year. Vacation leave may be accumulated and carried over to a maximum of one-half the annual leave eligible to be earned each year. Upon termination or retirement from the County, employees are entitled to accumulated vacation leave. At December 31, 2016, accrued vacation leave of \$82,379 has been recorded in the government-wide Statement of Net Position in the Governmental Activities, which represents the County's commitment to fund such cost from future operations. In governmental fund financial statements, the cost of vacation leave is recognized when due to employees.

- Q. **LONG-TERM OBLIGATIONS:** In the government-wide financial statements, long-term debt is reported as liabilities in the applicable governmental activities statement of net position. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt using the effective interest method.

In the fund financial statements, governmental fund types recognize bond issuance costs during the current period. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

- R. **DEFERRED OUTFLOWS / INFLOWS OF RESOURCES:** The County implemented GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* and No. 65, *Items Previously Reported as Assets and Liabilities*, as of January 1, 2013. These standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has only one type of item that qualifies for reporting in this category. Under the accrual basis of accounting, pension related items are reported on the government-wide statement of net position for governmental activities and the discretely presented component unit, the Pulaski County Board of Health. These amounts are deferred and recognized as outflows of resources in the period that the amounts become applicable.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has several types of items that qualify for reporting in this category. Under the modified accrual basis of accounting, *unavailable revenue* from property taxes is reported only in the governmental funds balance sheet. Under the accrual basis of accounting, pension related items are reported on the government-wide statement of net position for governmental activities and the discretely presented component unit, the Pulaski County Board of Health. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

- S. **PENSIONS:** For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Association County Commissioners of Georgia Restated Pension Plan for Pulaski County Employees (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.
- T. **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 - 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 County Commissioner through the adoption of a resolution. Only the County Commissioner may modify or rescind a commitment.

Assigned - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted or committed.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed, then assigned, and finally unassigned funds, as needed.

The County does not have a formal minimum fund balance policy.

Net Position - Net position represent the difference between assets and liabilities. Net position is categorized as follows:

Net investment in Capital Assets - This category consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds, notes, and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted Net Position - This category results when constraints placed on net position item use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category consists of net position items that do not meet the definition of the two preceding categories. Unrestricted net position is often designated to indicate that management does not consider them to be available for general operations. Unrestricted net position often has constraints on resources that are imposed by management, but can be removed or modified.

When an expense is incurred for purposes for which both restricted and unrestricted net position items are available, the County's policy is to apply restricted net position items first.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- U. **OPERATING LEASES:** During 2011, the County leased a mail meter from Pitney Bowes for 60 months. The monthly lease expense for the mail meter is \$180. During 2012, the County entered into two leases for copiers from Xerox requiring 60 monthly payments in the amount of \$720. The County also entered into a 60 month lease for E-911 communications equipment with ComSouth requiring monthly payments of \$5,732. During 2013, the County entered into a lease for two fax printers from Xerox requiring 60 monthly payments in the amount of \$250. During 2015, the County entered into a lease for a copier from Xerox requiring 60 monthly payments in the amount of \$95. For the year ended December 31, 2016, rent expenditures for the County totaled \$84,047. The following is a schedule of annual lease requirements as of December 31, 2016:

<u>Year ending</u> <u>December 31</u>	<u>Amount</u>
2017	\$62,180
2018	1,390
2019	1,140
2020	<u>380</u>
	<u>\$65,090</u>

- V. **POST EMPLOYMENT HEALTH CARE BENEFITS:** Effective January 1, 2009, there will be no post-retirement health and medical benefits provided by the County other than those benefits under COBRA.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County provides health care benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. This program is offered for a duration of 18 months after the determination date. There is no cost to the County under this program. There were no former employees or eligible dependents participating in this plan as of December 31, 2016.

- W. **ACCUMULATED EMPLOYEE BENEFIT AMOUNTS:** Accumulated employee benefit amounts are not accrued in governmental funds. The County has available a Section 125 Cafeteria Plan and a 457 tax deferred plan, explained in Note 12, for its employees. Each of these plans are available to all employees who choose to participate. The County does not have any expenses associated with these plans.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- X. **RECENT ACCOUNTING PRONOUNCEMENTS:** As of December 31, 2016, GASB has issued the following statements which are effective for reporting periods beginning after June 15, 2016, and various other periods:

Statement No. 74 - "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans"
Statement No. 75 - "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions"
Statement No. 80 - "Blending Requirements for Certain Component Units-an amendment of GASB Statement No. 14"
Statement No. 81 - "Irrevocable Split-Interest Agreements"
Statement No. 82 - "Pension Issues-an amendment of GASB Statements No. 67, No. 68, and No. 73"
Statement No. 83 - "Certain Asset Retirement Obligations"
Statement No. 84 - "Fiduciary Activities"
Statement No. 85 - "Omnibus 2017"
Statement No. 86 - "Certain Debt Extinguishment Issues"
Statement No. 87 - "Leases"

Management is currently evaluating the impact of applying these statements.

2. **CUSTODIAL CREDIT RISK - DEPOSITS:** Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it.

Primary Government

The County does not have a deposit policy for custodial credit risk. As of December 31, 2016, \$1,116,653 of the County and its Blended Component Units' bank balances of \$1,410,597 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 322,325
Uninsured and collateralized with securities held in the pledging financial institution's trust department or agent in the County's name	<u>794,328</u>
Total	<u>\$1,116,653</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

2. CUSTODIAL CREDIT RISK - DEPOSITS: (continued)

Discretely Presented Component Units

The Hawkinsville-Pulaski County Development Authority does not have a deposit policy for custodial credit risk. As of December 31, 2016, the Hawkinsville-Pulaski County Development Authority's bank balance was 100% insured by the Federal Deposit Insurance Corporation.

The Pulaski County Board of Health's (the Board) deposit policy for custodial credit risk requires collateral at 110% of the Board's deposits, less the amount of the Federal Deposit Insurance Corporation insurance, to be held in the Board's name by the safekeeping agent in accordance with Georgia statute. As of December 31, 2016, the Pulaski County Board of Health's bank balance was 100% insured by the Federal Deposit Insurance Corporation.

The Hospital Authority of Pulaski County, Georgia does not have a deposit policy for custodial credit risk. As of December 31, 2016, the Hospital Authority of Pulaski County, Georgia's bank balance was 100% insured by the Federal Deposit Insurance Corporation.

Fiduciary Funds - Agency Funds

The Fiduciary Funds - Agency Funds do not have deposit policies for custodial credit risk. As of December 31, 2016, \$500,629 of the Agency Funds' bank balance of \$955,362 was exposed to custodial credit risk as follows:

Uninsured and collateralized with securities held by the pledging financial institution's trust department or agent in the County's name	<u>\$500,629</u>
Total	<u>\$500,629</u>

The Tax Commissioner Agency Fund was the bank balance exposed to the custodial credit risk.

3. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS:

Interfund balances at December 31, 2016, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

Primary Government

<u>Payable to:</u>	<u>E-911 Special Revenue Fund</u>	<u>Payable from: Hawkinsville - Pulaski County Recreation Department Special Revenue Fund</u>	<u>Total</u>
General Fund	\$7,060	\$24,151	\$31,211
Total	<u>\$7,060</u>	<u>\$24,151</u>	<u>\$31,211</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

3. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS:

Interfund transfers for the year ended December 31, 2016, consisted of the following:

<u>Transfers to:</u>	<u>Transfers from:</u> <u>General</u> <u>Fund</u>	<u>Total</u>
Nonmajor		
Governmental Funds	\$273,902	\$273,902
Total	<u>\$273,902</u>	<u>\$273,902</u>

Transfers are used to move unrestricted revenues collected in various funds to finance various programs accounted for in other funds in accordance with budgetary authorizations and to return money to the fund from which it was originally provided, once a project is completed. Transfers from the General Fund to the E-911 Special Revenue Fund were to fund E-911 salaries and related expenses in the E-911 Special Revenue Fund. Transfers from the General Fund to the Hawkinsville-Pulaski County Recreation Department Fund were to provide operating monies for the Recreation Department.

4. CAPITAL ASSETS:

Primary Government

Capital asset activity for the year ended December 31, 2016 was as follows:

	<u>Balance</u> <u>January 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>December 31, 2016</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 2,057,225	\$ - - -	\$ 206	\$ 2,057,019
Construction in progress	<u>12,004</u>	<u>- - -</u>	<u>12,004</u>	<u>- - -</u>
Total capital assets, not being depreciated	<u>2,069,229</u>	<u>- - -</u>	<u>12,210</u>	<u>2,057,019</u>
Capital assets, being depreciated:				
Buildings	11,015,473	20,650	- - -	11,036,123
Improvements other than buildings	745,712	- - -	- - -	745,712
Infrastructure	696,965	32,387	- - -	729,352
Intangibles	5,500	- - -	- - -	5,500
Machinery and equipment	<u>4,927,219</u>	<u>62,850</u>	<u>- - -</u>	<u>4,990,069</u>
Total capital assets, being depreciated	<u>17,390,869</u>	<u>115,887</u>	<u>- - -</u>	<u>17,506,756</u>
Less accumulated depreciation for:				
Buildings	4,319,786	290,842	- - -	4,610,628
Improvements other than buildings	209,642	26,943	- - -	236,585
Infrastructure	144,162	22,128	- - -	166,290
Intangibles	5,500	- - -	- - -	5,500
Machinery and equipment	<u>3,045,602</u>	<u>318,352</u>	<u>- - -</u>	<u>3,363,954</u>
Total accumulated depreciation	<u>7,724,692</u>	<u>658,265</u>	<u>- - -</u>	<u>8,382,957</u>
Total capital assets, being depreciated, net	<u>9,666,177</u>	<u>(542,378)</u>	<u>- - -</u>	<u>9,123,799</u>
Governmental activities capital assets, net	<u>\$11,735,406</u>	<u>\$ (542,378)</u>	<u>\$12,210</u>	<u>\$11,180,818</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

4. CAPITAL ASSETS: (continued)

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

Governmental activities:	
General government	\$121,587
Judicial	433
Public safety	267,358
Public works	174,664
Health and welfare	32,881
Culture and recreation	<u>61,342</u>
Total depreciation expense - governmental activities	<u>\$658,265</u>

Discretely Presented Component Units

Capital asset activity for the Pulaski County Board of Health for the year ended June 30, 2016, was as follows:

	<u>Pulaski County Board of Health</u>			
	<u>Balance</u>			<u>Balance</u>
	<u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2016</u>
Capital assets, being depreciated -				
Machinery and equipment	<u>\$19,346</u>	<u>\$- - -</u>	<u>\$14,955</u>	<u>\$4,391</u>
Total capital assets,				
being depreciated	<u>19,346</u>	<u>- - -</u>	<u>14,955</u>	<u>4,391</u>
Less accumulated depreciation for -				
Machinery and equipment	<u>19,346</u>	<u>- - -</u>	<u>14,955</u>	<u>4,391</u>
Total accumulated				
depreciation	<u>19,346</u>	<u>- - -</u>	<u>14,955</u>	<u>4,391</u>
Total capital assets, being				
depreciated, net	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
Pulaski County Board of Health				
capital assets, net	<u>\$ - - -</u>	<u>\$ - - -</u>	<u>\$ - - -</u>	<u>\$ - - -</u>

5. SHORT-TERM OBLIGATIONS:

The County issues tax anticipation notes in advance of property tax collections, depositing the proceeds in its General Fund. These notes are necessary because the County's supplemental payments to various agencies are made on a monthly basis, whereas tax collections are received shortly before their December 1 due date.

Short-term debt activity for the year ended December 31, 2016, was as follows:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Redeemed</u>	<u>Ending Balance</u>
Tax anticipation notes	<u>\$- - -</u>	<u>\$1,500,000</u>	<u>\$1,500,000</u>	<u>\$- - -</u>
Total short-term debt	<u>\$- - -</u>	<u>\$1,500,000</u>	<u>\$1,500,000</u>	<u>\$- - -</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

6. LONG-TERM OBLIGATIONS:

Primary Government

The following is a summary of changes in long-term obligations for the year ended December 31, 2016:

	Balance January 1, 2016	Additions	Reductions	Balance December 31, 2016	Amounts Due Within One Year
Governmental activities:					
Compensated absences	\$ 98,405	\$ - - -	\$ 16,026	\$ 82,379	\$ 82,379
Capital leases payable	1,015,866	- - -	98,094	917,772	99,125
Post-closure care costs	89,868	- - -	5,470	84,398	5,520
Net pension liability	<u>127,840</u>	<u>220,034</u>	<u>192,956</u>	<u>154,918</u>	<u>- - -</u>
Total governmental activities	<u>\$1,331,979</u>	<u>\$220,034</u>	<u>\$312,546</u>	<u>\$1,239,467</u>	<u>\$187,024</u>

Compensated Absences - Compensated absences for governmental activities are generally paid by the General Fund.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

6. LONG-TERM OBLIGATIONS: (continued)

Capital leases payable - Leases payable consisted of the following leases at December 31, 2016:

Caterpillar Financial Services Corporation:

Collateralized by a Caterpillar 12M motorgrader for \$236,856, due in five annual installments of \$27,813 and one balloon payment of \$129,000, including interest at 3.20%.	\$195,740
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Collateralized by a 140M Caterpillar motorgrader for \$248,258 due in four annual installments of \$31,068 and one balloon payment of \$125,000, including interest at 3.20%.	201,271
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Collateralized by a 320ELRR Caterpillar excavator for \$214,239 due in four annual installments of \$24,459 and one balloon payment of \$120,405, including interest at 3.20%.	196,636
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Collateralized by a 308E2 Caterpillar excavator and EX30RPM torrent mulcher for \$120,170 due in four annual installments of \$17,522 and one balloon payment of \$47,270, including interest at 3.20%.	106,494
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Collateralized by a 12M3 Caterpillar motorgrader for \$238,580 due in four annual installments of \$26,436 and one balloon payment of \$128,905, including interest at 2.30%.	<u>217,631</u>
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Total	917,772
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Less current portion	<u>99,125</u>
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Total long-term portion	<u><u>\$818,647</u></u>
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The assets acquired under capital leases at December 31, 2016 are as follows:

Machinery and equipment	\$1,062,904
Less: accumulated depreciation	<u>201,097</u>
Carrying value	<u><u>\$ 861,807</u></u>

These assets under capital lease are depreciated under the County's capital asset depreciation policy and the resulting expense is reported as a component of depreciation expense.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

6. LONG-TERM OBLIGATIONS: (continued)

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

Year ending
December 31,

2017	\$ 96,231
2018	127,298
2019	256,298
2020	<u>521,065</u>
Total minimum lease payments	1,000,892
Less amount representing interest	<u>83,120</u>
Present value of minimum lease payments	<u>\$ 917,772</u>

Landfill closure and post-closure care costs - The County was under contract with the City of Hawkinsville to share in the cost of operating the local landfill. Therefore, the County is responsible to share in the cost of closure and post-closure of the local landfill.

State and federal laws and regulations require that a final cover be placed on the landfill when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site. The local landfill was closed on April 8, 1994. All requirements for closure have been met, and the Certificate of Closure (Certificate) was received by the County as of April 19, 2002. Conditions of the closure certificate include monitoring and maintenance for a period of thirty years from the Certificate date.

The County has provided one-half of the cost to place a final cover on the landfill and monitoring costs to date. The remaining cost to monitor the landfill is estimated to be \$84,398 and has been included in accrued expenses of the governmental activities. These expenses were estimated by the County's outside engineering firm and do not specifically include any estimates due to the effect of inflation or deflation, technology, or changes in applicable laws or regulations. During the current year, actual post-closure expenses of \$5,470 were paid. Post-closure care costs are generally paid by the General Fund.

Discretely Presented Component Unit

Pulaski County Board of Health - The following is a summary of changes in long-term obligations for the year ended June 30, 2016:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2016</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Compensated absences	\$ 9,769	\$ - - -	\$ 419	\$ 9,350	\$1,870
Net pension liability	<u>251,066</u>	<u>51,171</u>	<u>49,673</u>	<u>252,564</u>	<u>- - -</u>
Total	<u>\$260,835</u>	<u>\$51,171</u>	<u>\$50,092</u>	<u>\$261,914</u>	<u>\$1,870</u>

Compensated Absences - Compensated absences for the Board of Health are generally paid by the General Fund.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

7. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES:

The following table provides detail regarding the deferred outflows and inflows of resources on the government-wide Statement of Net Position for governmental activities and the discretely presented component unit, Pulaski County Board of Health:

	<u>Primary Government</u> <u>Government-Wide</u> <u>Governmental</u> <u>Activities</u>	<u>Discretely Presented</u> <u>Component Unit</u> <u>Pulaski County</u> <u>Board of Health</u>
<u>Deferred Outflows</u>		
Pensions:		
Differences between expected and actual experience	\$ 30,998	\$ - - -
Changes in assumptions	52,050	- - -
Net differences between projected and actual earnings on pension plan investments	85,092	- - -
Changes in proportion and differences between Employer contributions and proportionate share of contributions	- - -	18,443
Employer contributions for pension expense related to specific liabilities of individual employers	- - -	(8,941)
Employer contributions subsequent to measurement date	<u>- - -</u>	<u>38,821</u>
Total deferred outflows	<u>\$168,140</u>	<u>\$48,323</u>
<u>Deferred Inflows</u>		
Pensions:		
Differences between expected and actual experience	\$ - - -	\$ 2,018
Net differences between projected and actual earnings on pension plan investments	- - -	18,223
Changes in proportion and differences between Employer contributions and proportionate share of contributions	<u>- - -</u>	<u>12,878</u>
Total deferred inflows	<u>\$ - - -</u>	<u>\$33,119</u>

8. DEFICIT FUND EQUITY:

The Hawkinsville-Pulaski County Recreation Board Fund ended the year with a deficit fund balance of \$7,561 due to a decrease in donations and various revenues during the year ended December 31, 2016. Management expects to eliminate this deficit by contributing more operating funds to the component unit.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

9. VIOLATION OF FINANCE-RELATED LEGAL AND CONTRACTUAL PROVISIONS:

Excess of expenditures over appropriations - There were no excesses of expenditures over appropriations in individual funds for the year ended December 31, 2016.

10. RESTRICTED NET POSITION:

	<u>Restricted by Enabling Legislation</u>	<u>Total</u>
Governmental Activities -		
Restricted for:		
Capital projects	\$565,412	\$565,412
Jail Construction	20,290	20,290
Drug Condemnation	31,722	31,722
E-911 operations	25,819	25,819
Law library	11,407	11,407
Culture and recreation	7,220	7,220
Public safety	<u>87</u>	<u>87</u>
Total restricted net position		
- Governmental Activities	<u>\$661,957</u>	<u>\$661,957</u>

11. 2010 SPECIAL PURPOSE LOCAL OPTION SALES TAX:

The voters of the County approved a One Percent Special Purpose Local Option Sales Tax (SPLOST) on July 20, 2010 for the following purposes: acquisition of the property, construction and equipping three fire substations in the County; improvements needed at the public safety facility; to provide for a multi service building at the recreation complex; to purchase vehicles for the sheriff and road departments; to provide for relocation of road department and improvements to certain county buildings and roads; to provide for a parking lot at the Library; to provide matching funds for state contracts on roads and other grants. Collections began October 1, 2010 and were to continue for six years or until \$7.2 million is collected, whichever came first. These funds were kept separate from other cash deposits held by the County.

12. RETIREMENT PLANS:

Primary Government

A. DEFINED BENEFIT PLAN:

Plan Description - The County's defined benefit pension plan, Association County Commissioners of Georgia (ACCG) Restated Pension Plan for Pulaski County Employees (Plan), is administered through the Board of Trustees for the Association County Commissioner of Georgia Pension Plan and Trust. The Plan, through execution of an adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp. The ACCG Plan is an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commissioner retains this authority. The ACCG issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained at the County Commissioner's office in Hawkinsville, Georgia or by writing to GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

12. RETIREMENT PLANS: (continued)

Benefits - The Plan provides benefits upon retirement, death, disablement, and termination of employment to Plan participants and beneficiaries, if certain eligibility requirements are met. Full time employees with a date of hire prior to January 1, 2009 were eligible to participate on the January 1 following three years of service. Employees are vested after five years of service. No employee hired or rehired on or after January 1, 2009, shall be eligible to participate in the Plan. Participants become eligible to retire at age 65 with five years of service. An employee may elect early retirement at age 60 with ten years of service and three years of plan participation to receive full benefits. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.00% of average annual compensation up to \$6,600 plus 1.50% of average annual compensation in excess of \$6,600 plus \$18 multiplied by years of service to a maximum of 35 years payable as a straight life annuity. Compensation is averaged over five consecutive plan years during the ten plan years preceding the participant's date of retirement or other termination.

Plan Membership - As of January 1, 2016, the most recent actuarial valuation date, the Plan membership consisted of the following categories of participants:

Retirees, beneficiaries and disables receiving benefits	14
Terminated plan participants entitled to but not yet receiving benefits	14
Active employees participating in the Plan	<u>16</u>
 Total membership in the plan	 <u>44</u>

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 the State of Georgia statutes. Section 47-20 of the Georgia Code sets forth the funding standards for state and local governmental pension plans. Administrative expenses are based on total covered payroll of plan members and are added to the state-required annual funding requirement. The projection of benefits for financial accounting purposes does not explicitly incorporate the potential effects of the legal or contractual funding limitations.

The Georgia Constitution enables the governing authority of the County, the Commissioner, to establish and amend from time to time, the contribution rates for the employer and its plan members.

Effective January 1, 2009, no contributions are required by Participants. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report. The annual County contribution meets or exceeds the minimum funding requirements of Georgia Statute 47-20.

The County's covered compensation for employees participating in the Plan as of January 1, 2016 was \$665,301. The required contribution for 2016 was \$79,030, which represents 11.88% of the covered payroll. The actual contribution for 2016 was \$85,279, which represents 12.82% of the covered payroll.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

12. RETIREMENT PLANS: (continued)

Net Pension Liability: Effective January 1, 2015, the County implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, which significantly changed the County's accounting for pension amounts. The information disclosed below is presented in accordance with these new standards.

Actuarial assumptions - The County's net pension liability was measured as of December 31, 2016. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2016 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2016. 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:

Inflation	3.00%
Salary increases	4.00% per year with an age based scale
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table with scale AA projection to year 2016.

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

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-blocks approach based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as the forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS. Expected future 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. Best estimates of arithmetic real rates of return for each major class included in the pension plan's target asset allocation as of December 31, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Average 20 Year Return</u>	<u>Weighted 20 Year Return</u>	<u>Average 30 Year Return</u>	<u>Weighted 30 Year Return</u>
Fixed Income	30%	5.60%	1.68%	6.56%	1.97%
Equities:					
Large Cap	30%	7.91%	2.37%	10.22%	3.07%
Mid Cap	5%	11.22%	0.56%	11.53%	0.58%
Small Cap	5%	8.06%	0.40%	9.33%	0.47%
REIT	5%	10.79%	0.54%	10.44%	0.52%
International	15%	4.29%	0.64%	5.73%	0.86%
Multi Cap	5%	8.03%	0.40%	10.14%	0.51%
Global Allocation	5%	4.66%	<u>0.23%</u>	5.98%	<u>0.30%</u>
Weighted Return			<u>6.82%</u>		<u>8.28%</u>

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

12. RETIREMENT PLANS: (continued)

Discount rate - The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current Plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all of the projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate - The following presents the County's net pension liability calculated using the discount rate of 7.25%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	<u>1% Decrease (6.25%)</u>	<u>Current Discount Rate (7.25%)</u>	<u>1% Increase (8.25%)</u>
Net pension liability	\$317,448	\$154,918	\$12,647

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued ACCG financial report which is publicly available at www.gebcorp.com.

Changes in the Net Pension Liability - The changes of the components of the net pension liability of the County for the year ended December 31, 2016, were as follows:

	<u>Total Pension Liability (TPL)</u>	<u>Fiduciary Net Position (FNP)</u>	<u>Net Pension Liability (NPL)</u>
Balance at December 31, 2015	\$1,726,876	\$1,599,036	\$127,840
Changes for the year:			
Service cost	9,592	- - -	9,592
Interest on total pension liability	125,118	- - -	125,118
Liability experience (gain)/loss	29,034	- - -	29,034
Assumption change	37,346	- - -	37,346
Employer contributions	- - -	85,279	(85,279)
Net investment income	- - -	107,677	(107,677)
Benefit payments	(117,267)	(117,267)	- - -
Administrative expense	- - -	(9,268)	9,268
Other changes	- - -	(9,676)	9,676
Net changes	<u>83,823</u>	<u>56,745</u>	<u>27,078</u>
Balance at December 31, 2016	<u>\$1,810,699</u>	<u>\$1,655,781</u>	<u>\$154,918</u>

Changes of assumptions - The mortality table was changed from RP 2000 combined table with no projection to RP 2000 combined table with Scale AA projection to year 2016.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

12. RETIREMENT PLANS: (continued)

Pension expense -

Service cost	\$ 9,592
Interest on TPL	125,118
Amortization of:	
Liability experience (gain)/loss	12,570
Change in assumption	21,243
Asset (gain)/loss	28,108
Projected earnings on plan investments	(115,109)
Administration expense	9,268
Other change in FNP	<u>1,951</u>

Total pension expense \$ 92,741

Deferred outflows of resources related to pensions - At December 31, 2016, the County reported deferred outflows of resources related to the pension from the following sources:

	<u>Deferred Outflows of Resources</u>
Differences between expected and actual experience	\$ 30,998
Changes in assumptions	52,050
Net difference between projected and actual earning on pension plan investments	<u>85,092</u>
Total deferred outflows of resources related to pensions	<u>\$168,140</u>

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Projected recognition of deferred outflows -

<u>Year</u>	<u>Deferred Outflows of Resources</u>
2017	\$ 61,921
2018	61,919
2019	41,267
2020	<u>3,033</u>
Total projected recognition of deferred outflows	<u>\$168,140</u>

B. DEFINED CONTRIBUTION PLAN:

The County offers its employees a defined contribution money purchase retirement plan in accordance with Internal Revenue Code 401(a). The ACCG 401(a) Defined Contribution Plan for Employees of Pulaski County (401(a) Plan) is a defined contribution plan established by the County Commissioner on December 1, 2008. This plan is administered by GEBCorp. The 401(a) Plan provides benefits at retirement to Pulaski County employees. Plan provisions and contribution requirements are established and may be amended by the County.

**PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

12. RETIREMENT PLANS: (continued)

Employees are eligible to participate in the 401(a) Plan on their employment date and must work at least 40 hours per week. Employees are not required to contribute to the 401(a) Plan. Participants are fully vested in the County's contributions upon completion of five years of service. Participants are fully vested immediately in their contributions to the 401(a) Plan. The County shall make a basic contribution on behalf of each employee equal to 2.0% of compensation. The County shall make a matching contribution on behalf of each participant to this 401(a) Plan equal to half of the first 4.0% the participant contributes to the Pulaski County 457 Deferred Compensation Plan up to a maximum contribution by the County of 2%. Therefore, an employee who contributes 4% to the Pulaski County 457 Deferred Compensation Plan will receive an additional 2% contribution to this 401(a) Plan.

The County's contributions were calculated using the formula detailed above. Total contributions to the 401(a) Plan for the year ended December 31, 2016, were \$94,948 by the employees and \$94,161 by the County.

C. DEFERRED COMPENSATION PLAN:

The County offers its employees a deferred compensation plan, created in accordance with Internal Revenue Code Section 457, the Pulaski County 457 Deferred Compensation Plan. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Pursuant to changes in Internal Revenue Code Section 457, the plan has been amended to convert the deferred compensation plan to a trust. The plan is administered by GEBCorp. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are solely the property and rights of the trust, established for the exclusive benefit of the participants and their beneficiaries. The County has no liability for these assets and they are not subject to the claims of the County's general creditors. All contributions to this plan are voluntary employee contributions.

Discretely Presented Component Unit

A. PULASKI COUNTY BOARD OF HEALTH:

Plan Description - The Employees' Retirement System (ERS) is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov/formspubs/formspubs.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

12. RETIREMENT PLANS: (continued)

Benefits provided - The ERS Plan supports three benefit tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the Old Plan started membership prior to July 1, 1982, and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982, but prior to January 1, 2009, are New Plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS members hired prior to January 1, 2009, also have the option to irrevocably change their membership to GSEPS.

Under the Old Plan, the New Plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for members under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to members' benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life; however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

Contributions - Member contributions under the Old Plan are 4% of annual compensation, up to \$4,200, plus 6% of annual compensation in excess of \$4,200. Under the Old Plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the Old Plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the New Plan and GSEPS are 1.25% of annual compensation. The Center's contractually required contribution rate, actuarially determined annually, for the year ended June 30, 2016, was 24.72% of annual covered payroll for Old and New Plan member 21.69% for GSEPS members. The Center's contributions to ERS totaled \$38,821 for the year ended June 30, 2016. Contributions are expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2016, the Center reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of June 30, 2014. An expected total pension liability as of June 30, 2015 was determined using standard roll-forward techniques. The Center's proportion of the net pension liability was based on contributions to ERS during the fiscal year ended June 30, 2015. At June 30, 2015, the Employer's proportion was 0.006234%, which was an increase (decrease) of (0.000460%) from its proportion measured as of June 30, 2014.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

12. RETIREMENT PLANS: (continued)

For the year ended June 30, 2016, the Center recognized pension expense of \$52,031. At June 30, 2016, the Center reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ - - -	\$ 2,018
Net difference between projected and actual earnings on pension plan investments	- - -	18,223
Changes in proportion and differences between Employer contributions and proportionate share of contributions	18,443	12,878
Employer contributions for pension expense related to specific liabilities of individual employers	(8,941)	- - -
Employer contributions subsequent to the measurement date	<u>38,821</u>	<u>- - -</u>
Total	<u>\$48,323</u>	<u>\$33,119</u>

The Center's contributions subsequent to the measurement date of \$38,821 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2017	\$ 390
2018	(13,088)
2019	(8,122)
2020	6,144

Actuarial assumptions - The total pension liability as of June 30, 2016, was determined by an actuarial valuation as of June 30, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increases	5.45 - 9.25%, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for the periods after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disabled Mortality Table set back eleven years for males for the period after disability retirement.

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2004 - June 30, 2009.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

12. RETIREMENT PLANS: (continued)

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset class</u>	<u>Target allocation</u>	<u>Long-term expected real rate of return</u>
Fixed income	30.00 %	3.00 %
Domestic large equities	39.70	6.50
Domestic mid equities	3.70	10.00
Domestic small equities	1.60	13.00
International developed market equities	18.90	6.50
International emerging market equities	<u>6.10</u>	11.00
Total	<u>100.00 %</u>	

* Rates shown are net of the 3.00% assumed rate of inflation

Discount rate - The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and State of Georgia contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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.

Sensitivity of the Agency's proportionate share of the net pension liability to changes in the discount rate - The following presents the Agency's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the Agency's proportionate share of the net pension liability would be if it were calculated using a discount rate that 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	<u>1% Decrease (6.50%)</u>	<u>Current Discount Rate (7.50%)</u>	<u>1% Increase (8.50%)</u>
Employer's proportionate share of the net pension liability	\$358,019	\$252,564	\$162,660

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS financial report which is publicly available at www.ers.ga.gov/formspubs/formspubs.

**PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

13. SPECIAL FUNDING SITUATION PENSION PLANS:

The following pension plans are all cost-sharing, multiple employer defined benefit plans. The employer contributions are funded by the State of Georgia on behalf of the local County employer. Since the County does not contribute directly to the plans, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the County. GASB Statement No. 68 requires participating employers and nonemployers contributing entities to recognize their proportionate share of collective net pension liability and pension expense. Each plan and fund, including benefit and contribution provisions, was established and can be amended by state law. The basic financial statements for all of the pension plans are prepared on the accrual basis of accounting. Contributions from the employers, nonemployers, and members are recognized when due, based on statutory requirements. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Management has determined the related impact on the County's financial statements to be immaterial.

- A. **EMPLOYEES' RETIREMENT SYSTEM OF GEORGIA (ERS)** - The ERS was established and began administering retirement benefits for State of Georgia employees on January 1, 1950, as provided by laws enacted through the Georgia General Assembly. The County's Tax Commissioner is eligible to participate in the ERS. Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees' Retirement System of Georgia financial report at www.ers.ga.gov.
- B. **GEORGIA FIREFIGHTERS' PENSION FUND (GFP)** - The GFP was created in 1955 by an Act of the General Assembly for the purpose of providing retirement benefits to qualified firefighters. Detailed information about the pension plan's fiduciary net position is available in the separately issued Georgia Firefighters' Pension Fund financial report at www.gfpf.org.
- C. **JUDGES OF THE PROBATE COURTS RETIREMENT FUND OF GEORGIA (JPCRF)** - The JPCRF was created in 1958 by an Act of the General Assembly for the purpose of paying retirement benefits to Probate Judges of the State of Georgia. Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees' Retirement System of Georgia financial report at www.pjrf.georgia.gov.
- D. **MAGISTRATES RETIREMENT FUND OF GEORGIA (MRF)** - The MRF was created by an Act of the General Assembly on July 1, 2006 for the purpose of paying retirement benefits to the Chief Magistrates of the Magistrate Courts of the State of Georgia. Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees' Retirement System of Georgia financial report at www.mrf.georgia.gov.
- E. **PEACE OFFICERS' ANNUITY AND BENEFIT FUND OF GEORGIA (POAB)** - The POAB was created by Act of the General Assembly on February 1, 1950 for the purpose of paying annuities and benefits to the peace officers of the State of Georgia. Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees' Retirement System of Georgia financial report at www.poab.georgia.gov.

**PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016**

13. SPECIAL FUNDING SITUATION PENSION PLANS: (continued)

- F. SUPERIOR COURT CLERKS' RETIREMENT FUND OF GEORGIA (SCCRF)** - The SCCRf was created in 1952 by an Act of the Georgia General Assembly for the purpose of providing retirement benefits to Clerks of the Superior Courts of Georgia. Detailed information about the pension plan's fiduciary net position is available in the separately issued Employees' Retirement System of Georgia financial report at www.sccrf.com.
- G. SHERIFFS' RETIREMENT FUND OF GEORGIA (SRF)** - The SRF was created by an Act of the Georgia General Assembly in 1963 for the purpose of providing benefits to the elected officials serving in the capacity of Sheriff of the counties of Georgia. Detailed information about the pension plan's fiduciary net position is available in the separately issued Sheriffs' Retirement Fund of Georgia financial report that can be obtained at georgiasheriffs.org.

14. RURAL TRANSPORTATION:

The County currently operates a public transit system in the Pulaski County area. The County received a capital contract for public transportation through the Georgia Department of Transportation (DOT). The Georgia DOT agreed to a matching grant for the costs of operations. Within a given budget limit, the Georgia DOT will pay 80% of the administrative costs and 50% of the net operating costs. These funds paid by the state are pass-thru funds from the federal government.

For 2016, the expenses listed in the schedule of departmental expenditures are considered correct for purposes of reimbursements from the Georgia DOT.

15. CONDUIT DEBT:

A. PULASKI COUNTY/HAWKINSVILLE DEVELOPMENT AUTHORITY

On September 4, 2003, the Pulaski County/Hawkinsville Development Authority (Authority) issued \$19,500,000 in revenue bonds for the express purpose of financing the acquisition of various health care facilities and operations for Health Systems Facilities, Inc. (HSFI). There were three separate issues: \$17,200,000 for the Elder Care Pharmacy Project, \$1,540,000 for the ECP Distributors Project, and \$760,000 for the Golden Age Nursing Home Project. The bonds will bear interest at a tax exempt rate not to exceed 9.0% per annum and will mature no later than January 1, 2034. The principal outstanding at December 31, 2016 was \$7,545,542. The first payment on the bonds was due January 1, 2004. The bonds were purchased by the former shareholders of Elder Care Pharmacy, ECP Distributors, and Golden Age Nursing Home and all payments will be made directly to these individuals (lenders) by the borrower, HSFI.

These bonds shall constitute only a limited obligation of the issuer, the Authority, and shall be payable solely from the amounts received from the Company under the Lease Agreement and any other security specifically pledged therefor and will not constitute a debt or a general obligation or pledge of the faith and credit of the State of Georgia or any political subdivision thereof, including the City of Hawkinsville and Pulaski County, and shall not directly, indirectly, or contingently obligate the State of Georgia or any political subdivision, including the City of Hawkinsville and Pulaski County, to levy or to pledge any form of taxation whatever for the payment thereof.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

15. CONDUIT DEBT: (continued)

B. HOSPITAL AUTHORITY OF PULASKI COUNTY

On December 23, 2014, the Hospital Authority of Pulaski County (the Hospital Authority) issued \$5,100,000 in revenue bonds for the express purpose of financing the acquisition and rehabilitation of the Pinewood Manor Nursing Home and Rehabilitation Center. There was one issue in the amount of \$5,100,000 for the Taylor Regional Hospital, Inc. Project. The bonds will bear interest at a tax exempt rate not to exceed 6.0% per annum and will mature no later than January 1, 2044. The principal outstanding at December 31, 2016 was \$5,030,000. The first payment on the bonds was due February 1, 2015.

These bonds shall constitute only a limited obligation of the issuer, the Hospital Authority, and will be payable solely from the Pledged Revenues to be assigned and pledged to the payment thereof and will not constitute a debt or a general obligation or pledge of the faith and credit of the State of Georgia or any political subdivision thereof, including the County, and will not directly, indirectly, or contingently obligate the State of Georgia or any political subdivision thereof, including the County, to levy or to pledge any form of taxation whatever for the payment thereof.

16. UPPER PAYMENT LIMIT INTERGOVERNMENTAL TRANSFERS -

HOSPITAL AUTHORITY OF PULASKI COUNTY AND TAYLOR REGIONAL HOSPITAL, INC.

During December 2014, the Hospital Authority and Taylor Regional Hospital, Inc. (Taylor Regional) have applied to the State of Georgia for the Upper Payment Limit Rate Adjustments (UPL) payments available with respect to Pinewood Manor Nursing Home and Rehabilitation Center (Pinewood Manor) under the Upper Limit Payment Rate Adjustment program (UPL Program). The Hospital Authority and Taylor Regional have agreed upon a mutually agreeable funding mechanism to fund the Upper Payment Limit Intergovernmental Transfers required in order to qualify for and obtain the UPL Payments under the UPL Program. The Hospital Authority at the request of Taylor Regional will transfer to the State of Georgia Department of Community Health (DCH) certain funds which Taylor Regional has arranged to provide to the Hospital Authority. During 2016, the Hospital Authority received and transferred \$2,710,319 of UPL Payments to the DCH. During 2016, Taylor Regional terminated the funding transfer agreement with the Hospital Authority. A new funding transfer agreement was signed with Pinewood Manor. Also, during 2016, Taylor Regional hired the Chairman of the Hospital Authority Board as interim chief executive officer.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

17. 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 maintains commercial insurance coverage covering each of these risks of loss other than injuries to employees. The risks of loss for injuries to employees is provided through participation in the Association County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund (Fund) and Georgia Interlocal Risk Management Agency (GIRMA), public entity risk pools currently operating as common risk management and insurance programs for member local governments. This membership allows the County to share liability, crime, motor vehicle, and property damage risks.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. GIRMA is a municipal interlocal risk management agency to function as an unincorporated nonprofit instrumentality of its member municipalities. GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any 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 pools' agents and attorneys to represent the County in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The liability of the Fund to the employees of the County is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability. GIRMA members shall be jointly and severally liable for all legal obligations of the pools. Based upon the financial performance of the risk pools, the County may be liable for additional premium assessments to meet any financial deficiencies or be entitled to receive a dividend. The County's risk is constituted by a \$1,000 deductible for each automobile occurrence and a \$2,500 deductible each for all other occurrences.

The fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the realm of the Worker's Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false, or fraudulent. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded the coverage provided in any of the past three fiscal years.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

18. COMMITMENTS AND CONTINGENCIES:

The County has received federal and state grant or loan monies for specific purposes that are subject to review and audit by grantor agencies to ensure compliance with the specific conditions of the grant or loan. Such audits could lead to requests for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant or loan. Any liability for reimbursement that may arise as a result of these reviews or audits cannot be reasonably determined at this time. Management believes that the amount, if any, would be immaterial.

The County entered into an agreement with the City of Hawkinsville, Georgia to establish and maintain an enhanced 911 emergency communications system for the County and the City. The agreement will last for a term of one year and will automatically renew unless terminated. Each party will contribute to the E-911 Fund through cellular and phone line subscriber charges with any additional program costs being shared.

The County signed a Boat Ramp Operation and Maintenance Agreement and a Lease for Boat Ramp Construction with the Georgia Department of Natural Resources (DNR). The County will be responsible for maintaining and operating the boat ramp at no charge to the public. The lease will be in effect for 25 years after execution.

The County entered into an agreement with the City of Hawkinsville, Georgia (City) to consolidate the Sheriff and Police Departments for the County and the City. The agreement began July 1, 2010 and would terminate on June 30, 2013. This agreement shall continue after termination under the same terms unless terminated by either party upon ninety days' written notice. Effective July 1, 2013, the City began paying \$47,858.17 per month.

The County entered into an agreement with the City of Hawkinsville, Georgia (City) to consolidate the fire protection and emergency management services for the County and the City. The agreement began July 1, 2011 and would terminate on June 30, 2015. This agreement shall continue after termination under the same terms unless terminated by either party upon ninety days' written notice. The City began paying the County \$15,158.33 per month beginning July 10, 2011.

The County entered into an equipment lease agreement with ComSouth for the rental of E-911 equipment. The agreement began on October 1, 2012 and shall terminate in September 2017. This agreement shall continue after termination under the same terms unless terminated by either party by June 30 by written notice. The County began paying ComSouth \$5,732 per month beginning October 2012.

The County was awarded a FY 2016 Supplemental Local Maintenance and Improvement Grant in the amount of \$150,000. The grant requires the County to provide a match with local funds in the amount of \$45,000.

The County was awarded a FY 2017 Local Maintenance and Improvement Grant in the amount of \$288,105. The grant requires the County to provide a match with local funds in the amount of \$86,432.

The County entered into an agreement with the City of Hawkinsville, Georgia (City) for the provision of the services of the Hawkinsville Planning and Zoning Commission to review planning and zoning issues arising outside of the City of Hawkinsville, but within Pulaski County. The agreement began May 5, 2014 and shall terminate on May 5, 2015. This agreement shall continue after termination under the same terms unless terminated by either party upon ninety days' written notice. The County will pay the City at the same rate and in the same amounts as paid by the City to its own Planning and Zoning Board Commission members.

PULASKI COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2016

18. COMMITMENTS AND CONTINGENCIES: (continued)

The County entered into an agreement with the City of Hawkinsville for the provision of the adjudication of traffic offenses and other violations in the City of Hawkinsville, Georgia of the State and Municipal Code through the Probate Court and the Superior Court of Pulaski County. The agreement began July 1, 2015 and shall terminate on June 30, 2016. This agreement shall continue after termination under the same terms unless terminated by either party upon ninety days' written notice. The City began paying the County \$1,666.67 per month beginning July 10, 2015.

19. SUBSEQUENT EVENTS:

During November 2016, the voters of the County approved a One Percent Special Purpose Local Option Sales Tax (SPLOST) for the following purposes: building maintenance and improvements necessary for the Recreation Department; maintenance, improvements, vehicles, and equipment for maintaining same; purchase and maintenance of public safety vehicles and equipment; fire, 911, EMA building, parking lot and equipment improvements; funds for grant and lease equipment; and building maintenance for County owned buildings. Collections will begin April 1, 2017 and will continue for six years or until \$6 million is collected, whichever comes first. These funds will be kept separate from other cash deposits held by the County.

REQUIRED SUPPLEMENTARY INFORMATION

PULASKI COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION
LIABILITY AND RELATED RATIOS -
ACCG RESTATED PENSION PLAN FOR PULASKI COUNTY EMPLOYEES

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability			
Service cost	\$ 9,592	\$ 11,835	\$ 11,483
Interest on total pension liability	129,516	123,584	122,649
Changes of assumptions	37,346	46,520	- - -
Benefit payments, including refunds of employee contributions	(121,665)	(121,665)	(121,665)
Other changes	<u>29,034</u>	<u>18,809</u>	<u>- - -</u>
Net change in total pension liability	83,823	79,083	12,467
Total pension liability - beginning	<u>1,726,876</u>	<u>1,647,793</u>	<u>1,635,326</u>
Total pension liability - ending	<u><u>\$1,810,699</u></u>	<u><u>\$1,726,876</u></u>	<u><u>\$1,647,793</u></u>
Plan fiduciary net position			
Contributions - employer	\$ 85,279	\$ 73,985	\$ 70,940
Net investment income	107,677	14,692	113,895
Benefit payments, including refunds of employee contributions	(117,267)	(117,267)	(117,267)
Administrative expense	(9,268)	(6,133)	(6,281)
Other expenses	<u>(9,676)</u>	<u>(9,651)</u>	<u>(9,977)</u>
Net change in fiduciary net position	56,745	(44,374)	51,310
Plan fiduciary net position - beginning	<u>1,599,036</u>	<u>1,643,410</u>	<u>1,592,100</u>
Plan fiduciary net position - ending	<u><u>\$1,655,781</u></u>	<u><u>\$1,599,036</u></u>	<u><u>\$1,643,410</u></u>
Net pension liability - ending	<u><u>\$ 154,918</u></u>	<u><u>\$ 127,840</u></u>	<u><u>\$ 4,383</u></u>
Plan's fiduciary net position as a percentage of the total pension liability	91.44%	92.60%	99.73%
Covered employee payroll	\$ 665,301	\$ 709,567	\$ 778,283
Net pension liability as a percentage of covered employee payroll	23.29%	18.02%	0.56%

NOTE: The above information should include 10 years, if available, per GASB Statement No. 68; however, during the transition period, information should be presented for as many years as are available. The year ended December 31, 2014 is the first year that data has been measured in accordance with GASB Statement No. 68.

PULASKI COUNTY, GEORGIA
SCHEDULE OF COUNTY CONTRIBUTIONS -
ACCG RESTATED PENSION PLAN FOR PULASKI COUNTY EMPLOYEES

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Actuarially determined contribution	\$ 85,279	\$ 73,985	\$ 70,940
Contributions in relation to the actuarially determined contribution	<u>85,279</u>	<u>73,985</u>	<u>70,940</u>
Contribution deficiency (excess)	<u>\$ - - -</u>	<u>\$ - - -</u>	<u>\$ - - -</u>
Covered employee payroll	\$665,301	\$709,567	\$778,283
Contributions as a percentage of covered employee payroll	12.82%	10.43%	9.11%

NOTE: The above information should include 10 years, if available, per GASB Statement No. 68; however, during the transition period, information should be presented for as many years as are available. The year ended December 31, 2014 is the first year that data has been measured in accordance with GASB Statement No. 68.

PULASKI COUNTY, GEORGIA
NOTES TO SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY -
ACCG RESTATED PENSION PLAN FOR PULASKI COUNTY EMPLOYEES

Valuation Date: Actuarially determined contribution rate was determined as of January 1, 2016, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending December 31, 2016.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Asset valuation method	Smoothed market value with a 5-year smoothing period
Net investment rate of return	7.25%
Projected salary increases	4.00% per year with an age based scale
Cost of living adjustments	0.00%
Retirement age	Age 65 with 5 years of service
Mortality	RP-2000 Combined Mortality Table with scale AA projection to year 2016

See Note 12 for changes in assumptions and benefit changes.

NOTE: The above information should include 10 years, if available, per GASB Statement No. 68; however, during the transition period, information should be presented for as many years as are available. The year ended December 31, 2014 is the first year that data has been measured in accordance with GASB Statement No. 68.

PULASKI COUNTY, GEORGIA
 COMPONENT UNIT - PULASKI COUNTY BOARD OF HEALTH -
 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
 EMPLOYEES' RETIREMENT SYSTEM

	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability	0.006234%	0.006694%
Employer's proportionate share of the net pension liability	\$252,564	\$251,066
Employer's covered - employee payroll during the measurement period	\$162,605	\$180,456
Employer's proportionate share of the net pension liability as a percentage of its covered - employee payroll	155.32%	139.13%
Plan fiduciary net position as a percentage of the total pension liability	76.20%	77.99%

NOTE: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

COMPONENT UNIT - PULASKI COUNTY BOARD OF HEALTH -
 SCHEDULE OF CONTRIBUTIONS -
 EMPLOYEES' RETIREMENT SYSTEM

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 38,821	\$ 39,011	\$ 27,824
Contributions in relation to the contractually required contribution	<u>38,821</u>	<u>39,011</u>	<u>27,824</u>
Contribution deficiency (excess)	<u>\$ - - -</u>	<u>\$ - - -</u>	<u>\$ - - -</u>
Center's covered - employee payroll	<u>\$142,171</u>	<u>\$162,605</u>	<u>\$180,456</u>
Contributions as a percentage of covered - employee payroll	<u>27.31%</u>	<u>23.99%</u>	<u>15.42%</u>

NOTE: Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

PULASKI COUNTY, GEORGIA
COMPONENT UNIT - PULASKI COUNTY BOARD OF HEALTH -
NOTES TO SCHEDULE -
EMPLOYEES' RETIREMENT SYSTEM

Changes of Assumptions:

There were no changes in assumptions or benefits that affect the measurement of the total pension liability since the prior measurement date.

Method and Assumptions Used in Calculations of Actuarially Determined Contributions:

The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for year ended June 30, 2016 reported in that schedule:

Valuation date	June 30, 2013
Actuarial cost method	Entry age
Amortization method	Level dollar, open
Remaining amortization period	25 years
Asset valuation method	Five-year smoothed market
Inflation rate	3.00%
Salary increases	5.45% - 9.25%
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Taxes	\$4,518,300	\$4,518,300	\$4,552,351	\$ 34,051
Licenses and permits	22,500	22,500	29,791	7,291
Intergovernmental	232,000	232,000	297,830	65,830
Charges for services	281,500	281,500	222,571	(58,929)
Fines and forfeitures	156,000	156,000	150,114	(5,886)
Interest	200	200	530	330
Miscellaneous	<u>947,500</u>	<u>947,500</u>	<u>850,939</u>	<u>(96,561)</u>
Total revenues	<u>6,158,000</u>	<u>6,158,000</u>	<u>6,104,126</u>	<u>(53,874)</u>
EXPENDITURES:				
Current:				
General government	832,447	834,447	834,300	147
Judicial	576,998	577,998	577,597	401
Public safety	2,734,813	2,812,813	2,807,004	5,809
Public works	969,794	888,794	821,289	67,505
Health and welfare	398,246	398,246	384,518	13,728
Culture and recreation	30,000	30,000	28,491	1,509
Community and economic development	101,310	101,310	96,087	5,223
Debt service:				
Principal retirement	170,308	170,308	96,974	73,334
Interest and finance charges	<u>52,000</u>	<u>52,000</u>	<u>49,476</u>	<u>2,524</u>
Total expenditures	<u>5,865,916</u>	<u>5,865,916</u>	<u>5,695,736</u>	<u>170,180</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>292,084</u>	<u>292,084</u>	<u>408,390</u>	<u>116,306</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sales of capital assets	5,000	5,000	952	(4,048)
Transfers out	<u>(297,084)</u>	<u>(297,084)</u>	<u>(273,902)</u>	<u>23,182</u>
Total other financing sources (uses)	<u>(292,084)</u>	<u>(292,084)</u>	<u>(272,950)</u>	<u>19,134</u>
NET CHANGE IN FUND BALANCES	- - -	- - -	135,440	135,440
FUND BALANCE - BEGINNING	<u>816,550</u>	<u>816,550</u>	<u>816,550</u>	- - -
FUND BALANCE - ENDING	<u>\$ 816,550</u>	<u>\$ 816,550</u>	<u>\$ 951,990</u>	<u>\$135,440</u>

See notes to required supplementary information.

PULASKI COUNTY, GEORGIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2016

1. BUDGETARY POLICY:

The budget is prepared by the sole County Commissioner using generally accepted accounting principles. It is presented in an advertised public hearing forum for discussion and published in a local newspaper. The budget for the year ending December 31 is then adopted by a Resolution, as required by generally accepted accounting principles.

Annual budgets are prepared and adopted for the General Fund, Special Revenue Funds, and the Debt Service Fund. Capital Projects Funds are prepared and adopted on a total project or project-length basis rather than on an annual basis.

The legal level of budgetary control is at the department level within individual funds. A Departmental Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual is included as supplemental information. As required by Georgia law, the amount budgeted for specific items or purposes is not required to be utilized for such items or purposes and may be spent by the County Commissioner for other items within the same department for which allocations are originally made.

2. EXCESS OF EXPENDITURES OVER APPROPRIATIONS:

No individual major fund had expenditures in excess of appropriations for the year ended December 31, 2016.

SUPPLEMENTARY INFORMATION

PULASKI COUNTY, GEORGIA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016

SPECIAL REVENUE FUNDS					
	<u>E-911</u>	<u>PULASKI COUNTY LAW LIBRARY</u>	<u>CONFISCATED ASSETS</u>	<u>HAWKINSVILLE - PULASKI COUNTY RECREATION BOARD</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
<u>ASSETS</u>					
Cash - financial institutions	\$ 7,060	\$12,353	\$ 87	\$24,151	\$43,651
Receivables - Accounts	<u>39,139</u>	<u>- - -</u>	<u>- - -</u>	<u>70</u>	<u>39,209</u>
Total assets	<u><u>\$46,199</u></u>	<u><u>\$12,353</u></u>	<u><u>\$ 87</u></u>	<u><u>\$24,221</u></u>	<u><u>\$82,860</u></u>
<u>LIABILITIES AND FUND BALANCES</u>					
LIABILITIES:					
Accounts payable	\$ 8,023	\$ 946	\$- - -	\$ 4,817	\$13,786
Due to other funds	7,060	- - -	- - -	24,151	31,211
Unearned revenue	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>2,814</u>	<u>2,814</u>
Total liabilities	<u>15,083</u>	<u>946</u>	<u>- - -</u>	<u>31,782</u>	<u>47,811</u>
FUND BALANCE (DEFICITS):					
Restricted for:					
E-911 operations	31,116	- - -	- - -	- - -	31,116
Law library	- - -	11,407	- - -	- - -	11,407
Public safety	- - -	- - -	87	- - -	87
Unassigned - Special revenue funds	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>(7,561)</u>	<u>(7,561)</u>
Total fund balance (deficits)	<u>31,116</u>	<u>11,407</u>	<u>87</u>	<u>(7,561)</u>	<u>35,049</u>
Total liabilities and fund balances (deficits)	<u><u>\$46,199</u></u>	<u><u>\$12,353</u></u>	<u><u>\$ 87</u></u>	<u><u>\$24,221</u></u>	<u><u>\$82,860</u></u>

PULASKI COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES -
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016

SPECIAL REVENUE FUNDS					
	<u>E-911</u>	<u>PULASKI COUNTY LAW LIBRARY</u>	<u>CONFISCATED ASSETS</u>	<u>HAWKINSVILLE- PULASKI COUNTY RECREATION BOARD</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>
REVENUES:					
Intergovernmental	\$ 102,138	\$ - - -	\$- - -	\$ 75,000	\$ 177,138
Charges for services	139,010	6,382	- - -	80,476	225,868
Interest	- - -	2	- - -	- - -	2
Miscellaneous	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>9,641</u>	<u>9,641</u>
Total revenues	<u>241,148</u>	<u>6,384</u>	<u>- - -</u>	<u>165,117</u>	<u>412,649</u>
EXPENDITURES:					
Current:					
Judicial	- - -	4,844	- - -	- - -	4,844
Public safety	427,989	- - -	- - -	- - -	427,989
Culture and recreation	- - -	- - -	- - -	239,950	239,950
Debt service -					
Principal retirements	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>1,120</u>	<u>1,120</u>
Total expenditures	<u>427,989</u>	<u>4,844</u>	<u>- - -</u>	<u>241,070</u>	<u>673,903</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(186,841)</u>	<u>1,540</u>	<u>- - -</u>	<u>(75,953)</u>	<u>(261,254)</u>
OTHER FINANCING SOURCES (USES) -					
Transfers in	<u>204,059</u>	<u>- - -</u>	<u>- - -</u>	<u>69,843</u>	<u>273,902</u>
Total other financing sources (uses)	<u>204,059</u>	<u>- - -</u>	<u>- - -</u>	<u>69,843</u>	<u>273,902</u>
NET CHANGE IN FUND BALANCES	17,218	1,540	- - -	(6,110)	12,648
FUND BALANCE (DEFICIT) - BEGINNING	<u>13,898</u>	<u>9,867</u>	<u>87</u>	<u>(1,451)</u>	<u>22,401</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ 31,116</u>	<u>\$11,407</u>	<u>\$ 87</u>	<u>\$ (7,561)</u>	<u>\$ 35,049</u>

PULASKI COUNTY, GEORGIA
 COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES -
 FIDUCIARY FUNDS - AGENCY FUNDS
 DECEMBER 31, 2016

	<u>CLERK OF SUPERIOR COURT</u>	<u>PROBATE JUDGE</u>	<u>MAGISTRATE COURT</u>	<u>SHERIFF</u>	<u>TOTAL AGENCY FUNDS</u>
<u>ASSETS</u>					
Cash - financial institutions	<u>\$32,380</u>	<u>\$33,973</u>	<u>\$5,949</u>	<u>\$1,409</u>	<u>\$73,711</u>
Total assets	<u><u>\$32,380</u></u>	<u><u>\$33,973</u></u>	<u><u>\$5,949</u></u>	<u><u>\$1,409</u></u>	<u><u>\$73,711</u></u>
<u>LIABILITIES</u>					
Other liabilities	\$25,019	\$15,572	\$5,949	\$1,409	\$47,949
Funds held in escrow	<u>7,361</u>	<u>18,401</u>	<u>- - -</u>	<u>- - -</u>	<u>25,762</u>
Total liabilities	<u><u>\$32,380</u></u>	<u><u>\$33,973</u></u>	<u><u>\$5,949</u></u>	<u><u>\$1,409</u></u>	<u><u>\$73,711</u></u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUND - E-911
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Intergovernmental	\$ 110,000	\$ 110,000	\$ 102,138	\$ (7,862)
Charges for services	<u>130,000</u>	<u>130,000</u>	<u>139,010</u>	<u>9,010</u>
Total revenues	<u>240,000</u>	<u>240,000</u>	<u>241,148</u>	<u>1,148</u>
EXPENDITURES -				
Current -				
Public safety	<u>443,811</u>	<u>443,811</u>	<u>427,989</u>	<u>15,822</u>
Total expenditures	<u>443,811</u>	<u>443,811</u>	<u>427,989</u>	<u>15,822</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(203,811)</u>	<u>(203,811)</u>	<u>(186,841)</u>	<u>16,970</u>
OTHER FINANCING SOURCES -				
Transfers in	<u>203,811</u>	<u>203,811</u>	<u>204,059</u>	<u>248</u>
Total other financing sources	<u>203,811</u>	<u>203,811</u>	<u>204,059</u>	<u>248</u>
NET CHANGE IN FUND BALANCES	- - -	- - -	17,218	17,218
FUND BALANCE - BEGINNING	<u>13,898</u>	<u>13,898</u>	<u>13,898</u>	<u>- - -</u>
FUND BALANCE - ENDING	<u>\$ 13,898</u>	<u>\$ 13,898</u>	<u>\$ 31,116</u>	<u>\$17,218</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUND - PULASKI COUNTY LAW LIBRARY
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Charges for services	\$ 9,900	\$ 9,900	\$ 6,382	\$ (3,518)
Interest	<u>100</u>	<u>100</u>	<u>2</u>	<u>(98)</u>
Total revenues	<u>10,000</u>	<u>10,000</u>	<u>6,384</u>	<u>(3,616)</u>
EXPENDITURES -				
Current -				
Judicial	<u>10,000</u>	<u>10,000</u>	<u>4,844</u>	<u>5,156</u>
Total expenditures	<u>10,000</u>	<u>10,000</u>	<u>4,844</u>	<u>5,156</u>
NET CHANGE IN FUND BALANCES	- - -	- - -	1,540	1,540
FUND BALANCE - BEGINNING	<u>9,867</u>	<u>9,867</u>	<u>9,867</u>	<u>- - -</u>
FUND BALANCE - ENDING	<u>\$ 9,867</u>	<u>\$ 9,867</u>	<u>\$11,407</u>	<u>\$ 1,540</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
SPECIAL REVENUE FUND - CONFISCATED ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES -				
Fines and forfeitures	<u>\$19,500</u>	<u>\$19,500</u>	<u>\$- - -</u>	<u>\$(19,500)</u>
Total revenues	<u>19,500</u>	<u>19,500</u>	<u>- - -</u>	<u>(19,500)</u>
EXPENDITURES -				
Current -				
Public safety	<u>19,500</u>	<u>19,500</u>	<u>- - -</u>	<u>19,500</u>
Total expenditures	<u>19,500</u>	<u>19,500</u>	<u>- - -</u>	<u>19,500</u>
NET CHANGE IN FUND BALANCES	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
FUND BALANCE - BEGINNING	<u>87</u>	<u>87</u>	<u>87</u>	<u>- - -</u>
FUND BALANCE - ENDING	<u>\$ 87</u>	<u>\$ 87</u>	<u>\$ 87</u>	<u>\$ - - -</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - SPECIAL REVENUE FUND -
HAWKINSVILLE-PULASKI COUNTY RECREATION BOARD
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Intergovernmental	\$ 75,000	\$ 75,000	\$ 75,000	\$ - - -
Charges for services	69,750	69,750	80,476	10,726
Miscellaneous	<u>4,300</u>	<u>4,300</u>	<u>9,641</u>	<u>5,341</u>
Total revenues	<u>149,050</u>	<u>149,050</u>	<u>165,117</u>	<u>16,067</u>
EXPENDITURES:				
Current -				
Culture and recreation	241,023	241,023	239,950	1,073
Debt service -				
Principal	<u>1,300</u>	<u>1,300</u>	<u>1,120</u>	<u>180</u>
Total expenditures	<u>242,323</u>	<u>242,323</u>	<u>241,070</u>	<u>1,253</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(93,273)</u>	<u>(93,273)</u>	<u>(75,953)</u>	<u>17,320</u>
OTHER FINANCING SOURCES -				
Transfers in	<u>93,273</u>	<u>93,273</u>	<u>69,843</u>	<u>(23,430)</u>
Total other financing sources	<u>93,273</u>	<u>93,273</u>	<u>69,843</u>	<u>(23,430)</u>
NET CHANGE IN FUND BALANCES	- - -	- - -	(6,110)	(6,110)
FUND BALANCE (DEFICIT) - BEGINNING	<u>(1,451)</u>	<u>(1,451)</u>	<u>(1,451)</u>	<u>- - -</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (1,451)</u>	<u>\$ (1,451)</u>	<u>\$ (7,561)</u>	<u>\$ (6,110)</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL -
CAPITAL PROJECTS FUND - 2010 SPLOST FUND
FOR THE PERIOD ENDED DECEMBER 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL TO DATE</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES:				
Taxes	\$7,200,000	\$7,200,000	\$5,319,341	\$ (1,880,659)
Intergovernmental	- - -	50,500	150,525	100,025
Interest	- - -	3,000	2,077	(923)
Miscellaneous	- - -	- - -	23,044	23,044
Total revenues	<u>7,200,000</u>	<u>7,253,500</u>	<u>5,494,987</u>	<u>(1,758,513)</u>
EXPENDITURES:				
Intergovernmental	3,225,000	3,225,000	2,289,737	935,263
Capital outlay:				
General government	100,000	116,500	112,895	3,605
Public safety	1,300,000	1,326,586	1,075,342	251,244
Public works	1,795,000	1,767,000	738,403	1,028,597
Culture and recreation	780,000	795,000	716,540	78,460
Debt service:				
Principal	- - -	90,000	71,838	18,162
Interest	- - -	10,000	2,874	7,126
Total expenditures	<u>7,200,000</u>	<u>7,330,086</u>	<u>5,007,629</u>	<u>2,322,457</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>- - -</u>	<u>(76,586)</u>	<u>487,358</u>	<u>563,944</u>
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of capital assets	- - -	15,000	15,000	- - -
Sheriff Department note proceeds	- - -	62,036	62,036	- - -
Transfers in	- - -	- - -	1,462	1,462
Transfers out	- - -	(450)	(444)	6
Total other financing sources (uses)	<u>- - -</u>	<u>76,586</u>	<u>78,054</u>	<u>1,468</u>
NET CHANGE IN FUND BALANCES	<u>- - -</u>	<u>- - -</u>	<u>565,412</u>	<u>565,412</u>
FUND BALANCE - BEGINNING	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>	<u>- - -</u>
FUND BALANCE - ENDING	<u>\$ - - -</u>	<u>\$ - - -</u>	<u>\$ 565,412</u>	<u>\$ 565,412</u>

PULASKI COUNTY, GEORGIA
DEPARTMENTAL SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

REVENUES:

Tax Commissioner	\$3,726,621
Local option sales tax	444,835
Insurance premium tax	350,577
Mobile home tax	18,532
Franchise fee tax	31,586
Beer tax	26,777
Real estate transfer tax	13,934
Magistrate Court	9,461
Building permits	19,312
Bank business licenses	15,700
Beer and liquor licenses	10,479
Clerk of Superior Court	60,221
Probate Court	114,767
Sheriff	65,674
Intergovernmental	13,240
Grants	285,640
Reimbursements:	
Landfill expense	4,794
Building expense	35,927
Insurance	1,186
Payroll taxes	6,042
Transit system	24,163
Sheriff	574,298
Fire/EMA	181,900
Municipal court	20,000
Other	5,475
Miscellaneous	24,858
Jail Construction Fund	12,082
Drug Abuse Treatment and Education Fund	5,515
Interest	<u>530</u>
Total revenues	<u>\$6,104,126</u>

PULASKI COUNTY, GEORGIA
DEPARTMENTAL SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

EXPENDITURES:

Administrative and general	\$ 306,466
Courthouse building	93,373
Tax Commissioner	181,736
Tax Assessor	172,243
Sheriff and jail	2,137,587
Civil defense	26,067
Public safety building	5,128
Fire department	334,384
Ambulance service	284,074
Roads and bridges	674,007
Environmental protection	147,282
Clerk of Superior Court	196,102
Superior Court	108,308
Probate Court	141,985
Magistrate Court	131,202
Public health	296,655
Department of Family and Children Services (DFACS)	7,200
Multipurpose senior center	19,156
Public library	28,491
Agriculture	45,206
Building inspection	533
Rural transportation	61,507
Regional Development Center	9,618
Industrial development	12,500
Coroner	19,764
Registrar	80,482
Other expenditures	27,930
Family Connections	300
Debt service:	
Principal retirement	96,974
Interest and finance charges	<u>49,476</u>
Total expenditures	<u>5,695,736</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>408,390</u>
OTHER FINANCING SOURCES (USES):	
Proceeds from sale of capital assets	952
Transfers out	<u>(273,902)</u>
Total other financing sources (uses)	<u>(272,950)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	135,440
FUND BALANCE - BEGINNING	<u>816,550</u>
FUND BALANCE - ENDING	<u><u>\$ 951,990</u></u>

PULASKI COUNTY, GEORGIA
DEPARTMENTAL SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES:			
Tax Commissioner	\$3,760,800	\$3,726,621	\$ (34,179)
Local option sales tax	450,000	444,835	(5,165)
Insurance premium tax	307,000	350,577	43,577
Mobile home tax	20,000	18,532	(1,468)
Franchise fee tax	25,000	31,586	6,586
Beer tax	25,000	26,777	1,777
Real estate transfer tax	10,000	13,934	3,934
Magistrate Court	15,000	9,461	(5,539)
Building permits	15,000	19,312	4,312
Bank business licenses	14,500	15,700	1,200
Beer and liquor licenses	7,500	10,479	2,979
Clerk of Superior Court	71,500	60,221	(11,279)
Probate Court	74,000	114,767	40,767
Sheriff	115,000	65,674	(49,326)
Intergovernmental	12,000	13,240	1,240
Grants	220,000	285,640	65,640
Reimbursements:			
Landfill expense	8,000	4,794	(3,206)
Building expense	40,000	35,927	(4,073)
Insurance	- - -	1,186	1,186
Payroll taxes	8,000	6,042	(1,958)
Transit system	35,000	24,163	(10,837)
Animal control	500	- - -	(500)
E-911	100,000	- - -	(100,000)
Sheriff	580,000	574,298	(5,702)
Fire/EMA	182,000	181,900	(100)
Municipal court	- - -	20,000	20,000
Other	5,000	5,475	475
Miscellaneous	29,000	24,858	(4,142)
Jail Construction Fund	18,000	12,082	(5,918)
Drug Abuse Treatment and Education			
Fund	10,000	5,515	(4,485)
Interest	<u>200</u>	<u>530</u>	<u>330</u>
Total revenues	<u>6,158,000</u>	<u>6,104,126</u>	<u>(53,874)</u>

PULASKI COUNTY, GEORGIA
DEPARTMENTAL SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
EXPENDITURES:			
Administrative and general	\$ 307,297	\$ 306,466	\$ 831
Courthouse building	85,843	93,373	(7,530)
Tax Commissioner	198,134	181,736	16,398
Tax Assessor	182,392	172,243	10,149
Sheriff and jail	2,145,047	2,137,587	7,460
Civil defense	30,000	26,067	3,933
Public safety building	6,500	5,128	1,372
Fire department	326,994	334,384	(7,390)
Ambulance service	287,700	284,074	3,626
Roads and bridges	747,585	674,007	73,578
Environmental protection	140,409	147,282	(6,873)
Clerk of Superior Court	203,067	196,102	6,965
Superior Court	108,800	108,308	492
Probate Court	135,512	141,985	(6,473)
Magistrate Court	130,619	131,202	(583)
Public health	305,000	296,655	8,345
Department of Family and Children Services (DFACS)	7,200	7,200	- - -
Multipurpose senior center	18,700	19,156	(456)
Public library	30,000	28,491	1,509
Agriculture	47,295	45,206	2,089
Building inspection	400	533	(133)
Rural transportation	67,346	61,507	5,839
Regional Development	10,000	9,618	382
Industrial development	12,500	12,500	- - -
Coroner	16,572	19,764	(3,192)
Registrar	59,781	80,482	(20,701)
Other expenditures	31,115	27,930	3,185
Family Connections	- - -	300	(300)
Capital expenditures:			
Courthouse building	1,000	- - -	1,000
Roads and bridges	800	- - -	800
Debt service:			
Principal retirement	170,308	96,974	73,334
Interest and finance charges	<u>52,000</u>	<u>49,476</u>	<u>2,524</u>
Total expenditures	<u>5,865,916</u>	<u>5,695,736</u>	<u>170,180</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 292,084</u>	<u>\$ 408,390</u>	<u>\$116,306</u>

PULASKI COUNTY, GEORGIA
DEPARTMENTAL SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES (from previous page)	\$ 292,084	\$ 408,390	\$116,306
OTHER FINANCING SOURCES (USES):			
Proceeds from sales of capital assets	5,000	952	(4,048)
Transfers out	<u>(297,084)</u>	<u>(273,902)</u>	<u>23,182</u>
Total other financing sources (uses)	<u>(292,084)</u>	<u>(272,950)</u>	<u>19,134</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	- - -	135,440	135,440
FUND BALANCE - BEGINNING	<u>816,550</u>	<u>816,550</u>	<u>- - -</u>
FUND BALANCE - ENDING	<u>\$ 816,550</u>	<u>\$ 951,990</u>	<u>\$135,440</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

ADMINISTRATIVE AND GENERAL:

Salaries	\$130,756
Office supplies and printing	4,738
Telephone and utilities	20,748
Travel	10,425
Dues and subscriptions	5,066
Repairs and maintenance	2,901
Insurance and bonding	22,258
Legal and audit	76,534
Payroll taxes	10,452
Retirement	9,419
Office equipment leases	2,160
Miscellaneous	<u>11,009</u>

Total	<u>306,466</u>
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COURTHOUSE BUILDING:

Salaries	21,942
Supplies	8,721
Telephone and utilities	26,569
Repairs and maintenance	27,259
Insurance	5,932
Payroll taxes	1,704
Retirement	861
Uniforms	316
Miscellaneous	<u>69</u>

Total	<u>93,373</u>
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TAX COMMISSIONER:

Salaries	118,518
Office supplies and printing	6,092
Telephone	3,906
Travel	2,092
Repairs and maintenance	643
Insurance	12,106
Legal advertising	878
Payroll taxes	8,950
Retirement	11,835
Office equipment leases	1,140
Miscellaneous	<u>15,576</u>

Total	<u>181,736</u>
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TAX ASSESSOR:

Salaries	104,529
Office supplies and printing	4,664
Telephone	1,590
Travel	4,839
Repair and Maintenance	1,489
Insurance	13,100
Payroll taxes	7,988
Retirement	11,546
Fees Board of Equalization	7,900
Reevaluation	143
Legal services	288
Office equipment leases	2,775
Miscellaneous	<u>11,392</u>

Total	<u>172,243</u>
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PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

SHERIFF AND JAIL:

Salaries	\$1,272,519
Office supplies and printing	31,157
Supplies (Jail)	23,165
Telephone	19,052
Utilities (Jail)	54,551
Travel	72,843
Dues and subscriptions	20,237
Repairs and maintenance	96,318
Insurance and bonding	190,614
Payroll taxes	99,332
Retirement	67,397
Board of prisoners	115,130
Medical - prisoners	58,884
Uniforms	13,317
Rent - equipment	2,046
Miscellaneous	<u>1,025</u>
Total	<u>2,137,587</u>

CIVIL DEFENSE:

Miscellaneous	66
Animal control	<u>26,001</u>
Total	<u>26,067</u>

PUBLIC SAFETY BUILDING:

Telephone and utilities	4,169
Miscellaneous	<u>959</u>
Total	<u>5,128</u>

FIRE DEPARTMENT:

Salaries	204,858
Operational supplies	9,565
Utilities	30,321
Travel	4,840
Repairs and maintenance	11,253
Insurance	42,118
Payroll taxes	14,695
Retirement	7,155
Services	7,961
Uniforms	60
Rent equipment	1,525
Miscellaneous	<u>33</u>
Total	<u>334,384</u>

AMBULANCE SERVICE:

Appropriation	275,004
Insurance	2,370
State license	<u>6,700</u>
Total	<u>284,074</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

ROADS AND BRIDGES:

Salaries	\$224,698
Supplies and small hand tools	28,386
Telephone and utilities	16,870
Dues and subscriptions	1,242
Repairs and maintenance	241,498
Insurance	40,369
Payroll taxes	17,792
Retirement	21,624
Construction materials	14,967
Gas, oil, and grease	54,133
Vehicle	4,808
Uniforms	2,779
Rent equipment	470
Roadside spraying	4,167
Miscellaneous	<u>204</u>
Total	<u>674,007</u>

ENVIRONMENTAL PROTECTION:

Salaries	32,465
Supplies	259
Telephone and utilities	3,621
Insurance	1,329
Payroll taxes	2,633
Solid waste fees	96,035
Groundwater	<u>10,940</u>
Total	<u>147,282</u>

CLERK OF SUPERIOR COURT:

Salaries	131,486
Office supplies and printing	10,444
Telephone	3,354
Travel	2,961
Repairs and maintenance	5,138
Insurance and bonding	7,088
Payroll taxes	9,922
Retirement	15,794
Office equipment leases	2,046
Miscellaneous	<u>7,869</u>
Total	<u>196,102</u>

SUPERIOR COURT:

Salaries	1,806
Telephone	956
Jury and Bailiff Script	13,989
Court appointed attorney	<u>91,557</u>
Total	<u>108,308</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

PROBATE COURT:

Salaries	\$107,369
Office supplies and printing	2,017
Telephone	2,216
Travel	2,647
Repairs and maintenance	913
Insurance and bonding	6,585
Payroll taxes	8,265
Retirement	3,570
Election	1,443
Office equipment leases	2,046
Miscellaneous	<u>4,914</u>

Total	<u>141,985</u>
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MAGISTRATE COURT:

Salaries	94,916
Office supplies and printing	2,093
Telephone	1,131
Travel	706
Repairs and maintenance	4,058
Insurance and bonding	11,727
Payroll taxes	6,782
Retirement	8,701
Miscellaneous	<u>1,088</u>

Total	<u>131,202</u>
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PUBLIC HEALTH:

Appropriation	62,000
Repairs and maintenance	304
Mental health clinic	5,577
Burials	2,400
Indigent care - Taylor Regional Hospital	<u>226,374</u>

Total	<u>296,655</u>
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DEPARTMENT OF FAMILY AND CHILDREN SERVICES:

Appropriation	2,400
Child welfare	<u>4,800</u>

Total	<u>7,200</u>
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MULTIPURPOSE SENIOR CENTER:

Appropriation	7,200
Utilities	9,645
Repairs and maintenance	1,436
Insurance	<u>875</u>

Total	<u>19,156</u>
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PUBLIC LIBRARY:

Appropriation	28,008
Repairs and maintenance	<u>483</u>

Total	<u>28,491</u>
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PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

AGRICULTURE:

Salaries	\$27,068
Supplies	1,460
Telephone	3,127
Travel	3,604
Repairs and maintenance	1,889
Payroll taxes	2,195
Retirement program	3,863
4-H program supplement	1,200
Miscellaneous	<u>800</u>
Total	<u>45,206</u>

BUILDING INSPECTION:

Telephone	398
Miscellaneous	<u>135</u>
Total	<u>533</u>

RURAL TRANSPORTATION:

Salaries	24,406
Office supplies	223
Repairs and maintenance	1,590
Insurance	7,935
Payroll taxes	1,911
Retirement	2,366
Fuel and oil	5,414
Supplements	17,449
Miscellaneous	<u>213</u>
Total	<u>61,507</u>

REGIONAL DEVELOPMENT - Dues

9,618

INDUSTRIAL DEVELOPMENT - Archway project

12,500

CORONER:

Salaries	2,857
Office supplies	568
Telephone	250
Payroll taxes	219
Inquest	<u>15,870</u>
Total	<u>19,764</u>

REGISTRAR:

Salaries	61,166
Office supplies and printing	1,077
Telephone	1,375
Insurance	257
Payroll taxes	4,820
Miscellaneous	<u>11,787</u>
Total	<u>80,482</u>

PULASKI COUNTY, GEORGIA
SCHEDULE OF DEPARTMENTAL EXPENDITURES -
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2016

OTHER DISBURSEMENTS:

Airport	\$ 1,992
Natural resources	<u>25,938</u>

Total	<u>27,930</u>
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FAMILY CONNECTIONS - Miscellaneous	<u>300</u>
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DEBT SERVICE:

Principal retirements	96,974
Interest and finance charges	<u>49,476</u>

Total	<u>146,450</u>
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Total expenditures	<u><u>\$5,695,736</u></u>
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SCHEDULES TO MEET REGULATORY REQUIREMENTS

SCHEDULE OF PROJECTS - SPLOST

PULASKI COUNTY, GEORGIA
SCHEDULE OF PROJECTS - 2010 SPLOST
FOR THE YEAR ENDED DECEMBER 31, 2016

	<u>Original Estimated Cost</u>	<u>Expenditures</u> <u>Prior</u> <u>Years</u>	<u>Current Year</u>	<u>Total</u>	<u>Estimated Percentage of Completion</u>
Fire Department facilities and equipment	\$1,000,000	\$ 639,657	\$ 23,791	\$ 663,448	66.34%
Various Department vehicles	450,000	410,695	45,350	456,045	101.34%
Road construction and improvements	1,200,000	398,889	141,527	540,416	45.03%
Library parking lot	30,000	41,525	- - -	41,525	138.42%
County building renovations	75,000	84,352	1,610	85,962	114.62%
Road Department relocation	470,000	- - -	- - -	- - -	0.00%
Recreation Board facilities	375,000	338,139	- - -	338,139	90.17%
Recreation Board facilities - City of Hawkinsville, Georgia	375,000	338,138	- - -	338,138	90.17%
Intergovernmental - City of Hawkinsville, Georgia	<u>3,225,000</u>	<u>1,972,571</u>	<u>317,166</u>	<u>2,289,737</u>	71.00%
Totals	<u>\$7,200,000</u>	<u>\$4,223,966</u>	<u>\$529,444</u>	<u>\$4,753,410</u>	

NOTE: The County serves as fiscal agent for the distribution of the City of Hawkinsville's Recreation Board SPLOST proceeds in accordance with an intergovernmental agreement. Accordingly, all expenditures are shown as culture and recreation expenditures on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds.

Reconciliation of SPLOST schedule to Governmental Funds Expenditures:

Total expenditures per Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$583,501
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Less:

General government expenditures reimbursed by insurance proceeds	8,465
Public safety expenditures reimbursed by: City of Hawkinsville	10,000
GEMA Supplemental Response & Recovery Project Grant	<u>35,592</u>

Total Current Year Expenditures per Schedule of Projects - 2010 SPLOST	<u>\$529,444</u>
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PULASKI COUNTY, GEORGIA

Certification of 9-1-1 Expenditures

For the Year Ended
December 31, 2016

Line No.	O.C.G.A. Reference:	
1		Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one): <div style="display: flex; justify-content: space-between; width: 100%;"> <u> X </u> Special Revenue Fund <u> </u> Enterprise Fund </div>
2	46-5-134(e)	Expenditures (UCOA Activity 3800) Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary) <div style="display: flex; justify-content: space-between; width: 100%;"> <div style="border-bottom: 1px solid black; width: 60%;"></div> <div style="text-align: right; width: 35%;">\$ <u> </u></div> </div> <div style="display: flex; justify-content: space-between; width: 100%;"> <div style="border-bottom: 1px solid black; width: 60%;"></div> <div style="text-align: right; width: 35%;">\$ <u> </u></div> </div> <div style="display: flex; justify-content: space-between; width: 100%;"> <div style="border-bottom: 1px solid black; width: 60%;"></div> <div style="text-align: right; width: 35%;">\$ <u> </u></div> </div>
3		Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:
3a	46-5-134(f)(1)(A)	Lease costs \$ <u> </u>
3b	46-5-134(f)(1)(A)	Purchase costs \$ <u> </u>
3c	46-5-134(f)(1)(A)	Maintenance costs \$ <u> </u>
4	46-5-134(f)(1)(B)	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges \$ <u> </u>
5		Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2
5a	46-5-134(f)(1)(C)	Salaries and wages \$ <u> 257,309</u>
5b	46-5-134(f)(1)(C)	Employee benefits \$ <u> 69,738</u>
6	46-5-134(f)(1)(D)	Cost of training of employees who work as dispatchers or directors \$ <u> 2,136</u>
7	46-5-134(f)(1)(E)	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services \$ <u> 2,829</u>
8		Building used as a public safety answering point:
8a	46-5-134(f)(1)(F)	Lease costs \$ <u> </u>
8b	46-5-134(f)(1)(F)	Purchase costs \$ <u> </u>
9		Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems:
9a	46-5-134(f)(1)(G)	Lease costs \$ <u> 70,309</u>
9b	46-5-134(f)(1)(G)	Purchase costs \$ <u> </u>
9c	46-5-134(f)(1)(G)	Maintenance costs \$ <u> 2,150</u>
10	46-5-134(f)(1)(H)	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials \$ <u> </u>
11		Logging recorders used at a public safety answering point to record telephone and radio traffic:
11a	46-5-134(f)(1)(I)	Lease costs \$ <u> </u>

PULASKI COUNTY, GEORGIA

Certification of 9-1-1 Expenditures

For the Year Ended
December 31, 2016

Line No.		O.C.G.A. Reference:	
11b	Purchase costs	46-5-134(f)(1)(I)	\$ _____
11c	Maintenance costs	46-5-134(f)(1)(I)	\$ _____
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	\$ 3,899
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center		
13a	Lease costs	46-5-134(f)(2)(B)(ii)	\$ _____
13b	Purchase costs	46-5-134(f)(2)(B)(ii)	\$ _____
13c	Maintenance costs	46-5-134(f)(2)(B)(ii)	\$ _____
14	Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities	46-5-134(f)(2)(B)(iii)	\$ _____
15	Mobile public safety voice and data equipment, geo-targeted text messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations		
15a	Lease costs	46-5-134(f)(2)(B)(iv)	\$ _____
15b	Purchase costs	46-5-134(f)(2)(B)(iv)	\$ _____
15c	Maintenance costs	46-5-134(f)(2)(B)(iv)	\$ _____
16	Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems		
16a	Lease costs	46-5-134(f)(2)(B)(v)	\$ _____
16b	Purchase costs	46-5-134(f)(2)(B)(v)	\$ _____
16c	Maintenance costs	46-5-134(f)(2)(B)(v)	\$ _____
17	Other expenditures not included in Lines 2 through 16 above. Identify by object and purpose.		
	Utilities		\$ 10,411
	Maintenance		\$ 8,836
	Supplies		\$ 165
	Miscellaneous		\$ 207
			\$ _____
			\$ _____

PULASKI COUNTY, GEORGIA

Certification of 9-1-1 Expenditures

For the Year Ended
December 31, 2016

Line
No.

O.C.G.A.
Reference:

	\$	
	\$	
18 Total Expenditures (total of all amounts reported on Lines 2 through 17 above)	\$	427,989

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by the service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official *M. A. Hall* Date 9.11.17

Print Name of Chief Elected Official M.A. Hall

Title of Chief Elected Official County Commissioner

Signature of Chief Financial Officer *Molly Teutsch* Date 9-11-17

Print Name of Chief Financial Officer Molly Teutsch

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*

D. M. Vickers & Assoc., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
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WITH GOVERNMENT AUDITING STANDARDS**

To the County Commissioner
Pulaski 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 Pulaski County, Georgia, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise Pulaski County, Georgia's basic financial statements and have issued our report thereon dated September 25, 2017. Our report includes a reference to other auditors who audited the financial statements of the Pulaski County Board of Health, as described in our report on Pulaski 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 Pulaski 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 Pulaski County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Pulaski County, Georgia's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pulaski 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 is required to be reported under *Government Auditing Standards*.

Pulaski County, Georgia's Response to Findings

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

Purpose of this Report

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

L. M. Vickers & Associates, P.C.

September 25, 2017

PULASKI COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2016

FINDINGS - FINANCIAL STATEMENT AUDIT

2016-1 Segregation of Duties

Condition: There is not appropriate segregation of duties between initiation, authorization, recording, processing, and reconciliation of cash accounts and other operational functions in the various funds and agencies possessed by the County.

Criteria: Internal controls should be in place which provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Effect: Failure to properly segregate duties between recording, distribution, and reconciliation of accounts can lead to misappropriation of funds that is not detected during the normal course of business.

Recommendation: The duties of recording, distribution, and reconciliation should be segregated between employees.

Response: The Commissioner concurs with the recommendation. Due to the size of the County's staff, this condition can not be totally addressed; however, this condition is minimized due to the Commissioner's involvement and the involvement of the elected officials of the agency fund offices.