

***Report to the Board of Commissioners  
For the fiscal year ended June 30, 2019***



***November 4, 2019***

# AUDIT OPINION – Pages 1-3

## White County's Responsibilities

The financial statements are the responsibility of White County's management.

## Rushton & Company's Responsibilities

As independent auditors for White County, our responsibility is to express opinions on the fair presentation of the financial statements.

## Auditing Standards

We audited the County's financial statements in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States.

## Unmodified Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of White County, Georgia as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows for the year then ended.

# Government-wide Statements – Pages 15-17

These statements provide the reader with information on the County as a whole, using the full accrual basis of accounting. Columns for the governmental activities, the business-type activities, and the component unit.

Two statements:

Statement of Net Position – Pages 15 - 16

- Presents the assets, liabilities, and residual net position of the County

Statement of Activities – Page 17

- Presents the results of operations of the County

# Net Position – Last 5 Fiscal Years

	Net Investment Revenues				
Fiscal Year	Capital Assets	Restricted Net Position	Unrestricted Net Position	Total Net Position	Over (Under) Expenses
2015	\$ 36,221,125	\$ 3,030,648	\$ 1,140,528	\$ 40,392,301	\$ (769,324) <sup>1</sup>
2016	36,213,894	2,708,456	2,288,493	41,210,843	818,542 <sup>2</sup>
2017	33,482,097	4,334,882	4,933,033	42,750,012	1,539,169 <sup>3</sup>
2018	38,903,881	4,977,511	5,505,395	49,386,787	6,636,775 <sup>4</sup>
2019	40,299,117	5,535,740	5,494,004	51,328,861	1,942,074 <sup>5</sup>

<sup>1</sup> Increase in public safety expenses of \$520,000 and impairment loss of \$647,987 on abandoned projects.

<sup>2</sup> Increase in charges for services, property taxes, and sales taxes; impairment loss of \$647,987 in FY15.

<sup>3</sup> Increase in property taxes and sales taxes; increase in charges for services and culture and recreation expenses as the County took the recreation department back in house.

<sup>4</sup> Capital contribution of Yonah Preserve Park land and increase in sales taxes.

<sup>5</sup> Similar increase to 2017. 2018 had large capital contribution of Yonah Preserve Park land. For 2019, property and sales taxes both increased. Salaries and wages and repairs and maintenance expenses also increased.

# General Fund

## Revenues

- Increased \$1,630,497, 10.0%
  - Property taxes increased \$1,178,380
  - Local option sales taxes increased \$200,500
  - Insurance premium taxes increased \$108,606

## Expenditures

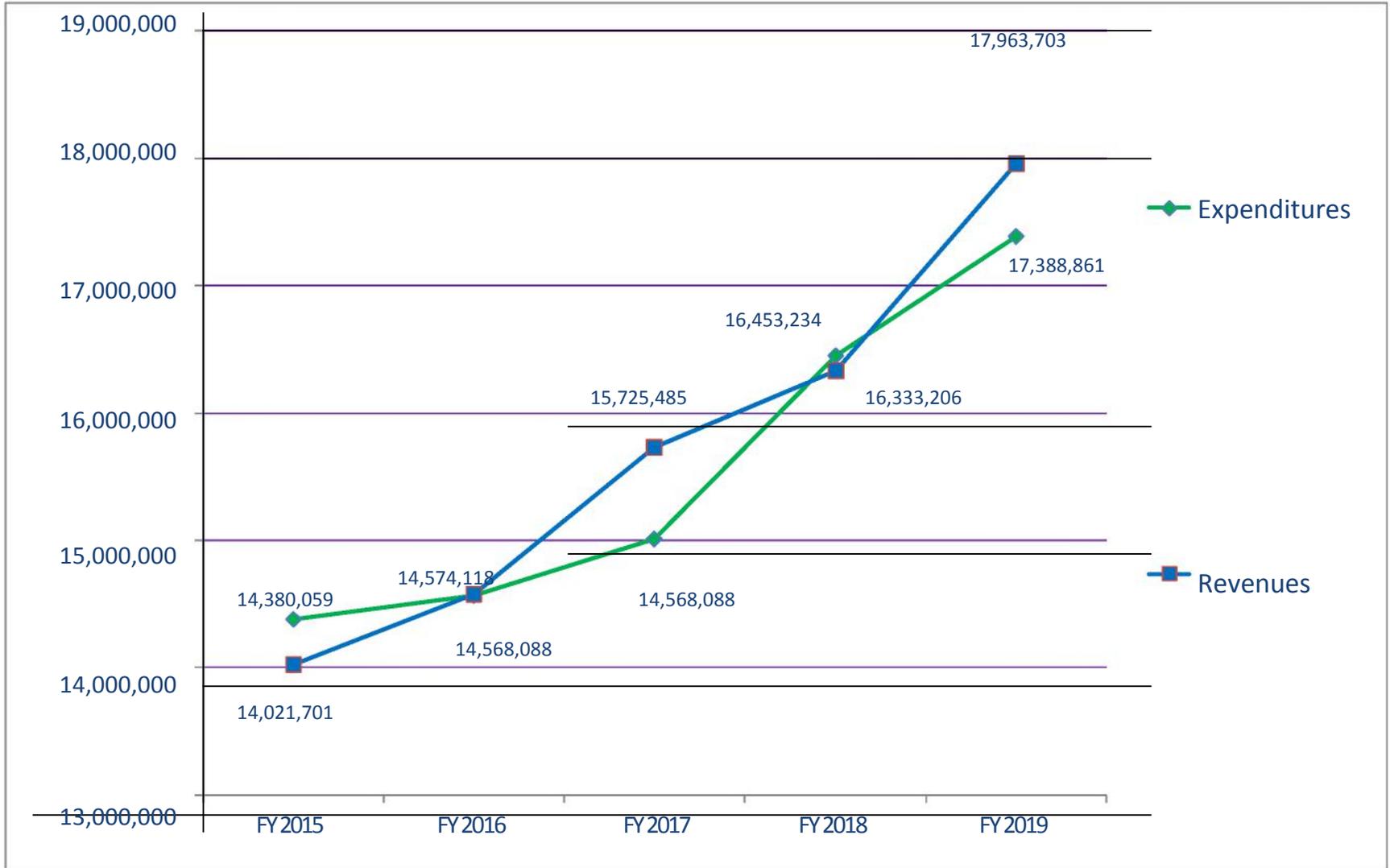
- Increased \$935,627, 5.7%
  - Building Maintenance expenditures up \$157,147 (personal services up \$111,283)
  - Detention Center expenditures up \$160,611 (personal services up \$195,751)
  - Road Department expenditures up \$167,053 (personal services up \$143,983)

## Unassigned Fund Balance – Page 68 of the CAFR

- FY 2019, \$3,946,540, 22.7% of expenditures (2.7 months)
- FY 2018, \$3,871,941, 23.5% of expenditures (2.8 months)

# General Fund

## Revenues and Expenditures – Last 5 Fiscal Years



# Schedule of Projects Financed with Special Purpose Local Option Sales Tax – Pages 157-158

## **\$4,838,020 Expended**

- \$114,699 for 2008 Referendum
- \$4,723,321 for 2014 Referendum

# Report on Internal Control and Other Matters – Pages 146-147

In accordance with *Government Auditing Standards*, we have issued our report on our consideration of White County's internal controls and our tests of compliance.

This report describes the scope of our testing of internal control and compliance, and the results of that testing, but is not intended to provide an opinion on the internal control or compliance.

No material weaknesses and 2 significant deficiencies were noted in the internal controls of White County.

1 instance of material noncompliance or other matters was also noted.

We have also issued a separate letter to management containing recommendations for improvements to the County's internal controls.

# Report on Compliance and Internal Controls over Major Programs – Pages 148-149

In accordance with the Uniform Guidance, we have issued our report on our consideration of White County's compliance with requirements applicable to each major program and on internal control over compliance.

This report describes the scope of our testing of compliance requirements and internal controls over major programs, and the results of that testing. We are required to express an opinion on the County's compliance with requirements; our opinion is unmodified. This report is not intended to provide an opinion on the internal control.

No material weaknesses or significant deficiencies were noted in the internal controls of White County, Georgia over the compliance requirements applicable to the major programs.

# Current Reporting Changes

## GASB 88

The Governmental Accounting Standards Board (GASB) has issued Statement No. 88, *Certain Disclosures Related to Debt, Including Debt Borrowings and Direct Placements*. Effective for White County for fiscal year ending June 30, 2019.

The Statement defines debt and increases disclosure in notes to financial statements of all state and local governments.

# Future Reporting Changes

## GASB 87

The Governmental Accounting Standards Board (GASB) has issued Statement No. 87, *Leases*. Effective for White County for fiscal year ending June 30, 2021.

The statement establishes a single approach to accounting for and reporting leases for state and local governments. The statement requires governments to recognize certain lease assets and liabilities that previously were classified as operating leases.

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