COLQUITT COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2016

COLQUITT COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

TABLE OF CONTENTS

	Page
FINANCIAL SECTION	
Independent Auditor's Report	**1 - 3**
Management's Discussion and Analysis	**4 - 13**
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	**14 and 15**
Statement of Activities	**16 and 17**
Fund Financial Statements:	
Balance Sheet – Governmental Funds	**18 and 19**
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	**20**
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	**21 and 22**
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	**23**
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – General Fund	**24 - 26**
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (GAAP Basis) and Actual – E911 Fund	**27**
Statement of Net Position – Proprietary Funds	**28**
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Funds	**29**
Statement of Cash Flows – Proprietary Funds	**30**
Statement of Fiduciary Assets and Liabilities – Agency Funds	**31**
Notes to Financial Statements	**32 - 57**
Required Supplementary Information:	
Schedule of Changes in the County's Net Pension Liability and Related Ratios	**58**
Schedule of County Contributions	**59**
Combining and Individual Fund Statements and Schedules:	
Combining Balance Sheet – Nonmajor Governmental Funds	**60 and 61**
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Nonmajor Governmental Funds	**62 and 63**
Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds	**64 and 65**
Combining Statement of Assets and Liabilities – Agency Funds	**66 and 67**

COLQUITT COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

TABLE OF CONTENTS (CONTINUED)

	Page
FINANCIAL SECTION (Continued)	
Component Unit Statements:	
Balance Sheet – Moultrie – Colquitt County Library	**68**
Statement of Revenues, Expenditures and Changes in Fund Balance – Moultrie – Colquitt County Library	**69**
COMPLIANCE SECTION	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	**70 and 71**
Schedule of Findings and Responses	**72 - 74**
Schedule of Prior Year Findings	**75**

FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Colquitt County, Georgia
Moultrie, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Colquitt County, Georgia (the "County")**, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Colquitt County, Georgia's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Colquitt County Health Department, which represents 48%, (79%), and 72% of the assets, net position, and revenues, respectively, of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Colquitt County Health Department, 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 the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Colquitt County, Georgia as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the E-911 Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 13), the Schedule of Changes in the County's Net Pension Liability and Related Ratios (on page 58) and the Schedule of County Contributions (on page 59) be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Colquitt County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121 as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, and the schedules of expenditures of special purpose local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2017, on our consideration of Colquitt County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Colquitt County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Macon, Georgia
February 27, 2017

COLQUITT COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

As management of Colquitt County, Georgia, (the County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Colquitt County, Georgia for the fiscal year ended June 30, 2016. We encourage readers to read the information presented here in conjunction with the County's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by $78,711,518 (net position). Of this amount, $12,938,899 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position decreased by $3,831,676. The increase primarily occurred both in the Governmental and Proprietary funds.
- As of close of the current fiscal year, the County's governmental funds reported combined ending fund balances of $31,037,418, an increase of $2,593,782.
- At the close of the current fiscal year, unassigned fund balance of the General Fund was $13,949,510 or 70 percent of the General Fund's expenditures.
- The County's total long-term debt increased by $6,715,308 during the current year. The increase is the result of the issuance of long-term debt for a renovation project on County buildings.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the County's assets, deferred outflows of resources (if any), deferred inflows of resources (if any), and liabilities, with the difference between these items reported as *net position.* Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities).* The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development. The business-type activities of the County include solid waste collection and disposal system.

The government-wide financial statements include not only the County itself (known as the *primary government)*, but also the Health Department and Public Library for which the County financially supports and is able to impose its will. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 14 through 17 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance finance-related requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources,* as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities.*

The County maintains 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, E-911 Fund, Capital Projects Fund, 2013 SPLOST Fund, and 2007 SPLOST Fund, all of which are considered to be major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund and special revenue funds. A budgetary comparison statement has been provided for the General Fund and E-911 Fund to demonstrate compliance with the budget.

Basic governmental fund financial statements can be found on pages 18 through 27 of this report.

Proprietary funds. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for its solid waste collection and disposal activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for its employee health and life insurance benefits. Because these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide the information for the Solid Waste Fund, the County's only enterprise fund. It is considered a major fund for the County.

The basic proprietary fund financial statements can be found on pages 28 through 30 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary financial statements can be found on page 31 of this report.

Notes to the financial statements. The notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 through 57 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 58 and 59 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 60 through 69 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the Statement of Net Position for the County as of June 30, 2016 and 2015.

Summary of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	**2016**	2015	**2016**	2015
Current & other assets	**$ 33,893,097**	$ 29,976,006	**$ 1,171,914**	$ 672,346	**$ 35,065,011**	$ 30,648,352
Capital assets	**55,733,651**	58,187,926	**1,715,206**	1,198,389	**57,448,857**	59,386,315
Total assets	**89,626,748**	88,163,932	**2,887,120**	1,870,735	**92,513,868**	90,034,667
Deferred outflows of resources	**2,082,975**	879,488	**157,062**	56,815	**2,240,037**	936,303
Long-term debt	**6,992,821**	1,629,385	**64,658**	94,425	**7,057,479**	1,723,810
Other liabilities	**8,542,520**	6,301,608	**442,388**	402,358	**8,984,908**	6,703,966
Total liabilities	**15,535,341**	7,930,993	**507,046**	496,783	**16,042,387**	8,427,776
Net position:						
Net investment in capital assets	**48,336,958**	56,170,950	**1,623,200**	1,076,840	**49,960,158**	57,247,790
Restricted	**15,812,461**	15,082,955	**-**	-	**15,812,461**	15,082,955
Unrestricted	**12,024,963**	9,858,522	**913,936**	353,927	**12,938,899**	10,212,449
Total net position	**$ 76,174,382**	$ 81,112,427	**$ 2,537,136**	$ 1,430,767	**$ 78,711,518**	$ 82,543,194

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $78,711,518 at the close of the most recent fiscal year.

By far, the largest component of the County's net position (63 percent) reflects its investment in capital assets such as land, buildings, equipment, and infrastructure, less any related debt used to acquire or construct the assets that is still outstanding. The County uses these capital assets to provide services to the citizens and businesses in the County; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (20 percent) represents resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The remaining portion of net position is *unrestricted*, which can be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net position for the governmental activities. Primary government unrestricted net position totaled $12,983,899, a 27 percent increase compared to the prior year. Total net position increased by approximately $3,831,676 from the prior year.

The following table summarizes the changes in position for the primary government for the fiscal years ended June 30, 2016 and 2015.

Changes in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	**2016**	2015	**2016**	2015
Revenues						
Program Revenues:						
Charges for services	**$ 5,399,834**	$ 5,043,200	**$ 3,392,699**	$ 2,881,040	**$ 8,792,533**	$ 7,924,240
Operating grants and contributions	**352,525**	394,464	**-**	-	**352,525**	394,464
Capital grants and contributions	**1,159,246**	830,240	**-**	-	**1,159,246**	830,240
General Revenues:						
Property taxes	**16,848,429**	16,448,390	**-**	-	**16,848,429**	16,448,390
Sales taxes	**5,090,385**	5,407,585	**-**	-	**5,090,385**	5,407,585
Business taxes	**1,617,198**	1,508,708	**-**	-	**1,617,198**	1,508,708
Other taxes	**256,263**	248,638	**-**	-	**256,263**	248,638
Unrestricted investment earnings	**28,572**	27,895	**2,608**	808	**31,180**	28,703
Gain on sale of capital assets	**2,470,215**	156,328	**56,353**	66,415	**2,526,568**	222,743
Total revenues	**$ 33,222,667**	$ 30,065,448	**$ 3,451,660**	$ 2,948,263	**$ 36,674,327**	$ 33,013,711
Program Expenses:						
General government	**$ 5,497,030**	$ 3,640,254	**$ -**	$ -	**$ 5,497,030**	$ 3,640,254
Judicial	**4,595,335**	2,730,643	**-**	-	**4,595,335**	2,730,643
Public safety	**14,938,242**	11,672,454	**-**	-	**14,938,242**	11,672,454
Public works	**9,385,039**	8,477,301	**-**	-	**9,385,039**	8,477,301
Health and welfare	**461,149**	488,387	**-**	-	**461,149**	488,387
Culture and recreation	**1,095,352**	1,179,259	**-**	-	**1,095,352**	1,179,259
Housing and development	**2,007,040**	465,938	**-**	-	**2,007,040**	465,938
Interest on long-term debt	**181,525**	107,631	**-**	-	**181,525**	107,631
Solid waste	**-**	-	**2,345,291**	2,222,683	**2,345,291**	2,222,683
Total expenses	**$ 38,160,712**	$ 28,761,867	**$ 2,345,291**	$ 2,222,683	**$ 40,506,003**	$ 30,984,550
Change in net position	**$ (4,938,045)**	$ 1,303,581	**$ 1,106,369**	$ 725,580	**$ (3,831,676)**	$ 2,029,161

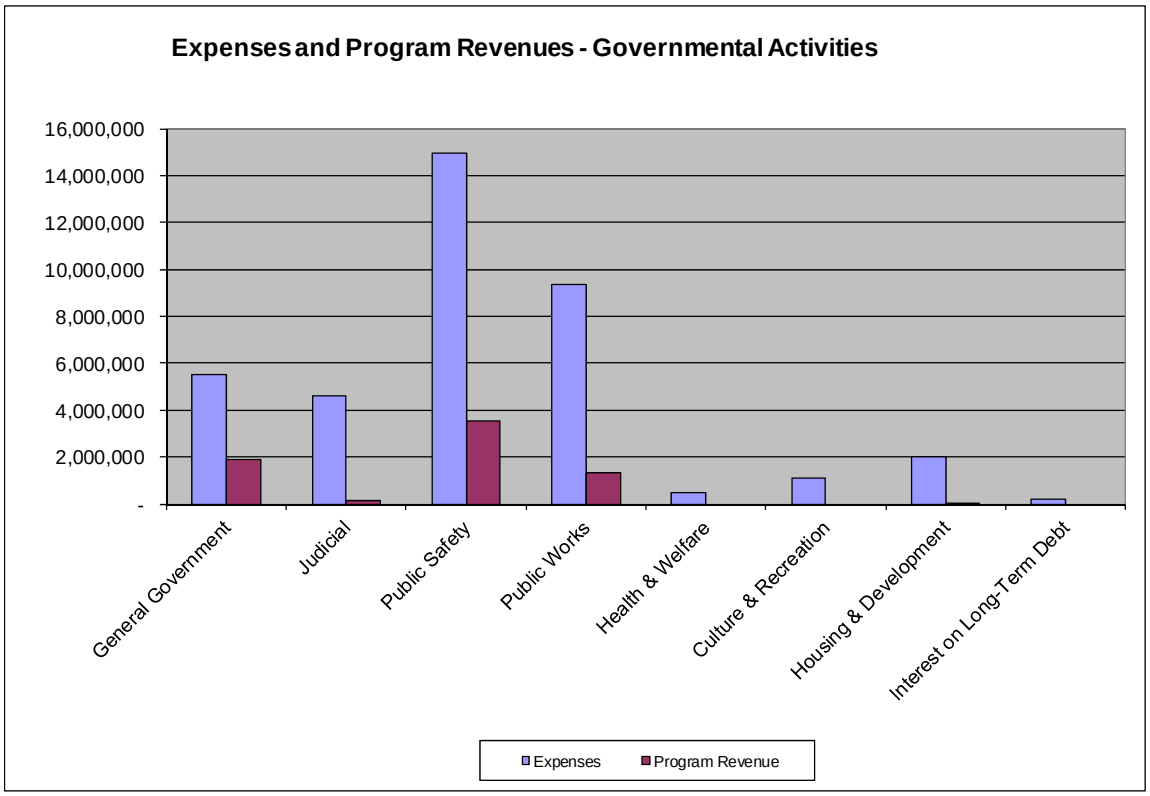
Governmental activities. Governmental activities decreased the County's net position by $4,938,045, thereby accounting for 100 percent of the total decrease in the net position of the County for 2016.

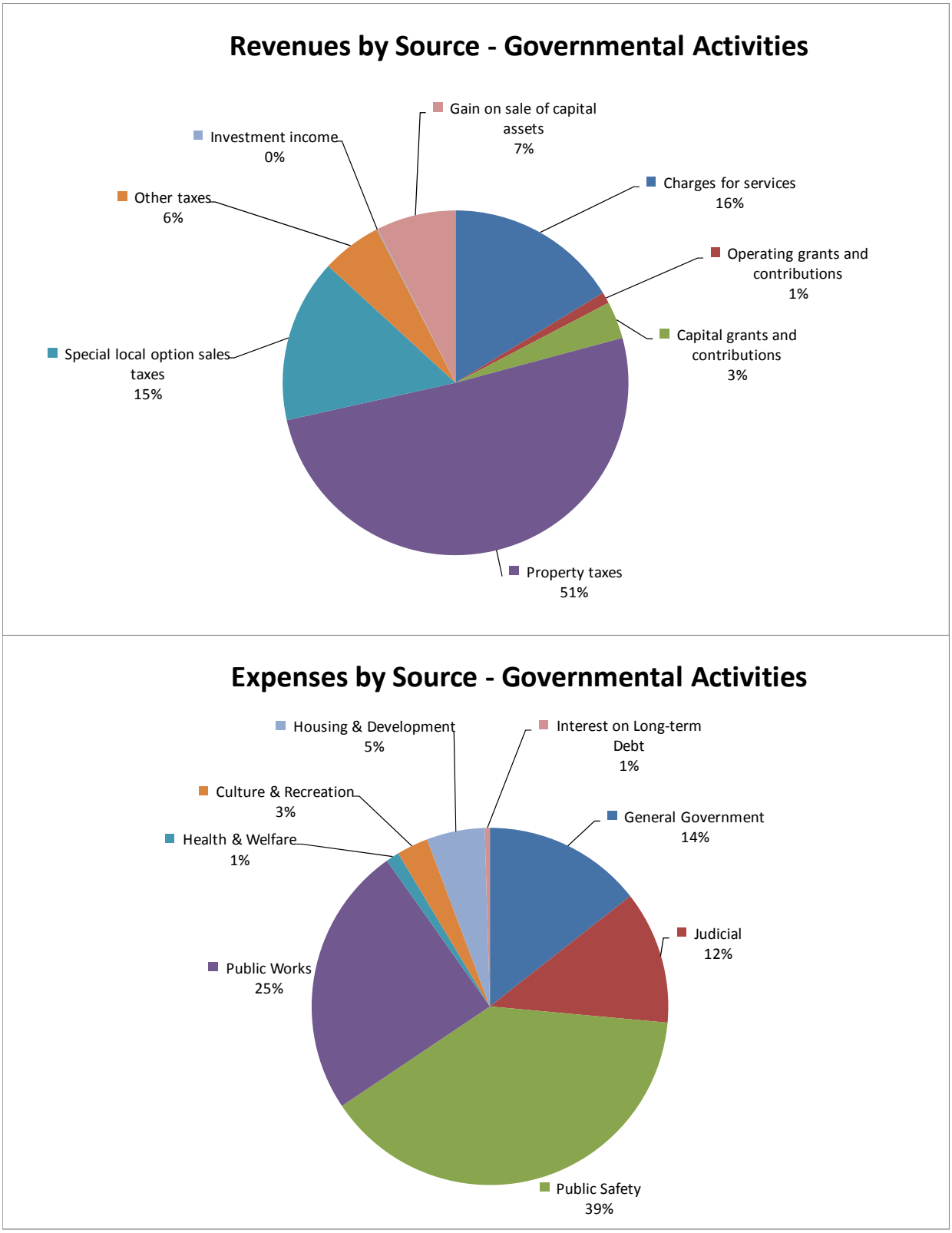
- Spending outpaced revenues. Included in spending is extensive repairs to numerous County buildings not occurring in the prior year. Included in revenues is a special purpose local option sales tax (1 percent) that is used to fund a variety of capital projects. Spending for the projects vary from the revenue collections as many of the projects take several years to complete.

- Higher tax revenue in 2016. Overall tax revenues increased $198,954 from the prior year. Property taxes increased by $400,039 and special local option sales taxes decreased by $317,200, respectively. Other taxes decreased by $116,115 in total.

Approximately 46 percent of the County's governmental activities total revenues were derived from property taxes and approximately 21 percent came from taxes other than property taxes. Charges for services provided approximately 19 percent of the total revenues. The County's expenses cover a range of services. The largest expenses are related to public safety (approximately 28 percent), which include the Sheriff's office, E-911 services, county prison, ambulance service, animal control and the Coroner's office, and public works (approximately 41 percent), which include roads and bridges, landfill closure and the county maintenance shop.

For the fiscal year ended June 30, 2016, governmental activities expenses exceeded program revenues, resulting in the use of approximately $31.2 million of general tax and other revenues.




Revenues by Source - Governmental Activities
Gain on sale of capital assets 7%
Investment income 0%
Charges for services 16%
Other taxes 6%
Operating grants and contributions 1%
Capital grants and contributions 3%
Special local option sales taxes 15%
Property taxes 51%
Expenses by Source - Governmental Activities
Housing & Development 5%
Interest on Long-term Debt 1%
Culture & Recreation 3%
General Government 14%
Health & Welfare 1%
Judicial 12%
Public Works 25%
Public Safety 39%

Business-type activities. Business-type activities increased the County's net position by $1,106.369, thereby reducing the decrease in the County's net position for 2016. The key element of this increase is that the Solid Waste Fund revenues increased approximately $500,000 and expenses increased by approximately $123,000.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Colquitt County utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources available for spending. Such information is useful in assessing the County's financing requirements. In particular, *unreserved, undesignated fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

At the end of the current year, the County's governmental funds reported a combined ending fund balance of $31,037,418, an increase of $2,593,782 in comparison to the prior year. Approximately 45 percent of this total amount ($13,949,510) constitutes *unassigned fund balance* that is available for spending in futures years without restrictions that are more limited than the purpose of the fund. The restricted portions of fund balance totaling $15,812,461 represent funding for capital projects, economic development, public safety, and the judicial system. Most of these projects are funded by special purpose local option sales tax, a legally restricted revenue source. The remainder of the fund balance is either *nonspendable* to indicate that it is not available for new spending because it has already been (1) paid for prepaid assets ($403,199); or *committed* for future retirement benefits ($200,000); or assigned for budget stabilization ($672,248).

The General Fund is the main operating fund of the County. At the end of the current year, unassigned fund balance of the General Fund was $13,949,510, while total fund balance was $15,209,168. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 70 percent of the total General Fund expenditures, as compared to 65 percent in 2015. The total fund balance represents 75 percent of the same amount, compared to 69 percent in the prior year.

The fund balance of the County's General Fund increased $1,849,247 during the current fiscal year. Key factors in this increase are as follows:

- The County's General Fund revenues outpacing spending for the year. The increase was due to an increase in tax revenues and departments being under budget for the year.

The Capital Projects Fund has total fund balance of $3,190,508, all of which is restricted for capital outlay. The increase is from the sale of capital assets.

The 2013 SPLOST fund has a total fund balance of $6,284,825, all of which is restricted for capital outlay. The net decrease in fund balance of $273,922 during the current year was the result of projects being completed costing more than special purpose local option sales taxes being collected.

The 2007 SPLOST fund has a total fund balance of $4,166,899, all of which is restricted for capital outlay. The County began receiving revenue from this tax in fiscal year 2007 and the decrease of $459,114 was the result of utilizing revenue collected in prior years for capital projects.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Solid Waste Fund at the end of the current year amounted to $913,336, an increase of $560,009 from the prior year. Operating revenues were approximately $510,000 more than the prior year. Operating expenses were approximately $130,000 more than the prior year because of increased costs of services provided.

GENERAL FUND BUDGETARY HIGHLIGHTS

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

The actual revenues of the General Fund were more than final budgeted amounts by $135,836 for the current year. The major factors contributing to this difference were receiving more tax revenues, intergovernmental revenues, and charges for services, and less miscellaneous revenues than budgeted.

The actual expenditures of the General Fund were less than final budgeted amounts by $1,592,242 for the current year. The major factors contributing to this difference were the net positive variances in budgeted expenditures for general government, judicial, public safety and roads & bridges.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. As of June 30, 2016, the County's investment in capital assets for its governmental and business-type activities amounts to $57,448,857 (net of depreciation). This investment includes land, buildings and improvements, machinery and equipment, infrastructure, and construction in progress. Construction in progress was retained in the 2007 SPLOST fund and Capital Projects fund and as those projects are completed they are transferred to the appropriate capital asset category. The net decrease in the County's investment in capital assets for the current fiscal year was $1,937,458 or 3.26 percent (a 4.13 percent decrease for governmental activities and a 0.87 percent increase for business-type activities).

Major capital asset transactions during the year included the sale of 12 acres of surplus land and the purchase of 2 new garbage trucks for residential waste, a motor grader and 2 dump trucks for roads and bridges, and 7 new patrol cars for the Sheriff. Refer to Note 5 of the Notes to Financial Statements on pages 45 and 46 for additional information on capital assets.

Long-term debt. At the end of the current year, the County had one outstanding loan in the amount of $1,427,574 secured by a building. The County also has capital leases with a balance of $6,061,125 at year end. The building loan is for a building that is leased to the Georgia Department of Human Services. The rent payments from the Georgia Department of Human Services are pledged for the debt service payments of the building loan. The capital leases are secured by a van, a wheeled loader, and a phone system. Refer to Note 6 of the Notes to Financial Statements on pages 47 through 49 for additional information on long-term debt.

NEXT YEAR'S BUDGET

The 2017 General Fund budget contains total expenditures of $22,829,026, a 5.62% increase over the 2016 final budgeted amounts. The County appropriated $672,248 of unassigned fund balance to fund the 2017 fiscal year expenditures.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of Colquitt County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Colquitt County Finance Director, P. O. Box 517, Moultrie, Georgia 31776 - 0517.

COLQUITT COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2016

	Primary Government		
ASSETS	**Governmental Activities**	**Business-type Activities**	**Total**
Cash and cash equivalents	$ 12,586,974	$ 1,947,833	$ 14,534,807
Investments	17,788,829	-	17,788,829
Taxes receivable	451,561	-	451,561
Accounts receivable	290,246	690,563	980,809
Internal balances	1,512,176	(1,512,176)	-
Due from other governments	812,757	-	812,757
Prepaid items	403,199	45,694	448,893
Restricted cash	47,355	-	47,355
Capital assets, non-depreciable	2,632,063	682,738	3,314,801
Capital assets, depreciable, net of accumulated depreciation	53,101,588	1,032,468	54,134,056
Total assets	89,626,748	2,887,120	92,513,868
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension items	2,082,975	157,062	2,240,037
LIABILITIES			
Accounts payable	2,484,785	57,207	2,541,992
Accrued liabilities	244,333	323	244,656
Due to other governments	136,587	-	136,587
Unearned revenues	36,256	-	36,256
Capital leases due within one year	50,321	30,090	80,411
Capital leases due in more than one year	5,918,798	61,916	5,980,714
Notes payable due within one year	409,575	-	409,575
Notes payable due in more than one year	1,017,999	-	1,017,999
Compensated absences due within one year	224,097	11,510	235,607
Compensated absences due in more than one year	56,024	2,742	58,766
Net pension liability	4,956,566	343,258	5,299,824
Total liabilities	15,535,341	507,046	16,042,387
DEFERRED INFLOWS OF RESOURCES			
Deferred pension items	-	-	-
NET POSITION			
Net investment in capital assets	48,336,958	1,623,200	49,960,158
Restricted for:			
Judicial	21,099	-	21,099
Public safety	457,026	-	457,026
Economic development	1,079,026	-	1,079,026
Capital outlay	14,255,310	-	14,255,310
Special use	-	-	-
Unrestricted	12,024,963	913,936	12,938,899
Total net position	$ 76,174,382	$ 2,537,136	$ 78,711,518

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

Component Units	
Colquitt County Health Department	Moultrie - Colquitt County Library
$ 799,952	$ 992,375
-	175,283
-	-
-	-
-	-
242,589	-
-	-
-	-
-	-
19,600	-
1,062,141	1,167,658
185,243	-
25,284	8,954
-	5,739
48,682	-
-	-
-	-
-	-
-	-
-	-
10,713	-
96,411	-
1,374,153	-
1,555,243	14,693
110,126	-
19,600	-
-	-
-	-
-	-
-	-
785,802	-
(1,223,387)	1,152,965
$ (417,985)	$ 1,152,965

COLQUITT COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 5,497,030	$ 1,705,825	$ 174,524	$ 1,899
Judicial	4,595,335	139,687	-	-
Public safety	14,938,242	3,334,761	178,001	21,423
Public works	9,385,039	219,561	-	1,126,280
Health and welfare	461,149	-	-	-
Culture and recreation	1,095,352	-	-	-
Housing and development	2,007,040	-	-	9,644
Interest on long-term debt	181,525	-	-	-
Total governmental activities	38,160,712	5,399,834	352,525	1,159,246
Business-type activities:				
Solid waste	2,345,291	3,392,699	-	-
Total business-type activities	2,345,291	3,392,699	-	-
Total primary government	$ 40,506,003	$ 8,792,533	$ 352,525	$ 1,159,246
Component units:				
Colquitt County Health Department	$ 2,351,031	$ 917,527	$ 1,528,409	$ -
Moultrie - Colquitt County Library	997,889	115,863	827,846	-
Total component units	$ 3,348,920	$ 1,033,390	$ 2,356,255	$ -

General revenues:
- Property taxes
- Sales taxes
- Business taxes
- Other taxes
- Unrestricted investment earnings
- Gain on sale of capital assets

Total general revenues

Change in net position

Net position, (deficit) beginning of year

Net position, (deficit) end of year

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

Net (Expenses) Revenues and Changes in Net Position					
				Component Units	
Governmental Activities	Business-type Activities	Total	Colquitt County Health Department	Moultrie - Colquitt County Library
$ (3,614,782)	$ -	$ (3,614,782)	$ -	$ -
(4,455,648)	-	(4,455,648)	-	-
(11,404,057)	-	(11,404,057)	-	-
(8,039,198)	-	(8,039,198)	-	-
(461,149)	-	(461,149)	-	-
(1,095,352)	-	(1,095,352)	-	-
(1,997,396)	-	(1,997,396)	-	-
(181,525)	-	(181,525)	-	-
(31,249,107)	-	(31,249,107)	-	-
-	1,047,408	1,047,408	-	-
-	1,047,408	1,047,408	-	-
$ (31,249,107)	$ 1,047,408	$ (30,201,699)	$ -	$ -
$ -	$ -	$ -	$ 94,905	$ -
-	-	-	-	(54,180)
$ -	$ -	$ -	$ 94,905	$ (54,180)
$ 16,848,429	$ -	$ 16,848,429	$ -	$ -
5,090,385	-	5,090,385	-	-
1,617,198	-	1,617,198	-	-
256,263	-	256,263	-	-
28,572	2,608	31,180	-	1,615
2,470,215	56,353	2,526,568	-	-
26,311,062	58,961	26,370,023	-	1,615
(4,938,045)	1,106,369	(3,831,676)	94,905	(52,565)
81,112,427	1,430,767	82,543,194	(512,890)	1,205,530
$ 76,174,382	$ 2,537,136	$ 78,711,518	$ (417,985)	$ 1,152,965

COLQUITT COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

ASSETS	General	E911 Fund	Capital Projects Fund	2013 SPLOST Fund
Cash and cash equivalents	$ 5,497,711	$ 1,269,754	$ 3,548,382	$ 328,853
Investments	7,026,584	-	-	6,659,671
Taxes receivable	5,552	-	-	444,990
Accounts receivable	161,628	126,451	-	-
Due from other funds	3,326,766	-	55,961	-
Due from other governments	21,046	-	785,527	-
Prepaid items	387,410	14,901	-	-
Restricted cash	47,355	-	-	-
Total assets	$ 16,474,052	$ 1,411,106	$ 4,389,870	$ 7,433,514
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 307,264	4,742	$ 1,199,362	$ 673,355
Accrued expenditures	136,437	-	-	-
Due to other funds	758,463	1,101,839	-	475,334
Due to other governments	22,392	97,528	-	-
Unearned revenue	36,256	-	-	-
Total liabilities	1,260,812	1,204,109	1,199,362	1,148,689
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	4,072	-	-	-
Total deferred inflows of resources	4,072	-	-	-
FUND BALANCES				
Nonspendable:				
Prepaid items	387,410	14,901	-	-
Restricted for:				
Judicial	-	-	-	-
Public safety	-	192,096	-	-
Economic development	-	-	-	-
Capital outlay	-	-	3,190,508	6,284,825
Committed to:				
Retirement benefits	200,000	-	-	-
Assigned for:				
Budgetary stabilization	672,248	-	-	-
Unassigned	13,949,510	-	-	-
Total fund balances	15,209,168	206,997	3,190,508	6,284,825
Total liabilities, deferred inflows of resources, and fund balances	$ 16,474,052	$ 1,411,106	$ 4,389,870	$ 7,433,514

2007 SPLOST Fund	Nonmajor Governmental Funds	Total
$ 771,847	$ 805,344	$ 12,221,891
3,632,463	468,992	17,787,710
-	1,019	451,561
-	-	288,079
-	1,054,822	4,437,549
-	6,184	812,757
-	888	403,199
-	-	47,355
$ 4,404,310	$ 2,337,249	$ 36,450,101
$ -	$ 62	$ 2,184,785
-	-	136,437
237,411	358,166	2,931,213
-	-	119,920
-	-	36,256
237,411	358,228	5,408,611
-	-	4,072
-	-	4,072
-	888	403,199
-	21,099	21,099
-	264,930	457,026
-	1,079,026	1,079,026
4,166,899	613,078	14,255,310
-	-	200,000
-	-	672,248
-	-	13,949,510
4,166,899	1,979,021	31,037,418
$ 4,404,310	$ 2,337,249	$ 36,450,101

COLQUITT COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Amounts reported for governmental activities in the statement of net position are different from amounts reported in the balance sheet of governmental funds due to the following:		
Fund balances - total governmental funds	$	31,037,418
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Cost of the assets		111,850,093
Accumulated depreciation		(56,116,442)
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the funds.		4,072
Deferred outflows of resources related to the pension plan are not available to pay for current year expenditures and therefore are not reported in governmental funds.		2,082,975
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Notes payable		(1,427,574)
Capital leases		(5,969,119)
Accrued interest		(107,896)
Compensated absences		(280,121)
Net pension liability		(4,956,566)
The internal service fund is used by management to charge the cost of employee health insurance to individual funds. The assets and liabilities of the internal service fund are included with governmental activities.		57,542
Net position - governmental activities	$	76,174,382

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	General Fund	E911 Fund	Capital Projects Fund	2013 SPLOST Fund
Revenues:				
Property taxes	$ 14,963,990	$ -	$ -	$ -
Sales taxes	-	-	-	5,090,385
Business taxes	1,617,198	-	-	-
Other taxes	256,263	-	-	-
Licenses and permits	232,086	-	-	-
Intergovernmental	174,524	178,001	1,113,829	-
Charges for services	2,696,391	654,981	-	-
Fines and forfeitures	697,523	-	-	-
Interest income	20,733	445	7,174	27,154
Other revenues	946,891	31	4,873	-
Total revenues	21,605,599	833,458	1,125,876	5,117,539
Expenditures:				
Current:				
General government	3,650,448	-	-	-
Judicial	2,608,195	-	-	-
Public safety	8,645,344	1,053,195	-	-
Public works	3,736,536	-	-	-
Health and welfare	331,003	-	-	-
Culture and recreation	386,400	-	-	-
Housing and development	224,703	-	-	-
Intergovernmental payments	-	-	-	2,540,666
Capital outlay	-	-	7,063,357	2,850,795
Debt service:				
Principal	361,004	44,075	-	-
Interest	78,988	3,190	-	-
Total expenditures	20,022,621	1,100,460	7,063,357	5,391,461
Excess (deficiency) of revenues over expenditures	1,582,978	(267,002)	(5,937,481)	(273,922)
Other financing sources (uses):				
Proceeds from sale of capital assets	101,185	-	2,669,283	-
Issuance of capital lease	-	-	5,815,191	-
Transfers in	176,635	267,002	11,551	-
Transfers out	(11,551)	-	(17,110)	-
Total other financing sources (uses)	266,269	267,002	8,478,915	-
Net change in fund balances	1,849,247	-	2,541,434	(273,922)
Fund balances, beginning of year	13,359,921	206,997	649,074	6,558,747
Fund balances, end of year	$ 15,209,168	$ 206,997	$ 3,190,508	$ 6,284,825

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

2007 SPLOST Fund	Nonmajor Governmental Funds	Total
$ -	$ 1,884,407	$ 16,848,397
-	-	5,090,385
-	-	1,617,198
-	-	256,263
-	-	232,086
-	-	1,466,354
-	-	3,351,372
-	167,058	864,581
16,991	1,492	73,989
-	-	951,795
16,991	2,052,957	30,752,420
-	-	3,650,448
-	13,549	2,621,744
-	550,329	10,248,868
-	-	3,736,536
-	7,194	338,197
-	625,097	1,011,497
-	297,743	522,446
2,126	-	2,542,792
473,979	1,196,381	11,584,512
-	-	405,079
-	-	82,178
476,105	2,690,293	36,744,297
(459,114)	(637,336)	(5,991,877)
-	-	2,770,468
-	-	5,815,191
-	-	455,188
-	(426,527)	(455,188)
-	(426,527)	8,585,659
(459,114)	(1,063,863)	2,593,782
4,626,013	3,042,884	28,443,636
$ 4,166,899	$ 1,979,021	$ 31,037,418

COLQUITT COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	2,593,782
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. This is the difference between depreciation expense and capital outlay in the current period.		1,052,431
Total capital outlay		(3,206,453)
Total depreciation expense		
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(300,253)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		32
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources. Neither transaction, however, has any effect on net position. This is the amount of principal payments made on long-term debt.		
Capital lease		(5,815,191)
Principal repayments - capital lease		49,360
Principal repayments - note payable		386,114
The internal service fund is used by management to charge the cost of employee health insurance to individual funds. The net revenue of the internal service fund is reported with governmental activities.		458,088
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in:		
Compensated absences		(26,659)
Accrued interest on debt		(99,347)
Net pension liability		(29,949)
Net change in net position - governmental activities	$	(4,938,045)

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

COLQUITT COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Property taxes	$ 14,224,465	$ 14,275,865	$ 14,963,990	$ 688,125
Business taxes	1,470,000	1,470,000	1,617,198	147,198
Other taxes	245,000	245,000	256,263	11,263
Licenses and permits	138,200	138,200	232,086	93,886
Intergovernmental	231,774	231,774	174,524	(57,250)
Charges for services	2,537,120	2,592,420	2,696,391	103,971
Fines and forfeitures	662,000	662,000	697,523	35,523
Interest income	12,000	12,000	20,733	8,733
Miscellaneous	1,358,000	1,842,504	946,891	(895,613)
Total revenues	20,878,559	21,469,763	21,605,599	135,836
Expenditures:				
Current:				
General government:				
County commissioners	227,193	234,693	227,310	7,383
Administrator and county clerk	239,385	251,385	223,205	28,180
Registrar	66,613	68,013	65,330	2,683
Finance	373,755	393,755	354,602	39,153
Purchasing	53,178	55,778	54,078	1,700
Legal services	55,000	55,000	54,813	187
Information systems	149,504	156,104	137,959	18,145
Human resources	162,866	165,866	133,726	32,140
Tax commissioner	517,704	532,704	515,610	17,094
Tax assessor	632,425	639,425	601,683	37,742
Risk management	260,000	260,000	207,251	52,749
Technical maintenance	867,143	915,043	835,579	79,464
General administration	447,000	286,100	239,302	46,798
Total general government	4,051,766	4,013,866	3,650,448	363,418
Judicial:				
Superior court	274,705	336,505	238,963	97,542
Substance abuse/mental health court	140,860	142,860	125,657	17,203
Clerk of courts	626,582	626,582	562,484	64,098
District attorney	331,245	331,745	331,703	42
State court	282,140	286,640	268,933	17,707
Magistrate court	261,741	274,541	261,251	13,290
Probate court	289,543	294,843	280,165	14,678
Juvenile court	195,618	240,618	217,512	23,106
Public defender	322,509	322,509	321,527	982
Total judicial	2,724,943	2,856,843	2,608,195	248,648

(Continued)

COLQUITT COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Current: (Continued)				
Public safety:				
Law enforcement administration	$ 766,772	$ 783,222	$ 616,639	$ 166,583
Criminal investigation	376,678	376,678	315,271	61,407
Drug enforcement team	385,058	403,858	369,376	34,482
Uniform patrol	1,193,193	1,233,193	1,195,226	37,967
Records and identification	84,574	89,574	87,194	2,380
Youth investigations	429,754	429,754	413,043	16,711
Jail	3,184,500	3,314,500	3,227,033	87,467
Court services	337,547	337,547	328,690	8,857
Correctional institute	1,907,259	1,998,259	1,866,095	132,164
Ambulance services	168,300	168,300	84,847	83,453
Coroner	76,047	76,047	65,796	10,251
Animal control	64,000	64,000	62,335	1,665
Emergency management	18,280	18,280	13,799	4,481
Total public safety	8,991,962	9,293,212	8,645,344	647,868
Public works:				
Roads and bridges	3,437,290	3,577,690	3,339,474	238,216
Shop	399,146	414,146	397,062	17,084
Total public works	3,836,436	3,991,836	3,736,536	255,300
Health and welfare:				
Public health administration	215,000	215,000	215,000	-
Mental health	9,000	9,000	9,000	-
Welfare administration	72,475	72,475	63,144	9,331
Welfare general assistance	41,500	46,900	43,859	3,041
Total health and welfare	337,975	343,375	331,003	12,372
Culture and recreation:				
Museum	11,400	11,400	11,400	-
Library	375,000	375,000	375,000	-
Total culture and recreation	386,400	386,400	386,400	-
Housing and development:				
Agricultural resources - county agents	215,335	230,089	208,719	21,370
Forestry resources	16,242	16,242	15,984	258
Total housing and development	231,577	246,331	224,703	21,628

(Continued)

COLQUITT COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Debt service:				
Principal	$ 483,000	$ 483,000	$ 361,004	$ 121,996
Interest	-	-	78,988	(78,988)
Total debt service	483,000	483,000	439,992	43,008
Total expenditures	21,044,059	21,614,863	20,022,621	1,592,242
Excess (deficiency) of revenues over (under) expenditures	(165,500)	(145,100)	1,582,978	1,728,078
Other financing sources (uses):				
Proceeds from sale of capital assets	15,000	15,000	101,185	86,185
Transfers in	170,000	170,000	176,635	6,635
Transfers out	(19,500)	(39,900)	(11,551)	28,349
Total other financing sources (uses)	165,500	145,100	266,269	121,169
Net change in fund balances	-	-	1,849,247	1,849,247
Fund balance, beginning of year	13,359,921	13,359,921	13,359,921	-
Fund balance, end of year	$ 13,359,921	$ 13,359,921	$ 15,209,168	$ 1,849,247

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

COLQUITT COUNTY, GEORGIA

E911 FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Intergovernmental	$ 228,271	$ 228,271	$ 178,001	$ (50,270)
Charges for services	654,000	654,000	654,981	981
Interest income	-	-	445	445
Other revenues	-	-	31	31
Total revenues	882,271	882,271	833,458	(48,813)
Expenditures:				
Current:				
Public safety	1,198,677	1,198,677	1,053,195	145,482
Debt service:				
Principal	26,000	26,000	44,075	(18,075)
Interest	-	-	3,190	(3,190)
Total expenditures	1,224,677	1,224,677	1,100,460	124,217
Deficiency of revenues over expenditures	(342,406)	(342,406)	(267,002)	75,404
Other financing sources:				
Transfers in	342,406	342,406	267,002	(75,404)
Total other financing sources	342,406	342,406	267,002	(75,404)
Net change in fund balances	-	-	-	-
Fund balance, beginning of year	649,074	649,074	649,074	-
Fund balance, end of year	$ 649,074	$ 649,074	$ 649,074	$ -

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2016

	Major Enterprise Fund Solid Waste Fund	Governmental Activities- Internal Service Funds
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,947,833	$ 365,083
Investments	-	1,119
Accounts receivable, net of allowances	690,563	2,167
Due from other funds	-	5,840
Prepaid items	45,694	-
Total current assets	2,684,090	374,209
NONCURRENT ASSETS		
Capital assets:		
Nondepreciable	682,738	-
Depreciable, net of accumulated depreciation	1,032,468	-
Total noncurrent assets	1,715,206	-
Total assets	4,399,296	374,209
DEFERRED OUTFLOWS OF RESOURCES		
County contributions subsequent to the measurement date	50,496	-
Differences between expected and actual experience	2,055	-
Change in assumptions	38,732	-
Net differences between projected and actual earnings on pension plan investments	65,779	-
Total deferred inflows of resources	157,062	-
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	$ 57,207	$ -
Claims payable	-	300,000
Accrued expenses	323	-
Due to other funds	1,512,176	-
Due to other governments	-	16,667
Current portion - compensated absences	11,510	-
Current portion - capital lease	30,090	-
Total current liabilities	1,611,306	316,667
LONG-TERM LIABILITIES		
Compensated absences, net of current portion	2,742	-
Capital lease, net of current portion	61,916	-
Net pension liability	343,258	-
Total long-term liabilities	407,916	-
Total liabilities	2,019,222	316,667
NET POSITION		
Net investment in capital assets	1,623,200	-
Unrestricted	913,936	57,542
Total net position	$ 2,537,136	$ 57,542

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Major Enterprise Fund Solid Waste Fund	Governmental Activities- Internal Service Funds
OPERATING REVENUES		
Charges for services	$ 2,836,156	$ 3,541,744
Miscellaneous	556,543	-
Total operating revenues	3,392,699	3,541,744
OPERATING EXPENSES		
Salaries and benefits	874,273	-
Cost of sales and services	957,519	198,121
Supplies	246,668	1,971
Claims	-	2,330,551
Insurance	-	21,042
Administration	105,233	531,974
Depreciation	159,595	-
Total operating expenses	2,343,288	3,083,659
Operating income	1,049,411	458,085
NONOPERATING INCOME (EXPENSE)		
Interest income	2,608	3
Interest expense	(2,003)	-
Gain on sale of assets	56,353	-
Total nonoperating income (expense)	56,958	3
Change in net position	1,106,369	458,088
NET POSITION (DEFICIT), beginning of year	1,430,767	(400,546)
NET POSITION, end of year	$ 2,537,136	$ 57,542

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Major Enterprise Fund Solid Waste Fund	Governmental Activities- Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$ 3,637,125	$ 3,539,577
Payments to suppliers	(1,416,794)	(730,600)
Payments for insurance claims	-	(2,491,593)
Payments to employees	(869,481)	-
Net cash provided by operating activities	1,350,850	317,384
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(758,614)	-
Principal paid on capital lease	(29,543)	-
Proceeds from sale of assets	138,555	-
Interest paid	(2,106)	-
Net cash used in capital and related financing activities	(651,708)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	-	(3)
Interest on investments	2,608	3
Net cash provided by investing activities	2,608	-
Net increase in cash and cash equivalents	701,750	317,384
Cash and cash equivalents:		
Beginning of year	1,246,083	47,699
End of year	$ 1,947,833	$ 365,083
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	$ 1,049,411	$ 458,085
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation expense	159,595	-
Increase in accounts receivable	(589,601)	(2,167)
Increase in prepaid items	(42,244)	-
Increase in deferred outflows related to pension items	(100,247)	-
Decrease in accounts payable	(65,130)	(15,201)
Decrease in claims payable	-	(140,000)
Increase in due to other funds	834,027	-
Increase in due to other governments	-	16,667
Increase in compensated absences	2,297	-
Increase in net pension liabilty	102,742	-
Net cash provided by operating activities	$ 1,350,850	$ 317,384

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2016

ASSETS	Agency Funds
Cash	$ 1,072,296
Taxes receivable	7,338
Total assets	$ 1,079,634
LIABILITIES	
Due to others	$ 1,072,296
Uncollected taxes	7,338
Total liabilities	$ 1,079,634

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Colquitt County, Georgia (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity

Colquitt County was created on February 25, 1856 under the laws of the State of Georgia. The County operates under a commission-administrator form of government, and provides the following services: public safety (police and fire), courts, public works, culture and recreation, public health and welfare, and general administrative services.

Based upon criteria set forth by Governmental Accounting Standards Board (GASB) Statement 14, "The Financial Reporting Entity" and Statement 61 "The Financial Reporting Entity: Omnibus on Amendment of GASB Statements No. 14 and 34", the financial statements of the reporting entity include those of Colquitt County, Georgia (the "primary government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Discretely Presented Component Units

The Colquitt County Health Department (the "Board of Health") is governed by a seven-member board consisting of four members appointed by the County Commissioners. The County provides funding annually in an amount sufficient to satisfy the local matching funds as required by the Georgia Department of Human Resources. The County has the authority to modify and approve the Board of Health's budget and the ability to approve health service fees. The Board of Health has a June 30th year-end.

The Board of Health's financial statements can be obtained by writing to the Colquitt County Health Department, P.O. Box 639, Moultrie, Georgia 31776.

The Moultrie-Colquitt County Library provides public library services with funding primarily by participating local governmental agencies and grants from the State of Georgia. The County appoints a majority of the Library's Board members and provides a majority of funding for its operations. Separate financial statements are not issued.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, intergovernmental income, licenses, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

The ***General Fund*** is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The ***E911 Fund*** is used to account for activities related to E911 services.

The ***Capital Projects Fund*** is used to account for the County's construction projects.

The ***2013 SPLOST Fund*** is a capital projects fund used to account for the County's receipt and expenditure of special purpose sales tax from the 2013 sales tax referendum.

The ***2007 SPLOST Fund*** is a capital projects fund used to account for the County's receipt and expenditure of special purpose sales tax from the 2007 sales tax referendum.

The County reports the following major proprietary fund:

The ***Solid Waste Fund*** is used to account for the operations related to the County's solid waste collections.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for specific revenues that are legally either restricted or committed to expenditures for particular purposes.

The ***capital project funds*** account for the acquisition or construction of capital facilities.

The ***internal service fund*** accounts for a self-insured program for health insurance. This Fund was created to accommodate the payment of claims and administrative expenses for the self-insured program.

The ***agency funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's solid waste function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services provided. Operating expenses for the enterprise funds and internal service funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Cash, Cash Equivalents, and Investments

The County considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

State statutes authorize the County to invest in obligations of the State of Georgia or other states, obligations issued by the U.S. Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, prime bankers' acceptances, the local government investment pool established by state law, repurchase agreements and obligations of other political subdivisions of the State of Georgia.

The investment in the Georgia Fund 1 represents the County's portion of a pooled investment account operated by the office of the State treasurer. The pool consists of U.S. Treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in the Georgia Fund 1 is valued at fair market value.

E. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide statement of net position. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net position as "internal balances." In the major fund balance sheets, these receivables and payables are classified as "due from other funds" and "due to other funds" (i.e., current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans).

F. Prepaid Items

Certain payments made to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB 34, infrastructure assets acquired after June 30, 1980 have been capitalized. Capital assets are defined by the County as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets is included as part of the capitalized value of the assets constructed. No interest expense was capitalized during the fiscal year ended June 30, 2016.

Capital assets are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Primary Government	
Buildings	25 - 40
Infrastructure	40
Machinery and equipment	5 - 10
Colquitt County Board of Health	
Machinery and equipment	5 - 10
Moultrie-Colquitt County Library	
Machinery and equipment	5 - 10

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the County does not have a policy to pay any amounts when the employees separate from service with the County. Therefore, all sick pay is expensed when incurred. The County does allow for employees to accumulate earned but unused vacation time with such time being fully vested when earned. For the County's government-wide funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year the debt is issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on the issue are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Deferred Outflows/Inflows of Resources

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 does not have any items that qualify for reporting in this category, other than the items related to the changes in the net pension liability which are discussed below.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the balance sheet and 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 fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. *Unavailable revenue* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

The County also has deferred outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period.

K. 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 Colquitt County, Georgia Retirement Plan (the 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity and Net Position

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

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

- ***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 Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment by passage of a subsequent ordinance.
- ***Assigned*** - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County Administrator to assign fund balances for particular purposes.
- ***Unassigned*** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances (or deficits of fund balances) may be reported in all funds when there are fund deficits after all other spendable forms of fund balance have been exhausted.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity and Net Position (Continued)

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

- Committed
- Assigned
- Unassigned

Net Position - Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Restrictions on the government-wide statement of net position respresent amount segregaed to meet debt covenants and capital projects as restricted by Federal and State laws.

M. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred inflows or resources, deferred outflow of resources, and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

NOTE 2. BUDGETS AND BUDGETARY ACCOUNTING

Budget Policies

Formal budgetary accounting is employed as a management control device for the General Fund and special revenue funds. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for all governmental funds. The GAAP basis of accounting is used in preparing the budgets of all budgeted funds. Budgets for Capital Project Funds are adopted on a project length basis, spanning more than one fiscal year. Budgetary control is exercised at the departmental level or by projects.

Budget Process

The County distributes budget forms to all department managers for their preparation and the requests are submitted to the Finance Director. The department budgets are formed during the various work sessions that include the department managers, elected officials, the Finance Director and the County Administrator. Prior to June 1, the County Administrator submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public notice of budget and tax proposals is provided in compliance with State of Georgia law. Public hearings are conducted to obtain taxpayer comments. Prior to July 1, the final budget is adopted by the County Commission.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by Colquitt County.

Excess of Expenditures Over Appropriations

For the year ended June 30, 2016, there were no expenditures which exceeded budget.

NOTE 3. DEPOSITS AND INVESTMENTS

At June 30, 2016, the County had the following investments:

Investments	Maturities	Rating	Fair Value
Primary government:			
Amounts as presented in the entity-wide statement of net assets:			
Certificates of deposit	7 months weighted average	N/A	$ 8,558,846
Georgia Fund 1	42 days weighted average	AAAf	9,229,983
Component unit: Moultrie - Colquitt County Library			
Certificates of deposit	1 month weighted average	N/A	175,283
Total			$ 17,964,112

Interest Rate Risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial Credit Risk – Deposits. The County does not have a formal custodial credit risk policy. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2016, the County had no uncollateralized deposits.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

NOTE 4. RECEIVABLES

Receivables at June 30, 2016, for the County's individual major and nonmajor funds in the aggregate are as follows:

	General Fund	E911 Fund	2013 SPLOST Fund	Nonmajor Governmental Funds	Solid Waste Fund	Total
Receivables:						
Taxes	$ 7,753	$ -	$ 444,990	$ 1,019	$ -	$ 453,762
Accounts	161,628	126,451	-	-	1,238,775	1,529,021
Gross receivables	169,381	126,451	444,990	1,019	1,238,775	1,982,783
Less allowance for uncollectibles	(2,201)	-	-	-	(548,212)	(550,413)
Net receivables	$ 167,180	$ 126,451	$ 444,990	$ 1,019	$ 690,563	$ 1,432,370

Property taxes were levied on September 24, 2015. Bills are payable on or before December 10, 2015, after which the applicable property is subject to lien and penalties and interest as assessed. The County bills and collects its own property taxes. Property taxes levied for 2015 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the fiscal year ended June 30, 2016, and collected by August 31, 2016, are recognized as revenues in the fiscal year ended June 30, 2016. Net receivables estimated to be collected subsequent to August 31, 2016, are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually. Property taxes attached as an enforceable lien on property as of January 1, 2016.

NOTE 5. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the fiscal year ended June 30, 2016, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land and improvements	$ 2,904,577	$ -	$ (300,000)	$ -	$ 2,604,577
Construction in progress	27,486	-	-	-	27,486
Total capital assets, not being depreciated	2,932,063	-	(300,000)	-	2,632,063
Capital assets, being depreciated:					
Buildings	37,814,175	52,540	-	-	37,866,715
Infrastructure	58,443,142	-	-	-	58,443,142
Machinery and equipment	12,629,966	999,891	(721,684)	-	12,908,173
Total capital assets, being depreciated	108,887,283	1,052,431	(721,684)	-	109,218,030
Less accumulated depreciation for:					
Buildings	(20,111,130)	(1,046,621)	-	-	(21,157,751)
Infrastructure	(23,613,362)	(1,465,506)	-	-	(25,078,868)
Machinery and equipment	(9,906,928)	(694,326)	721,431	-	(9,879,823)
Total accumulated depreciation	(53,631,420)	(3,206,453)	721,431	-	(56,116,442)
Total capital assets, being depreciated, net	55,255,863	(2,154,022)	(253)	-	53,101,588
Governmental activities capital assets, net	$ 58,187,926	$ (2,154,022)	$ (300,253)	$ -	$ 55,733,651
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 573,485	$ -	$ -	$ -	$ 573,485
Construction in progress	-	109,253	-	-	109,253
Total capital assets, not being depreciated	573,485	109,253	-	-	682,738
Capital assets, being depreciated:					
Buildings	-	49,296	-	-	49,296
Equipment and vehicles	1,535,195	600,065	(338,731)	-	1,796,529
Total	1,535,195	649,361	(338,731)	-	1,845,825
Less accumulated depreciation for:					
Buildings	-	(411)	-	-	(411)
Equipment and vehicles	(910,291)	(159,184)	256,529	-	(812,946)
Total	(910,291)	(159,595)	256,529	-	(813,357)
Total capital assets, being depreciated, net	624,904	489,766	(82,202)	-	1,032,468
Business-type activities capital assets, net	$ 1,198,389	$ 599,019	$ (82,202)	$ -	$ 1,715,206

NOTE 5. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:	
General government	$ 219,119
Judicial	205,630
Public safety	772,767
Public works	1,738,816
Health and welfare	153,347
Culture and recreation	83,855
Housing and development	32,919
Total depreciation expense - governmental activities	$ 3,206,453

B. Discretely Presented Component Unit – Moultrie – Colquitt County Library

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:	$ 31,421	$ -	$ -	$ 31,421
Machinery and equipment				
Total capital assets, being depreciated	31,421	-	-	31,421
Less accumulated depreciation for:	(30,706)	(715)	-	(31,421)
Machinery and equipment	(30,706)	(715)	-	(31,421)
Total accumulated depreciation	$ 715	$ (715)	$ -	$ -
Total capital assets, net				

NOTE 6. LONG-TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable	$ 1,813,688	$ -	$ (386,114)	$ 1,427,574	$ 409,575
Capital lease payable	203,288	5,815,191	(49,360)	5,969,119	50,321
Compensated absences	253,462	259,840	(233,181)	280,121	224,097
Net pension liability	3,723,130	2,250,986	(1,017,550)	4,956,566	-
Governmental activities long-term liabilities	$ 5,993,568	$ 8,326,017	$ (1,686,205)	$ 12,633,380	$ 683,993
Business-type activities:					
Capital lease payable	$ 121,549	$ -	$ (29,543)	$ 92,006	$ 30,090
Compensated absences	11,955	16,004	(13,707)	14,252	11,510
Net pension liability	240,516	187,521	(84,779)	343,258	-
Business-type activities long-term liabilities	$ 374,020	$ 203,525	$ (128,029)	$ 449,516	$ 41,600
Colquitt County Health Department:					
Compensated absences	$ 98,704	$ 8,420	$ -	$ 107,124	$ 10,713
Health Department long-term liabilities	$ 98,704	$ 8,420	$ -	$ 107,124	$ 10,713

Compensated absences. For governmental funds, compensated absences are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Solid Waste Fund. For the Colquitt County Health Department, compensated absences are liquidated by the Health Department.

NOTE 6. LONG-TERM DEBT (CONTINUED)

Notes payable. The County has incurred debt to a local financial institution for purchase of a building. This note is as follows at June 30, 2016:

Purpose	Original Amount	Interest Rate	Due Date	Balance at June 30, 2016
Building purchase	$ 5,052,000	5.19%	2020	$ 1,427,574
				1,427,574
		Less current maturities		(409,575)
				$ 1,017,999

Annual debt service requirements are as follows:

	Principal	Interest	Total
Fiscal Year Ending June 30,			
2017	$ 409,575	$ 64,232	$ 473,807
2018	431,324	42,483	473,807
2019	454,227	19,580	473,807
2020	132,448	1,175	133,623
	$ 1,427,574	$ 127,470	$ 1,555,044

Capital Leases. The County has entered into a lease agreement as lessee for financing the acquisition of various types of equipment. The lease agreement qualifies as a capital lease for accounting purposes (titles transfer at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception. Depreciation on the leased asset under capital lease was $62,660 for the fiscal year ended June 30, 2016.

The following is an analysis of leased assets under capital lease as of June 30, 2016:

	Governmental Activities	Business-type Activities
Equipment	$ 251,705	$ 150,500
Less: Accumulated depreciation	(109,122)	(35,117)
	$ 142,583	$ 115,383

NOTE 6. LONG-TERM DEBT (CONTINUED)

Capital Leases (Continued)

The following is a schedule of future minimum lease payments together with the present value of net minimum lease payments as of June 30, 2016:

	Governmental Activities	Business-type Activities
Fiscal Year Ending June 30,		
2017	$ 154,122	$ 31,651
2018	598,308	31,651
2019	610,303	31,619
2020	568,799	-
2021	581,675	-
2022 - 2026	3,110,431	-
2027 - 2031	2,036,066	-
2032	263,590	-
Total minimum lease payments	7,923,294	94,921
Less: Amount representing interest	(1,954,175)	(2,915)
Present value of future minimum lease payments	$ 5,969,119	$ 92,006

NOTE 7. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2016, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	2007 SPLOST Fund	$ 237,411
General Fund	2013 SPLOST Fund	475,334
General Fund	Nonmajor Governmental Funds	358,166
General Fund	Solid Waste Fund	1,512,176
General Fund	E-911 Fund	743,679
Capital Projects Fund	General Fund	55,961
Nonmajor Governmental Funds	General Fund	696,662
Internal Service Fund	General Fund	5,840
Nonmajor Governmental Funds	E-911 Fund	358,160
		$ 4,443,389

NOTE 7. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund transfers:

	Transfers Out			
Transfers In	General Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 17,110	$ 159,525	$ 176,635
Capital Projects Fund	11,551	-	-	11,551
E-911 Fund	-	-	267,002	267,002
Total	$ 11,551	$ 17,110	$ 426,527	$ 455,188

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them, and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 8. RETIREMENT PLANS

A. Defined Contribution Plan – Primary Government

The County maintains a defined contribution plan, the ACCG 457 Deferred Compensation Plan for Colquitt County (the "Plan"). The Plan is administered by GEBCorp. At June 30, 2016, there were 128 active participants. The County does not make any contributions to the Plan. Plan participants can contribute up to the annual ceiling established by the Internal Revenue Service. All contributions vest at the time they are made. All employees are eligible to participate in the Plan. Plan provisions and contribution requirements are established by and may be amended by the Colquitt County Board of Commissioners. For the fiscal year ended June 30, 2016, the County employees contributed $101,506.

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, The Colquitt County Defined Benefit Plan (the Plan), covering substantially all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Plan benefits are provided for Plan participants who were participants in the Plan before January 1, 2004 whereby retirees receive between 1% and 1.75% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. Plan benefits are provided for Plan participants who were participants in the Plan on or after January 1, 2004 whereby retirees receive 1% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the 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 Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at **www.gebcorp.com** or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership

As of January 1, 2016, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	109
Inactive plan members entitled to but not receiving benefits	111
Active plan members	154
	374

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government (Continued)

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are made by plan participants. For the year ended June 30, 2016, the County's contribution rate was 13.8% of annual payroll. County contributions and employee contributions to the Plan were $833,317 and $175,336, repectively, for the year ended June 30, 2016.

Net Pension Liability of the County

Effective July 1, 2014, the County implemented the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, which significantly changed the County's accounting for pension amounts. The information disclosed below is presented in accordance with this new standard.

The County's net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2015 with update procedures perfromed by the actuary to roll forward to the total pension liability measured as of December 31, 2015.

Actuarial Assumptions. The total pension liability in the January 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary increases	2.5% - 5.0%, including inflation
Investment rate of return	7.75%, net of pension plan investment expense, including inflation

Mortality rates for were based on the RP-2000 Mortality Table projected with Scale AA.

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government (Continued)

Net Pension Liability of the County (Continued)

The actuarial assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study performed in February, 2014.

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), 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 asset class included in the pension plan's target asset allocation as of December 31, 2015, are summarized in the following table:

Asset class	Target Allocation	Long-term expected real rate of return *
Fixed income	30 %	6.78 %
Large Cap equity	30	9.77
International equity	15	7.48
Other equity	20	9.23
Real estate	5	10.63
	100 %	

* 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 7.5%. 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 of 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.

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government (Continued)

Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the year ended June 30, 2016, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2015	$ 17,729,427	$ 13,765,781	$ 3,963,646
Changes for the year:			
Service cost	326,289	-	326,289
Interest	1,297,294	-	1,297,294
Liability experience (Gain)/Loss	33,583	-	33,583
Assumptions changes	632,876	-	632,876
Contributions - employer	-	833,317	(833,317)
Contributions - employee	-	175,336	(175,336)
Net investment income	-	93,676	(93,676)
Benefit payments, including refunds of employee contributions	(864,349)	(864,349)	-
Administrative expense	-	(33,110)	33,110
Other charges	-	(115,355)	115,355
Net changes	1,425,693	89,515	1,336,178
Balances at June 30, 2016	$ 19,155,120	$ 13,855,296	$ 5,299,824

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.5 percent, 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 (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate.

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
County's net pension liability	$ 7,788,408	$ 5,299,824	$ 3,243,697

NOTE 8. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government (Continued)

Net Pension Liability of the County (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2015, and the current sharing pattern of costs between employer and employee.

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended June 30, 2016, the County recognized pension expense of $955,117. At June 30, 2016, the County reported deferred outflows of resources related to pensions from the following sources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to the measurement date	$ 833,317	$ -
Change in assumptions	503,718	-
Net difference between projected and actual earnings on pension plan investments	876,273	-
Differences between expected and actual experience of economic/demographic (gains)/losses	26,729	-
	$ 2,240,037	$ -

County contributions subsequent to the measurement date of $833,317 will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2017	$ 361,246
2018	361,246
2019	361,246
2020	322,982
Total	$ 1,406,720

NOTE 9. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in the Association of County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund and the Interlocal Risk Management Agency Property and Liability Insurance Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any 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 funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the Workers' Compensation Law of Georgia. The funds are to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

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

The County maintains a self-insured medical benefit plan for their employees. The Plan is accounted for as an internal service fund of the County, is funded according to Plan experience, and serves to reduce overall healthcare costs of the County and their employees. The County purchases specific and aggregate stop loss insurance coverage to protect itself in unusual circumstances. Claims payable at June 30, 2016 were estimated based on the loss analysis report provided by a third-party administrator and pending specific stop loss reimbursements.

NOTE 9. RISK MANAGEMENT (CONTINUED)

Changes in medical claims payable for the fiscal years ended June 30, are as follows:

	June 30, 2016	June 30, 2015
Unpaid claims, beginning of fiscal year	**$ 440,000**	$ 459,278
Incurred claims and changes in estimates	**2,190,551**	3,364,293
Claim payments	**(2,330,551)**	(3,383,571)
Unpaid claims, end of fiscal year	**$ 300,000**	$ 440,000

NOTE 10. COMMITMENTS AND CONTINGENCIES

Litigation

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

Grant Contingencies

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

NOTE 11. JOINT VENTURES

Under Georgia law, the County, in conjunction with other cities and counties in the Southwest Georgia area, is a member of the Southwest Georgia Regional Commission (RC) and is required to pay annual dues thereto. During the fiscal year ended June 30, 2016, the County paid $31,380 in such dues. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of regional commissions in Georgia.

The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional commission. Separate financial statements may be obtained from Southwest Georgia Regional Commission, 30 West Broad Street, Camilla, Georgia 31730.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS

	2016	2015
Total pension liability		
Service cost	**$ 326,289**	$ 367,559
Interest on total pension liability	**1,297,294**	1,266,316
Changes of benefit terms	**-**	-
Differences between expected and actual experience	**33,583**	-
Changes of assumptions	**632,876**	-
Benefit payments, including refunds of employee contributions	**(864,349)**	(788,666)
Net change in total pension liability	**1,425,693**	845,209
Total pension liability - beginning	**17,729,427**	16,884,218
Total pension liability - ending (a)	**$ 19,155,120**	$ 17,729,427
Plan fiduciary net position		
Contributions - employer	**833,317**	837,675
Contributions - employee	**175,336**	191,146
Net investment income	**93,676**	902,915
Benefit payments, including refunds of employee contributions	**(864,349)**	(760,160)
Administrative expenses	**(33,110)**	(34,614)
Other	**(115,355)**	(133,555)
Net change in plan fiduciary net position	**89,515**	1,003,407
Plan fiduciary net position - beginning	**13,765,781**	12,762,374
Plan fiduciary net position - ending (b)	**$ 13,855,296**	$ 13,765,781
County's net pension liability - ending (a) - (b)	**$ 5,299,824**	$ 3,963,646
Plan fiduciary net position as a percentage of the total pension liability	**72.3%**	77.6%
Covered-employee payroll	**$ 6,040,806**	$ 6,803,091
County's net pension liability as a percentage of covered-employee payroll	**87.7%**	58.3%

Notes to the Schedule
The schedule will present 10 years of information once it is accumulated.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF COUNTY CONTRIBUTIONS

	2016	2015	2014
Actuarially determined contribution	**$ 833,317**	$ 836,721	$ 1,033,447
Contributions in relation to the actuarially determined contribution	**833,317**	837,675	1,038,160
Contribution deficiency (excess)	**$ -**	$ (954)	$ (4,713)
Covered-employee payroll	**$ 6,040,806**	$ 6,803,091	$ 8,109,836
Contributions as a percentage of covered -employee payroll	**13.8%**	12.3%	12.8%

Notes to the Schedule

Valuation date	January 1, 2015
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value - 5-year period
Assumed Rate of Return on Investments	7.75%
Projected Salary Increases	2.5% - 5.5% (including 3% for inflation)
Amortization Period	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Service District Fund is used to account for the receipts and expenditures of additional taxes from unincorporated areas restricted to pay for fire protection, economic development and recreation.

Confiscated Assets Fund is used to account for confiscated assets awarded to the County that are restricted on law enforcement expenditures at the discretion of the Sheriff.

Law Library Fund is used to account for the resources received from the various courts of Colquitt County and disbursements for the support of a centralized law library.

Jail Fund is used to account for revenues collected by the imposition of a 10% add-on fine as provided for and restricted by the Georgia Jail Construction and Staffing Act.

Drug Fund is used to account for the collection of additional penalties for certain drug related crimes, donations related to drug education, and for expenditure of those funds solely and exclusively for drug abuse treatment and education programs relating to controlled substances and marijuana (OCGA 15-21-100).

Juvenile Service Fund is used to account for the County's funds collected for the support of juvenile services in the County.

Capital Projects Funds

1999 SPLOST Fund is used to account for courthouse renovations and annex construction financed by a special purpose sales and use tax.

2002 SPLOST Fund is a capital projects fund used to account for the County's receipt and expenditure of special purpose sales tax from the 2002 sales tax referendum.

COLQUITT COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2016

	Special Revenue Funds				
ASSETS	**Special Service District Fund**	**Confiscated Assets Fund**	**Law Library**	**Jail Fund**	**Drug Fund**
Cash and cash equivalents	$ 23,247	$ 137,227	$ 21,099	$ 314,571	$ 150,521
Investments	-	-	-	-	-
Taxes receivable	1,019	-	-	-	-
Due from other funds	1,054,822	-	-	-	-
Due from other governments	-	-	-	6,011	173
Prepaid items	888	-	-	-	-
Total assets	$ 1,079,976	$ 137,227	$ 21,099	$ 320,582	$ 150,694
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 62	$ -	$ -	$ -	$ -
Due to other funds	-	-	-	253,970	104,196
Total liabilities	62	-	-	253,970	104,196
FUND BALANCES					
Nonspendable:					
Prepaid items	888	-	-	-	-
Restricted for:					
Judicial	-	-	21,099	-	-
Public safety	-	137,227	-	66,612	46,498
Economic development	1,079,026	-	-	-	-
Capital outlay	-	-	-	-	-
Total fund balances	1,079,914	137,227	21,099	66,612	46,498
Total liabilities and fund balances	$ 1,079,976	$ 137,227	$ 21,099	$ 320,582	$ 150,694

	Capital Projects Funds			
	Juvenile Services Fund	1999 SPLOST Fund	2002 SPLOST Fund	Total
	$ 14,593	$ 857	$ 143,229	$ 805,344
	-	21	468,971	468,992
	-	-	-	1,019
	-	-	-	1,054,822
	-	-	-	6,184
	-	-	-	888
	$ 14,593	$ 878	$ 612,200	$ 2,337,249
	$ -	$ -	$ -	$ 62
	-	-	-	358,166
	-	-	-	358,228
	-	-	-	888
	-	-	-	21,099
	14,593	-	-	264,930
	-	-	-	1,079,026
	-	878	612,200	613,078
	14,593	878	612,200	1,979,021
	$ 14,593	$ 878	$ 612,200	$ 2,337,249

COLQUITT COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	Special Revenue Funds				
	Special Service District Fund	Confiscated Assets Fund	Law Library	Jail Fund	Drug Fund
Revenues:					
Property taxes	$ 1,884,407	$ -	$ -	$ -	$ -
Fines and forfeitures	-	27,371	10,665	83,842	35,492
Interest income	-	-	24	133	63
Total revenues	1,884,407	27,371	10,689	83,975	35,555
Expenditures:					
Current:					
Judicial	-	-	13,549	-	-
Public safety	525,730	24,599	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	625,097	-	-	-	-
Housing and development	297,743	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	1,448,570	24,599	13,549	-	-
Excess (deficiency) of revenues over (under) expenditures	435,837	2,772	(2,860)	83,975	35,555
Other financing (uses):					
Transfers out	(267,002)	-	-	(123,970)	(35,555)
Total other financing uses	(267,002)	-	-	(123,970)	(35,555)
Net change in fund balances	168,835	2,772	(2,860)	(39,995)	-
Fund balances, beginning of year	911,079	134,455	23,959	106,607	46,498
Fund balances, end of year	$ 1,079,914	$ 137,227	$ 21,099	$ 66,612	$ 46,498

	Capital Projects Funds		
Juvenile Services Fund	1999 SPLOST Fund	2002 SPLOST Fund	Total
$ -	$ -	$ -	$ 1,884,407
9,688	-	-	167,058
-	1	1,271	1,492
9,688	1	1,271	2,052,957
-	-	-	13,549
-	-	-	550,329
7,194	-	-	7,194
-	-	-	625,097
-	-	-	297,743
-	-	1,196,381	1,196,381
7,194	-	1,196,381	2,690,293
2,494	1	(1,195,110)	(637,336)
-	-	-	(426,527)
-	-	-	(426,527)
2,494	1	(1,195,110)	(1,063,863)
12,099	877	1,807,310	3,042,884
$ 14,593	$ 878	$ 612,200	$ 1,979,021

COLQUITT COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
1999 REFERENDUM					
Courthouse Renovations	$ 6,000,000	$ 6,000,000	$ 8,864,716	$ -	$ 8,864,716
2002 REFERENDUM					
Moultrie - Colquitt County Library	$ 249,600	$ 249,600	$ 480,906	$ -	$ 480,906
Sheriff's Department	271,200	271,200	964,338	-	964,338
County Records Repository	249,600	249,600	-	-	-
Sunset Airport	249,600	249,600	249,599	-	249,599
County Museum	100,800	100,800	100,800	-	100,800
Economic Development Authority	4,999,200	4,999,200	3,802,819	1,196,381	4,999,200
Roads, Streets and Bridges	10,701,600	10,701,600	10,701,600	-	10,701,600
City of Berlin Projects	151,200	151,200	152,188	-	152,188
City of Doerun Projects	499,200	499,200	499,199	-	499,199
City of Ellenton Projects	124,800	124,800	124,799	-	124,799
City of Funston Projects	100,800	100,800	100,800	-	100,800
City of Moultrie Projects	5,892,000	5,892,000	5,892,001	-	5,892,001
City of Norman Park Projects	374,400	374,400	374,400	-	374,400
City of Riverside Projects	36,000	36,000	36,000	-	36,000
Totals	$ 24,000,000	$ 24,000,000	$ 23,479,449	$ 1,196,381	$ 24,675,830
2007 REFERENDUM					
Moultrie - Colquitt County Library	$ 75,000	$ 75,000	$ 44,948	$ -	$ 44,948
Sheriff Administration Building	1,000,000	1,000,000	1,190,133	7,304	1,197,437
CCCI Prison Project	1,000,000	1,000,000	1,599,335	47	1,599,382
Moultrie Municipal Airport	275,000	275,000	212,278	-	212,278
Economic Development Authority	2,000,000	2,000,000	749,970	303,619	1,053,589
Roads, Streets and Bridges	12,500,000	12,500,000	12,840,841	163,009	13,003,850
City of Berlin Projects	176,000	176,000	153,061	-	153,061
City of Doerun Projects	600,000	600,000	541,336	-	541,336
City of Ellenton Projects	130,000	130,000	122,600	431	123,031
City of Funston Projects	126,000	126,000	124,304	1,695	125,999
City of Moultrie Projects	11,725,000	11,725,000	11,403,122	-	11,403,122
City of Norman Park Projects	353,000	353,000	347,195	-	347,195
City of Riverside Projects	40,000	40,000	40,488	-	40,488
Totals	$ 30,000,000	$ 30,000,000	$ 29,369,611	$ 476,105	$ 29,845,716

(Continued)

COLQUITT COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
2013 REFERENDUM					
Public Safety and Public Works Vehicles and Equipment	$ 4,000,000	$ 4,000,000	$ 1,356,666	$ 663,481	$ 2,020,147
County Buildings	1,000,000	1,000,000	188,835	122,268	311,103
Roads, Streets and Bridges	13,998,500	13,998,500	-	1,892,011	1,892,011
Technology Equipment and Upgrades	500,000	500,000	42,640	173,034	215,674
City of Moultrie Projects	11,391,000	11,391,000	4,004,839	1,600,348	5,605,187
City of Norman Park Projects	722,000	722,000	126,101	-	126,101
City of Doerun Projects	652,000	652,000	28,743	16,000	44,743
City of Funston Projects	290,000	290,000	59,000	76,652	135,652
City of Berlin Projects	375,000	375,000	86,008	35,960	121,968
City of Ellenton Projects	231,500	231,500	96,744	38,626	135,370
Town of Riverside Projects	40,000	40,000	3,250	-	3,250
Hospital Authority Projects	2,000,000	2,000,000	704,762	280,985	985,747
Development Authority Projects	1,000,000	1,000,000	-	492,096	492,096
Airport Authority Projects	150,000	150,000	-	-	-
Totals	$ 36,350,000	$ 36,350,000	$ 6,697,588	$ 5,391,461	$ 12,089,049

AGENCY FUNDS

Tax Commissioner – This fund is used to account for all real, personal and intangible taxes collected and forwarded to the County and other government units.

Jail Inmate Fund – This fund accounts for jail inmate funds while in custody, and for the purchase of items from the Jail Commissary and related activities on behalf of inmates and the correctional institution.

The following agency funds are used to account for fines, fees and other monies collected by the courts and Sheriff's Office and remitted to other parties in accordance with court orders and state law:

Clerk of Superior Court
Probate Court
Sheriff's Office
Magistrate Court

COLQUITT COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2016

ASSETS	Tax Commissioner	Jail Inmate	Clerk of Superior Court	Probate Court
Cash	$ 338,194	$ 61,804	$ 406,023	$ 4,558
Taxes receivable	7,338	-	-	-
Total assets	$ 345,532	$ 61,804	$ 406,023	$ 4,558
LIABILITIES				
Due to others	$ 338,194	$ 61,804	$ 406,023	$ 4,558
Uncollected taxes	7,338	-	-	-
Total liabilities	$ 345,532	$ 61,804	$ 406,023	$ 4,558

Sheriff's Office	Magistrate Court	Total
$ 215,465	$ 46,252	$ 1,072,296
-	-	7,338
$ 215,465	$ 46,252	$ 1,079,634
$ 215,465	$ 46,252	$ 1,072,296
-	-	7,338
$ 215,465	$ 46,252	$ 1,079,634

COLQUITT COUNTY, GEORGIA

BALANCE SHEET
MOULTRIE - COLQUITT COUNTY LIBRARY
JUNE 30, 2016

ASSETS		
Cash and cash equivalents	$	992,375
Investments		175,283
Total assets	$	1,167,658
LIABILITIES AND FUND BALANCE		
Accounts payable	$	8,954
Accrued expenditures		5,739
Total liabilities		14,693
Fund balance, assigned for library activities		1,152,965
Total liabilities and fund balance	$	1,167,658

COLQUITT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MOULTRIE - COLQUITT COUNTY LIBRARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Revenues:		
Intergovernmental	$	827,846
Charges for services		115,863
Interest revenue		1,615
Total revenues		945,324
Expenditures		997,174
Net change in fund balance		(51,850)
Fund balance, beginning of year		1,204,815
Fund balance, end of year	$	1,152,965

COMPLIANCE SECTION

MAULDIN & JENKINS

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*

Board of Commissioners
of Colquitt County, Georgia
Moultrie, Georgia

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Colquitt County, Georgia (the "County") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Colquitt County, Georgia's basic financial statements and have issued our report thereon dated February 27, 2017. Our report includes a reference to other auditors who audited the financial statements of the Colquitt County Health Department, as described in our report on Colquitt 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 the County'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 the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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. We did identify certain deficiencies in internal control, described as items 2016-001 and 2016-002 in the accompanying schedule of findings and responses that we consider to be significant deficiencies.

Compliance and Other Matters

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

Colquitt County, Georgia's Responses to Findings

Colquitt County, Georgia's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. Colquitt County, Georgia's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 result of that testing, and not to provide an opinion on the effectiveness of the County'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.

Mauldin & Jenkins, LLC

Macon, Georgia
February 27, 2017

COLQUITT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	____ Yes ___X__No
Significant deficiencies identified not considered to be material weaknesses?	___X__ Yes ____None Reported
Noncompliance material to financial statements noted?	____ Yes ___X__No

Federal Awards

There was not an audit of major federal award programs as of June 30, 2016 due to the total amount expended being less than $750,000.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2016 - 001. Segregation of Duties

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

Condition: For the fiscal year ended June 30, 2016, we noted a lack of proper segregation of duties within several areas of Colquitt County, Georgia's operations, including the Clerk of Court, Probate Court, Magistrate Court, Sheriff's Office and the County's finance department.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

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 of accounts should be segregated between employees.

Views of Responsible Officials and Planned Corrective Action: We concur. We will work with staff to segregate duties and apply compensating controls to the extent possible.

COLQUITT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

2016 - 002. Maintenance of Records of Agency Fund Accounts

Criteria: Agency funds are used to account for resources held by the County in a purely custodial capacity, which means that all funds held are owed to other governments, organizations, or individuals. Due to the nature of these funds, it is important that adequate records be maintained to account for receipts, disbursements, and any residual funds that are held to be paid at a later date. Such listings should be reconciled to the respective cash balances maintained.

Condition: During our audit of the Clerk of the Superior Court as of June 30, 2016, we noted no detail listing of amounts payable to (or on behalf of) various parties for garnishments was available to be reconciled to the cash held for garnishments.

Context: A balance of $339,170 in the garnishments bank account could not be supported by a detail listing of garnishments held and due to others.

Effect: Not maintaining a detail listing of garnishments held for others and reconciling that listing to the cash account can lead to accounting errors or potential misappropriation of funds that could go undetected in the normal course of operations.

Recommendation: The Clerk of Court's Office should maintain a detail listing of garnishments held for others and reconcile that listing to the bank account on a monthly basis.

Views of Responsible Officials and Planned Corrective Action: We concur with the recommendation and changes will be implemented as soon as possible.

COLQUITT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Not applicable.

COLQUITT COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

2015 - 001. Segregation of Duties

Criteria: Duties should be segregated between employees so that the responsibility for authorizing transactions, approving transactions and maintaining custody of assets are assigned to different personnel.

Condition: Colquitt County, Georgia is a small local government and has a limited amount of resources and employees. Therefore, the County does not have an adequate number of employees to provide for proper segregation of duties.

Auditee Response/Status: Unresolved – See current year financial audit finding 2016-001.