CRAWFORD COUNTY, GEORGIA



ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

CRAWFORD COUNTY, GEORGIA

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

CRAWFORD COUNTY, GEORGIA

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Crawford County, 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 Crawford County, Georgia (the "County") as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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 Crawford County Board of Health, which represents 8 percent, 0 percent, and 55 percent, respectively, of the assets, net position, and revenues of the 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 Crawford County Board of Health, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Crawford County, Georgia as of September 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General 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 information on pages 4 through 12, the schedule of changes in the net pension liability and related ratios on page 55, the schedule of contributions on page 56, and the notes to the required supplementary information on pages 57 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 the County's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the schedule of project expenditures with special sales tax proceeds and the Crawford County Development Authority component unit financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the schedule of project expenditures with special sales tax proceeds, and the Crawford County Development Authority component unit financial statements are the responsibility of management and were derived from and relates 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, the schedule of project expenditures with special sales tax

proceeds, and the Crawford County Development Authority component unit financial statements are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2017, on our consideration of Crawford 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 Crawford County, Georgia's internal control over financial reporting and compliance.

Macon, Georgia
May 31, 2017

MANAGEMENT'S DISCUSSION & ANALYSIS

As management of Crawford County, Georgia (the "County"), we offer readers of Crawford County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

Financial Highlights

- The assets of Crawford County exceeded its liabilities at September 30, 2016, by $17,629,084 (net position) and at September 30, 2015, by $17,708,996 (net position). Of this amount for 2016, ($2,238,630) represents unrestricted net position, which is an increase in unrestricted net position from the prior year of $116,836.

- At September 30, 2016, the County's total fund balances as summarized for all governmental fund types on page 17 of the financial statements were $1,896,832. At September 30, 2015, the County's total fund balances as summarized for all governmental funds were $2,271,004, a decrease of $374,172, or 16.5% from the 2015 fiscal year.

Overview of the Financial Statements

This Discussion and Analysis is intended to serve as an introduction to Crawford 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 Crawford County's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the Primary Government. There are two government-wide statements, the statement of net position and the statement of activities, which are described below.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or 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 government'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 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).

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 water services. The government-wide financial statements include not only Crawford County itself (known as the primary government), but also the Crawford County Department of Public Health and the Crawford County Development Authority. These are legally separate entities that are component units of the County due to the significance of their operational or financial relationships with the County. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

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. Crawford County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal 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.

Crawford County maintains governmental funds to account for the following activities: General; Special Revenue (Sheriff's Department Drug Fund, Jail Fund, Drug Education, Law Library, Revolving Loan, Transit, and Crime Victim) and Capital Projects (Commissioners' SPLOST, SPLOST VII Fund, LMIG Fund, and the Community Development Block Grant (CDBG) Fund). Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. Crawford County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund within the basic financial statements.

Additionally, budgetary comparison statements for each Special Revenue Fund are presented immediately following the notes to the financial statements.

Proprietary funds. Crawford County uses an enterprise fund, also known as the business-type function, to account for the Crawford County Water Fund. The proprietary fund is reflected in the business-type activities of the government-wide financial statements.

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 Crawford County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Crawford County, assets exceed liabilities by $17,629,084 at the close of the 2016 fiscal year and by $17,708,996 at the close of the 2015 fiscal year, a decrease of $79,912 or 0.5%. Of the $17,629,084, $7,938,878 resulted from County's governmental activities and $9,690,206 resulted from the County's business-type activities in 2016. In comparison, for fiscal year 2015, of the $17,708,996, $8,168,001 resulted from the County's governmental activities and $9,540,995 resulted from the County's business-type activities.

By far, the largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; 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.

Crawford County's Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current and other assets	$ 6,295,089	$ 2,722,481	$ 89,812	$ 82,638	$ 6,384,901	$ 2,805,119
Capital assets	10,165,466	10,130,407	11,493,588	11,406,743	21,659,054	21,537,150
Total assets	16,460,555	12,852,888	11,583,400	11,489,381	28,043,955	24,342,269
Deferred outflows of resources	231,988	15,371	-	-	231,988	15,371
Other liabilities	595,463	327,512	36,429	24,493	631,892	352,005
Long-term liabilities outstanding	4,432,536	4,372,746	1,856,765	1,923,893	6,289,301	6,296,639
Total liabilities	5,027,999	4,700,258	1,893,194	1,948,386	6,921,193	6,648,644
Deferred inflows of resources						
Property taxes	3,601,596	-	-	-	3,601,596	-
Resources related to pensions	124,070	-	-	-	124,070	-
	3,725,666	-	-	-	3,725,666	-
Net Position:						
Net investment in capital assets	9,451,627	9,579,717	9,636,823	9,482,850	19,088,450	19,062,567
Restricted	778,329	987,643	935	14,252	779,264	1,001,895
Unrestricted	(2,291,078)	(2,399,359)	52,448	43,893	(2,238,630)	(2,355,466)
Total net position	$ 7,938,878	$ 8,168,001	$ 9,690,206	$ 9,540,995	$ 17,629,084	$ 17,708,996

An additional portion of Crawford County's total net position (4.42% in 2016 and 5.66% in 2015) represents resources that are subject to external restrictions on how they may be used. The remaining balance of total unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Crawford County is able to report positive balances in all categories of net position for the government as a whole except for the unrestricted net position category.

Governmental activities. Governmental activities decreased the County's net position by $229,123 in 2016 and increased the County's net position by $377,441 in 2015. Key elements of this decrease/increase are as follows:

Crawford County's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program revenues						
Charges for services	$ 1,385,000	$ 1,334,271	$ 366,552	$ 347,209	$ 1,751,552	$ 1,681,480
Operating grants and contributions	98,981	675,313	-	-	98,981	675,313
Capital grants and contributions	315,356	451,471	320,727	451,471	636,083	902,942
General revenues:						
Property taxes	4,067,784	4,040,624	-	-	4,067,784	4,040,624
Sales taxes	925,064	984,050	-	-	925,064	984,050
Other taxes	782,707	740,623	-	-	782,707	740,623
Unrestricted investment earnings	5,331	3,746	26	25	5,357	3,771
Miscellaneous	114,110	157,319	-	-	114,110	157,319
Total revenues	7,694,333	8,387,417	687,305	798,705	8,381,638	9,186,122
Expenses:						
General government	2,139,136	2,201,245	-	-	2,139,136	2,201,245
Judicial	817,946	792,150	-	-	817,946	792,150
Public safety	2,080,976	2,175,164	-	-	2,080,976	2,175,164
Public works	2,360,914	2,343,424	-	-	2,360,914	2,343,424
Health and welfare	185,512	158,521	-	-	185,512	158,521
Recreation	140,550	145,536	-	-	140,550	145,536
Community and economic development	105,981	78,522	-	-	105,981	78,522
Interest on long-term debt	92,441	105,333	-	-	92,441	105,333
Issuance costs	-	-	-	-	-	-
Water	-	-	538,094	558,194	538,094	558,194
Total expenses	7,923,456	7,999,895	538,094	558,194	8,461,550	8,558,089
Change in net position before transfers	(229,123)	387,522	149,211	240,511	(79,912)	628,033
Transfers	-	(10,081)	-	10,081	-	-
Change in net position	(229,123)	377,441	149,211	250,592	(79,912)	628,033
Net position, beginning	8,168,001	7,790,560	9,540,995	9,290,403	17,708,996	17,080,963
Net position, ending	$ 7,938,878	$ 8,168,001	$ 9,690,206	$ 9,540,995	$ 17,629,084	$ 17,708,996

Financial Analysis of the Government's Funds

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

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

At the end of the 2016 fiscal year, the County's governmental funds reported combined ending fund balances of $1,896,832 a decrease of $374,172 in comparison with the prior year. Specifically, unassigned general fund balance decreased $111,754. Due to the implementation of GASB 54 during the fiscal year ending September 30, 2012, there are no unassigned fund balances associated with special revenue or capital project funds. For these funds, fund balances are reported as: (1) nonspendable, (2) restricted, or (3) assigned. Approximately 83.3% of the fund balance for the general fund is unassigned fund balance, which is available for spending at the government's discretion.

The general fund is the chief operating fund of Crawford County. At the end of the current fiscal year, total fund balance reached $964,650 for which all was unassigned with the exception of $161,462. Of this, $150,783 was shown as nonspendable for prepaids and $10,679 was classified as assigned fund balance for the jail's commissary fund and the recreation fund. The fund balance of the County's total general fund decreased by $106,798 during fiscal year 2016. The County's revenues collected in 2016 was less than the final budget by $227,704. The County's expenditures were less than the final budget by $339,297. When combined with transfers out of the general fund ($21,127), proceeds from capital leases of $242,702, insurance recoveries of $64,157 and debt service payments ($79,553 in principal and $11,171 in interest), the net result was the decrease of $106,798.

The Capital Project Funds account for the financial resources provided from the 2009 and the 2014 (SPLOST VII) one percent Special Purpose Local Option Sales Tax (SPLOST). The resources from the 2009 SPLOST issuance must be used for roads, streets, and bridges, a new government facility, public safety facilities, recreation facilities and capital equipment, courthouse improvements, economic and community development projects, water/wastewater improvements for the City or Roberta, and public safety facilities and equipment for the City or Roberta. The 2014 SPLOST issuance (SPLOST VII) was established to account for the proceeds of sales taxes collected for capital projects to be constructed with proceeds from general obligation bonds. At the end of the 2016 fiscal year, the non major Capital Project funds (Commissioners' SPLOST, SPLOST VII Fund, LMIG Fund, and the Community Development Block Grant (CDBG) Fund) had a combined fund balance of $932,182. All activities of the 2009 SPLOST and the 2014 SPLOST (SPLOST VII) are reported between the above mentioned funds. Both proceeds from sales tax collections and capital expenditures are reported between the capital projects funds.

The project length budget for the 2009 SPLOST is $4,676,000. The financial resources must be used for the funding the following capital outlay projects: roads, street, and bridges, construction of a new government facility, purchase of public safety facilities and equipment, construction of recreation facilities and capital equipment, courthouse improvements, economic and community development projects, water/wastewater projects for the City of Roberta, and public safety equipment and facilities for the City of Roberta.

The project length budget for the 2014 SPLOST VII is $3,000,000. The financial resources must be used for the funding the following capital outlay projects: roads, street, and bridges, purchase of public safety facilities and equipment, construction of recreation facilities and improvements, water/wastewater projects for the City of Roberta, and public safety equipment and facilities for the City of Roberta. Additionally, a majority of the budget (68%) is used to for the repayment of bonds.

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

For the year ended September 30, 2016, the proprietary fund indicates total net position of $9,690,206. This is an increase in total net position for the proprietary fund in the amount of $149,211.

Crawford County
Enterprise Net Operating Income,
Nonoperating Expenses and Transfers

	2016	2015
Net operating (loss)/income:		
Water Fund	$ (99,610)	$ (136,365)
Total net operating (loss)/income	(99,610)	(136,365)
Nonoperating expenses	(71,906)	(74,595)
Loss before transfers and contributions	(171,516)	(210,960)
Capital Contributions	320,727	451,471
Transfers in/(out)	-	10,081
Changes in net position	$ 149,211	$ 250,592

Capital Asset and Debt Administration

Capital assets. Crawford County's investment in capital assets for its governmental activities as of September 30, 2016 increased $35,059 to $10,165,466 (net of accumulated depreciation). Additionally, the County's investment in capital assets for its business-type activities as of September 30, 2016

increased by $86,845 to $11,493,588. This investment in capital assets includes land, construction in progress (several roads being paved as well as a recreation building which includes a concession stand and bathrooms) buildings and improvements, machinery and equipment, vehicles, land improvements, roads, streets and bridges (infrastructure), and water lines (infrastructure).

Crawford County's Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	$ 625,575	$ 565,553	$ 26,000	$ 26,000	$ 651,575	$ 591,553
Construction in progress	-	60,022	320,728	-	320,728	60,022
Buildings and improvements	3,216,938	3,270,769	23,677	27,059	3,240,615	3,297,828
Machinery and equipment	787,673	861,372	16,761	25,526	804,434	886,898
Vehicles	1,251,854	1,092,260	-	-	1,251,854	1,092,260
Infrastructure	4,109,525	4,116,280	11,106,422	11,328,158	15,215,947	15,444,438
Land improvements	173,901	164,151	-	-	173,901	164,151
Total	$ 10,165,466	$ 10,130,407	$ 11,493,588	$ 11,406,743	$ 21,659,054	$ 21,537,150

Long-term debt. At the end of the current fiscal year, Crawford County had total outstanding debt of $6,289,301 of which $1,856,765 is from the proprietary fund (water).

- Capital leases are used to finance new equipment primarily in the Road department
- Crawford County closed its landfill on Fairplay Hill Road many years ago. Federal and state laws require maintenance and monitoring of the landfill for a period of thirty (30) years. The County has eleven (11) years of monitoring remaining. The costs of monitoring have been estimated based on what it would cost to perform all postclosure care in 2016. However, the actual cost may be higher due to inflation, changes in technology, or changes in laws.

Crawford County's Long-term Debt

	Beginning Balance	Additions	Reductions	Ending Balance	Due in One Year
Governmental activities:					
General obligation bonds	$ 3,225,000	$ -	$ 235,000	$ 2,990,000	$ 240,000
Notes payable	55,201	-	19,386	35,815	20,164
Capital leases	495,489	242,702	60,167	678,024	107,932
Net pension liability	285,055	105,642	-	390,697	-
Landfill postclosure	312,001	51,999	26,000	338,000	26,000
	$ 4,372,746	$ 400,343	$ 340,553	$ 4,432,536	$ 394,096
Business-type activities:					
Revenue bonds	$ 1,760,595	$ -	$ 40,439	$ 1,720,156	$ 41,958
Notes payable	163,298	-	26,689	136,609	27,951
Total	$ 1,923,893	$ -	$ 67,128	$ 1,856,765	$ 69,909

Additional detail on capital assets and long-term debt activity can be found in the notes to the financial statements.

Economic Factors

- The unemployment rate for Crawford County is at 5.7% which is the same as the rate for Middle Georgia. The rate for the State of Georgia is 5.4%. (Unemployment rate per the County Labor Force Estimates is from the Georgia Department of Labor website: www.dol.state.ga.us/).

Requests for Information

This financial report is designed to provide a general overview of Crawford County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Crawford County Board of Commissioner's Office, Crawford County, Georgia, Post Office Box 1059, Roberta, Georgia 31078.

FINANCIAL STATEMENTS

CRAWFORD COUNTY, GEORGIA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Crawford County Development Authority	Crawford County Health Department
ASSETS					
Cash and cash equivalents	$ 1,651,122	$ 56,548	$ 1,707,670	$ 528,816	$ 239,672
Receivables, net of allowance					
Taxes	3,783,062	-	3,783,062	-	-
Accounts	178,154	34,246	212,400	10,060	16,210
Notes receivable	141,925	-	141,925	78,190	-
Due from other governments	386,562	-	386,562	-	-
Internal balances	1,917	(1,917)	-	-	-
Prepaid items	150,783	-	150,783	-	-
Due from component unit	1,564	-	1,564	-	-
Restricted cash	-	935	935	-	-
Capital assets					
Non depreciable	625,575	346,727	972,302	60,276	-
Depreciable assets, net	9,539,891	11,146,861	20,686,752	2,335,864	2,985
Total Assets	16,460,555	11,583,400	28,043,955	3,013,206	258,867
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows of resources related to pensions	231,988	-	231,988	-	42,325
Total deferred outflows of resources	231,988	-	231,988	-	42,325

The notes to the financial statements are an integral part of this statement.

CRAWFORD COUNTY, GEORGIA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2016
(CONTINUED)

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Crawford County Development Authority	Crawford County Health Department
LIABILITIES					
Accounts payable	458,551	15,839	474,390	12,231	-
Accrued salaries and benefits	103,827	1,825	105,652	-	4,748
Accrued interest	26,847	3,736	30,583	-	-
Unearned revenue	-	6,304	6,304	4,000	-
Due to primary government	-	-	-	1,564	-
Customer deposits payable	-	8,725	8,725	-	-
Due to other governments	6,238	-	6,238	-	13,387
Noncurrent liabilities:					
Due within one year					
Bonds payable	240,000	41,958	281,958	-	-
Notes payable	20,164	27,951	48,115	63,131	-
Capital leases	107,932	-	107,932	-	-
Landfill postclosure	26,000	-	26,000	-	-
Due in more than one year					
Bonds payable	2,750,000	1,678,198	4,428,198	-	-
Notes payable	15,651	108,658	124,309	78,794	-
Capital leases	570,092	-	570,092	-	-
Landfill postclosure	312,000	-	312,000	-	-
Compensated absences	-	-	-	-	21,876
Net pension liability	390,697	-	390,697	-	235,508
Total Liabilities	5,027,999	1,893,194	6,921,193	159,720	275,519
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue - property taxes	3,601,596	-	3,601,596	-	-
Deferred inflows of resources related to pensions	124,070	-	124,070	-	18,874
Total deferred inflows of resources	3,725,666	-	3,725,666	-	18,874
NET POSITION					
Net investment in capital assets	9,451,627	9,636,823	19,088,450	2,254,215	2,985
Restricted for					
Capital outlay	276,097	-	276,097	-	-
Other restrictions	502,232	935	503,167	-	-
Unrestricted (deficit)	(2,291,078)	52,448	(2,238,630)	599,271	3,814
Total Net Position	$ 7,938,878	$ 9,690,206	$ 17,629,084	$ 2,853,486	$ 6,799

The notes to the financial statements are an integral part of this statement.

CRAWFORD COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 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	$ 2,139,136	$ 333,550	$ 31,632	$ -
Public safety	2,080,976	5,892	-	-
Public works	2,360,914	691,905	-	315,356
Judicial	817,946	264,984	8,431	-
Health and welfare	185,512	6,066	58,918	-
Culture and recreation	140,550	82,603	-	-
Housing and development	105,981	-	-	-
Interest on long-term debt	92,441	-	-	-
Total governmental activities	7,923,456	1,385,000	98,981	315,356
Business-type Activities				
Water Fund	538,094	366,552	-	320,727
Total business-type activities	538,094	366,552	-	320,727
Total Primary Government	$ 8,461,550	$ 1,751,552	$ 98,981	$ 636,083
Component Units:				
Development Authority	$ 255,315	$ 199,111	$ 78,359	$ -
Health Department	333,729	139,751	211,356	-
Total Component Units	$ 589,044	$ 338,862	$ 289,715	$ -

General Revenues
Property tax
Sales tax
Other tax
Interest revenue
Miscellaneous
Total General Revenues

Change in Net Position

Net Position - Beginning of Year

Net Position - End of Year

The notes to the financial statements are an integral part of this statement

CRAWFORD COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(CONTINUED)

	Net (Expense) Revenue and Changes in Net Position				
	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Development Authority	Health Department
	$ (1,773,954)	$ -	$ (1,773,954)		
	(2,075,084)	-	(2,075,084)		
	(1,353,653)	-	(1,353,653)		
	(544,531)	-	(544,531)		
	(120,528)	-	(120,528)		
	(57,947)	-	(57,947)		
	(105,981)	-	(105,981)		
	(92,441)	-	(92,441)		
	(6,124,119)	-	(6,124,119)		
	-	149,185	149,185		
	-	149,185	149,185		
	(6,124,119)	149,185	(5,974,934)		
				$ 22,155	$ -
				-	17,378
				22,155	17,378
	4,067,784	-	4,067,784	-	-
	925,064	-	925,064	-	-
	782,707	-	782,707	-	-
	5,331	26	5,357	5,709	369
	114,110	-	114,110	-	-
	5,894,996	26	5,895,022	5,709	369
	(229,123)	149,211	(79,912)	27,864	17,747
	8,168,001	9,540,995	17,708,996	2,825,622	(10,948)
	$ 7,938,878	$ 9,690,206	$ 17,629,084	$ 2,853,486	$ 6,799

The notes to the financial statements are an integral part of this statement

CRAWFORD COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	$ 904,189	$ 746,933	$ 1,651,122
Taxes receivable	3,783,062	-	3,783,062
Accounts receivable, net	178,154	-	178,154
Notes receivable	-	141,925	141,925
Due from other governments	49,224	337,338	386,562
Due from other funds	7,558	-	7,558
Due from component unit	1,564	-	1,564
Prepaid items	150,783	-	150,783
Total Assets	$ 5,074,534	$ 1,226,196	$ 6,300,730
LIABILITIES			
Accounts payable	$ 178,611	$ 279,940	$ 458,551
Accrued liabilities	101,632	2,195	103,827
Due to other governments	-	6,238	6,238
Due to other funds	-	5,641	5,641
Total Liabilities	280,243	294,014	574,257
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	3,601,596	-	3,601,596
Unavailable revenue - property taxes	228,045	-	228,045
Total Deferred Inflows of Resources	3,829,641	-	3,829,641
FUND BALANCES			
Nonspendable	150,783	141,925	292,708
Restricted	-	778,329	778,329
Assigned	10,679	11,928	22,607
Unassigned	803,188	-	803,188
Total Fund Balances	964,650	932,182	1,896,832
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 5,074,534	$ 1,226,196	$ 6,300,730

The notes to the financial statements are an integral part of this statement.

CRAWFORD COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
SEPTEMBER 30, 2016

Amounts reported for governmental activities in the statement of net position are different because:

Total Fund Balances - Governmental Funds	$	1,896,832
Capital Assets		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of the assets		19,999,217
Accumulated depreciation		(9,833,751)
Deferred outflows of resources		
Pension contributions		231,988
Revenues		
Some of the government's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are unearned in the funds.		228,045
Long-term Liabilities		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Position. Long-term liabilities at year-end consist of the following:		
Bonds payable		(2,990,000)
Notes payable		(35,815)
Capital leases payable		(678,024)
Landfill		(338,000)
Net pension liability		(390,697)
Accrued interest payable		(26,847)
Deferred inflows of resources		
Pension contributions		(124,070)
Total Net Position of Governmental Activities	$	7,938,878

The notes to the financial statements are an integral part of this statement.

CRAWFORD COUNTY, GEORGIA

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

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues:			
Property taxes	$ 3,992,887	$ -	$ 3,992,887
Sales taxes	411,085	513,979	925,064
Other taxes	782,707	-	782,707
Licenses and permits	82,536	-	82,536
Intergovernmental revenue	35,334	379,003	414,337
Charges for services	1,204,462	6,066	1,210,528
Fines and forfeitures	53,652	38,284	91,936
Interest earnings	4,604	727	5,331
Other miscellaneous revenues	49,953	-	49,953
Total Revenues	6,617,220	938,059	7,555,279
Expenditures:			
Current:			
General government	2,040,149	-	2,040,149
Judicial	761,252	16,385	777,637
Public safety	1,931,422	12,852	1,944,274
Public works	1,836,589	129,655	1,966,244
Health and welfare	112,579	86,887	199,466
Culture and recreation	132,012	18,835	150,847
Housing and community development	105,023	-	105,023
Intergovernmental	-	71,957	71,957
Debt Service			
Principal	79,553	235,000	314,553
Interest	11,171	81,270	92,441
Capital Outlay	-	573,719	573,719
Total Expenditures	7,009,750	1,226,560	8,236,310
Excess (Deficiency) of Revenues Over (Under) Expenditures	(392,530)	(288,501)	(681,031)
Other Financing Sources (Uses):			
Capital leases	242,702	-	242,702
Insurance recoveries	64,157	-	64,157
Transfers from other funds	-	21,127	21,127
Transfers to other funds	(21,127)	-	(21,127)
Total other financing sources (uses)	285,732	21,127	306,859
Net change in fund balances	(106,798)	(267,374)	(374,172)
Fund Balance, beginning of year	1,071,448	1,199,556	2,271,004
Fund Balance, end of year	$ 964,650	$ 932,182	$ 1,896,832

The notes to the financial statements are an integral part of this statement.

CRAWFORD 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 SEPTEMBER 30, 2016

Amounts reported for governmental activities in the statement of activities are different because:		
Net Change in Fund Balances - total governmental funds	$	(374,172)
Capital Assets		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.		
Total capital outlays		753,549
Total depreciation		(699,048)
In the Statement of Activities, only the loss on the sale/disposal of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net assets differs from the change in fund balance by the cost of the capital assets sold or disposed.		
Total gain / (loss) on disposal		(19,442)
Deferred outflows of resources related to pensions is not available during the current period and		
Change in deferred outflows of resources related to pensions		216,617
Long-term Debt		
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:		
Issuance of debt		(242,702)
Bonds payable		235,000
Notes payable		19,386
Capital leases		60,167
Net pension liability		(105,642)
Landfill		(25,999)
Accrued interest on debt		2,336
Deferred inflows of resources related to pensions is not available during the current period and		
Change in deferred inflows of resources related to pensions		(124,070)
Revenues		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		74,897
Change in Net Position of Governmental Activities	$	(229,123)

The notes to the financial statements are an integral part of this statement.

CRAWFORD COUNTY, GEORGIA

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

	Budget			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 4,278,000	$ 4,278,000	$ 3,992,887	$ (285,113)
Sales taxes	435,000	435,000	411,085	(23,915)
Other taxes	720,193	720,193	782,707	62,514
Licenses and permits	49,500	49,500	82,536	33,036
Intergovernmental revenue	-	-	35,334	35,334
Charges for services	1,286,825	1,286,825	1,204,462	(82,363)
Fines and forfeitures	38,000	38,000	53,652	15,652
Interest earnings	-	-	4,604	4,604
Other miscellaneous revenues	37,406	37,406	49,953	12,547
Total Revenues	6,844,924	6,844,924	6,617,220	(227,704)
Expenditures				
Current				
General government:				
County administrator	33,700	55,454	55,454	-
County commission	1,015,020	1,047,569	1,047,569	-
Grounds maintenance	207,448	221,296	221,296	-
Elections	119,791	119,791	109,861	9,930
Planning and zoning	124,379	124,379	111,425	12,954
Tax assessors	312,591	312,591	273,427	39,164
Tax commissioner	214,502	215,072	215,072	-
Board of equalization	7,680	7,680	6,045	1,635
Total general government	2,035,111	2,103,832	2,040,149	63,683
Judicial:				
District attorney	6,855	6,855	5,824	1,031
Magistrate court	147,042	147,042	137,230	9,812
Probate court	126,515	126,546	126,546	-
Superior court	286,842	301,873	301,873	-
Clerk of superior court	173,690	189,779	189,779	-
Total judicial:	740,944	772,095	761,252	10,843

The notes to the financial statements are an integral part of this statement

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

	Budget			
	Original	Final	Actual	Variance with Final Budget
Expenditures				
Current				
Public safety:				
Coroner	51,269	60,140	60,140	-
Fire department	148,148	148,148	137,675	10,473
Emergency management	39,908	39,908	28,247	11,661
Jail	523,428	523,428	478,165	45,263
Dispatcher	322,212	322,212	314,030	8,182
Sheriff	890,204	913,165	913,165	-
Total public safety	1,975,169	2,007,001	1,931,422	75,579
Public works:				
Roads	736,002	1,065,736	925,251	140,485
Shop	326,346	326,346	301,115	25,231
Waste collection	528,000	528,000	525,787	2,213
Waste disposal	94,660	94,660	84,436	10,224
Total public works	1,685,008	2,014,742	1,836,589	178,153
Health and welfare:				
Health and welfare	73,000	73,000	71,405	1,595
Older Americans Council	13,950	37,174	37,174	-
Welfare	4,000	4,000	4,000	-
Total health and welfare	90,950	114,174	112,579	1,595
Culture and recreation:				
Recreation	83,400	103,729	103,729	-
Libraries	26,413	28,283	28,283	-
Total culture and recreation	109,813	132,012	132,012	-

The notes to the financial statements are an integral part of this statement

CRAWFORD COUNTY, GEORGIA

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

	Budget			
	Original	Final	Actual	Variance with Final Budget
Expenditures				
Current				
Housing and community development:				
Forest resources	16,699	20,874	20,874	-
Extension office	30,896	31,407	31,407	-
Conservation	22,420	29,420	29,420	-
Development authority	25,000	25,000	23,322	1,678
Total housing and community development	95,015	106,701	105,023	1,678
Total current expenditures	6,732,010	7,250,557	6,919,026	331,531
Debt service:				
Principal	87,319	87,319	79,553	7,766
Interest	1,898	11,171	11,171	-
Total debt service	89,217	98,490	90,724	7,766
Total expenditures	6,821,227	7,349,047	7,009,750	339,297
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,697	(504,123)	(392,530)	111,593
Other Financing Sources (Uses):				
Capital leases	-	242,702	242,702	-
Insurance recoveries	-	-	64,157	64,157
Transfers in from other funds	-	43,077	-	(43,077)
Transfers to other funds	(23,697)	(23,697)	(21,127)	2,570
Total Other Financing Sources (Uses)	(23,697)	262,082	285,732	23,650
Net Change in fund balance	-	(242,041)	(106,798)	135,243
Fund Balance, beginning of year	1,071,448	1,071,448	1,071,448	-
Fund Balance, end of year	$ 1,071,448	$ 829,407	$ 964,650	$ 135,243

The notes to the financial statements are an integral part of this statement

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CRAWFORD COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Fund
	Water Fund
ASSETS	
Current assets:	
Cash	$ 56,548
Restricted cash	935
Accounts receivable, net of allowance for uncollectible accounts	34,246
Total current assets	91,729
Noncurrent assets:	
Capital assets:	
Nondepreciable	346,727
Depreciable, net	11,146,861
Total capital assets	11,493,588
Total noncurrent assets	11,493,588
Total assets	11,585,317
LIABILITIES	
Current liabilities:	
Accounts payable	15,839
Accrued liabilities	1,825
Accrued interest	3,736
Customer deposits payable	8,725
Unearned revenue	6,304
Due to other funds	1,917
Current maturities of long term debt	69,909
Total current liabilities	108,255
Long-term liabilities:	
Long-term debt, net of current portion	1,786,856
Total long-term liabilities	1,786,856
Total liabilities	1,895,111
NET POSITION	
Net investment in capital assets	9,636,823
Restricted for	
Water system maintenance	935
Unrestricted	52,448
Total net position	$ 9,690,206

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

CRAWFORD COUNTY, GEORGIA

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

	Business-type Activities - Enterprise Fund
	Water Fund
Operating Revenues:	
Charges for services	$ 366,552
Total operating revenues	366,552
Operating Expenses:	
Cost of sales and services	158,566
General and administration	73,713
Depreciation	233,883
Total Operating Expenses	466,162
Operating income	(99,610)
Non-Operating Revenues (Expense):	
Interest income	26
Interest expense	(71,932)
Total Non-Operating Expenses	(71,906)
Loss before capital contributions	(171,516)
Capital contributions	320,727
Change in net position	149,211
Net position - beginning of year	9,540,995
Net position - end of year	$ 9,690,206

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

CRAWFORD COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Business-type Activities - Enterprise Fund
	Water Fund
Cash Flows from Operating Activities:	
Receipts from customers and users	$ 368,149
Payments to employees	(48,348)
Payments to suppliers for goods and services provided	(172,245)
Net Cash Provided by Operating Activities	147,556
Cash Flows from Capital and Related Financing Activities:	
Purchase of capital assets	(320,727)
Principal payments on long-term debt	(67,128)
Interest payments on long-term debt	(72,209)
Capital grant proceeds	320,727
Net Cash Used for Capital and Related Financing Activities	(139,337)
Cash Flows from Investing Activities:	
Interest received	26
Net Cash Provided by Investing Activities	26
Net Decrease in Cash and Cash Equivalents	8,245
Cash and Cash Equivalents - Beginning of Year	49,238
Cash and Cash Equivalents - End of Year	$ 57,483
Classified as:	
Cash	$ 56,548
Restricted Cash	935
	$ 57,483
Noncash investing, capital, and financing activities:	
Contributions of capital assets from government	$ 320,727
Total noncash investing, capital, and financing activities	$ 320,727

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

CRAWFORD COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(CONTINUED)

	Business-type Activities - Enterprise Fund Water Fund
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	$ (99,610)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation	233,883
Changes in Assets and Liabilities:	
(Increase)/decrease in accounts receivables	(203)
Increase/(decrease) in accounts payable	12,642
Increase/(decrease) in retainage payable	(2,630)
Increase/(decrease) in accrued liabilities	400
Increase/(decrease) in due to other funds	1,274
Increase/(decrease) in customer deposits	1,800
Total adjustments	247,166
Net Cash Provided by Operating Activities	$ 147,556

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

CRAWFORD COUNTY, GEORGIA

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

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 359,886
Certificates of deposit	48,799
Total Assets	$ 408,685
LIABILITIES	
Due to State of Georgia	$ 117,538
Due to Board of Education	104,478
Due to Other Governments	4,227
Funds held in escrow	144,304
Due to others	38,138
Total Liabilities	$ 408,685

The notes to the financial statements are an integral part of this statement

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Crawford County is a political subdivision of the State of Georgia. It is governed by an elected board of five county commissioners. The financial statements of Crawford County, Georgia (the County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. 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. The Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Crawford County (the primary government) and any component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards Board (GASB) No. 61 "The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and 34," the County's relationships with other governments and agencies have been examined. The financial statements of each component unit have been included as a discretely presented component unit. The component unit columns in the combined financial statements include the financial data for the Development Authority of Crawford County, as of September 30, 2016 and the Crawford County Health Department, as of June 30, 2016. The financial information for the component units is reported in columns separate from the County's financial information to emphasize that it is legally separate from the County.

Development Authority of Crawford County

The members of the governing board of the Development Authority of Crawford County (the Development Authority) are appointed by the Board of Commissioners of Crawford County. Although the County does not have the authority to approve or modify the budget of the Development Authority, the County provides financial support to the Development Authority. The Development Authority is presented as a governmental fund type and only maintains a General Fund. The Development Authority does not issue separate financial statements.

Crawford County Health Department

The Crawford County Board of Commissioners appoints three members of the Crawford County Health Department (the Health Department) Board of Directors. Also, the

Chairman of the County Board of Commissioners is a member of the Health Department Board of Directors. Therefore, the Crawford County Board of Commissioners is responsible for four of the seven positions on the Health Department Board of Directors. Complete financial statements for the Crawford County Health Department as of the fiscal year ending June 30, 2016 may be obtained at the Health Department's administrative office at the following location:

Crawford County Health Department
141 McCrary Avenue
Roberta, Georgia 31078

B. Fund Accounting

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. Government-wide financial statements do not provide information by fund or account group, but distinguish between the County's governmental activities and business-type activities. 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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to those 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 segments. 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 and Basis of Accounting

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. 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.

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 claims and judgments, are recorded only when payment is due.

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

Property taxes, sales tax, intergovernmental grants, 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 format of the fund financial statements has been modified by GASB Statement No. 34. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. GASB Statement No. 34 also requires, as required supplementary information, Management's Discussion and Analysis which includes an analytical overview of the County's financial activity.

The County reports the following major governmental fund:

> 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 County reports the following major proprietary fund:

> The **Water Fund** is an enterprise fund used to account for the provision of water services to citizens of Crawford County. Activities of the fund include water administration, operations, billing and collections.

Additionally, the County reports the following fund types:

> The **special revenue funds** account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.
>
> The **capital project funds** account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Business-type / Proprietary Funds).

The **agency funds** are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Amounts reported as program revenues include 1) charges for services 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 non-operating 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 fund are charges for goods and services provided. Operating expenses of the enterprise funds include the cost of these goods and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. Cash and Cash Equivalents

The County and its discretely presented component units' cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

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 fund financial statements, these receivables and payables are classified as "due from other funds" or "due to other funds."

F. Prepaid Items

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

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated

historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the County chose to include all such items regardless of their acquisition date. The County was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to acquisition year or estimated acquisition year).

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the County during the current fiscal year was $164,373. For the fiscal year ending September 30, 2016, there were no ongoing projects financed with loan funds. Therefore, none of the interest paid was capitalized.

Capital assets of the primary government and each discretely presented component unit are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Land improvements	15-20
Buildings and improvements	20-60
Equipment	5-20
Vehicles	5-20
Infrastructure	30-60

H. 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.

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 the debt issued is reported as other financing sources. Premiums received on debt issuances 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.

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused personal hours that the employee may use for sickness and vacation. Vacation hours must be used by the end of the fiscal year, as they do not vest. There is no liability for unpaid sick leave or vacation leave, as the County does not have a policy to pay any amounts when employees separate from service with the County whether it is through termination or voluntary resignation. Instead, the amount earned but unused can be added towards retirement (i.e., employee can retire early and receive a salary for time accrued).

J. Management 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 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 those estimates.

K. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources (expense / expenditures) until then. The County has one item that qualifies for reporting in this category. The deferred outflow of resources related to the pension plans. This amount is deferred and will be recognized as a reduction of the net pension liability in future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of deferred inflows, which arises under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the items, unavailable revenue, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government has one type of deferred inflows, which arises under both the modified accrual basis of accounting and accrual basis of accounting and that is the 2016 tax digest receivable that is reported as deferred inflows of resources – deferred revenues on the government-wide statement of net position and the Governmental Fund statements since this digest was approved to finance the 2017 budget. The government has one type of deferred inflows, which arises only under the accrual basis of accounting for the deferred inflows of resources related to pensions that is reported on the government-wide statement of net position.

L. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

M. Fund Equity

In the financial statements, governmental funds report the following classifications of fund balance in accordance with Governmental Accounting Standards Board Statement No. 54:

- Nonspendable – amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – amounts are restricted when constraints have been placed on the use of resources (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners (the Board). The Board approves committed resources through a motion and vote during the voting session of the Board's meetings.
- Assigned – amounts that are constrained by the Board's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board has authorized the County finance director or designee to assign fund balances.
- Unassigned – amounts that have not been assigned to other funds and that are not restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

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

The County does not have a formal minimum fund balance policy. The following is a summary of the fund balance classifications as of September 30, 2016:

	General Fund	Nonmajor Governmental	Total
Fund Balances			
Nonspendable:			
Prepaids	$ 150,783	$ -	$ 150,783
Notes receivable	-	141,925	141,925
Restricted for:			
Capital outlay	-	276,097	276,097
Law enforcement	-	36,687	36,687
Law library	-	76,862	76,862
Drug education	-	78,392	78,392
Revolving loan	-	247,872	247,872
Crime victim	-	62,419	62,419
Assigned			
Transit	-	11,928	11,928
Jail concession	10,679	-	10,679
Unassigned	803,188	-	803,188
Total fund balances	$ 964,650	$ 932,182	$ 1,896,832

NOTE 2 – LEGAL COMPLIANCE – BUDGETS

A. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. After preparation of the departmental budgets by the department heads and the County Manager, each department head formally presents the budget to the Board of Commissioners. The Board of Commissioners reviews each budget at this time.
2. After review of each departmental budget and revisions made by the department heads, the budget is adopted by the Board of Commissioners.
3. Formal budgetary integration is the management tool used as a control device during the year for the General Fund. The legal level of budgetary control is the department level.
4. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. An annual appropriated budget is legally adopted for the General Fund, Law Library Fund, the Sheriff's Department Drug Fund, the Drug Education Fund, the Jail Fund, the Transit System Fund, the Revolving Loan Fund, and the Crime Victim Fund.
5. All appropriations lapse at fiscal year-end.

NOTE 3 – DEPOSITS AND INVESTMENTS

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 (Georgia Fund 1); repurchase agreements; and obligations of other political subdivisions of the State of Georgia. At September 30, 2016, the County's only investments were in certificates of deposit.

At September 30, 2016, the County's investments in certificates of deposit were as follows:

Investment	Maturity	Amount
Certificates of deposit - Agency Funds	91 days	$ 48,800

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.

Custodial credit risk — deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government 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 September 30, 2016, all of the deposits of the County and its component units were fully collateralized in accordance with the state statutes.

NOTE 4 – PROPERTY TAXES

State law requires that property taxes be based on assessed value, which is 40% of market value. All real and personal property (including motor vehicles) is valued as of January 1 of each year and must be returned for tax purposes by March 1. With the exception of motor vehicles and the property of public utilities, which are valued by the State Revenue Department, all assessments are made by the Board of Tax Assessors of Crawford County.

Exemptions are permitted for certain inventories. A homestead exemption is allowed for each taxpayer that is a homeowner and resides in the household as of January 1. There are other exemptions provided by state and local laws.

Upon completion of all assessments and tax returns, the information is turned over to the County Tax Commissioner for compilation of the tax digest. The completed tax digest must be submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the state mandated forty percent (40%) of fair market value. The Commissioner has the option to withhold certain state funding if the mandated 40% level is not reached.

The Crawford County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes are due based upon the birthday of the owner. The 2015 property taxes were levied on September 2nd, and mailed during September, with a due date of December 20th. Property tax receivables have been reduced to their estimated net realizable value. Estimated uncollectible amounts are based upon historical experience rates and result in a direct reduction of the related revenue amount at the end of the period. The 2016 tax digest receivable and amounts collected at year-end are reported as deferred inflows of resources – deferred revenues on the government-wide statement of net position and the Governmental Fund statements since this digest was approved to finance the 2017 budget.

NOTE 5 – RECEIVABLES

Receivables at September 30, 2016, consist of the following:

Receivables:	General Fund	Non-Major Funds	Water Fund	Total
Taxes	$ 3,783,062	$ -	$ -	$ 3,783,062
Notes receivable	-	141,925	-	141,925
Accounts	185,613	-	56,005	241,618
	3,968,675	141,925	56,005	4,166,605
Less allowance for uncollectibles	(7,459)	-	(21,759)	(29,218)
Total receivables	$ 3,961,216	$ 141,925	$ 34,246	$ 4,137,387

NOTE 6 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at September 30, 2016, for the County's individual major funds and nonmajor funds in the aggregate are as follows:

	General Fund	Non-Major Funds	Total
Receivables:			
Federal	$ -	$ 292,268	$ 292,268
State	35,472	44,351	79,823
Other	13,752	719	14,471
Total receivables	$ 49,224	$ 337,338	$ 386,562

NOTE 7 – CAPITAL ASSETS

A. Primary Government

	Beginning Balance	Increases	Decreases	Reclassifications	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 565,553	$ -	$ -	$ 60,022	$ 625,575
Construction in progress	60,022	-	-	(60,022)	-
Total	625,575	-	-	-	625,575
Capital assets, being depreciated:					
Buildings and improvements	4,719,651	40,047	-	-	4,759,698
Equipment	1,941,494	90,444	(94,931)	-	1,937,007
Vehicles	2,955,676	368,215	(98,942)	-	3,224,949
Infrastructure	8,644,082	229,762	-	-	8,873,844
Land improvements	553,063	25,081	-	-	578,144
Total	18,813,966	753,549	(193,873)	-	19,373,642
Less accumulated depreciation for:					
Buildings and improvements	(1,448,882)	(93,878)	-	-	(1,542,760)
Equipment	(1,080,122)	(147,157)	77,945	-	(1,149,334)
Vehicles	(1,863,416)	(206,165)	96,486	-	(1,973,095)
Infrastructure	(4,527,802)	(236,517)	-	-	(4,764,319)
Land improvements	(388,912)	(15,331)	-	-	(404,243)
Total	(9,309,134)	(699,048)	174,431	-	(9,833,751)
Total capital assets, being depreciated, net	9,504,832	54,501	(19,442)	-	9,539,891
Govemmental activities capital assets, net	$ 10,130,407	$ 54,501	$ (19,442)	$ -	10,165,466
		Less related long-term debt outstanding			(713,839)
		Net investment in capital assets			$ 9,451,627

	Beginning Balance	Increases	Decreases	Reclassifications	Ending Balance
Business-type activities					
Capital assets, not being depreciated:					
Land	$ 26,000	$ -	$ -	$ -	$ 26,000
Construction in progress	-	320,728	-	-	320,728
Total	26,000	320,728	-	-	346,728
Capital assets, being depreciated:					
Buildings and improvements	50,733	-	-	-	50,733
Vehicles	78,476	-	-	-	78,476
Equipment	113,728	-	-	-	113,728
Water improvements	13,304,140	-	-	-	13,304,140
Total	13,547,077	-	-	-	13,547,077
Less accumulated depreciation for:					
Buildings and improvements	(23,674)	(3,382)	-	-	(27,056)
Vehicles	(78,476)	-	-	-	(78,476)
Equipment	(88,202)	(8,765)	-	-	(96,967)
Water improvements	(1,975,982)	(221,736)	-	-	(2,197,718)
Total	(2,166,334)	(233,883)	-	-	(2,400,217)
Total capital assets, being depreciated, net	11,380,743	(233,883)	-	-	11,146,860
Business-type activities capital assets, net	$ 11,406,743	$ 86,845	$ -	$ -	11,493,588
Less related long-term debt outstanding					(1,856,765)
Net investment in capital assets					$ 9,636,823

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

Governmental activities:		
General government	$	16,271
Judicial		51,798
Public safety		196,215
Public works		399,094
Health and welfare		9,258
Culture and recreation		25,454
Housing and community development		958
Total depreciation expense - governmental activities	$	699,048
Business-type activities:		
Water department	$	233,883
Total depreciation expense - business-type activities	$	233,883

B. Discretely Presented Component Unit – Development Authority

	Beginning Balance	Increases	Decreases	Reclassifications	Ending Balance
Capital assets, not being depreciated:					
Land	$ 60,276	$ -	$ -	$ -	$ 60,276
Construction in progress	41,757	3,320	-	(45,077)	-
Total	102,033	3,320	-	(45,077)	60,276
Capital assets, being depreciated:					
Land improvements	49,929	-	-	-	49,929
Buildings	3,213,711	-	-	-	3,213,711
Buildings improvements	201,569	-	-	45,077	246,646
Infrastructure - roads	5,575	-	-	-	5,575
Total	3,470,784	-	-	45,077	3,515,861
Less accumulated depreciation for:					
Land improvements	(49,928)	-	-	-	(49,928)
Buildings	(1,052,647)	(53,562)	-	-	(1,106,209)
Buildings improvements	(11,287)	(6,998)	-	-	(18,285)
Infrastructure - roads	(5,575)	-	-	-	(5,575)
Total	(1,119,437)	(60,560)	-	-	(1,179,997)
Total capital assets, being depreciated, net	2,351,347	(60,560)	-	45,077	2,335,864
Total capital assets, net	$ 2,453,380	$ (57,240)	$ -	$ -	$ 2,396,140

C. Discretely Presented Component Unit – Department of Health

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Equipment	$ 31,306	$ -	$ -	$ 31,306
Total	31,306	-	-	31,306
Less accumulated depreciation for:				
Equipment	(27,468)	(853)	-	(28,321)
Total	(27,468)	(853)	-	(28,321)
Total capital assets, being depreciated, net	3,838	(853)	-	2,985
Total capital assets, net	$ 3,838	$ (853)	$ -	$ 2,985

NOTE 8 – LONG-TERM DEBT

The following is a summary of long-term debt activity for the fiscal year ended September 30, 2016.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds	$ 3,225,000	$ -	$ 235,000	$ 2,990,000	$ 240,000
Notes payable	55,201	-	19,386	35,815	20,164
Capital leases payable	495,489	242,702	60,167	678,024	107,932
Landfill postclosure	312,001	51,999	26,000	338,000	26,000
Net pension liability	285,055	105,642	-	390,697	-
Governmental activities long-term liabilities	$ 4,372,746	$ 400,343	$ 340,553	$ 4,432,536	$ 394,096
Business-type activities:					
Notes payable	$ 163,298	$ -	$ 26,689	$ 136,609	$ 27,951
Revenue bonds payable	1,760,595	-	40,439	1,720,156	41,958
Business-type activities long-term liabilities	$ 1,923,893	$ -	$ 67,128	$ 1,856,765	$ 69,909
Component unit-Development Authority:					
Notes payable	$ 199,248	$ -	$ 57,323	$ 141,925	$ 63,131
Development Authority long-term liabilities	$ 199,248	$ -	$ 57,323	$ 141,925	$ 63,131
Component unit-Health Department					
Net pension liability	$ 214,460	$ 21,048	$ -	$ 235,508	$ -
Compensated absences	21,472	14,458	14,054	21,876	-
Health Department long-term liabilities	$ 235,932	$ 35,506	$ 14,054	$ 257,384	$ -

For the governmental activities, landfill postclosure care costs and net pension liability are generally liquidated by the General Fund.

Notes Payable. The following is a listing of notes payable of the County at September 30, 2016:

Governmental Activities

$240,000 loan from the Georgia Environmental Facilities Authority for the purchase and upgrading of water lines for the County's water system, due in quarterly installments of $5,320, including interest at 3.95%, with final payment due May 1, 2018.	$ 35,815

Business-Type Activities

$363,776 loan from the Georgia Environmental Facilities Authority for the purchase and upgrading of water lines for the County's water system, due in quarterly installments of $8,455, including interest at 4.65%, with final payment due February 1, 2021.	$ 136,609

Debt service requirements to maturity on the notes payable for governmental activities are as follows:

Year ending September 30,	Principal	Interest
2017	$ 20,164	$ 1,118
2018	15,651	310
Total	$ 35,815	$ 1,428

Debt service requirements to maturity on the notes payable for business-type activities are as follows:

Year ending September 30,	Principal	Interest
2017	$ 27,950	$ 5,870
2018	29,273	4,547
2019	30,658	3,162
2020	32,109	1,711
2021	16,619	290
Total	$ 136,609	$ 15,580

Capital Leases. The County has entered into lease agreements as lessee for financing the acquisition of various vehicles and equipment. The lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present values of the future minimum lease payments as of the dates of their inception. Total cost of assets under capital leases as of September 30, 2016 is $1,014,391, which consists of equipment, and is included in governmental activities on the statement of net positions. The equipment has a ten-year estimated useful life, with accumulated depreciation of $172,608. This year, $101,439 was included in depreciation expense.

The County's total capital lease debt service requirements to maturity are as follows:

Year ending September 30,	
2017	$ 120,903
2018	120,903
2019	120,903
2020	304,260
2021	51,461
Total minimum lease payments	718,430
Less amount representing interest	(40,406)
Present value of minimum lease payments	$ 678,024

Revenue Bonds Payable. In February 2002, the County received $1,329,500 through the issuance of its Crawford County Water Revenue Bond (Series 2002A). Concurrently with the issuance of this Bond, the County issued its Crawford County Water Revenue Bond (Series 2002B), in the principal amount of $806,200. These bonds were used to provide funds needed to pay the cost, in part, of acquiring, constructing, and equipping a water system for the County.

In 2008, the County issued $3,227,200 in water revenue bonds to cover additional costs associated with Phase II of the water system project. These bonds were refunded and retired in fiscal year 2014 with the issuance of the series 2014, general obligation sales tax bonds.

Revenue bonds outstanding at September 30, 2016, are as follows:

Description	Original Amount	Interest Rate	Due Date	Amount
Water system construction	$ 1,329,500	3.25%	2042	$ 1,051,504
Water system construction	806,200	4.50%	2042	668,652
				$ 1,720,156

Debt service requirements to maturity on the revenue bonds payable are as follows:

Year ending September 30,	Principal	Interest
2017	$ 41,957	$ 63,559
2018	43,531	61,985
2019	45,165	60,351
2020	46,862	58,654
2021	48,625	56,891
2022-2026	272,044	255,536
2027-2031	327,560	200,020
2032-2036	394,768	132,812
2037-2041	476,209	51,371
2042	23,435	86
Total	$ 1,720,156	$ 941,265

General Obligation Bonds Payable. During the year ended September 30, 2014, the County issued $3,225,000 in general obligation sales tax bonds to retire and refund the Series 2009 Water Revenue Bonds. Proceeds from the County's special purpose local option sales tax will be used to repay these bonds. The bond proceeds were not used for governmental activities.

General obligation bonds outstanding at September 30, 2016, are as follows.

Description	Original Due	Interest Rate	Due Date	Outstanding Amount
Retire and refund Series 2009, Water Revenue Bonds	$ 3,225,000	2.52%	2027	$ 2,990,000
				$ 2,990,000

Debt service requirements to maturity on the general obligation bonds payable are as follows:

Year ending September 30,	Principal	Interest
2017	$ 240,000	$ 75,348
2018	245,000	69,300
2019	250,000	63,126
2020	255,000	56,826
2021	265,000	50,400
2022-2026	1,430,000	148,428
2027	305,000	7,686
	$ 2,990,000	$ 471,114

Closure and Postclosure Care Costs

State Route 341 – Hopeville Road. State and Federal laws require that the County place a final cover on its landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after closure. As of September 30, 2016, 100% of the landfill capacity had been used and all closure costs have been incurred. The landfill has no remaining life without modification or expansion. Engineering studies estimate postclosure costs of approximately $338,000 over the remaining 13-year period. This estimated cost is based on the amount that would be paid if all equipment, facilities, and services required to monitor and maintain the landfill were acquired as of September 30, 2016. The County has estimated the post closure costs associated with the landfill to be $543,252. However, actual cost may be higher due to inflation, changes in technology, or changes in landfill laws and regulations. Should any problems occur during the postclosure period, the costs and time period required for the maintenance and monitoring functions may substantially increase.

Jackson Road Inert Lanfill. During 2016 the County applied for and received a permit to operate an Inert Waste Landfill on Jackson Road. As of September 30, 2016, the County was still waiting on the Environmental Protection Division's (EPD) approval to accept waste at the new landfill and therefore the percentage of landfill capacity used is 0%. The estimated life of the Inert Landfill is 25 plus years.

Component Unit-Development Authority

Conduit Debt. From time to time, the Development Authority issues revenue bonds and incurs notes payable, building and equipment acquisition notes payable, and construction loans payable to provide financial assistance to private-sector entities or other third parties for the acquisition and construction of industrial and commercial facilities. The bonds and notes are secured by the property financed and are payable solely from payments received on the underlying mortgage loans and lease agreements. Upon repayment of the bonds and notes payable, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance or notes payable. The Development Authority is not obligated in any manner for repayment of these bonds and notes payable.

Other Debt. During fiscal year 2007, the Development Authority borrowed $300,000 from the Crawford County Revolving Loan Fund. Proceeds were used to help finance the construction of a building for a lessee. The Development Authority receives monthly payments of $3,182 from the lessee and forwards the payments to the County for repayment of the loan from the County's Revolving Loan Fund. Both the note payable to the County's Revolving Loan Fund and the note receivable from the lessee have an interest rate of 5.00% and mature April 1, 2018. The outstanding balance on both the note payable and note receivable at September 30, 2016 is $56,419. During fiscal year 2014, the Development Authority borrowed an additional $130,000 from the Crawford County Revolving Loan Fund. Proceeds were used for upgrading and improvements to a spec building. The loan has an interest rate of 1.0% and matures March 2020. Monthly payments are $2,025 and begin October 2014. The balance on the note payable at September 30, 2016 is $85,506.

Debt service requirements on the notes payable of the Development Authority are as follows:

Year ending September 30,	Principal	Interest
2017	$ 63,131	$ 2,729
2018	42,627	766
2019	24,051	252
2020	12,116	35
Total	$ 141,925	$ 3,782

NOTE 9 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	$ 5,641
	Water Fund	1,917
		$ 7,558

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:

Transfer In	Transfer Out	Amount
Nonmajor governmental funds	General Fund	$ 21,127
		$ 21,127

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, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 10 – RETIREMENT BENEFITS

ACCG Defined Benefit Plan

Plan Description

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating Counties in Georgia. ACCG issues a publicly available financial report that includes financial statements and required supplementary information (RSI) for the Plan. That report may be obtained by writing to GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339 or by calling (800) 736-7166.

Participation

All full-time County employees are eligible to participate in the Plan after completing three years of service.

Retirement Benefits

Benefits vest after five years of service. Participants become eligible to retire at age 65 with 3 years in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 0.5% of average annual compensation up to $6,600 plus 1.0% of average annual compensation in excess of $6,600 plus $36 for each year of service payable as a life annuity. Service is limited to 35 years. Compensation is averaged over a five-year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

Plan Membership

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

Retires and beneficiaries currently receiving benefits	22
Terminated employees entitled to benefits but not yet receiving them	46
Current active employees	52
Disabled in Pay Status	-
Total Membership in the plan	120

Contributions

The plan members are not required to contribute to the plan. The County is required to contribute at an actuarially determined rate; the current rate is 8.1% of annual covered payroll. The contribution requirements of the County are established and may be amended by the ACCG Board of Trustees.

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

At September 30, 2016, the County reported a net pension liability. The net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2015. An expected total pension liability as of September 30, 2015 was determined using standard roll-forward techniques.

For the year ended September 30, 2016, the County recognized pension expense relative to ACCG in the amount of $131,896. At September 30, 2016, the County reported deferred outflows of resources related to the Pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Asset (Gain) / Loss	$ 149,937	$ -
Liability (Gain) / Loss	-	124,070
Changes of assumptions	82,051	-
	$ 231,988	$ 124,070

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

Year ended September 30:	
2017	$ 27,088
2018	27,088
2019	27,087
2020	26,655

Actuarial Assumptions: The total pension liability as of September 30, 2016 was determined by an actuarial valuation as of January 1, 2015 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increase	4.00%, per year with an age based scale
Investment rate of return	7.50%, On-going basis, based on long-term expected rate of return of pension plan investments

Mortality rates were based on the RP-2000 projected with Scale AA, and the RP-2000 Disabled Mortality Table with sex-distinct rates.

The mortality and economic actuarial assumptions used in the January 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2014.

Net Pension Liability:

Changes in the Net Pension Liability:	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2015	$ 2,686,040	$ 2,400,985	$ 285,055
Changes for the year:			
Service cost	59,469	-	59,469
Interest	199,145	-	199,145
Liability experience (gain)/loss	(157,603)	-	(157,603)
Assumption changes	104,227	-	104,227
Employer Contributions	-	118,801	(118,801)
Net investment income	-	19,351	(19,351)
Benefit payments	(61,556)	(61,556)	-
Administrative expense	-	(10,934)	10,934
Other	-	(27,622)	27,622
Net changes	143,682	38,040	105,642
Balance at September 30, 2016	$ 2,829,722	$ 2,439,025	$ 390,697

The County's net pension liability is recorded in the Government-Wide Statement of Net Position in the amount of $390,697.

The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as the forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS.

Building block expected return based on 20-year benchmarks	7.44%
Building block expected return based on 30-year benchmarks	9.49%
UBS capital market assumption for a moderate asset allocation	6.30%
20-year building blocks return (7.44% * .25)	1.86%
30-year building blocks return (9.49% * .25)	2.37%
UBS capital market assumption for a moderate asset allocation (6.30% * .50)	3.15%
Discount Rate (rounded to the nearest .25%)	7.38%
	7.50%

Benchmark	Asset Allocation	Average 20 Year Return	Weighted 20 Year Return	Average 30 Year Return	Weighted 30 Year Return
S&P 500	30%	8.80%	2.64%	10.74%	3.22%
Barlay's Agg.	30%	5.75%	1.73%	7.80%	2.34%
MSCI EAFE	15%	5.44%	0.82%	9.51%	1.43%
Citi Non US WEBI	5%	5.48%	0.27%	5.48%	0.27%
NAREIT Equity	5%	9.91%	0.50%	11.35%	0.57%
Russell 2000	5%	8.96%	0.45%	9.37%	0.47%
Russell 3000	5%	8.89%	0.44%	10.58%	0.53%
S&P Mid Cap	5%	11.83%	0.59%	13.21%	0.66%
Weighted Return			7.44%		9.49%

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

Sensitivity of the Net Pension Liability to Changes in the Discount rate: The following presents the County's net pension liability calculated using the discount rate of 7.50%, 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 (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current discount rate (7.50%)	1% Increase (8.50%)
Sensitivity of the Net Pension Liability to Changes in the Discount Rate	$ 766,315	$ 390,697	$ 74,854

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

NOTE 11 – DEFINED CONTRIBUTION PLAN

The ACCG 401 (a) Defined Contribution Plan for Employees of Crawford County (the Plan) is a single employer defined contribution plan established and administered by ACCG-GEBCorp for substantially all of its full time employees. The Plan provides retirement benefits to participants and beneficiaries. Plan provisions and contribution requirements are established by ACCG-GEBCorp; however, they may be amended by the Crawford County Board of Commissioners within the limits set forth in Section 12.01 of the plan document. At September 30, 2016, there were 43 plan members. Employees are not required to contribute to the Plan. The County contributes an amount equal to 50% of the amount contributed by the participant to the Crawford County Section 457 Deferred Compensation Plan, except that the County shall not match such participant's deferrals as provided in excess of 4% of the participant's compensation. The County's contribution for each employee is 100% vested after five (5) years of continuous service. For the fiscal year ending September 30, 2016, the County's contribution to the plan was $26,029. There were no employee contributions to the 401 (a) plan.

NOTE 12 – SPECIAL FUNDING DEFINED BENEFIT PENSION PLANS

A. Employees' Retirement System

The County's Tax Commissioner is eligible to participate in the Employees' Retirement System (ERS), a voluntary pension system. The County makes no contributions to this plan. Pursuant to O.C.G.A. 47-2-292(a) the Department of Revenue receives an annual appropriation from the Georgia General Assembly to be used to fund the employer contributions for local County Tax Commissioners. The plan is administered by the Employees' Retirement System who issues a publicly available financial report that can be obtained at www.ers.ga.gov/formspubs/formspubs. This plan is considered immaterial to Crawford County's financial statements.

B. Sheriffs' Retirement Fund of Georgia

The County's Sheriff is covered by the Sheriffs' Retirement Fund of Georgia. The County makes no contribution to this plan. Contributions are collected by the County as the agent for this fund through its court systems. This plan is administered by the Georgia Sheriffs' Association (GSA) where separate financial statements may be obtained on their website. This plan is considered immaterial to Crawford County's financial statements.

C. Georgia Firefighters' Pension Fund

The County's Volunteer Firemen are eligible to participate in the Georgia Firefighters' Pension Fund, a voluntary pension system. The County makes no contributions to this plan. Contributions are made through monthly dues by eligible firefighters electing to participate in the plan and non-employer contributions which consist of insurance premium taxes collected and remitted by insurers directly to the pension fund in accordance with the law. The plan is administered by the Georgia Firefighters' Pension Fund located at 2171 Eastview Parkway NE in Conyers, Georgia where separate financial statements may be obtained. This plan is considered immaterial to Crawford County's financial statements.

D. Peace Officers' Annuity and Benefit Fund of Georgia

The County's Sheriff Deputies are covered by the State of Georgia Peace Officers' Annuity and Benefit Fund. The County makes no contribution to this plan. Contributions are collected by the County as the agent for this fund through its court systems. This plan is administered through the Peace Officers' Annuity and Benefit Fund of Georgia located at 1210 Greenbelt Parkway in Griffin, Georgia where separate financial statements may be obtained. This plan is considered immaterial to Crawford County's financial statements.

NOTE 13 – RISK MANAGEMENT

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

As of the fiscal year ending September 30, 2016, the County purchases workers' compensation insurance coverage and health insurance coverage from private carriers. No reduction in insurance coverage has occurred since the previous year, and no settlements in excess of coverage have been paid in the past three years.

The County participates in the Association of County Commissioners of Georgia (ACCG) Interlocal Risk Management Agency Property and Liability Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to

pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the fund.

The fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract. The fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. Settled claims in the past three years have not exceeded the coverages.

NOTE 14 – COMMITMENTS, AND CONTINGENT LIABILITIES

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, management of the County believes such disallowances, if any, will not be significant.

NOTE 15 – JOINT VENTURE

Under Georgia law, the County is a participating member of the Middle Georgia Regional Commission (RC) and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC 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 and obligations of an RC. Separate financial statements may be obtained from: Middle Georgia Regional Commission, 175 C Emery Highway, Macon, Georgia 31217.

NOTE 16 – EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through May 31, 2017, the date which the financial statements were available to be issued.

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REQUIRED SUPPLEMENTARY INFORMATION

CRAWFORD COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	2016	2015
Total pension liability		
Service cost	$ 59,469	$ 71,497
Interest on total pension liability	199,145	187,402
Liability experience (gain) / loss	(157,603)	-
Changes of assumptions	104,227	-
Benefit payments, including refunds of employee contributions	(61,556)	(71,551)
Net change in total pension liability	143,682	187,348
Total pension liability - beginning	2,686,040	2,498,692
Total pension liability - ending (b)	$ 2,829,722	$ 2,686,040
Plan fiduciary net position		
Contributions - employer	$ 118,801	$ 276,067
Net investment income	19,351	154,267
Benefit payments, including refunds of member contributions	(61,556)	(68,965)
Administrative expenses	(10,934)	(11,602)
Other expenses	(27,622)	(27,249)
Net change in plan fiduciary net position	38,040	322,518
Plan fiduciary net position - beginning	2,400,985	2,078,467
Plan fiduciary net position - ending (a)	$ 2,439,025	$ 2,400,985
County's net pension liability (asset) (a) - (b)	$ 390,697	$ 285,055
Plan fiduciary net position as a percentage of the total pension liability	86.2%	89.4%
Covered-employee payroll	1,561,014	1,745,776
Net pension liability as a percentage of covered-employee payroll	25.0%	16.3%

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

The accompanying notes to the required supplementary information are an integral part of this schedule.

CRAWFORD COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

SCHEDULE OF CONTRIBUTIONS

	2016	2015
Actuarially determined contributions	$ 118,801	$ 145,800
Contributions in relation to the actuarially determined contribution	118,801	145,800
Contribution deficiency (excess)	$ -	$ -
County's covered-employee payroll	1,561,014	1,745,776
Contributions as a percentage of covered-employee payroll	7.61%	8.35%

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

The accompanying notes to the required supplementary information are an integral part of this schedule.

Changes of assumptions:

There have been no substantive changes since the last actuarial valuation.

Valuation date	The actuarially determined contribution rate was determined as of January 1, 2015, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending September 30, 2016.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Actuarial asset valuation method	Smoothed market value with a 5-year smoothing period
Net Investment Rate of Return	7.50%
Projected Salary Increases	4.00% per year with an age based scale
Cost of Living Adjustments	5.50% per year
Retirement Age	Ages 55-60 rate of 10%, age 61-64 rate of 20%, ages 65-69 rate of 30%, and age 70 and over rate of 100%
Mortality	RP-2000 projected with Scale AA. RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Law Library Fund – This fund accounts for fees received from the various courts. These revenues are restricted by State Law for library operations.

Sheriff's Department Drug Fund – This fund accounts for condemned funds received and disbursed for Law Enforcement expenditures.

Drug Education Fund – This fund accounts for fines collected as required by State Law for drug abuse treatment and educational purposes.

Jail Fund – This fund accounts for the imposition of a 10% add-on fine as provided for by the Georgia Jail Construction and Staffing Act.

Transit System Fund – This fund accounts for the operations of the Crawford County Transit System. Financing is provided under an agreement with the Georgia Department of Transportation, operating transfers from the General Fund, and user fares.

Revolving Loan Fund – This fund accounts for the operations of the County's revolving loans. Original funding was provided by the Department of Housing and Urban Development through the State of Georgia's Department of Community Affairs.

Crime Victim Fund – This fund accounts for resources received from the various courts of Crawford County for assistance to victims of crime.

NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets.

Commissioners' SPLOST Fund – This fund was established to account for the proceeds of sales taxes collected and the repayment of the 2009 SPLOST general obligation bonds.

SPLOST VII – This fund was established to account for the proceeds of sales taxes collected for SPLOST VII capital projects to be constructed with proceeds from general obligation bonds.

LMIG Fund – This fund was established to account for the proceeds of the Georgia Department of Transportation Local Maintenance & Improvement Grant proceeds collected and the capital projects approved for those funds.

CDBG Fund – This fund was established to account for the grant funds from the Community Development Block Grant and the related expenditures for water system improvements.

CRAWFORD COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016

	Special Revenue Funds						
	Law Library	Sheriff's Department Drug Fund	Drug Education Fund	Jail	Transit System	Revolving Loan	Crime Victim Fund
ASSETS							
Cash and cash equivalents	$ 77,034	$ 18,071	$ 77,998	$ 18,755	$ 1,159	$ 247,872	$ 67,735
Notes receivable	-	-	-	-	-	141,925	-
Due from other governments	-	-	394	-	13,262	-	325
Total Assets	$ 77,034	$ 18,071	$ 78,392	$ 18,755	$ 14,421	$ 389,797	$ 68,060
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ 172	$ -	$ -	$ 139	$ 298	$ -	$ -
Accrued liabilities	-	-	-	-	2,195	-	-
Due to other governments	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	5,641
Total Liabilities	172	-	-	139	2,493	-	5,641
Fund Balances:							
Nonspendable	-	-	-	-	-	141,925	-
Restricted	76,862	18,071	78,392	18,616	-	247,872	62,419
Assigned	-	-	-	-	11,928	-	-
Total Fund Balances	76,862	18,071	78,392	18,616	11,928	389,797	62,419
Total Liabilities and Fund Balances	$ 77,034	$ 18,071	$ 78,392	$ 18,755	$ 14,421	$ 389,797	$ 68,060

CRAWFORD COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2016
(CONTINUED)

	Capital Projects Funds				Total Nonmajor Governmental Funds
	Commissioners' SPLOST	SPLOST VII	LMIG	CDBG	
ASSETS					
Cash and cash equivalents	$ -	$ 171,420	$ 66,889	$ -	$ 746,933
Notes receivable	-	-	-	-	141,925
Due from other governments	-	44,351	-	279,006	337,338
Total Assets	$ -	$ 215,771	$ 66,889	$ 279,006	$ 1,226,196
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ 325	$ -	$ 279,006	$ 279,940
Accrued liabilities	-	-	-	-	2,195
Due to other governments	-	6,238	-	-	6,238
Due to other funds	-	-	-	-	5,641
Total Liabilities	-	6,563	-	279,006	294,014
Fund Balances:					
Nonspendable	-	-	-	-	141,925
Restricted	-	209,208	66,889	-	778,329
Assigned	-	-	-	-	11,928
Total Fund Balances	-	209,208	66,889	-	932,182
Total Liabilities and Fund Balances	$ -	$ 215,771	$ 66,889	$ 279,006	$ 1,226,196

CRAWFORD COUNTY, GEORGIA

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

	Special Revenue Funds						
	Law Library	Sheriff's Department Drug Fund	Drug Education Fund	Jail	Transit System	Revolving Loan	Crime Victim Fund
Revenues:							
Sales taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	3,484	-	51,598	4,729	3,836
Charges for services	-	-	-	-	6,066	-	-
Fines and forfeitures	6,173	-	8,894	18,370	-	-	4,847
Interest earnings	8	-	142	25	-	423	129
Total Revenues	6,181	-	12,520	18,395	57,664	5,152	8,812
Expenditures:							
Current:							
Judicial	16,385	-	-	-	-	-	-
Public safety	-	250	-	12,602	-	-	-
Public works	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Health and welfare	-	-	1,002	-	79,528	-	6,357
Intergovernmental	-	-	-	-	-	-	-
Debt Service							
Principal	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	16,385	250	1,002	12,602	79,528	-	6,357
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,204)	(250)	11,518	5,793	(21,864)	5,152	2,455
Other Financing Sources (Uses):							
Transfer from other funds	-	-	-	-	21,127	-	-
Total other financing sources (uses)	-	-	-	-	21,127	-	-
Net change in fund balances	(10,204)	(250)	11,518	5,793	(737)	5,152	2,455
Fund Balances, beginning of year	87,066	18,321	66,874	12,823	12,665	384,645	59,964
Fund Balances, end of year	$ 76,862	$ 18,071	$ 78,392	$ 18,616	$ 11,928	$ 389,797	$ 62,419

CRAWFORD COUNTY, GEORGIA

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

	Commissioners' SPLOST	SPLOST VII	LMIG	CDBG	Total Nonmajor Governmental Funds
Revenues:					
Sales taxes	$ -	$ 513,979	$ -	$ -	$ 513,979
Intergovernmental	-	-	-	315,356	379,003
Charges for services	-	-	-	-	6,066
Fines and forfeitures	-	-	-	-	38,284
Interest earnings	-	-	-	-	727
Total Revenues	-	513,979	-	315,356	938,059
Expenditures:					
Current:					
Judicial	-	-	-	-	16,385
Public safety	-	-	-	-	12,852
Public works	-	43,089	86,566	-	129,655
Culture and recreation	18,835	-	-	-	18,835
Health and welfare	-	-	-	-	86,887
Intergovernmental	-	71,957	-	-	71,957
Debt Service					
Principal	-	235,000	-	-	235,000
Interest	-	81,270	-	-	81,270
Capital Outlay	-	71,678	186,685	315,356	573,719
Total Expenditures	18,835	502,994	273,251	315,356	1,226,560
Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,835)	10,985	(273,251)	-	(288,501)
Other Financing Sources (Uses):					
Transfer from other funds	-	-	-	-	21,127
Total other financing sources (uses)	-	-	-	-	21,127
Net change in fund balances	(18,835)	10,985	(273,251)	-	(267,374)
Fund Balances, beginning of year	18,835	198,223	340,140	-	1,199,556
Fund Balances, end of year	$ -	$ 209,208	$ 66,889	$ -	$ 932,182

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 5,663	$ 6,173	$ 510
Interest earnings	15	8	(7)
Total Revenues	5,678	6,181	503
Expenditures:			
Current:			
Judicial	16,385	16,385	-
Total Expenditures	16,385	16,385	-
Net change in fund balance	(10,707)	(10,204)	503
Fund Balance - beginning of year	87,066	87,066	-
Fund Balance - end of year	$ 76,359	$ 76,862	$ 503

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
SHERIFF'S DEPARTMENT DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 9,595	$ -	$ (9,595)
Total Revenues	9,595	-	(9,595)
Expenditures:			
Current:			
Public Safety	1,175	250	925
Total Expenditures	1,175	250	925
Net change in fund balance	8,420	(250)	(8,670)
Fund Balance - beginning of year	18,321	18,321	-
Fund Balance - end of year	$ 26,741	$ 18,071	$ (8,670)

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
DRUG EDUCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Intergovernmental	$ 100	$ 3,484	$ 3,384
Fines and forfeitures	200	8,894	8,694
Interest earnings	-	142	142
Total Revenues	300	12,520	12,220
Expenditures:			
Current:			
Health and Welfare	1,002	1,002	-
Total Expenditures	1,002	1,002	-
Net change in fund balance	(702)	11,518	12,220
Fund Balance - beginning of year	66,874	66,874	-
Fund Balance - end of year	$ 66,172	$ 78,392	$ 12,220

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 14,750	$ 18,370	$ 3,620
Interest earnings	-	25	25
Total Revenues	14,750	18,395	3,645
Expenditures:			
Current:			
Public Safety	14,750	12,602	2,148
Total Expenditures	14,750	12,602	2,148
Net change in fund balance	-	5,793	5,793
Fund Balance - beginning of year	12,823	12,823	-
Fund Balance - end of year	$ 12,823	$ 18,616	$ 5,793

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
TRANSIT SYSTEM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Intergovernmental	$ 57,000	$ 51,598	$ (5,402)
Charges for services	5,600	6,066	466
Total Revenues	62,600	57,664	(4,936)
Expenditures:			
Current:			
Health and welfare	86,567	79,528	7,039
Total Expenditures	86,567	79,528	7,039
Excess (Deficiency) of Revenues Over (Under) Expenditures	(23,967)	(21,864)	2,103
Other Financing Sources:			
Transfers from General Fund	23,967	21,127	(2,840)
Total Other Financing Sources	23,967	21,127	(2,840)
Net change in fund balance	-	(737)	(737)
Fund Balance - beginning of year	12,665	12,665	-
Fund Balance - end of year	$ 12,665	$ 11,928	$ (737)

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Intergovernmental	$ 6,500	$ 4,729	$ (1,771)
Interest earnings	1,345	423	(922)
Total Revenues	7,845	5,152	(2,693)
Expenditures:			
Current:			
General government	-	-	-
Total Expenditures	-	-	-
Net change in fund balance	7,845	5,152	(2,693)
Fund Balance - beginning of year	384,645	384,645	-
Fund Balance - end of year	$ 392,490	$ 389,797	$ (2,693)

CRAWFORD COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
CRIME VICTIM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Intergovernmental	$ 4,200	$ 3,836	$ (364)
Fines and forfeitures	3,770	4,847	1,077
Interest earnings	-	129	129
Total Revenues	7,970	8,812	842
Expenditures:			
Current:			
Health and welfare	7,962	6,357	1,605
Total Expenditures	7,962	6,357	1,605
Net change in fund balance	8	2,455	2,447
Fund Balance - beginning of year	59,964	59,964	-
Fund Balance - end of year	$ 59,972	$ 62,419	$ 2,447

FIDUCIARY FUNDS

AGENCY FUNDS

Clerk of Superior Court – To account for all monies received by the Clerk of Superior Court on behalf of individuals, private organizations, other governmental units, and other funds.

Magistrate Court – To account for all monies received by the Magistrate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Probate Court – To account for all monies received by the Probate Court on behalf of individuals, private organizations, other governmental units, and other funds.

Sheriff's Department – To account for all monies received by the Sheriff's Department on behalf of individuals, private organizations, other governmental units, and other funds.

Tax Commissioner – To account for property taxes levied, billed and collected by the Tax Commissioner on behalf of Crawford County and other taxing units. The amounts collected are subsequently paid to the County.

Alternative Dispute Resolution Fund (ADR) – To account for all monies received by the ADR fund. An additional charge is collected in each civil action or case in Superior, Probate, and Magistrate courts and is paid into the ADR fund.

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Balance October 1, 2015	Additions	Deletions	Balance September 30, 2016
Total - All Agency Funds				
Assets				
Cash and cash equivalents	$ 307,723	$ 6,216,081	$ 6,163,918	$ 359,886
Certificates of deposit	48,678	121	-	48,799
Total Assets	$ 356,401	$ 6,216,202	$ 6,163,918	$ 408,685
Liabilities				
Due to State of Georgia	$ 95,812	$ 1,471,578	$ 1,449,852	$ 117,538
Due to Board of Education	84,508	4,426,895	4,406,925	104,478
Due to Other Governments	4,893	31,965	32,631	4,227
Funds held in escrow	151,815	11,278	18,789	144,304
Due to others	19,373	274,486	255,721	38,138
Total Liabilities	$ 356,401	$ 6,216,202	$ 6,163,918	$ 408,685

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

	Balance October 1, 2015	Additions	Deletions	Balance September 30, 2016
Superior Court				
Assets				
Cash and cash equivalents	$ 27,843	$ 97,021	$ 97,010	$ 27,854
Certificates of deposit	48,678	121	-	48,799
Total Assets	$ 76,521	$ 97,142	$ 97,010	$ 76,653
Liabilities				
Funds held in escrow	$ 73,708	$ 2,250	$ 2,796	$ 73,162
Due to others	2,813	94,892	94,214	3,491
Total Liabilities	$ 76,521	$ 97,142	$ 97,010	$ 76,653
Magistrate Court				
Assets				
Cash and cash equivalents	$ 5,857	$ 22,040	$ 24,452	$ 3,445
Total Assets	$ 5,857	$ 22,040	$ 24,452	$ 3,445
Liabilities				
Due to others	$ 5,857	$ 22,040	$ 24,452	$ 3,445
Total Liabilities	$ 5,857	$ 22,040	$ 24,452	$ 3,445

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(CONTINUED)

	Balance October 1, 2015	Additions	Deletions	Balance September 30, 2016
Probate Court				
Assets				
Cash and cash equivalents	$ 6,106	$ 77,715	$ 70,607	$ 13,214
Total Assets	$ 6,106	$ 77,715	$ 70,607	$ 13,214
Liabilities				
Due to others	$ 6,106	$ 77,715	$ 70,607	$ 13,214
Total Liabilities	$ 6,106	$ 77,715	$ 70,607	$ 13,214
Sheriff's Department				
Assets				
Cash and cash equivalents	$ 3,616	$ 48,933	$ 34,561	$ 17,988
Total Assets	$ 3,616	$ 48,933	$ 34,561	$ 17,988
Liabilities				
Due to Others	$ 3,616	$ 48,933	$ 34,561	$ 17,988
Total Liabilities	$ 3,616	$ 48,933	$ 34,561	$ 17,988

CRAWFORD COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(CONTINUED)

	Balance October 1, 2015	Additions	Deletions	Balance September 30, 2016
Tax Commissioner's Office				
Assets				
Cash and cash equivalents	$ 264,301	$ 5,966,016	$ 5,932,932	$ 297,385
Total Assets	$ 264,301	$ 5,966,016	$ 5,932,932	$ 297,385
Liabilities				
Due to State of Georgia	$ 95,812	$ 1,471,578	$ 1,449,852	$ 117,538
Due to Board of Education	84,508	4,426,895	4,406,925	104,478
Due to Other Governments	4,893	31,965	32,631	4,227
Funds held in escrow	78,107	9,028	15,993	71,142
Due to others	981	26,550	27,531	-
Total Liabilities	$ 264,301	$ 5,966,016	$ 5,932,932	$ 297,385
Alternative Dispute Resolution				
Assets				
Cash and cash equivalents	$ -	$ 4,356	$ 4,356	$ -
Total Assets	$ -	$ 4,356	$ 4,356	$ -
Liabilities				
Due to others	$ -	$ 4,356	$ 4,356	$ -
Total Liabilities	$ -	$ 4,356	$ 4,356	$ -

CRAWFORD COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Project 2009 SPLOST	Original Estimated Budget	Current Estimated Budget	Expenditures Prior Year(s)	Expenditures Current Year	Expenditures Total
Roads, Streets and Bridges	$ 1,870,400	$ 1,870,400	$ 1,597,142	$ -	$ 1,597,142
Government Facility	467,600	467,600	-	-	-
Public Safety Facilities and Equipment	935,200	935,200	498,001	-	498,001
Recreation	233,800	233,800	190,014	18,835	208,849
Courthouse	233,800	233,800	569,469	-	569,469
Economic and Community Development	327,320	327,320	-	-	-
City of Roberta Water / Wastewater and Public Safety Equipment	607,880	607,880	446,728	-	446,728
Totals	$ 4,676,000	$ 4,676,000	$ 3,301,354	$ 18,835	$ 3,320,189

* The 2009 Special Local Option Sales Tax fund was closed out during fiscal year 2016.

CRAWFORD COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016
(CONTINUED)

Project SPLOST VII	Original Estimated Budget	Current Estimated Budget	Expenditures Prior Year(s)	Expenditures Current Year	Expenditures Total
Repayment of Bonds	$ 2,040,000	$ 2,040,000	$ 185,964	$ 316,270	$ 502,234
Roads, Streets and Bridges	180,000	180,000	-	43,089	43,089
Public Safety Improvements and Equipment	180,000	180,000	-	65,513	65,513
Recreation Facilities and Improvements	180,000	180,000	-	6,165	6,165
City of Roberta Water / Wastewater and Public Safety Equipment	420,000	420,000	31,934	71,957	103,891
Totals	$ 3,000,000	$ 3,000,000	$ 217,898	$ 502,994	$ 720,892

CRAWFORD COUNTY, GEORGIA

BALANCE SHEET
CRAWFORD COUNTY DEVELOPMENT AUTHORITY
COMPONENT UNIT
SEPTEMBER 30, 2016

ASSETS		
Cash and cash equivalents	$	528,816
Accounts receivable		10,060
Note receivable		78,190
Total Assets	$	617,066
LIABILITIES AND FUND BALANCE		
Liabilities:		
Accounts payable	$	12,231
Due to primary government		1,564
Unearned revenues		4,000
Total Liabilities		17,795
Fund Balance:		
Nonspendable		13,062
Unassigned		586,209
Total Fund Balance		599,271
Total Liabilities and Fund Balance	$	617,066

CRAWFORD COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET
OF THE COMPONENT UNIT TO THE
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

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

Total Fund Balances - component unit	$	599,271
Capital Assets		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of the assets		3,576,137
Accumulated depreciation		(1,179,997)
Long-term Liabilities		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Position. Long-term liabilities at year-end consist of the following:		
Notes payable		(141,925)
Total net position of component unit	$	2,853,486

CRAWFORD COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CRAWFORD COUNTY DEVELOPMENT AUTHORITY
COMPONENT UNIT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

Revenues:		
Intergovernmental revenue	$	78,358
Rental income		197,471
Utility income		1,640
Interest earnings		5,709
Total Revenues		283,178
Expenditures:		
Current:		
Economic development		188,385
Debt Service		
Principal		57,323
Interest		4,729
Capital Outlay		4,960
Total Expenditures		255,397
Net change in fund balance		27,781
Fund Balance, beginning of year		571,490
Fund Balance, end of year	$	599,271

CRAWFORD COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF THE COMPONENT UNIT TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

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

Net Change in Fund Balances - component unit	$	27,781
Capital Assets		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and		
Total capital outlays		3,320
Total depreciation		(60,560)
Long-term Debt		
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:		
Notes payable		57,323
Change in net position of component unit	$	27,864

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GOVERNMENTAL REPORT

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

Board of Commissioners
Crawford County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Crawford County, Georgia as of and for the year ended September 30, 2016, and the related notes to the financial statements, which collectively comprise Crawford County, Georgia's basic financial statements, and have issued our report thereon dated May 31, 2017. Our report includes a reference to other auditors who audited the financial statements of the Crawford County Health Department, as described in our report on Crawford 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 Crawford County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Crawford County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Crawford County, Georgia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be material weaknesses. 2016-001, and 2016-002.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Crawford 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*.

Crawford County's Response to the Finding

Crawford County, Georgia's responses to the findings identified in our audit are described in the accompanying schedule of findings and responses. Crawford 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 it.

Purpose of this Report

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



Macon, Georgia
May 31, 2017

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2016

FINANCIAL STATEMENT FINDINGS

Findings noted on the 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*:

2016-001 Segregation of Duties – Agency Funds

CRITERIA
The purpose of internal controls is to safeguard the assets of the County and ensure that errors or other misstatements are detected in a reasonable amount of time.

CONDITION
The following agency funds had inadequate segregation of duties within the cash receipts and disbursements areas: Superior Court, Magistrate Court, and Probate Court.

CONTEXT
We noted various areas involving the internal controls of the County which were ineffective as follows:

- The Clerk of Superior Court is responsible for receiving funds, preparing and making bank deposits, preparing checks for payouts of fines, signing the checks, and preparation of monthly bank reconciliations.
- The same individual in the Magistrate Court is responsible for receiving funds and preparing and making bank deposits.
- The Probate Court Judge is responsible for receiving funds, preparing and making bank deposits, preparing checks for payouts of fines, signing the checks, and reconciling the bank account.

CAUSE
Incompatible accounting functions are assigned to single individuals.

EFFECT
Internal controls over the elected officials' offices are significantly weakened by individuals performing incompatible functions.

RECOMMENDATION
The County should redesign the internal control system and explore opportunities for separating the duties of receiving funds, preparing the deposit slip, taking the deposit to the bank, preparing checks for payouts, and signing the checks. The County should also have the monthly bank reconciliations prepared by an individual with no other cash responsibilities.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

We concur with the finding. The County will continue to work toward strengthening the internal control systems that are currently in place at the following County offices: Superior Court, Magistrate Court and Probate Court. In turn, this will further mitigate the risks associated with the small number of employees that are assigned to each office. Each office will be strongly encouraged to implement the new controls and/or changes that are presented to them.

2016-002 Community Development Block Grant (CDBG) Activity

CRITERIA

Accounting procedures should be designed to insure that revenues are accrued and recognized when they become both measureable and available to finance expenditures of the fiscal period. In accordance with generally accepted accounting principles, expenditures should be recognized as soon as a liability is incurred.

CONDITION

The County's financial records understated capital outlay expenditures and the related intergovernmental revenue on the CDBG activity for the fiscal year ended September 30, 2016. In addition, the corresponding capital contribution to the Water Fund was also understated.

CONTEXT

The contractor's invoice for September 2016 (pay estimate number two) in the amount of $85,545 was omitted in the County's financial records for FY 2016. Material adjustments of $85,545 each were required to increase expenditures and the related intergovernmental revenues for FY 2016. In addition, a material adjustment of $85,545 was required in the Water Fund to record the additional capital contribution for the omitted invoice.

CAUSE

The contractor's summary sheet for pay estimate number two was dated 08/30/16 thru 10/25/16. The summary pay period correct dates were for the period 08/30/16 thru 09/25/2016.

EFFECT

Material audit adjustments were necessary to correct the intergovernmental receivable and payable accounts in the CDBG Fund and the corresponding capital contribution accounts in the Water Fund for the fiscal year ended September 30, 2016.

RECOMMENDATION

We recommend that the County develop procedures to insure the proper recording of Community Development Block Grant activity.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS

We concur with the finding. County will communicate with contractor at the end of each reporting period to ensure that invoices/summary pay estimates are dated correctly.