HABERSHAM COUNTY, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2015

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HABERSHAM COUNTY, GEORGIA
FINANCIAL REPORT
For the fiscal year ended June 30, 2015

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RUSHTON & COMPANY

Independent Auditor's Report

Honorable Chairman and Members
of the Board of Commissioners
Habersham 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 Habersham County, Georgia, as of and for the year ended June 30, 2015, 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 Habersham County Health Department, a component unit of Habersham County, Georgia, which represent 11.6 percent, (5.3) percent, and 82.8 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Habersham County Health Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Habersham County, Georgia, as of June 30, 2015, and the respective changes in the financial position and, where applicable, cash flows, and the budgetary comparison of 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 and the required supplementary information on pages 4 through 14 and 78 through 81, respectively, 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 Habersham County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the state reporting section with the special purpose local option sales tax report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

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

We also have previously audited, in accordance with auditing standards generally accepted in the United States, Habersham County, Georgia's basic financial statements for the year ended June 30, 2014, which are not presented with the accompanying financial statements. In our report dated December 5, 2014, we expressed unmodified opinions on the respective 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. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Habersham County's basic financial statements as a whole. The combining and individual fund financial statements and schedules related to the 2014 financial statements are presented for the purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and schedules related to the 2014 financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the 2014 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2014 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2015, on our consideration of Habersham County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and 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 Habersham County, Georgia's internal control over financial reporting and compliance.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
December 14, 2015

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HABERSHAM COUNTY
GEORGIA | Est. 1818

Habersham County
Board of Commissioners
Finance Department
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Trey Wood
Finance Officer

Phillip Sutton
County Manager

MANAGEMENT'S DISCUSSION AND ANALYSIS

Habersham County management is proud to present this narrative discussion and analysis of Habersham County's financial performance, making available an overview of the activities for the fiscal year ended June 30, 2015. This report is drafted annually to provide readers of financial statements with information that will help them make timely and meaningful financial decisions or draw conclusions about Habersham County. As required by the Governmental Accounting Standards Board (GASB) Statement No. 34, this discussion and analysis affords comparisons with the previous fiscal year.

Financial Highlights

- Habersham County's assets exceeded its liabilities at June 30, 2015 by $64,155,871 (*net position*). Of this amount, $2,666,623 is reported as unrestricted net position. This is an increase of $1,979,803 from the previous fiscal year for unrestricted. Total net position increased by $3,847,348 from the previous fiscal year.

- As of June 30, 2015, Habersham County's governmental funds reported combined ending fund balances of $10,322,822. Approximately 46% of this total amount, or $4,736,988, is reported as unassigned and available for spending at the Board's discretion. Approximately 26%, or $2,724,224, is restricted for capital outlay. Information about Habersham County's Policy on Fund Balance can be found in Note 2P in the *Notes to the Financial Statements* beginning on page 46.

More detailed information regarding these activities and funds begins on page 15.

Overview of the Financial Statements

This discussion and analysis narrative is intended to serve as an introduction to Habersham County's basic financial statements. Habersham County's basic financial statements are composed of three elements: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains required supplementary information in addition to our basic financial statements.

Government-wide Financial Statements (Reporting the County as a whole). The focus of the government-wide financial statements is on the overall financial position and activities of Habersham County and is designed to provide a broad overview of the County's financial activities in a manner similar to a private business enterprise.

The County's government-wide financial statements include the Statement of Net Position and the Statement of Activities. These two statements report information about Habersham County using the accrual basis of accounting, which is similar to the accounting used by non-public businesses. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The purpose of the ***Statement of Net Position*** (pages 15-16) is to report all of the assets held and liabilities owed by the County. The County reports all of its assets when it acquires ownership over the assets and reports all of its liabilities when they are incurred. The difference between the total assets and total liabilities is labeled *net position*. While the purpose of County Government is not to accumulate net position, as this amount increases it can indicate the strength of the County's financial position as a whole. When this amount decreases it can indicate a weakening of the County's financial position.

The ***Statement of Activities*** (page 17) presents the revenues and expenses of the County. Under the accrual basis of accounting, revenues are recognized when earned and expenses when incurred in this statement. Thus, revenues are reported even when they may not be collected for several weeks after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period. The difference is described as *change in net position*. The Statement of Activities primary focus is on the *net cost* of various activities provided by the County and identifies the extent to which each function of the County draws from general revenues or is self-financing through user fees, special revenues, grants, or other sources.

In the Statement of Net Position and the Statement of Activities, we divide Habersham County into three types of activities:

- ***Governmental activities*** – Most of the County's basic services are reported under this category which includes: judicial, public safety, public works, and general administration. Taxes such as: real property, sales, insurance premium and intangible finance most of these services.

- ***Business-type or Enterprise activities*** – The County charges fees to customers to assist in recovering the cost for providing certain services. The County's solid waste tipping fees and transit system fees are reported in this category.

- ***Discretely Presented Component Units*** – A component unit is a legally separate organization for which the elected officials of the County can be financially accountable. The Mountain Judicial Circuit NCIS Team, the Habersham County Development Authority, the Habersham County Airport Authority, and the Habersham County Health Department, although legally separate, function for all practical purposes as departments of Habersham County and have been included as an integral part of the government.

The County's government-wide financial statements are presented on pages 15-17.

Fund Financial Statements (Reporting the County's Major Funds).
The focus of fund financial statements is directed at specific activities of the County and its most significant funds, not the County as a whole. A fund is an entity with a self-balancing set of accounts that the County uses to track specific resources and expenditures, either for management purposes or because of legal mandates. In addition to the major funds, individual fund data for the County's non-major funds can be found beginning on page 82. The County's funds are divided into three broad categories: governmental; proprietary; and fiduciary. They use different prescribed accounting methodologies.

- ***Governmental Funds*** – These funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, governmental fund financial statements focus on the short-term view of the County's general government operations and the basic services it provides. Governmental funds are reported using an accounting method called modified accrual, which measures cash and all other financial assets that can readily be converted to cash.

  Because the focus of the governmental fund financial statements is narrower than that of the government-wide financial statements and because of the different accounting methods used to prepare them, there are often significant differences between the totals presented in these 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 so doing, readers may better understand the long-term impact of the government's near-term financing decisions. An analysis of the balance sheet and the statement of revenues, expenditures, and changes in fund balances that reconciles the two statements are provided following each statement.

  Habersham County maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Hospital Debt Service, SPLOST #4 Capital Projects Fund, SPLOST #5 Capital Projects Fund, and SPLOST #6 Capital Projects Fund which are considered major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements on pages 82-85 of this report.

  Habersham County adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been included for the General Fund to show the final result of actual revenues and expenditures as compared to the initial projections.

  The County's basic governmental fund financial statements are presented on pages 18-25 of this report.

- ***Proprietary Funds*** – When the County charges customers for the services it provides, whether to outside customers or internally to departments of the County, these services are generally reported in proprietary funds. The County maintains one type of proprietary funds: Enterprise Funds. These proprietary funds are prepared using the same accrual basis of accounting as the government-wide financial statements.

  Enterprise fund statements report the same functions presented in the business-type activities columns of the government-wide financial statements. Habersham County uses enterprise funds to account for its Solid Waste and Transit functions.

  The County's proprietary fund financial statements are presented on pages 26-29.

  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 statement because the resources of those funds are not available to support the County's own programs and services. The accounting used for fiduciary funds is similar to that used for proprietary funds. Fiduciary funds are presented in the fund financial statements but are not reported in the government-wide financial statements. The fiduciary fund financial statements are presented on page 30.

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. The notes to the financial statements can be found on pages 33-77 of this report.

Other Supplementary Information.
Other supplementary information includes combining financial statements for non-major governmental, proprietary, and fiduciary funds. These funds are added together by fund type and presented in single columns in the basic financial statements but are not reported individually, as with major funds, on the government-wide financial statements.

This report includes two schedules (pages 20 and 23) which reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting). The following summarizes the impact of transitioning from modified accrual to accrual accounting:

- Capital assets used in governmental activities on the government-wide statements are not reported on fund financial statements.
- Certain tax revenues that are earned, but not available, are reported as revenue on the government-wide statements but as deferred inflows of resources on the fund statements.
- Unless due and payable, long-term liabilities, such as lease obligations, compensated absences, bonds and notes payable, and others only appear as liabilities in the government-wide statements.

- Capital outlay spending results in capital assets on the government-wide statements but is reported as expenditures on the governmental fund financial statements.
- Certain other outflows represent either increases or decreases in liabilities on the government-wide statements but are reported as expenditures on the governmental fund financial statements.

Overview of the County's Financial Position and Operations

The County's overall financial position and operations for this fiscal year is summarized as follows based on the information included in the government-wide financial statements (see pages 15-17):

Habersham County
Net Position
Fiscal Years 2015 and 2014

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current assets	$ 14,481,900	$ 13,169,036	$ 1,328,871	$ 1,441,706	$ 15,810,771	$ 14,610,742
Capital assets	93,734,763	51,644,485	4,154,209	4,078,021	97,888,972	55,722,506
Other noncurrent assets	0	124,865	0	0	0	124,865
Total assets	108,216,663	64,938,386	5,483,080	5,519,727	113,699,743	70,458,113
Deferred Outflows of Resources						
Pension investment return differences	41,580	0	1,165	0	42,745	0
Current liabilities	5,470,316	4,938,111	205,284	77,093	5,675,600	5,015,204
Noncurrent liabilities	40,826,227	2,017,809	3,084,790	3,116,577	43,911,017	5,134,386
Total liabilities	46,296,543	6,955,920	3,290,074	3,193,670	49,586,617	10,149,590
Net position:						
Net investment in capital assets	52,786,918	48,922,613	4,019,199	3,898,266	56,806,117	52,820,879
Restricted	4,683,131	6,800,824	0	0	4,683,131	6,800,824
Unrestricted	4,491,651	2,259,029	(1,825,028)	(1,572,209)	2,666,623	686,820
Total net position	$ 61,961,700	$ 57,982,466	$ 2,194,171	$ 2,326,057	$ 64,155,871	$ 60,308,523

Net position may serve over time as a useful indicator of a government's financial position. Assets for Habersham County exceeded liabilities by $64,155,871 at the close of fiscal year 2015. Approximately 87% of Habersham County's net position is reflected in its investment in capital assets (e.g., land, buildings, machinery and equipment, infrastructure), less any related debt outstanding that was needed to construct or acquire them. The County uses capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the County's investment in 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. Restricted net position comprises 7% of total net position. This amount represents resources that are subject to external restrictions or enabling legislation on how they may be used.

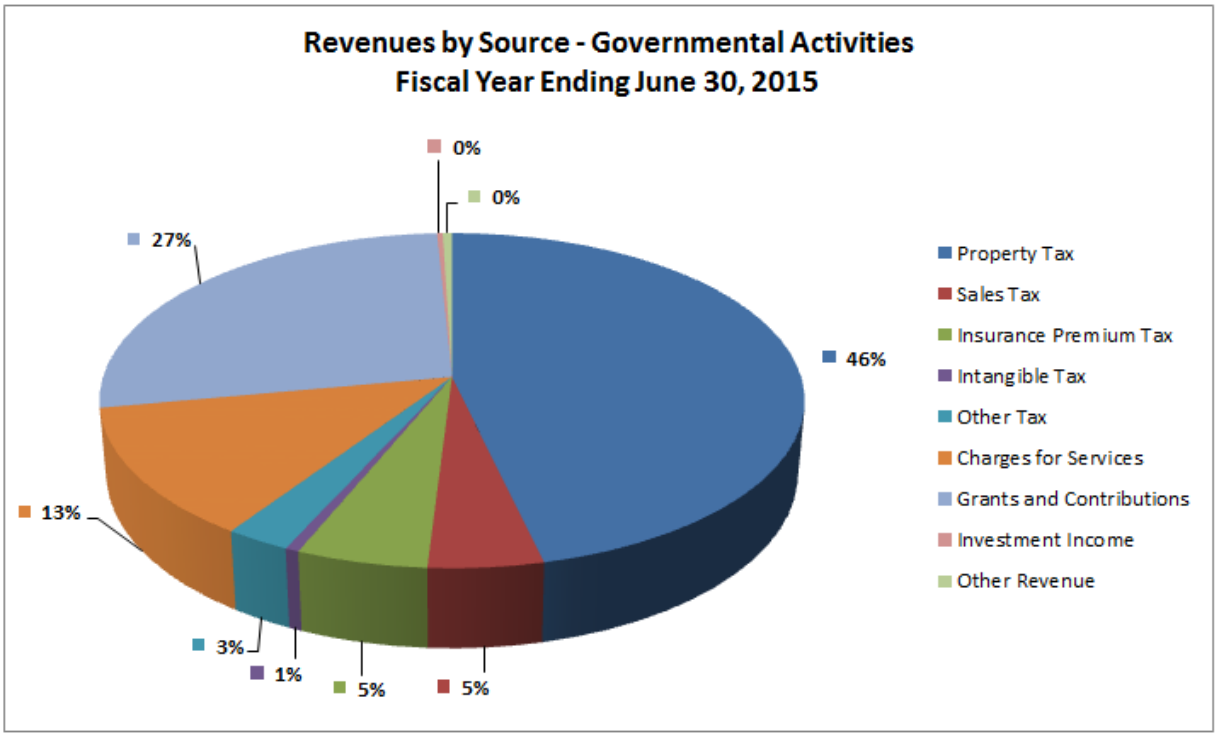
The following condensed financial information was derived from the government-wide Statement of Activities and reflects how Habersham County's net position changed during the fiscal year.

Habersham County
Changes in Net Position
Fiscal Years 2015 and 2014

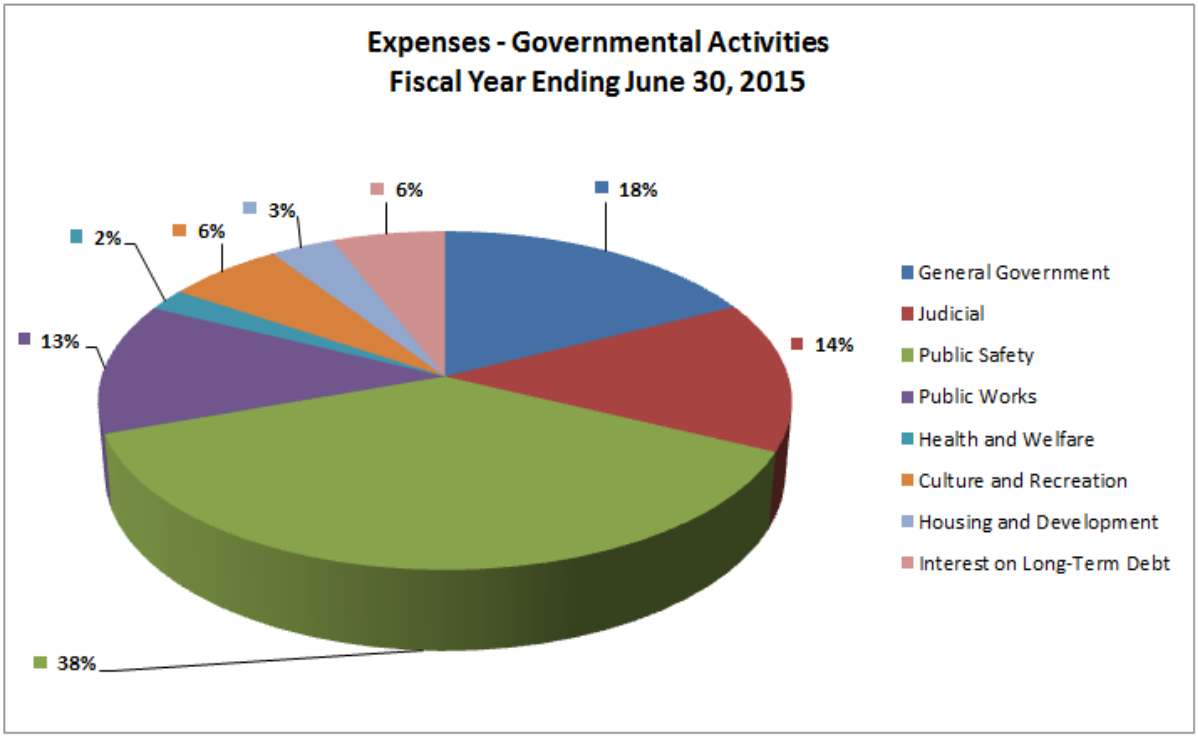
	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues:						
Charges for services	$ 3,596,957	$ 3,222,440	$ 955,541	$ 843,727	$ 4,552,498	$ 4,066,167
Operating grants and contributions	1,306,540	1,126,778	109,977	26,079	1,416,517	1,152,857
Capital grants and contributions	6,430,835	763,585	0	0	6,430,835	763,585
General revenues:						
Property tax	13,208,497	12,554,652	0	0	13,208,497	12,554,652
Sales tax	1,316,437	3,910,736	0	0	1,316,437	3,910,736
Intangible tax	158,815	169,992	0	0	158,815	169,992
Insurance premium tax	1,506,466	1,428,089	0	0	1,506,466	1,428,089
Other taxes	748,474	722,711	0	0	748,474	722,711
Interest & investment earnings	85,477	49,292	13,603	1,641	99,080	50,933
Other revenue	172,553	181,157	0	25,117	172,553	206,274
Total revenues	28,531,051	24,129,432	1,079,121	896,564	29,610,172	25,025,996
Expenses						
General government	4,153,125	4,157,359	0	0	4,153,125	4,157,359
Judicial	3,387,115	3,001,149	0	0	3,387,115	3,001,149
Public Safety	8,845,103	8,894,294	0	0	8,845,103	8,894,294
Public Works	2,947,035	3,037,183	0	0	2,947,035	3,037,183
Health and Welfare	497,206	521,782	0	0	497,206	521,782
Culture and Recreation	1,469,683	1,481,311	0	0	1,469,683	1,481,311
Housing and Development	805,840	762,631	0	0	805,840	762,631
Interest on long-term debt	1,430,453	135,055	0	0	1,430,453	135,055
Water and Sewer	0	0	0	16,170	0	16,170
Landfill	0	0	1,132,465	1,205,526	1,132,465	1,205,526
Transit	0	0	88,009	69,508	88,009	69,508
Total expenses	23,535,560	21,990,764	1,220,474	1,291,204	24,756,034	23,281,968
Increase (decrease) in net position before special items and transfers	4,995,491	2,138,668	(141,353)	(394,640)	4,854,138	1,744,028
Special items	0	0	0	0	0	0
Transfers	(33,495)	44,796	33,495	(44,796)	0	0
Increase (decrease) in net position	4,961,996	2,183,464	(107,858)	(439,436)	4,854,138	1,744,028
Net position - beginning (original)	57,982,466	57,672,053	2,326,057	2,765,493	60,308,523	60,437,546
Prior period adjustments	(982,762)	(1,873,051)	(24,028)	0	(1,006,790)	(1,873,051)
Net position - beginning (restated)	56,999,704	55,799,002	2,302,029	2,765,493	59,301,733	58,564,495
Net position - ending	$ 61,961,700	$ 57,982,466	$ 2,194,171	$ 2,326,057	$ 64,155,871	$ 60,308,523

Governmental Activities –

The following chart illustrates revenues of the governmental activities for the fiscal year:



The following chart illustrates the expenses of the governmental activities for the fiscal year:



Business-Type Activities –

Business-type activities decreased Habersham County's net position by $107,858, or 5%. This decrease is due in large part to an operating loss in the Landfill Enterprise Fund.

Financial Analysis of the County's Funds

Habersham County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The main focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of unrestricted 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.

1) As the County completed this fiscal year, its governmental funds reported a combined ending fund balance of $10,332,822. Of this amount, $4,736,988 (46%) constitutes unassigned fund balance, which is available for appropriation for the general purposes of the funds in accordance with the Habersham County Policy on Fund Balance.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $4,703,449, while total fund balance reached $5,339,047. As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately 87% of total fund balance in the General Fund. Unassigned fund balance represents 26% of total General Fund expenditures, while total fund balance represents approximately 30% of that same amount. The County ended the fiscal year realizing an increase in the overall fund balance in the General Fund by $694,203, or approximately 15%. The County increased unassigned fund balance in the General Fund by $596,315, or 15%. The Habersham County Policy on fund balance calls for a minimum of 17% unassigned fund balance to be retained. Habersham County has maintained a percentage in excess of 17% for the last thirteen fiscal years.

General Fund Budget Highlights

The original budget for the General Fund was amended by various appropriations approved after the beginning of the fiscal year. Budgeted revenues and expenditures in total increased from original to final budgets. As expected, the County experienced an increase in revenues from the prior fiscal year. However, the County ended the fiscal year with revenues up from original budgeted expectations. The County ended the fiscal year with growth in the fund balance. Overall, the County had revenues and other financing sources in excess of expenditures and other financing uses.

Proprietary Funds. Habersham County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the County's two proprietary funds totaled as follows:

- Landfill $ (1,818,623)
- Transit $ (6,405)

The Landfill Fund decreased unrestricted net position by approximately $256,997. Post-closure care liability as of June 30, 2015 is $3,061,007 versus $2,936,822 as of the end of fiscal year 2014. This is an increase of $124,185, or 4%.

Capital Assets and Debt Administration

Capital Assets. Habersham County has invested $97,889,072 in capital assets (net of accumulated depreciation) compared to $55,722,506 in the previous fiscal year. This represents an increase of 76%. Approximately 96% of this investment is related to governmental activities and includes infrastructure, land, buildings, and machinery and equipment. Capital assets held by the County at fiscal year-end are summarized as follows:

Habersham County
Capital Assets (net of accumulated depreciation)
Fiscal Years 2015 and 2014

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Land	$ 7,659,686	$ 5,337,697	$ 665,702	$ 665,702	$ 8,325,388	$ 6,003,399
Construction in progress	6,351,289	2,578,225	74,417	0	6,425,706	2,578,225
Buildings	72,362,570	37,764,574	33,365	33,365	72,395,935	37,797,939
Land improvements	4,169,340	3,452,505	7,816,939	7,816,939	11,986,279	11,269,444
Machinery and equipment	3,052,230	2,901,122	1,724,574	1,815,665	4,776,804	4,716,787
Furniture and fixtures	3,227,381	2,603,120	0	0	3,227,381	2,603,120
Vehicles	7,545,467	8,067,524	345,008	110,877	7,890,475	8,178,401
Infrastructure	65,017,667	63,499,237	0	0	65,017,667	63,499,237
Total	169,385,630	126,204,004	10,660,005	10,442,548	180,045,635	136,646,552
Accumulated Depreciation	(75,650,767)	(74,559,519)	(6,505,796)	(6,364,527)	(82,156,563)	(80,924,046)
Net Capital Assets	$ 93,734,863	$ 51,644,485	$ 4,154,209	$ 4,078,021	$ 97,889,072	$ 55,722,506

Major capital asset expenditures during the current fiscal year for governmental activities included the following:

- Purchase of the Habersham Medical Center
- Purchase of vehicles and heavy equipment for various departments
- Continuing emergency communications upgrades to the County E-911 radio communication system
- Continuing road construction, road improvements, culvert repairs and bridge repairs
- Continuing improvements to the Airport

Additional information on Habersham County's capital assets can be found in Note 9 on pages 56-58 of this report.

Debt/Capital Leases. On June 30, 2015, Habersham County had a total debt balance outstanding for governmental activities in the amount of $40,660,900, as compared to $5,469,792 the previous fiscal year. Habersham County's outstanding debt for governmental activities has increased by $35,191,108 during the course of the fiscal year. In August 2014, the County issued $40 million general obligation bonds for the Habersham Medical Center. Debt service on this 34 year bond is being repaid from SPLOST 6 proceeds.

Additional information on the County's long-term debt can be found in Note 11 on pages 60-63 of this report.

Economic Condition and Outlook

Habersham County has worked to maintain healthy fund reserves and will work to continue to provide services to the citizenry. Moving forward the County will continue to face challenges as a result of slow economic growth. Housing starts and retail sales related to residential and commercial construction continue to be a major concern of the County Commission. These and many key factors were considered in preparation of the budget for fiscal year 2016 that position Habersham County to meet those challenges:

- Continued increased reliance on residential taxes as an overall part of the tax base
- Flattening recovery in countywide retail sales
- Increased reliance on Special Purpose Local Option Sales Tax for facility and infrastructure improvements
- State Legislatures imposing limits to home rule through property tax and property assessment reform
- Continued volatility in the housing market and cost of fuel & energy
- Need for additional personnel, and funds for personnel development and training
- Rising cost of healthcare and other insurance benefits

Contacting the County

This financial report is designed to provide County citizens, taxpayers, customers, and creditors with a general overview of Habersham County's finances and to demonstrate the County's high level of accountability for the revenue it receives and the services it provides. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Finance
Habersham County
ATTN: Finance Officer
555 Monroe Street, Unit 20
Clarkesville, Georgia 30523
Email: twood@habershamga.com

Administration
Habersham County
ATTN: County Manager
555 Monroe Street, Unit 20
Clarkesville, Georgia 30523
Email: psutton@habershamga.com

Website
http://www.habershamga.com/finance.cfm

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BASIC FINANCIAL STATEMENTS

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 5,248,352	$ 570,497	$ 5,818,849	$ 587,525
Certificates of deposit	840,147	240,706	1,080,853	0
Investments	3,528,590	372,126	3,900,716	0
Restricted assets				
Cash and cash equivalents	723,601	0	723,601	227,411
Receivables (net)				
Accounts	174,512	132,313	306,825	27,988
Intergovernmental	2,779,904	82,153	2,862,057	41,469
Taxes	649,858	0	649,858	0
Interest	0	1,358	1,358	0
Prepaid items	466,136	518	466,654	0
Internal balances	70,800	(70,800)	0	0
Total current assets	14,481,900	1,328,871	15,810,771	884,393
Noncurrent assets				
Capital assets				
Non-depreciable	14,010,975	740,119	14,751,094	2,510,573
Depreciable (net)	79,723,788	3,414,090	83,137,878	1,391,268
Total noncurrent assets	93,734,763	4,154,209	97,888,972	3,901,841
Total assets	108,216,663	5,483,080	113,699,743	4,786,234
DEFERRED OUTFLOW OF RESOURCES				
Pension investment return differences	41,580	1,165	42,745	0
Pension contributions subsequent to measurement date	0	0	0	72,905
Total deferred outflow of resources	41,580	1,165	42,745	72,905
LIABILITIES				
Current liabilities				
Payables				
Accounts	3,136,042	31,543	3,167,585	7,436
Intergovernmental	88,675	533	89,208	52,983
Retainage	527,182	0	527,182	0
Interest	668,983	0	668,983	949
Accrued salaries and expenses	365,590	12,575	378,165	0
Compensated absences	622,196	28,475	650,671	34,587
Unearned revenue	0	0	0	0
Due to other agencies	0	0	0	42,545
Capital leases payable	16,030	132,158	148,188	0
Contracts payable	45,618	0	45,618	0
Notes payable	0	0	0	97,785
Total current liabilities	5,470,316	205,284	5,675,600	236,285

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2015

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Noncurrent liabilities				
Compensated absences	$ 0	$ 0	$ 0	$ 12,857
Net pension liability	849,171	23,783	872,954	0
Proportionate share of net pension liability	0	0	0	562,518
Capital leases payable	38,752	0	38,752	0
Contracts payable	39,938,304	0	39,938,304	0
Notes payable	0	0	0	981,731
Post-closure care costs	0	3,061,007	3,061,007	0
Total noncurrent liabilities	40,826,227	3,084,790	43,911,017	1,557,106
Total liabilities	46,296,543	3,290,074	49,586,617	1,793,391
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows or resources, net	0	0	0	142,280
NET POSITION				
Net investment in capital assets	52,786,918	4,019,199	56,806,117	2,839,503
Restricted for:				
Judicial	262,763	0	262,763	0
Public safety	31,380	0	31,380	6,559
Capital outlay	2,757,763	0	2,757,763	227,411
Debt service	1,631,225	0	1,631,225	0
Unrestricted	4,491,651	(1,825,028)	2,666,623	(150,005)
Total net position	$ 61,961,700	$ 2,194,171	$ 64,155,871	$ 2,923,468

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

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HABERSHAM COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2015

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
General Government	$ 4,153,125	$ 567,660	$ 0	$ 0	$ (3,585,465)
Judicial	3,387,115	659,723	918,942	69,952	(1,738,498)
Public Safety	8,845,103	1,649,396	318,996	320,587	(6,556,124)
Public Works	2,947,035	157,611	7,085	6,040,296	3,257,957
Health and Welfare	497,206	0	3,389	0	(493,817)
Culture and Recreation	1,469,683	489,341	3,000	0	(977,342)
Housing and Development	805,840	73,226	55,128	0	(677,486)
Interest on long-term debt	1,430,453	0	0	0	(1,430,453)
Total governmental activities	23,535,560	3,596,957	1,306,540	6,430,835	(12,201,228)
Business-type activities					
Water and Sewer	0	0	0	0	0
Landfill	1,132,465	929,407	74,961	0	(128,097)
Transit	88,009	26,134	35,016	0	(26,859)
Total business-type activities	1,220,474	955,541	109,977	0	(154,956)
Total primary government	24,756,034	4,552,498	1,416,517	6,430,835	(12,356,184)
Component Units					
Mountain Judicial Circuit NCIS Team					
Public Safety	197,000	71,001	25,416	0	(100,583)
Habersham County Development Authority					
Housing and Development	102,237	0	20,000	0	(82,237)
Habersham County Airport Authority					
Public Works	130,389	100,408	0	0	(29,981)
Habersham County Health Department					
Health and Welfare	873,587	385,176	375,173	0	(113,238)
Total component units	1,303,213	556,585	420,589	0	(326,039)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Change in net position				
Net (expense) revenue	$ (12,201,228)	$ (154,956)	$ (12,356,184)	$ (326,039)
General revenues				
Taxes				
Property	13,208,497	0	13,208,497	0
Sales	1,316,437	0	1,316,437	0
Intangible	158,815	0	158,815	0
Insurance premium	1,506,466	0	1,506,466	0
Other	748,474	0	748,474	0
Interest and investment earnings	85,477	13,603	99,080	38
Rental income	53,245	0	53,245	42,030
Payments from Habersham County	0	0	0	201,179
Gain on sale of assets	7,550	0	7,550	(63,486)
Miscellaneous	111,758	0	111,758	1,100
Transfers	(33,495)	33,495	0	0
Total general revenues and transfers	17,163,224	47,098	17,210,322	180,861
Change in net position	4,961,996	(107,858)	4,854,138	(145,178)
Net position - beginning (original)	57,982,466	2,326,057	60,308,523	3,742,207
Prior period adjustments	(982,762)	(24,028)	(1,006,790)	(673,561)
Net position - beginning (restated)	56,999,704	2,302,029	59,301,733	3,068,646
Net position - ending	$ 61,961,700	$ 2,194,171	$ 64,155,871	$ 2,923,468

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

HABERSHAM COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2015

	General	Hospital Debt Service	SPLOST #4	SPLOST #5
ASSETS				
Cash and cash equivalents	$ 1,508,081	$ 660,434	$ 256,033	$ 1,887,320
Certificates of deposit	0	0	0	734,397
Investments	3,528,590	0	0	0
Restricted assets				
Cash and cash equivalents	23,970	699,631	0	0
Receivables (net)				
Accounts	33,858	8,024	0	0
Intergovernmental	474,507	0	2,257,890	0
Taxes	155,734	0	0	0
Prepaid items	466,136	0	0	0
Due from other funds	142,178	263,136	0	0
Total assets	$ 6,333,054	$ 1,631,225	$ 2,513,923	$ 2,621,717
LIABILITIES AND FUND BALANCES				
Liabilities				
Payables				
Accounts	$ 437,871	$ 0	$ 1,953,202	$ 421,082
Intergovernmental	88,605	0	0	0
Retainage	0	0	527,182	0
Accrued salaries and expenses	338,276	0	0	0
Due to other funds	37,666	0	0	0
Total liabilities	902,418	0	2,480,384	421,082
Deferred Inflows of Resources				
Unavailable revenue - property taxes	31,589	0	0	0
Fund balances				
Nonspendable:				
Prepaid items	466,136	0	0	0
Restricted for:				
Judicial	22,593	0	0	0
Public safety	1,377	0	0	0
Capital outlay	0	0	33,539	2,200,635
Debt service	0	1,631,225	0	0
Assigned to:				
Public safety	0	0	0	0
Capital outlay	0	0	0	0
Subsequent year's budget	205,492	0	0	0
Unassigned	4,703,449	0	0	0
Total fund balances	5,399,047	1,631,225	33,539	2,200,635
Total liabilities, deferred inflows, and fund balances	$ 6,333,054	$ 1,631,225	$ 2,513,923	$ 2,621,717

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

SPLOST #6	Capital Improvements	Nonmajor Governmental Funds	Totals
$ 579,945	$ 39,748	$ 316,791	$ 5,248,352
0	0	105,750	840,147
0	0	0	3,528,590
0	0	0	723,601
0	0	132,630	174,512
0	0	47,507	2,779,904
494,124	0	0	649,858
0	0	0	466,136
0	25,663	12,003	442,980
$ 1,074,069	$ 65,411	$ 614,681	$ 14,854,080

$ 287,344	$ 25,663	$ 10,880	$ 3,136,042
0	0	70	88,675
0	0	0	527,182
0	0	27,314	365,590
263,136	0	71,378	372,180
550,480	25,663	109,642	4,489,669
0	0	0	31,589
0	0	0	466,136
0	0	240,170	262,763
0	0	30,003	31,380
523,589	0	0	2,757,763
0	0	0	1,631,225
0	0	234,866	234,866
0	39,748	0	39,748
0	0	0	205,492
0	0	0	4,703,449
523,589	39,748	505,039	10,332,822
$ 1,074,069	$ 65,411	$ 614,681	$ 14,854,080

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HABERSHAM COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2015

Total fund balance - total governmental funds	$	10,332,822
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets of $169,385,530, net of accumulated depreciation of ($75,650,767) are not financial resources and, therefore, are not reported in the funds.		93,734,763
Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the funds. These are property taxes.		31,589
Deferred outflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. These are pension investment return differences.		41,580
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are interest payable of ($668,983), capital leases payable of ($54,782), contracts payable of ($39,983,922), compensated absences of ($622,196), and net pension liability of ($894,171).		(42,179,054)
Net position of governmental activities	$	61,961,700

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2015

	General	Hospital Debt Service	SPLOST #4	SPLOST #5
REVENUES				
Taxes	$ 14,899,907	$ 648,997	$ 0	$ 757
Licenses and permits	104,150	0	0	0
Fines, fees and forfeitures	1,136,145	0	0	0
Charges for services	1,405,086	0	0	0
Intergovernmental	1,719,087	389	4,880,090	1,009,480
Interest	43,392	0	726	69,952
Contributions	13,406	0	0	0
Other	144,190	19,072	174	0
Total revenues	19,465,363	668,458	4,880,990	1,080,189
EXPENDITURES				
Current				
General government	3,958,339	0	0	0
Judicial	3,034,318	0	0	0
Public safety	6,960,908	0	0	0
Public works	1,910,448	0	0	0
Health and welfare	699,874	0	0	0
Culture and recreation	1,137,243	0	0	0
Housing and development	543,328	0	0	0
Capital outlay	0	0	5,732,455	2,014,295
Intergovernmental	0	0	0	0
Debt service				
Principal	0	0	0	0
Interest	0	749,260	0	0
Total expenditures	18,244,458	749,260	5,732,455	2,014,295
Excess (deficiency) of revenues over (under) expenditures	1,220,905	(80,802)	(851,465)	(934,106)
Other financing sources (uses)				
Transfers in	69,134	1,712,027	0	0
Transfers out	(893,347)	0	0	(2,508,068)
Issuance of contracts payable	274,961	0	0	0
Proceeds from sale of assets	22,550	0	0	0
Total other financing sources (uses)	(526,702)	1,712,027	0	(2,508,068)
Net change in fund balance	694,203	1,631,225	(851,465)	(3,442,174)
Fund balances, July 1	4,704,844	0	885,004	5,642,809
Fund balances, June 30	$ 5,399,047	$ 1,631,225	$ 33,539	$ 2,200,635

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

SPLOST #6	Capital Improvements	Nonmajor Governmental Funds	Totals
$ 1,315,680	$ 0	$ 66,890	$ 16,932,231
0	0	0	104,150
0	0	124,084	1,260,229
0	0	827,492	2,232,578
0	0	44,246	7,653,292
34	0	235	114,339
0	0	0	13,406
0	33	1,538	165,007
1,315,714	33	1,064,485	28,475,232
0	0	0	3,958,339
0	0	13,856	3,048,174
0	0	1,282,036	8,242,944
0	0	0	1,910,448
0	0	0	699,874
0	0	0	1,137,243
0	0	26,756	570,084
130,864	38,994,504	0	46,872,118
398,125	0	0	398,125
0	0	2,505,000	2,505,000
0	0	3,068	752,328
528,989	38,994,504	3,830,716	70,094,677
786,725	(38,994,471)	(2,766,231)	(41,619,445)
0	417,625	2,955,031	5,153,817
(263,136)	(1,448,891)	(69,134)	(5,182,576)
0	40,025,738	0	40,300,699
0	0	0	22,550
(263,136)	38,994,472	2,885,897	40,294,490
523,589	1	119,666	(1,324,955)
0	39,747	385,373	11,657,777
$ 523,589	$ 39,748	$ 505,039	$ 10,332,822

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HABERSHAM COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2015

Net change in fund balances - total governmental funds	$	(1,324,955)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of $44,608,325 exceeded depreciation of ($2,444,865) in the current period.		42,163,460
In the statement of activities, the loss on the disposal of capital assets is report, whereas in the governmental funds, the proceeds from the sale of capital assets increase financial resources. This is the amount by which the cost of assets disposed ($1,342,112) exceeded related accumulated depreciation $1,273,666 in the current period.		(68,446)
Distribution of capital assets decrease net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources. This is the amount of capital assets distributed to the business-type activities.		(4,736)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds These include recognition of unavailable property taxes.		6,458
The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which debt repayments of $5,075,105 exceeded proceeds of ($40,300,699).		(35,225,594)
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions is reported as pension expense. This is the amount by which pension contributions $388,579 exceeded cost of benefits earned, net of employee contributions ($338,273).		50,306
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. These include the net decrease in compensated absences $34,486 and the net increase in interest payable ($668,983).		(634,497)
Change in net position of governmental activities	$	4,961,996

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

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2015

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 14,512,938	$ 14,879,331	$ 14,899,907	$ 20,576
Licenses and permits	91,200	91,200	104,150	12,950
Fines, fees and forfeitures	879,350	879,350	1,136,145	256,795
Charges for services	1,135,950	1,231,950	1,405,086	173,136
Intergovernmental	1,651,713	1,651,713	1,719,087	67,374
Interest	10,100	10,100	43,392	33,292
Contributions	13,000	13,000	13,406	406
Other	166,865	166,865	144,190	(22,675)
Total revenues	18,461,116	18,923,509	19,465,363	541,854
EXPENDITURES				
Current				
General Government				
County-Wide	709,000	845,000	793,310	51,690
Commissioners	449,869	478,219	477,239	980
County Manager	139,618	161,315	155,793	5,522
County Finance	258,621	224,491	223,234	1,257
County Human Resources	118,938	130,238	124,979	5,259
Tax Commissioner	358,894	358,894	357,195	1,699
Tax Assessor	479,620	494,174	484,084	10,090
Board of Equalization	5,150	5,150	2,476	2,674
County Clerk	103,232	103,232	96,149	7,083
Engineer	160,889	98,889	89,760	9,129
Registrar	121,486	122,986	119,548	3,438
Buildings and Grounds	741,789	830,028	809,446	20,582
Information Technology	215,829	225,910	225,126	784
Judicial				
Accountability Court	306,070	306,070	312,593	(6,523)
Probate Court	190,474	190,474	187,598	2,876
Magistrate Court	414,117	232,855	221,916	10,939
Clerk of Superior Court	566,274	673,841	672,025	1,816
Superior Court	211,719	237,719	233,462	4,257
District Attorney	130,317	137,217	211,139	(73,922)
Public Defender	429,300	439,850	439,428	422
State Court Judge	265,452	265,452	254,718	10,734
Juvenile Court	273,918	345,446	344,938	508
Juvenile Supervision	8,000	8,000	1,950	6,050
State Court Solicitor	155,227	155,227	154,551	676
Public Safety				
Sheriff	2,678,419	2,950,031	2,993,895	(43,864)
Jail	2,016,927	2,106,927	2,097,864	9,063
Heat Unit	74,373	74,373	73,642	731
Animal Control	217,268	217,268	217,264	4
Coroner	27,477	27,477	20,934	6,543
Fire	1,096,313	1,096,313	1,084,396	11,917
Emergency Management Agency	58,123	64,223	64,020	203
Ambulance	435,592	425,592	406,503	19,089
Northeast Georgia Drug Task Force	33,976	3,300	2,390	910
Public Works				
Fleet	289,921	385,921	384,293	1,628
Road Department	1,467,335	1,530,335	1,525,682	4,653
Water and Sewer Authority	5,500	5,500	473	5,027

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

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2015

	Budget			Variance with
	Original	Final	Actual	Final Budget
Health and Welfare				
Georgia Mountains Community				
Mental Health	$ 24,754	$ 24,754	$ 24,754	$ 0
Habersham County				
Hospital Authority	0	274,961	274,961	0
Senior Center	156,372	161,838	161,757	81
Habersham County				
Health Department	198,788	198,788	198,788	0
Child Welfare	39,200	39,700	39,614	86
Culture and Recreation				
Fairgrounds	0	0	356	(356)
Libraries	267,866	267,866	267,866	0
Recreation	810,691	867,658	869,021	(1,363)
Housing and Development				
Extension Service	90,806	101,021	97,307	3,714
Forestry	7,832	7,832	7,832	0
Economic Development	134,132	134,132	120,939	13,193
GIS	0	0	30	(30)
Building	245,542	245,542	244,739	803
Planning Commission	4,600	4,600	3,168	1,432
Code Enforcement	68,678	69,478	69,313	165
Total expenditures	17,264,288	18,356,107	18,244,458	111,649
Excess (deficiency) of revenues over (under) expenditures	1,196,828	567,402	1,220,905	653,503
Other financing sources (uses)				
Transfers in	54,800	54,800	69,134	14,334
Transfers out	(959,163)	(897,163)	(893,347)	3,816
Issuance of contracts payable	0	274,961	274,961	0
Sale of capital assets	0	0	22,550	22,550
Contingency	(292,465)	0	0	0
Total other financing sources (uses)	(1,196,828)	(567,402)	(526,702)	40,700
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	694,203	694,203
Fund balances, July 1	0	0	4,704,844	4,704,844
Fund balances, June 30	$ 0	$ 0	$ 5,399,047	$ 5,399,047

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015

	Business-Type Activities			
	Water and Sewer	Landfill	Transit	Totals
ASSETS				
Current assets				
Cash and cash equivalents	$ 0	$ 570,497	$ 0	$ 570,497
Certificates of deposit	0	240,706	0	240,706
Investments	0	372,126	0	372,126
Receivables (net)				
Accounts	0	132,279	34	132,313
Intergovernmental	0	74,961	7,192	82,153
Interest	0	1,358	0	1,358
Prepaids	0	518	0	518
Total current assets	0	1,392,445	7,226	1,399,671
Noncurrent assets				
Capital assets				
Non-depreciable	0	736,162	3,957	740,119
Depreciable (net)	0	3,410,623	3,467	3,414,090
Total noncurrent assets	0	4,146,785	7,424	4,154,209
Total assets	0	5,539,230	14,650	5,553,880
DEFERRED OUTFLOWS OF RESOURCES				
Pension investment return differences	0	1,029	136	1,165
LIABILITIES				
Current liabilities				
Payables				
Accounts	0	30,515	1,028	31,543
Intergovernmental	0	197	336	533
Accrued salaries	0	11,096	1,479	12,575
Compensated absences	0	23,318	5,157	28,475
Due to other funds	0	67,809	2,991	70,800
Capital leases	0	132,158	0	132,158
Total current liabilities	0	265,093	10,991	276,084
Noncurrent liabilities				
Net pension liability	0	21,007	2,776	23,783
Postclosure care	0	3,061,007	0	3,061,007
Total noncurrent liabilities	0	3,082,014	2,776	3,084,790
Total liabilities	0	3,347,107	13,767	3,360,874
NET POSITION				
Net investment in capital assets	0	4,011,775	7,424	4,019,199
Unrestricted	0	(1,818,623)	(6,405)	(1,825,028)
Total net position	$ 0	$ 2,193,152	$ 1,019	$ 2,194,171

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Business-Type Activities			
	Water and Sewer	Landfill	Transit	Totals
OPERATING REVENUES				
Charges for sales and services	$ 0	$ 929,407	$ 26,134	$ 955,541
Total operating revenues	0	929,407	26,134	955,541
OPERATING EXPENSES				
Costs of sales and services	0	413,054	28,503	441,557
Personal services	0	310,374	50,466	360,840
Depreciation	0	382,592	9,040	391,632
Total operating expenses	0	1,106,020	88,009	1,194,029
Operating income (loss)	0	(176,613)	(61,875)	(238,488)
Non-operating revenues (expenses)				
Interest revenue	0	13,603	0	13,603
Interest expense	0	(2,433)	0	(2,433)
Intergovernmental revenue	0	74,961	35,016	109,977
Gain (loss) on sale of assets	0	(24,012)	0	(24,012)
Total non-operating revenues (expenses)	0	62,119	35,016	97,135
Net income (loss) before capital contributions and transfers	0	(114,494)	(26,859)	(141,353)
Capital contributions				
Contributions of capital assets from Governmental activities	0	4,736	0	4,736
Net income (loss) before transfers	0	(109,758)	(26,859)	(136,617)
Transfers				
Transfers in	0	0	28,759	28,759
Change in net position	0	(109,758)	1,900	(107,858)
Net position, July 1 (original)	0	2,324,133	1,924	2,326,057
Prior period adjustments	0	(21,223)	(2,805)	(24,028)
Net position, July 1	0	2,302,910	(881)	2,302,029
Net position, June 30	$ 0	$ 2,193,152	$ 1,019	$ 2,194,171

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Business-Type Activities			
	Water and Sewer	Landfill	Transit	Totals
Cash flows from operating activities:				
Receipts from customers	$ 0	$ 928,301	$ 26,157	$ 954,458
Payments to suppliers	0	(303,493)	(27,609)	(331,102)
Payments to employees	0	(306,054)	(49,803)	(355,857)
Net cash provided (used) by operating activities	0	318,754	(51,255)	267,499
Cash flows from non-capital financing activities:				
Receipts from other governments	0	0	35,526	35,526
Receipts from other funds	(57,575)	27,498	19,686	(10,391)
Net cash provided (used) by non-capital financing activities	(57,575)	27,498	55,212	25,135
Cash flows from capital and related financing activities:				
Acquisition of capital assets	0	(480,287)	(3,957)	(484,244)
Principal payments - capital leases	0	(47,597)	0	(47,597)
Interest paid	0	(2,433)	0	(2,433)
Net cash provided (used) by capital and related financing activities	0	(530,317)	(3,957)	(534,274)
Cash flows from investing activities:				
Interest received	0	14,142	0	14,142
Purchase of investments	0	(372,126)	0	(372,126)
Purchase of certificates of deposits	0	(240,706)	0	(240,706)
Proceeds from maturity of certificates of deposit	0	243,552	0	243,552
Net cash provided (used) by investing activities	0	(355,138)	0	(355,138)
Net increase (decrease) in cash and cash equivalents	(57,575)	(539,203)	0	(596,778)
Cash and cash equivalents, July 1	57,575	1,109,700	0	1,167,275
Cash and cash equivalents, June 30	$ 0	$ 570,497	$ 0	$ 570,497

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Business-Type Activities			
	Water and Sewer	Landfill	Transit	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 0	$ (176,613)	$ (61,875)	$ (238,488)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	0	382,592	9,040	391,632
Closure/postclosure costs	0	124,185	0	124,185
(Increase) decrease in accounts receivable	0	(1,106)	23	(1,083)
(Increase) decrease in prepaid items	0	(518)	0	(518)
(Increase) decrease in pension investment return differences	0	(1,029)	(136)	(1,165)
Increase (decrease) in accounts payable	0	(14,237)	558	(13,679)
Increase (decrease) in intergovernmental payable	0	131	336	467
Increase (decrease) in accrued payroll liabilities	0	5,565	828	6,393
Increase (decrease) in net pension liability	0	(216)	(29)	(245)
Total adjustments	0	495,367	10,620	505,987
Net cash provided (used) by operating activities	$ 0	$ 318,754	$ (51,255)	$ 267,499

Noncash capital and related financing activities:

Acquisition of capital assets through accounts payable totaled $2,852 for the fiscal year ended June 30, 2015.

Contributions of capital assets from governmental activities totaled $319,637 with related accumulated depreciation totaling $314,901 for the fiscal year ended June 30, 2015.

Distributions of capital assets to governmental activities totaled $234,950 with related accumulated depreciation totaling $234,950 for the fiscal year ended June 30, 2015.

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2015

	Agency Funds
ASSETS	
Cash	$ 1,091,424
LIABILITIES	
Due to other agencies	$ 1,091,424

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

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2015

	Mountain Judicial Circuit NCIS Team	Habersham County Development Authority	Habersham County Airport Authority	Habersham County Health Department	Totals
ASSETS					
Current assets					
Cash and cash equivalents	$ 49,104	$ 32,804	$ 10,708	$ 494,909	$ 587,525
Restricted assets					
Cash and cash equivalents	0	227,411	0	0	227,411
Receivables (net)					
Accounts	0	0	0	27,988	27,988
Intergovernmental	0	0	8,450	33,019	41,469
Total current assets	49,104	260,215	19,158	555,916	884,393
Noncurrent assets					
Capital assets					
Non-depreciable	0	2,510,573	0	0	2,510,573
Depreciable (net)	0	1,391,268	0	0	1,391,268
Total noncurrent assets	0	3,901,841	0	0	3,901,841
Total assets	49,104	4,162,056	19,158	555,916	4,786,234
DEFERRED OUTFLOWS OF RESOURCES					
Pension contributions subsequent to measurement date	0	0	0	72,905	72,905
LIABILITIES					
Current liabilities					
Payables					
Accounts	0	2,215	697	4,524	7,436
Intergovernmental	0	8,450	16,947	27,586	52,983
Interest	0	949	0	0	949
Compensated absences	0	0	0	34,587	34,587
Due to other agencies	42,545	0	0	0	42,545
Notes payable	0	80,607	17,178	0	97,785
Total current liabilities	42,545	92,221	34,822	66,697	236,285
Noncurrent liabilities					
Compensated absences	0	0	0	12,857	12,857
Proportionate share of net pension liability	0	0	0	562,518	562,518
Notes payable	0	981,731	0	0	981,731
Total noncurrent liabilities	0	981,731	0	575,375	1,557,106
Total liabilities	42,545	1,073,952	34,822	642,072	1,793,391
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows or resources, net	0	0	0	142,280	142,280
NET POSITION					
Net investment in capital assets	0	2,839,503	0	0	2,839,503
Restricted for public safety	6,559	0	0	0	6,559
Restricted for capital outlay	0	227,411	0	0	227,411
Unrestricted	0	21,190	(15,664)	(155,531)	(150,005)
Total net position	$ 6,559	$ 3,088,104	$ (15,664)	$ (155,531)	$ 2,923,468

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

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the fiscal year ended June 30, 2015

	Mountain Judicial Circuit NCIS Team	Habersham County Development Authority	Habersham County Airport Authority	Habersham County Health Department	Totals
Expenses					
Public Safety	$ 197,000	$ 0	$ 0	$ 0	$ 197,000
Public Works	0	0	130,389	0	130,389
Health and Welfare	0	0	0	873,587	873,587
Housing and Development	0	102,237	0	0	102,237
Total expenses	197,000	102,237	130,389	873,587	1,303,213
Program revenues					
Charges for services	71,001	0	100,408	385,176	556,585
Operating grants and contributions	25,416	20,000	0	375,173	420,589
Total program revenues	96,417	20,000	100,408	760,349	977,174
Net (expense) revenue	(100,583)	(82,237)	(29,981)	(113,238)	(326,039)
General revenues					
Interest	0	38	0	0	38
Rental income	0	25,580	16,450	0	42,030
Payments from Habersham County	2,390	0	0	198,789	201,179
Loss on sale of assets	(63,486)	0	0	0	(63,486)
Miscellaneous	0	1,100	0	0	1,100
Total general revenues	(61,096)	26,718	16,450	198,789	180,861
Change in net position	(161,679)	(55,519)	(13,531)	85,551	(145,178)
Net position - beginning (original)	168,238	3,143,623	(2,133)	432,479	3,742,207
Prior period adjustments	0	0	0	(673,561)	(673,561)
Net position - beginning (restated)	168,238	3,143,623	(2,133)	(241,082)	3,068,646
Net position, June 30	$ 6,559	$ 3,088,104	$ (15,664)	$ (155,531)	$ 2,923,468

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

1. Description of Government Unit

Habersham County, Georgia (the County) is located in the foothills of the Georgia mountains about seventy-five miles northeast of Atlanta.

The County provides a full range of services, including public safety, health and welfare services, recreational programs, public works, water distribution services and solid waste disposal services.

The County Government is governed by a five member Board of Commissioners (the Board). Each Commissioner represents one of five districts and must reside in the district they represent. Board members are elected at-large for a four year term.

The Board selects a County Manager to run the "day-to-day" operations of the County. The County Manager serves at the will of the Board as a contractual employee. The County Manager is the Chief Administrative Officer and the Budget Officer for the County.

The Assistant County Manager/Finance Director serves as the Chief Financial Officer (CFO) for the County. The County CFO is responsible for all County financial activity including accounting, reporting and treasury management. The CFO is a career service County employee and works directly for the County Manager.

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2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Habersham County (the primary government) and material component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationship with the County.

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the financial statements of component units have been included either as blended or discretely presented component units.

Discretely Presented Component Units – Discretely presented component units are reported in a separate column in the combined financial statements to emphasize they are legally separate from the government.

Mountain Judicial Circuit NCIS Team – The Mountain Judicial Circuit NCIS Team was created to promote a coordinated drug enforcement effort throughout the area and to encourage maximum cooperation among all enforcement and prosecuting agencies therein. The NCIS Team is a coordinated effort involving Habersham and Stephens Counties. Habersham County is the fiscal agent for the federal grant funds from the Criminal Justice Coordinating Council. Separate financial statements are not issued for the NCIS Team.

Habersham County Development Authority – The Authority exists to promote business development in Habersham County. The Habersham County Board of Commissioners appoints the majority of the governing board and the Development Authority receives the majority of its funding through payments from the County. Separate financial statements are not issued for the Authority.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Habersham County Airport Authority – The Authority exists for the establishment, maintenance, and operation of a unified and coordinated airport system in Habersham County. The Airport Authority's Governing Board is appointed by the Habersham County Board of Commissioners. The County contracts with a private individual for the management of the airport facilities. The County owns and maintains all of the airport facilities. Separate financial statements are not issued for the Authority.

Habersham County Health Department – The Habersham County Health Department was established as a legally separate entity and operates pursuant to the Georgia Health Code 88-2, Georgia Laws 1964. The District Health Director is the Executive Officer of the Habersham County Health Department and is responsible for the overall coordination of the local health activities. The Habersham County Health Department is funded by the State and County under the Grant-in-Aid provisions, and operated under the supervision of the local Board of Health. The Habersham County Health Department has a June 30 year-end. A copy of the Habersham County Health Department financial statements can be obtained from District 2, Public Health, 1280 Athens Street, Gainesville, GA 30507.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. 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.

As discussed earlier, the government has three discretely presented component units. While they are not considered to be major component units, they are nevertheless aggregated and shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

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

Hospital Debt Service Fund – This fund is used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

Special Purpose Local Option Sales Tax #4 Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes.

Special Purpose Local Option Sales Tax #5 Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes.

Special Purpose Local Option Sales Tax #6 Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes.

Capital Improvements Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

The County reports the following major proprietary funds:

Water and Sewer Enterprise Fund – This fund is used to account for the activities connected with the development, operation, and maintenance of water and sewer services in Habersham County.

Landfill Enterprise Fund – This fund is used to account for activities connected with the disposal of residential and commercial solid waste at the County's landfill. The landfill provides services to all citizens of Habersham County.

Transit Enterprise Fund – This fund is used to account for activities of the County's on-call bus service, available to any County resident.

Additionally, the County reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital Projects Funds – This fund type is used to account for financial resources to be use for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Debt Service Funds – This fund type is used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Fiduciary Fund Types

Agency Funds – Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the County or for others.

Component Units

The Mountain Judicial Circuit NCIS Team, the Habersham County Development Authority, the Habersham County Airport Authority, and the Habersham County Health Department are accounted for using a current financial resources measurement focus and use the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available).

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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.

The 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

2. Summary of Significant Accounting Policies (continued)

F. Revenues and Expenditures/Expenses

Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

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 Solid Waste Fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

G. Budgets and Budgetary Accounting

The Board of Commissioners adopts an annual budget for all governmental fund types, prior to July 1, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the Board of Commissioners when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted at a public meeting.

Each year in April, a Budget Committee consisting of the Board of Commissioners, the County Manager, and the Financial Director prepare the proposed budget. Budget requests from the various County departments are presented to this committee for consideration. Public hearings are held to discuss the proposed budget and to obtain input from the citizens of Habersham County. These hearings are publicized in the local newspaper for at least one week before the hearings, and the budget document is made available for public inspection during this time. The final proposed budget is presented at a Board of Commissioners meeting for final passage prior to July 1.

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting, continued

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. Any changes in total departmental expenditures/expenses, personnel benefits, or capital purchases must be approved by the Board of Commissioners.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control which is the department, sub-department, or project level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year end. The County does not use the encumbrance system of accounting.

H. Cash and Investments

Cash and equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents, and investments with an original maturity at three months or less. Investments are reported at fair market value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts.

I. Intergovernmental Receivables

Receivables from state, federal, and local governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

J. Prepaids

Payments made to vendors for services that will benefit periods beyond June 30, 2015 are recorded as prepaids.

2. Summary of Significant Accounting Policies (continued)

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the County to report and depreciate new infrastructure assets effective with the beginning of the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. Neither their historical costs nor related depreciation had historically been reported in the financial statements. The County has previously implemented the requirements for retroactive reporting of major general infrastructure assets acquired in 1981 forward.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Land	N/A	$ 1
Buildings and improvements	7-40	$ 5,000
Land Improvements	15	$ 5,000
Machinery and Equipment	7-10	$ 5,000
Furniture and Fixtures	7	$ 5,000
Vehicles	5-10	$ 5,000
Computer Equipment and Software	3-5	$ 5,000
Distribution System	50	$ 5,000
Infrastructure	15-50	$ 50,000 - $150,000

The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

2. Summary of Significant Accounting Policies (continued)

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County reports deferred outflow of resource for deferred charges on bond refunding and their defined benefit pension plans. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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 item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County also reports deferred inflows of resources related to their defined benefit pension plans.

2. Summary of Significant Accounting Policies (continued)

M. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental 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 fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

N. Fund Balance Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

O. Restricted Assets and Restricted Net Position

Restricted assets represent certain resources restricted by funding source or required to be set aside for the repayment of debt. They are maintained in a separate bank account and their use is limited.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds

Habersham County implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable at June 30, 2015 by the County are nonspendable in form. The County has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation.

Committed – includes amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Commissioners (the County's highest level of authority) has authority to set aside funds for a specific purpose. Any funds set aside as Committed Fund Balance requires the passage of a resolution. The passage of the resolution must take place prior to the end of the applicable fiscal year. If the actual amount of the commitment is not available by the end of the fiscal year, the resolution must state the process or formula to calculate the actual amount as soon as information is available. Commitments may be changed or lifted only by the Board taking the same formal action that imposed the constraint originally.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds (continued)

Assigned – includes amounts that are intended to be used by the County for a specific purpose. Intent can only be expressed by the Board of Commissioners or their designee. An assignment of fund balance requires the majority vote of the Board. However, the Board has authorized the County Finance Director to automatically assign fund balance in the following situations:

- If upon passage of a budget resolution, any fund balance is used to balance a future budget, the amount used will be automatically recorded as Assigned Fund Balance.
- If any unspent funds for an ongoing capital project remain at fiscal year end, these funds will be automatically recorded as Assigned Fund Balance until the project is complete.
- If any residual fund balance exists in a special revenue fund, they will be automatically recorded as Assigned Fund Balance.

The County Manager has determined that all equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that should report this category of fund balance.

The County will make every effort to use unassigned funds for the following purposes (listed in order of priority):

- To maintain the County's Rainy Day Fund at the prescribed level.
- To address unexpected revenue short-falls or expenditures encountered in the current fiscal year.
- To fund non-recurring capital expenditures. Unassigned fund balance will not be used to fund recurring expenditures or to compensate for structural budget deficits.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds (continued)

The unassigned fund balance of the General Fund at the end of each fiscal year shall not be less than 17% of the following fiscal year's projected budgeted expenditures. Any proposed appropriation that would result in the balance of the fund falling below the minimum fund balance ratio must be accompanied by a restoration plan that brings the fund back to the minimum within three years.

When multiple categories of fund balance are available for expenditure, the County will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

Q. Compensation for Future Absences

It is the County's policy to permit employees to accumulate earned but unused vacation benefits which will be paid to the employees upon separation from County service. Accumulated unpaid vacation pay amounts are accrued when incurred by the County in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

R. 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 assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

2. Summary of Significant Accounting Policies (continued)

R. Long-Term Obligations (continued)

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

S. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

T. Comparative Data and Reclassifications

Comparative total data of the prior period has been presented in the accompanying individual fund financial statements in order to provide an understanding of changes in the County's financial position and operations. Certain 2014 amounts have been reclassified to conform to the 2015 presentation.

3. Deposit and Investment Risk

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned. The County follows the State of Georgia requirement that all deposits be federally insured or fully collateralized.

3. Deposit and Investment Risk (continued)

Interest Rate Risk

To achieve adequate liquidity within the County's portfolio, the County attempts to match investment maturities with anticipated cash flow requirements. Unless matched to a specific cash flow, the maximum maturity of any investment in the portfolio may not exceed two years from the date of acquisition by the County. In order to preserve liquidity and lessen market risk, not more than 25% of the total portfolio may mature more than two years beyond the date of calculation. No more than 25% of the total portfolio may mature more than one year beyond date of calculation, not inclusive of the two year rule. The maturity of non-negotiable time deposits may not exceed one year.

Concentration of Credit Risk

The County investment policy states that no more than 33% of the total investment portfolio shall be placed with a single issuer. This limitation does not apply to the Local Government Investment Pool or direct obligations of the United States Government.

Foreign currency risk

The County has no investments denominated in a foreign currency.

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of any corporation of the United States government, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County investment policy does not further limit its investment choices.

The County participates in the State of Georgia Local Government Investment Pool (Georgia Fund 1). Assets in this pool are invested in the Georgia Fund 1, created by OCGA 36-83-8, which is a stable net asset investment pool that follows Standard and Poor's criteria for AAAf rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company.

3. Deposit and Investment Risk (continued)

Credit Risk (continued)

The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share. Georgia Fund 1 is managed by the Georgia Office of the State Treasurer. The investment policies of Georgia Fund 1 are established by the Georgia State Depository Board.

The Georgia Fund 1 is rated AAAf by Standard & Poor's. The weighted average maturity at June 30, 2014 was 62 days. At June 30, 2015, the County's balance in Georgia Fund 1 was $583,565.49.

At June 30, 2015, the County's investments in securities had the following maturities and credit ratings:

Investment Type	Fair Value	Maturity (in months)	Credit Rating (1)
Government Mutual Funds			
Nuveen Georgia Muni Bd Fd	$ 3,528,590	Open End	Various
Mainstay Tax Free Bd Fd	372,126	Open End	Various

(1) - Standard and Poor's

4. Accounts Receivable

Net accounts receivable at June 30, 2015 consist of the following:

Primary Government:		
Major Funds		
General Fund		$ 33,858
Hospital Debt Service		8,024
Enterprise Funds		
Landfill	$ 132,279	
Transit	34	132,313
Nonmajor Funds		
Emergency 911 Special Revenue Fund		132,630
Total primary government		$ 306,825
Component Units:		
Habersham County Health Department		$ 27,988

5. Intergovernmental Receivables

Intergovernmental receivables at June 30, 2015 consist of the following:

Major Funds		
General Fund		
City of Alto, Georgia	$ 17	
City of Clarkesville, Georgia	4,446	
City of Demorest, Georgia	8,342	
City of Cornelia, Georgia	827	
City of Tallullah Falls, Georgia	120	
City of Mt. Airy	3,090	
Rabun County, Georgia	21,745	
Stephens County, Georgia	58,030	
Mountain Judicial Circuit NCIS	5,787	
Habersham Airport Authority	16,947	
Habersham County Board of Health	260	
Habersham Medical Center	1,302	
Hospital Indigent Care	605	
Criminal Justice Coordinating Council	40,931	
Georgia Department of Corrections	196	
Georgia Superior Court	2,200	
State of Georgia GBI	67,127	
Georgia Emergency Management Agency	242,535	$ 474,507
SPLOST #4 Capital Projects Fund		
Georgia Department of Transportation		2,257,890
Solid Waste Enterprise Fund		
Georgia Department of Natural Resources		74,961
Transit Enterprise Fund		
Georgia Department of Transportation		7,192
Nonmajor Funds		
Emergency 911 Special Revenue Fund		
City of Baldwin, Georgia	9,398	
City of Clarkesville, Georgia	21,069	
City of Cornelia, Georgia	8,883	
City of Demorest, Georgia	5,674	
City of Tallulah Falls, Georgia	2,483	47,507
Total primary government		$ 2,862,057
Component Units		
Habersham County Health Department		
Georgia Department of Public Health		$ 33,019
Habersham County Airport Authority		
Habersham County Development Authority		8,450
Total component units		$ 41,469

6. Property Taxes

Property tax rates are set by the Board of Commissioners each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for digest year 2014, based upon the assessments of January 1, 2014, were levied on July 24, 2014, billed on August 19, 2014, and due on December 22, 2014. Tax liens may be issued 90 days after the due date.

7. Interfund Receivables and Payables

A summary of interfund receivables and payables as of June 30, 2015 is as follows:

Receivable Fund	Payable Fund	Amount
General	Landfill	$ 67,809
General	Nonmajor Governmental	71,378
General	Transit	2,991
Nonmajor Governmental	General	12,003
Hospital Debt Service	SPLOST #6	263,136
Capital Improvements	General	25,663
		$ 442,980

The balances reported as Due to/Due from represent loans between the borrower funds and the lender funds. These balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between the funds are made.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

8. Interfund Transfers

A summary of interfund transfers as of June 30, 2015 is as follows:

	Transfers out:					
	Major Funds				Nonmajor Funds	
	General	SPLOST #5	SPLOST #6	Capital Improvements	Governmental	Total
Transfers in:						
Major Funds						
General	$ 0	$ 0	$ 0	$ 0	$ 69,134	$ 69,134
Hospital Debt Service	0	0	263,136	1,448,891	0	1,712,027
Capital Improvements	417,625	0	0	0	0	417,625
Transit	28,759	0	0	0	0	28,759
Nonmajor Funds						
Governmental	446,963	2,508,068	0	0	0	2,955,031
Total Transfers in	893,347	2,508,068	263,136	1,448,891	69,134	5,182,576
Transfer of capital assets						
Landfill	4,736	0	0	0	0	4,736
Total	$ 898,083	$ 2,508,068	$ 263,136	$ 1,448,891	$ 69,134	$ 5,187,312

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

The transfer out of the SPLOST #5 Capital Projects Fund to the Nonmajor Governmental Funds was for debt service payments made by the SPLOST Debt Service Fund. The transfer out of the SPLOST #6 Capital Projects Fund and the Capital Improvements Capital Projects Funds was for debt service payments made by the Hospital Debt Service Fund.

9. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2015 was as follows:

	Balance 6/30/14	Increases	Decreases	Balance 6/30/15
Governmental activities				
Non-depreciable assets				
Land	$ 5,337,697	$ 2,321,989	$ 0	$ 7,659,686
Construction in progress	2,578,225	7,588,859	(3,815,795)	6,351,289
Total non-depreciable assets	7,915,922	9,910,848	(3,815,795)	14,010,975
Depreciable assets				
Buildings	37,764,574	34,597,996	0	72,362,570
Land improvements	3,452,505	716,835	0	4,169,340
Machinery and equipment	2,901,122	379,840	(228,732)	3,052,230
Furniture and fixtures	2,603,120	1,281,024	(656,763)	3,227,381
Vehicles	8,067,524	243,445	(765,502)	7,545,467
Infrastructure	63,499,237	1,518,430	0	65,017,667
Total depreciable assets	118,288,082	38,737,570	(1,650,997)	155,374,655
Less accumulated depreciation				
Buildings	(9,524,386)	(935,524)	0	(10,459,910)
Land improvements	(1,647,884)	(207,476)	0	(1,855,360)
Machinery and equipment	(1,842,184)	(421,812)	197,839	(2,066,157)
Furniture and fixtures	(1,983,756)	(191,612)	647,799	(1,527,569)
Vehicles	(6,899,456)	(339,416)	742,929	(6,495,943)
Infrastructure	(52,661,853)	(583,975)	0	(53,245,828)
Total accumulated depreciation	(74,559,519)	(2,679,815)	1,588,567	(75,650,767)
Total depreciable assets, net	43,728,563	36,057,755	(62,430)	79,723,888
Governmental activities capital assets, net	$ 51,644,485	$ 45,968,603	$ (3,878,225)	$ 93,734,863
Business-type activities				
Non-depreciable assets				
Land	$ 665,702	$ 0	$ 0	$ 665,702
Construction in progress	0	74,417	0	74,417
Total non-depreciable assets	665,702	74,417	0	740,119
Depreciable assets				
Buildings	33,365	0	0	33,365
Land improvements	7,816,939	0	0	7,816,939
Machinery and equipment	1,815,665	498,185	(589,276)	1,724,574
Vehicles	110,877	234,131	0	345,008
Total depreciable assets	9,776,846	732,316	(589,276)	9,919,886
Less accumulated depreciation				
Buildings	(10,351)	(1,002)	0	(11,353)
Land improvements	(4,886,866)	(281,626)	0	(5,168,492)
Machinery and equipment	(1,368,942)	(180,734)	565,264	(984,412)
Vehicles	(98,368)	(243,171)	0	(341,539)
Total accumulated depreciation	(6,364,527)	(706,533)	565,264	(6,505,796)
Total depreciable assets, net	3,412,319	25,783	(24,012)	3,414,090
Business-type activities capital assets, net	$ 4,078,021	$ 100,200	$ (24,012)	$ 4,154,209

9. Capital Assets (continued)

Capital asset activity for the discretely presented component units for the year ended June 30, 2015 was as follows:

	Balance 6/30/14	Increases	Decreases	Balance 6/30/15
Mountain Judicial Circuit NCIS Team				
Depreciable assets				
Vehicles	$ 98,069	$ 0	$ (98,069)	$ 0
Equipment	7,345	0	(7,345)	0
Total depreciable assets	105,414	0	(105,414)	0
Less accumulated depreciation				
Vehicles	(36,335)	(43)	36,378	0
Equipment	(5,538)	(12)	5,550	0
Total accumulated depreciation	(41,873)	(55)	41,928	0
Mountain Judicial Circuit NCIS Team capital assets, net	$ 63,541	$ (55)	$ (63,486)	$ 0
Habersham County Development Authority				
Non-depreciable assets				
Land	$ 2,419,069	$ 0	0	$ 2,419,069
Construction in progress	0	91,504	0	91,504
Total non-depreciable assets	2,419,069	91,504	0	2,510,573
Depreciable assets				
Buildings	1,301,068	0	0	1,301,068
Land improvements	467,092	0	0	467,092
Machinery and equipment	20,000	0	0	20,000
Vehicles	24,036	0	0	24,036
Total depreciable assets	1,812,196	0	0	1,812,196
Less accumulated depreciation				
Buildings	(231,315)	(32,527)	0	(263,842)
Land improvements	(128,565)	(15,570)	0	(144,135)
Machinery and equipment	(1,728)	(1,333)	0	(3,061)
Vehicles	(5,083)	(4,807)	0	(9,890)
Total accumulated depreciation	(366,691)	(54,237)	0	(420,928)
Total depreciable assets, net	1,445,505	(54,237)	0	1,391,268
Habersham County Development Authority capital assets, net	$ 3,864,574	$ 37,267	$ 0	$ 3,901,841
Habersham County Health Department				
Depreciable assets				
Equipment	$ 22,578	$ 0	$ 0	$ 22,578
Total depreciable assets	22,578	0	0	22,578
Less accumulated depreciation				
Equipment	(20,885)	(1,693)	0	(22,578)
Total accumulated depreciation	(18,627)	(1,693)	0	(22,578)
Habersham County Health Department capital assets, net	$ 3,951	$ (1,693)	$ 0	$ 0

9. Capital Assets (continued)

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 193,556
Judicial	352,097
Public Safety	585,627
Public Works	619,677
Health and Welfare	72,293
Culture and Recreation	346,394
Housing and Development	275,221
Total depreciation expense for governmental activities	$ 2,444,865
Business-type activities	
Landfill	$ 382,592
Transit	9,040
Total depreciation expense for busines-type activities	$ 391,632
Discretely presented component units	
Mountain Judicial Circuit NCIS Team	$ 55
Habersham County Development Authority	54,237
Habersham County Health Department	1,693
	$ 55,985

	Governmental Activities	Business-type Activities
Current year depreciation expense	$ 2,444,865	$ 391,632
Prior accumulated depreciation on assets transferred between governmental and business-type activities	234,950	314,901
Additions to accumulated depreciation	$ 2,679,815	$ 706,533

10. Capital and Operating Lease Agreements

The County has entered into agreements for the lease of certain equipment. The terms of the agreements meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, which defines a capital lease generally as one which transfers benefits and risk of ownership to the lessee. The balances of these leases at June 30, 2015 are $54,782 and $132,158 for governmental and business-type activities, respectively.

Total assets leased under capital leases are $81,192 and $310,346 for governmental and business-type activities, respectively, and are classified as follows:

	Governmental Activities		Business-type Activities	
	Cost	Accumulated Depreciation	Cost	Accumulated Depreciation
Machinery and equipment	$ 81,192	$ 0	$ 310,346	$ 93,189

Amortization of leased equipment under capital leases is included with depreciation expense.

The following is a schedule of the future minimum lease payments together with the present value of the net minimum lease payments as of June 30, 2015:

Year Ending June 30,	Governmental activities	Business-type activities
2016	$ 18,123	$ 132,630
2017	18,123	0
2018	18,123	0
2019	4,531	0
Total minimum lease payments	58,900	132,630
Less amounts representing interest	(4,118)	(472)
Present value of minimum lease payments	$ 54,782	$ 132,158

The County's lease agreements, other than such agreements described above, are relatively minor commitments and are in compliance with state law.

11. Long-Term Debt

Contracts Payable

Hospital Authority of Habersham County Taxable Revenue Anticipation Bond, Series 2013

The County entered into an intergovernmental contract dated December 1, 2013 with the Hospital Authority of Habersham County (Authority) to pay to the Authority amounts sufficient to enable the Authority to pay the debt service on the Series 2013 Bond. The bond provides for advances to the County through January 1, 2016. The proceeds are used by the County to (a) pay debt service on the Authority's outstanding Revenue Anticipation Certificates, Series 2005 and Series 2007 and/or the costs of operating the Habersham Medical Center and (b) pay all or a portion of the costs of issuing the bond. The bond calls for quarterly interest only payments commencing April 1, 2014 through January 1, 2016. Beginning April 1, 2016, equal quarterly payments are required in an amount that would amortize the principal and interest over five years. The interest rate on the bond is 2.45%. At June 30, 2015, the balance of this contract payable is $0.

Hospital Authority of Habersham County Taxable Revenue Anticipation Bond, Series 2014

The County entered into an intergovernmental contract dated July 17, 2014 with the Hospital Authority of Habersham County (Authority) to pay to the Authority amounts sufficient to enable the Authority to pay the debt service on the Series 2014 Bonds. The proceeds are used by the County to (a) refund a portion of the Authority's Revenue Anticipation Certificate, Series 2005, 2007, and 2013, and (b) pay the costs of issuing the Series 2014A Bonds. The bond calls for semiannual interest only payments commencing February 1, 2015 through August 1, 2016. Beginning February 1, 2017, equal semiannual payments are required in an amount that would amortize the principal and interest over twenty eight years. Through this intergovernmental contract, the County also purchased land and buildings from the Authority. The interest rate on the bond is 2% to 5%. At June 30, 2015, the balance of this contract payable is $39,983,922.

11. Long-Term Debt (continued)

Contracts Payable, continued

Based on total advances to date at June 30, 2015, annual debt service requirements for contracts payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	$ 45,618	$ 1,605,556	$ 1,651,174
2017	810,618	1,605,556	2,416,174
2018	825,618	1,590,256	2,415,874
2019	840,618	1,574,656	2,415,274
2020	860,618	1,556,769	2,417,387
2021-2025	4,913,091	7,172,744	12,085,835
2026-2030	6,148,091	5,941,681	12,089,772
2031-2035	7,543,091	4,541,413	12,084,504
2036-2040	9,228,091	2,857,250	12,085,341
2041-2044	8,768,468	877,400	9,645,868
	$ 39,983,922	$ 29,323,281	$ 69,307,203

Notes Payable

Habersham County Development Authority Component Unit

The Authority entered into a lending agreement with a bank for the construction of a building in the industrial park in the original amount of $1,201,644. At June 30, 2015, the balance of this note is $837,844. The note requires monthly payments of $7,490 with all unpaid principal and interest due on August 20, 2018; interest at 3.25%.

11. Long-Term Debt (continued)

Notes Payable (continued)

The Authority entered into a lending agreement with a bank for the purchase of land in the original amount of $656,823. At June 30, 2015, the balance of this note is $224,494. The note requires monthly payments of $2,005 with all unpaid principal and interest due on August 20, 2018; interest at 3.25%.

Annual debt service requirements for notes payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	$ 80,607	$ 33,332	$ 113,939
2017	83,266	30,673	113,939
2018	86,013	27,926	113,939
2019	812,452	4,381	816,833
	$ 1,062,338	$ 96,312	$ 1,158,650

Habersham County Airport Authority Component Unit

The Authority entered into a lending agreement with a bank for a line of credit with an original available amount of $50,000. At June 30, 2015, the balance of this note is $17,178. The note requires quarterly interest payments beginning on January 1, 2015 with all unpaid principal and interest due on October 1, 2015; interest at 3.75%.

General Obligation Bonds

General obligation bonds have been issued for governmental activities and are comprised of the following individual issue at June 30, 2015:

- $10,000,000 General Obligation Bonds, Series 2010 - bonds due in annual principal payments on July 1 with semi-annual interest payments (1.47%) due on January 1 and July 1. The bonds are used for the construction of the Habersham County Judicial Center.

The General Obligation Bonds were paid in full as of June 30, 2015.

11. Long-Term Debt (continued)

Changes in Long-Term Debt

The following is a summary of changes in long-term debt of the County for the fiscal year ending June 30, 2015:

	Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015	Due Within One Year
Governmental activities					
Guarantee obligation	$ 274,961	$ 0	$ 274,961	$ 0	$ 0
Capital leases payable	70,122	0	15,340	54,782	16,030
Contracts payable	1,963,027	40,300,699	2,279,804	39,983,922	45,618
Bonds payable	2,505,000	0	2,505,000	0	0
Compensated absences	656,682	622,196	656,682	622,196	622,196
Total governmental activities	$ 5,469,792	$ 40,922,895	$ 5,731,787	$ 40,660,900	$ 683,844
Business-type activities					
Capital leases payable	$ 179,755	$ 0	$ 47,597	$ 132,158	$ 132,158
Landfill post-closure care costs	2,936,822	124,185	0	3,061,007	0
Compensated absences	25,639	28,475	25,639	28,475	28,475
	$ 3,142,216	$ 152,660	$ 73,236	$ 3,221,640	$ 160,633
Habersham County Development Authority Component Unit					
Notes payable	$ 1,140,261	$ 0	$ 77,923	$ 1,062,338	$ 80,607
Habersham County Airport Authority Component Unit					
Notes payable	$ 0	$ 89,461	$ 72,283	$ 17,178	$ 17,178
Habersham County Health Department Component Unit					
Compensated absences	$ 45,731	$ 35,063	$ 33,350	$ 47,444	$ 34,587

In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General and Emergency 911 Special Revenue Funds. The landfill post-closure care costs are paid for by the Landfill Fund. The total interest incurred and charged to expense for the fiscal year ended June 30, 2015 was $1,430,453 for governmental activities, $2,433 for business-type activities, and $36,016 for the Habersham County Development Authority Component Unit. See note 21 for more detail on the guarantee obligation.

12. Landfill Post-Closure Care Costs

In 1994, the County opened a solid waste landfill. State and federal laws and regulations 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. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post-closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post-closure care costs is based on the amount of the landfill used during the year. The estimated liability for landfill closure and post-closure care costs has a balance of $3,061,007 as of June 30, 2015, which is based on 56.5% usage (filled) of the landfill. It is estimated that an additional $3,971,227 will be recognized as closure and post-closure care expense between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2072).

The estimated total current cost of the landfill closure and post-closure care ($124,184) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2015. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

13. Pension Plan

Plan Description. The County is a participating member of the Association of County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer retirement system, administered by the Association of County Commissioners of Georgia. This is a defined benefit pension plan, which provides retirement, disability and death benefits to plan members and beneficiaries. The Commission has established provisions, which assign the authority to the Commission council members to establish and amend the benefit provisions of the plan.

13. Pension Plan (continued)

Control over the operation and administration of the plan is vested with ACCG along with custody of the plan assets. The plan provides that the County has no liability with respect to payments or benefits or otherwise under the plan except to pay over to ACCG such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the County but shall be allocated to employees. All full-time County employees are eligible to participate in the Plan after completing one year of service and having reached their 21st birthday. These benefit provisions and powers to amend the plan were established by a resolution executed by the County Board of Commissioners.

There are no loans to any of the County officials or other "party-in-interest," and there are no prohibited transactions. The plan assets do not include any securities or investments in Habersham County. The funds are managed by independent money managers.

The annual report and more detailed information regarding the plan can be obtained by writing to Pension Service Company, 1100 Circle 75 Parkway, Suite 320, Atlanta, GA 30339.

At December 31, 2014, the date of the most recent actuarial valuation, there were 413 participants consisting of the following:

Retirees, beneficiaries and disables currently receiving benefits	35
Terminated vested participants entitled to but not yet receiving benefits	192
Active participants	186
Total number of participants	413

13. Pension Plan (continued)

Benefits Provided. The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Benefits vest evenly over five years of service. Participants become eligible to retire with unreduced benefits at age 65 with 5 years of plan participation. The amount of monthly retirement benefits to be provided for each participant at their normal retirement date is equal to one percent of the participant's average annual compensation multiplied by the participant's total number of years of service. County Commissioners receive a benefit equal to $30 per month multiplied by years of service. The Plan also provides benefits in the event of death or disability.

Contributions. Employees make no contributions to the plan. The County is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. This funding policy, as specified by ordinance, has been the same since the inception of the plan. The current rate is 6.0% of annual covered payroll. The Board of Commissioners provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2015, the County reported a net pension liability of $872,954. The net pension asset was measured as of December 31, 2014, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2014. For the fiscal year ended June 30, 2015, the City recognized pension expense of $338,273.

At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 42,745

13. Pension Plan (continued)

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

Year Ending June 30		
2016	$	10,686
2017		10,686
2018		10,686
2019		10,687
Totals	$	42,745

Actuarial Assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Projected salary increases	4.50% plus service based merit increases
Cost of living adjustments	2.50%
Net investment rate of return	7.75%
Actuarial cost method	Entry age normal
Amortization method	Closed level dollar
Remaining amortization period	30 years

Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and on year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

The mortality and economic actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

13. Pension Plan (continued)

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

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

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

13. Pension Plan (continued)

Changes in Net Pension Liability (Asset)

	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 12/31/13	$ 7,016,955	$ 6,135,030	$ 881,925
Changes for the year:			
Service cost	228,980	0	228,980
Interest	519,221	0	519,221
Differences between expected and actual experience	0	0	0
Changes of assumptions	0	0	0
Changes of benefits	0	0	0
Contributions—employer	0	399,462	(399,462)
Contributions—employee	0	0	0
Net investment income	0	443,332	(443,332)
Benefit payments, including refunds of employee contributions	(187,990)	(187,990)	0
Administrative expense	0	(33,173)	33,173
Other changes	0	(52,449)	52,449
Net changes	560,211	569,182	(8,971)
Balances at 12/31/14	$ 7,577,166	$ 6,704,212	$ 872,954

Sensitivity of the Net Pension Asset/Liability to Changes in the Discount Rate. The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.50 percent) or one percentage-point higher (8.50 percent) than the current rate:

	Discount Rate	Net Pension Liabilty (Asset)
1% decrease	6.50%	$ 1,948,890
Current discount rate	7.50%	872,954
1% increase	8.50%	(15,858)

13. Pension Plan (continued)

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Association County Commissioners of Georgia Benefit System financial report.

OTHER PLANS

In addition to the plan above, various County employees are covered under the following plans: Georgia Firefighters' Pension Fund, Georgia State Employees' Retirement System (ERS), Magistrates' Retirement Fund of Georgia, Peace Officers' Annuity and Benefit Fund of Georgia, Probate Judges' Retirement Fund of Georgia, Sheriffs' Retirement Fund of Georgia, and Superior Court Clerks' Retirement Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports.

Habersham County Department of Public Health Retirement Plan

Eligible employees of the Habersham County Department of Public Health participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system. During the fiscal year ended June 30, 2015, the Department contributed $72,905. As of June 30, 2015, the Department reported a liability in the amount of $562,518 for its proportionate share (0.02%) of the net pension liability. The Department recognized pension expense of $72,905 for the fiscal year ended June 30, 2015. Further information regarding the plan can be obtained from Department's annual audit report by contacting Carroll County Department of Public Health, 1004 Newnan Road, Carrollton, Georgia 30116.

14. Deferred Compensation Plans

The County has established a Defined Contribution Plan for the County Manager. The Plan was created under Internal Revenue Code Sections 457 and 401(a), and is administered by the Government Employees Benefits Corporation (GEBCorp) of Georgia, an independent third party. Under the terms of the Plan, the County Manager may defer a maximum of 25% of his/her salary through voluntary contributions to the Plan, up to the maximum allowed by federal law.

14. Deferred Compensation Plans (continued)

The County will contribute 200% of the County Manager's contributions per year with a maximum annual matching contribution of 10% of his/her salary. County contributions are paid into the Plans at the end of each payroll period. During the fiscal year ended June 30, 2015, the County contributed $9,668 to the Plans. The County Manager made voluntary contributions of $4,798.

The County provides retirement benefits for its other employees through a deferred compensation, defined contribution plan. The Plan was created under Internal Revenue Code Sections 457 and 401(a), and is administered by the Government Employees Benefits Corporation (GEBCorp) of Georgia, an independent third party. Under the terms of the Plan, employees may defer a maximum of 25% of their salary through voluntary contributions to the Plan, up to the maximum allowed by federal law.

The County will contribute 50% of the employee's contributions per year with a maximum annual matching contribution of 1% of the employee's salary. County contributions are paid into the Plan at the end of each payroll period. During the fiscal year ended June 30, 2015, the County contributed $46,493 to the Plan. Plan members made voluntary contributions of $99,850.

Funds are vested 100% at the time of contribution. Amounts held in the Plans are not available to the employees until termination, retirement, death, or unforeseeable emergency. The County has no fiduciary relationship with the Plans, and Plan assets are not available to the County or its general creditors. The Plan assets are held in trust by the administrators for the exclusive benefit of the participants of the Plans. The County may change the contribution requirements by resolution.

15. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. A summary of the transactions for the fiscal year ending June 30, 2015 follows:

Lodging tax receipts	$	66,890	
Disbursements for tourism and trade	$	26,756	40%

16. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. During the year ended June 30, 2015, the County paid $34,190 in such dues. 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 in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the GMRC financial statements can be obtained from GMRC, 1310 West Ridge Road, Gainesville, Georgia 30501.

17. Restricted, Committed and Assigned Fund Balances

The following is a summary of restricted, committed, and assigned fund balances of the governmental funds for the fiscal year ended June 30, 2015:

	General	Hospital Debt Service	SPLOST #4	SPLOST #5	SPLOST #6	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:								
Judicial								
Juvenile supervision	$ 12,391	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 12,391
Indigent defense	10,202	0	0	0	0	0	0	10,202
Law library operations	0	0	0	0	0	0	188,032	188,032
Drug programs	0	0	0	0	0	0	52,138	52,138
Public Safety								
Sheriff facilities and equipment	1,377	0	0	0	0	0	30,003	31,380
Debt service	0	1,631,225	0	0	0	0	0	1,631,225
Capital projects	0	0	33,539	2,200,635	523,589	0	0	2,757,763
	$ 23,970	$ 1,631,225	$ 33,539	$ 2,200,635	$ 523,589	$ 0	$ 270,173	$ 4,683,131
Assigned to:								
Public Safety								
Emergency 911 operations	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 234,866	$ 234,866
Capital projects	0	0	0	0	0	39,748	0	39,748
Subsequent budget	205,492	0	0	0	0	0	0	205,492
	$ 205,492	$ 0	$ 0	$ 0	$ 0	$ 39,748	$ 234,866	$ 480,106

17. Restricted, Committed and Assigned Fund Balances (continued)

At June 30, 2015, the Mountain Judicial Circuit NCIS Team Component Unit fund balance consists of $6,559 restricted for drug task force facilities, equipment, and operations. At June 30, 2015, the Habersham County Development Authority fund balance consists of $227,411 restricted for capital projects, and $22,139 assigned to the housing and development.

18. Changes in Beginning Balances

Governmental Activities

A prior period adjustment has been made to record a net pension liability and related deferred outflows/inflows of resources at June 30, 2014. This adjustment was required with the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This adjustment decreased beginning net position by $982,762.

Business-Type Activities

A prior period adjustment has been made to record a net pension liability and related deferred outflows/inflows of resources at June 30, 2014. This adjustment was required with the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This adjustment decreased beginning net position by $24,028.

19. Risk Financing Activities

Material estimates have been made by management about the historical cost of capital assets and the life of the depreciated capital assets. Management has used a conservative approach on these estimates.

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agent and attorneys to represent the County in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against the 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. Management estimates liabilities for unpaid claims based on the probability of losses exceeding the occurrence limits and the reasonableness of estimating those losses. At June 30, 2015, the County has no losses that are probable or estimable and accordingly has not recognized any liability.

20. Material Noncompliance

Excess of Expenditures over Appropriations in Individual Governmental Funds for which Budgets are Adopted

During the fiscal year, the County incurred material expenditures which were in excess of the amounts appropriated:

	Budget	Actual	Variance
General Fund			
District Attorney	$ 137,217	$ 211,139	$ (73,922)
Sheriff	2,950,031	2,993,895	(43,864)
Fairgrounds	0	356	(356)
GIS	0	30	(30)
Hotel/Motel Tax Fund	17,200	26,756	(9,556)
Law Library Fund	6,000	13,756	(7,756)
Drug Abuse Treatement Fund	0	100	(100)

The County did not adopt a budget for the SPLOST Debt Service Fund and the Hospital Debt Service Fund.

Habersham County Management concurs with this finding. The County Finance Officer continuously reviews the comparative financial statements to budget and recommends any necessary budget revisions to the Board of Commissioners. This action was taken immediately upon receipt of the comment from our auditors.

21. Nonexchange Financial Guarantee

The County entered into a contract with the Hospital Authority of Habersham County dated December 1, 1978 and last amended on June 1, 2007. The June 1, 2007 amendment stated if the Authority is unable to pay the principal and interest on its Series 2005 and Series 2007 Certificates, the County will pay to the Authority the amount of such insufficiency. The contract also provides that additional payments will be made to the Authority by the County as may be necessary from time to time to assure the continued operation, maintenance, and repair of the Hospital during the term of the contract. The certificates mature annually through December 1, 2027, with semiannual interest payments. As of June 30, 2015, the total outstanding principal balance of the certificates is $35,210,311. The contract will remain in effect until such time as all certificates have been paid, but in no event will the term of the contract exceed 40 years.

Due to economic conditions, it is unlikely that the Authority will be able to make the required payments on the certificates. As a result, in fiscal year 2014, the County began making a portion of the required certificate payments. The certificates were refinanced in July 2014 and the County entered into a new contract with the Hospital Authority. See Note 23 for additional information regarding the subsequent refinancing. At June 30, 2013, the County recognized a liability and expense in the amount of $1,873,051 for an amount that is the County's best estimate of the discounted present value of the future outflows the County expects to incur as a result of the guarantee.

During fiscal year 2015, the County paid $274,961 in principal and interest on the guarantee obligation. The following is a summary of changes in the liability recognized for the nonexchange financial guarantee for the fiscal year ending June 30, 2015:

Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015	Due Within One Year
$ 274,961	$ 0	$ 274,961	$ 0	$ 0

The County does not expect to recover any payments it makes on the Authority's guaranteed debt.

22. Commitments and Contingencies

Contingencies

Habersham County participates in a number of Revenue Sharing Grants. Expenditures financed by Revenue Sharing Grants are subject to a compliance audit by the grantor or its representative. If expenditures are disallowed due to noncompliance with program regulations, the County may be required to reimburse the grantor government. The County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the County.

The County is a defendant in several lawsuits. Management intends to contest these open cases vigorously. The County's legal counsel has stated that the outcome of these lawsuits is not presently determinable.

Commitments

The County has active construction projects as of June 30, 2015. At fiscal year end, the County's commitments with contractors are as follows:

Project	Amount Spent to Date	Remaining Commitment
Parallel Taxiway and Parking Apron	$ 5,556,456	$ 398,968

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REQUIRED SUPPLEMENTARY INFORMATION

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2015
(Unaudited)

	Fiscal Year End 2015
Total pension liability	
Service cost	$ 228,980
Interest	519,221
Differences between expected and actual experience	0
Changes of assumptions	0
Changes of benefit terms	0
Benefit payments, including refunds of employee contributions	(187,990)
Net change in total pension liability	560,211
Total pension liability - beginning	7,016,955
Total pension liability - ending (a)	$ 7,577,166
Plan fiduciary net position	
Contributions - employer	$ 399,462
Contributions - employee	0
Net investment income	443,332
Benefit payments, including refunds of employee contributions	(187,990)
Administrative expense	(33,173)
Other	(52,449)
Net change in total pension liability	569,182
Plan fiduciary net position - beginning	6,135,030
Plan fiduciary net position - ending (b)	$ 6,704,212
Net pension liability (asset) - ending : (a) - (b)	$ 872,954
Plan's fiduciary net position as a percentage of the total pension liability	88.48%
Covered-employee payroll	$ 6,482,782
Net pension liability as a percentage of covered-employee payroll	13.47%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only one year is shown.

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

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2015
(Unaudited)

	Fiscal Year End
	2015
Actuarially determined contribution	$ 399,462
Contributions in relation to the actuarially determined contribution	(399,462)
Contribution deficiency (excess)	$ 0
Covered-employee payroll	$ 6,482,782
Contributions as a percentage of covered-employee payroll	6.16%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only one year is shown.

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

1. Valuation Date

The actuarially determined contribution rate was determined as of December 31, 2014, 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 June 30, 2016.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Entry Age Normal

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 15 years

Asset valuation method = Smoothed market value with a 5-year smoothing period.

Net investment rate of return = 7.5%

Projected salary increases = Normalized rates of 3.5% to 5.5% per year adjusted for age

Cost of living adjustments = 2.5%

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and on year for females. Disabled mortality rates were based on the Social Security Administration standard rate.

3. Changes in Benefits

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

4. Changes of Assumptions

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

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COMBINING STATEMENTS

Nonmajor Governmental Funds

HABERSHAM COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015

	Special Revenue			
	Jail	Emergency 911	Hotel/Motel Tax	Law Library
ASSETS				
Cash and cash equivalents	$ 6,088	$ 164,271	$ 0	$ 82,282
Certificates of deposit	0	0	0	105,750
Receivables				
Accounts (net)	0	132,630	0	0
Intergovernmental	0	47,507	0	0
Due from other funds	11,903	0	0	0
Total assets	$ 17,991	$ 344,408	$ 0	$ 188,032
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 0	$ 10,780	$ 0	$ 0
Intergovernmental payable	0	70	0	0
Accrued salaries and expenses	0	27,314	0	0
Due to other funds	0	71,378	0	0
Total liabilities	0	109,542	0	0
Fund balances				
Restricted for:				
Judicial	0	0	0	188,032
Public safety	17,991	0	0	0
Assigned to:				
Public safety	0	234,866	0	0
Total fund balances	17,991	234,866	0	188,032
Total liabilities and fund balances	$ 17,991	$ 344,408	$ 0	$ 188,032

Special Revenue		Debt Service	Total Nonmajor Governmental Funds
Drug Abuse Treatment	Inmate Welfare	SPLOST Debt Service	
$ 52,138	$ 12,012	$ 0	$ 316,791
0	0	0	105,750
0	0	0	132,630
0	0	0	47,507
100	0	0	12,003
$ 52,238	$ 12,012	$ 0	$ 614,681
$ 100	$ 0	$ 0	$ 10,880
0	0	0	70
0	0	0	27,314
0	0	0	71,378
100	0	0	109,642
52,138	0	0	240,170
0	12,012	0	30,003
0	0	0	234,866
52,138	12,012	0	505,039
$ 52,238	$ 12,012	$ 0	$ 614,681

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2015

	Special Revenue			
	Jail	**Emergency 911**	**Hotel/Motel Tax**	**Law Library**
REVENUES				
Taxes	$ 0	$ 0	$ 66,890	$ 0
Fines, fees, and forfeitures	57,358	0	0	26,089
Charges for services	0	731,767	0	0
Intergovernmental	0	44,246	0	0
Interest	0	23	0	212
Other	0	1,538	0	0
Total revenues	57,358	777,574	66,890	26,301
EXPENDITURES				
Current				
Judicial	0	0	0	13,756
Public safety	0	1,179,774	0	0
Housing and development	0	0	26,756	0
Debt service	0	0	0	0
Total expenditures	0	1,179,774	26,756	13,756
Excess (deficiency) of revenues over (under) expenditures	57,358	(402,200)	40,134	12,545
Other financing sources (uses)				
Transfers in	0	446,963	0	0
Transfers out	0	0	(40,134)	0
Total other financing sources (uses)	0	446,963	(40,134)	0
Net change in fund balance	57,358	44,763	0	12,545
Fund balances, July 1	(39,367)	190,103	0	175,487
Fund balances, June 30	$ 17,991	$ 234,866	$ 0	$ 188,032

Special Revenue		Debt Service	Total Nonmajor Governmental Funds
Drug Abuse Treatment	Inmate Welfare	SPLOST Debt Service	
$ 0	$ 0	$ 0	$ 66,890
40,637	0	0	124,084
0	95,725	0	827,492
0	0	0	44,246
0	0	0	235
0	0	0	1,538
40,637	95,725	0	1,064,485
100	0	0	13,856
0	102,262	0	1,282,036
0	0	0	26,756
0	0	2,508,068	2,508,068
100	102,262	2,508,068	3,830,716
40,537	(6,537)	(2,508,068)	(2,766,231)
0	0	2,508,068	2,955,031
(29,000)	0	0	(69,134)
(29,000)	0	2,508,068	2,885,897
11,537	(6,537)	0	119,666
40,601	18,549	0	385,373
$ 52,138	$ 12,012	$ 0	$ 505,039

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GENERAL FUND

The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 1,508,081	$ 4,035,568
Investments	3,528,590	607,571
Receivables (net)		
Accounts	33,858	16,662
Intergovernmental	474,507	206,756
Taxes	155,734	303,686
Prepaid items	466,136	559,336
Due from other funds	142,178	288,100
Restricted Assets		
Cash and cash equivalents	23,970	38,374
Total assets	$ 6,333,054	$ 6,056,053
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 437,871	$ 204,476
Intergovernmental	88,605	134,792
Excess taxes	0	189,080
Accrued salaries and expenses	338,276	287,497
Unearned revenue	0	510,233
Due to other funds	37,666	0
Total liabilities	902,418	1,326,078
Deferred Inflows of Resources		
Unavailable revenue - property taxes	31,589	25,131
Fund balances		
Nonspendable:		
Prepaid items	466,136	559,336
Restricted for judicial	22,593	17,585
Restricted for public safety	1,377	20,789
Assigned to subsequent year's budget	205,492	0
Unassigned	4,703,449	4,107,134
Total fund balances	5,399,047	4,704,844
Total liabilities, deferred inflows, and fund balances	$ 6,333,054	$ 6,056,053

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
REVENUES		
Taxes	$ 14,899,907	14,823,524
Licenses and permits	104,150	66,970
Fines, fees and forfeitures	1,136,145	1,048,630
Charges for services	1,405,086	1,165,821
Intergovernmental	1,719,087	1,371,497
Interest	43,392	45,735
Contributions	13,406	27,774
Other	144,190	176,844
Total revenues	19,465,363	18,726,795
EXPENDITURES		
Current		
General Government	3,958,339	3,571,071
Judicial	3,034,318	3,017,834
Public Safety	6,960,908	6,999,773
Public Works	1,910,448	1,885,637
Health and Welfare	699,874	2,415,173
Culture and Recreation	1,137,243	1,124,604
Housing and Development	543,328	541,158
Debt Service		
Health and Welfare	0	16,243
Total expenditures	18,244,458	19,571,493
Excess (deficiency) of revenues over (under) expenditures	1,220,905	(844,698)
Other financing sources (uses)		
Transfers in (out)		
Hotel/Motel Tax Fund	40,134	27,373
E911 Fund	(446,963)	(539,517)
Drug Abuse Treatment Fund	29,000	30,852
SPLOST 4 Fund	0	511,070
Capital Improvements Fund	(417,625)	(741,741)
Water and Sewer Fund	0	68,003
Transit Fund	(28,759)	(23,207)
Issuance of contracts payable	274,961	1,963,027
Proceeds from the sale of assets	22,550	3,800
Total other financing sources (uses)	(526,702)	1,299,660
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	694,203	454,962
Fund balances, July 1	4,704,844	4,249,882
Fund balances, June 30	$ 5,399,047	$ 4,704,844

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Current and prior year levies	$ 11,024,071	$ 11,047,344	$ 23,273	$ 10,978,239
Motor vehicle tax	1,300,000	1,300,158	158	1,329,651
Mobile home tax	106,560	113,945	7,385	126,196
Timber tax	0	3,284	3,284	576
Cost, penalties, and interest	120,000	97,893	(22,107)	113,692
Total general property taxes	12,550,631	12,562,624	11,993	12,548,354
Intangibles tax	210,000	152,513	(57,487)	169,992
Real estate transfer tax	36,000	46,349	10,349	33,928
Franchise tax	84,000	95,654	11,654	103,265
Insurance premium tax	1,506,500	1,506,466	(34)	1,428,089
Alcohol excise tax	375,200	410,782	35,582	410,926
Occupational tax	117,000	114,595	(2,405)	119,996
Other	0	10,924	10,924	8,974
Total taxes	14,879,331	14,899,907	20,576	14,823,524
Licenses and permits				
Building permits	91,200	104,150	12,950	59,540
Other permits	0	0	0	7,430
Total licenses and permits	91,200	104,150	12,950	66,970
Fines, fees and forfeitures	879,350	1,136,145	256,795	1,048,630
Charges for Services				
Sheriff services	22,000	39,575	17,575	36,588
Prisoner board	26,000	32,604	6,604	40,964
Recreation fees	400,300	489,341	89,041	387,941
Collection commissions	533,400	552,617	19,217	539,933
Other charges for services	250,250	290,949	40,699	160,395
Total charges for services	1,231,950	1,405,086	173,136	1,165,821
Intergovernmental	1,651,713	1,719,087	67,374	1,371,498
Interest	10,100	43,392	33,292	45,734
Contributions	13,000	13,406	406	27,774
Other				
Rental Income	47,065	53,245	6,180	66,295
Miscellaneous	119,800	90,945	(28,855)	110,549
Total other	166,865	144,190	(22,675)	176,844
Total revenues	$ 18,923,509	$ 19,465,363	$ 541,854	$ 18,726,795

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
County-Wide				
Personal services	$ 60,000	$ 57,817	$ 2,183	$ 62,081
Contract services	784,500	720,958	63,542	558,280
Materials and supplies	500	14,535	(14,035)	10,649
Total County-Wide	845,000	793,310	51,690	631,010
Commissioners				
Personal services	80,719	77,969	2,750	104,595
Contract services	72,700	75,338	(2,638)	75,539
Materials and supplies	15,800	15,855	(55)	14,625
Payments to other agencies	309,000	308,077	923	327,497
Total Commissioners	478,219	477,239	980	522,256
County Manager				
Personal services	149,415	146,346	3,069	155,250
Contract services	8,600	6,472	2,128	4,711
Materials and supplies	3,300	2,975	325	2,038
Total County Manager	161,315	155,793	5,522	161,999
County Finance				
Personal services	218,421	218,060	361	212,805
Contract services	3,770	2,839	931	3,142
Materials and supplies	2,300	2,335	(35)	0
Total County Finance	224,491	223,234	1,257	215,947
County Human Resources				
Personal services	126,538	121,352	5,186	75,646
Contract services	3,700	2,976	724	3,197
Materials and supplies	0	651	(651)	781
Total County Human Resources	130,238	124,979	5,259	79,624
Tax Commissioner				
Personal services	304,734	299,981	4,753	286,660
Contract services	49,829	50,626	(797)	53,994
Materials and supplies	4,331	6,588	(2,257)	3,801
Total Tax Commissioner	358,894	357,195	1,699	344,455
Tax Assessor				
Personal services	412,139	402,919	9,220	372,192
Contract services	77,635	77,215	420	87,931
Materials and supplies	4,400	3,950	450	4,265
Total Tax Assessor	494,174	484,084	10,090	464,388
Board of Equalization				
Contract services	4,850	2,449	2,401	1,430
Materials and supplies	300	27	273	293
Total Board of Equalization	5,150	2,476	2,674	1,723

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
General Government (continued)				
County Clerk				
Personal services	$ 90,842	$ 81,412	$ 9,430	$ 47,398
Contract services	11,990	14,187	(2,197)	1,732
Materials and supplies	400	550	(150)	79
Total County Clerk	103,232	96,149	7,083	49,209
Engineer				
Personal services	84,339	76,201	8,138	150,039
Contract services	14,150	13,486	664	1,680
Materials and supplies	400	73	327	130
Total Engineer	98,889	89,760	9,129	151,849
Registrar				
Personal services	94,436	96,667	(2,231)	93,736
Contract services	18,550	12,292	6,258	24,562
Materials and supplies	10,000	10,589	(589)	12,665
Total Registrar	122,986	119,548	3,438	130,963
Buildings and Grounds				
Personal services	340,380	337,835	2,545	260,922
Contract services	252,317	230,761	21,556	130,653
Materials and supplies	237,331	240,850	(3,519)	91,331
Total Buildings and Grounds	830,028	809,446	20,582	482,906
County Annex				
Contract services	0	0	0	102,661
Materials and supplies	0	0	0	41,203
Total County Annex	0	0	0	143,864
Information Technology				
Personal services	118,936	121,364	(2,428)	117,558
Contract services	86,674	88,261	(1,587)	55,019
Materials and supplies	20,300	15,501	4,799	18,301
Total Information Technology	225,910	225,126	784	190,878
Total General Government	4,078,526	3,958,339	120,187	3,571,071
Judicial				
Judicial Facility				
Personal services	0	0	0	11
Contract services	0	0	0	9,912
Materials and supplies	0	0	0	70,359
Total Judicial Facility	0	0	0	80,282

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Judicial (continued)				
Accountability Court				
Personal services	$ 67,791	$ 81,214	$ (13,423)	$ 68,693
Contract services	228,823	223,769	5,054	153,386
Materials and supplies	9,456	7,610	1,846	14,308
Payments to other agencies	0	0	0	6,527
Total Accountability Court	306,070	312,593	(6,523)	242,914
Probate Court				
Personal services	151,232	135,929	15,303	153,090
Contract services	26,492	34,452	(7,960)	33,473
Materials and supplies	12,750	17,217	(4,467)	12,461
Total Probate Court	190,474	187,598	2,876	199,024
Magistrate Court				
Personal services	212,224	206,029	6,195	364,618
Contract services	16,984	13,565	3,419	34,622
Materials and supplies	3,647	2,322	1,325	12,316
Total Magistrate Court	232,855	221,916	10,939	411,556
Clerk of Superior Court				
Personal services	580,141	584,790	(4,649)	456,271
Contract services	67,600	66,162	1,438	70,394
Materials and supplies	26,100	21,073	5,027	17,314
Capital outlay	0	0	0	50,000
Total Clerk of Superior Court	673,841	672,025	1,816	593,979
Superior Court				
Personal services	143,919	148,435	(4,516)	145,136
Contract services	89,300	83,042	6,258	70,341
Materials and supplies	4,500	1,985	2,515	2,498
Total Superior Court	237,719	233,462	4,257	217,975
District Attorney				
Personal services	36,972	37,297	(325)	36,724
Contract services	89,745	91,876	(2,131)	102,657
Materials and supplies	10,500	8,303	2,197	8,288
Payments to other agencies	0	73,663	(73,663)	68,020
Total District Attorney	137,217	211,139	(73,922)	215,689
Public Defender				
Personal services	52,194	51,943	251	49,538
Contract services	373,844	372,412	1,432	337,768
Materials and supplies	13,812	15,073	(1,261)	13,131
Total Public Defender	439,850	439,428	422	400,437
State Court Judge				
Personal services	167,132	165,743	1,389	154,663
Contract services	88,920	78,975	9,945	78,480
Materials and supplies	9,400	10,000	(600)	10,000
Total State Court Judge	265,452	254,718	10,734	243,143

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Judicial (continued)				
Juvenile Court				
Personnel services	$ 210,896	$ 210,857	$ 39	$ 184,942
Contract services	132,550	132,185	365	76,844
Materials and supplies	2,000	1,896	104	3,004
Total Juvenile Court	345,446	344,938	508	264,790
Juvenile Supervision				
Contract services	8,000	1,950	6,050	3,714
State Court Solicitor				
Personal services	146,677	145,051	1,626	134,831
Materials and supplies	8,550	9,500	(950)	9,500
Total State Court Solicitor	155,227	154,551	676	144,331
Total Judicial	2,992,151	3,034,318	(42,167)	3,017,834
Public Safety				
Sheriff				
Personal services	2,403,185	2,385,690	17,495	2,196,986
Contract services	197,443	217,364	(19,921)	201,339
Materials and supplies	349,403	390,841	(41,438)	386,489
Total Sheriff	2,950,031	2,993,895	(43,864)	2,784,814
Jail				
Personal services	1,417,229	1,399,801	17,428	1,397,643
Contract services	559,759	556,017	3,742	635,336
Materials and supplies	129,939	142,046	(12,107)	136,254
Total Jail	2,106,927	2,097,864	9,063	2,169,233
Heat Unit				
Personal services	48,413	50,096	(1,683)	45,659
Contract services	0	0	0	40
Materials and supplies	25,960	23,546	2,414	15,910
Total Heat Unit	74,373	73,642	731	61,609
Animal Control				
Personal services	145,317	137,652	7,665	146,950
Contract services	34,351	43,529	(9,178)	63,991
Materials and supplies	37,600	36,083	1,517	44,305
Total Animal Control	217,268	217,264	4	255,246
Coroner				
Personal services	12,502	9,919	2,583	10,117
Contract services	12,125	7,505	4,620	7,297
Materials and supplies	2,850	3,510	(660)	2,162
Total Coroner	27,477	20,934	6,543	19,576

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Public Safety (continued)				
Fire				
Personal services	$ 924,278	$ 911,169	$ 13,109	$ 887,979
Contract services	53,035	51,965	1,070	64,250
Materials and supplies	119,000	121,262	(2,262)	131,168
Total Fire	1,096,313	1,084,396	11,917	1,083,397
Emergency Management Agency				
Personal services	38,788	38,594	194	36,115
Contract services	12,835	12,691	144	40,794
Materials and supplies	12,600	12,735	(135)	10,334
Total Emergency Management Agency	64,223	64,020	203	87,243
Ambulance				
Contract services	41,781	40,112	1,669	38,245
Materials and supplies	115,070	97,650	17,420	130,479
Capital outlay	8,005	8,005	0	0
Payments to other agencies	260,736	260,736	0	341,870
Total Ambulance	425,592	406,503	19,089	510,594
Northeast Georgia Drug Task Force				
Payments to other agencies	3,300	2,390	910	28,061
Total Public Safety	6,965,504	6,960,908	4,596	6,999,773
Public Works				
Fleet				
Personal services	248,921	230,328	18,593	228,055
Contract services	10,000	20,335	(10,335)	2,964
Materials and supplies	127,000	133,630	(6,630)	32,836
Total Fleet	385,921	384,293	1,628	263,855
Road Department				
Personal services	1,050,885	1,049,093	1,792	976,216
Contract services	164,150	162,294	1,856	123,594
Materials and supplies	282,300	281,328	972	317,700
Capital outlay	33,000	32,967	33	201,058
Total Road Department	1,530,335	1,525,682	4,653	1,618,568
Water and Sewer Authority				
Contract services	5,500	473	5,027	3,214
Total Public Works	1,921,756	1,910,448	11,308	1,885,637
Health and Welfare				
Georgia Mountains Community Mental Health				
Payments to other agencies	24,754	24,754	0	25,259

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Health and Welfare (continued)				
Habersham County Hospital Authority				
Payments to other agencies	$ 274,961	$ 274,961	$ 0	$ 1,964,277
Senior Center				
Contract services	1,366	1,483	(117)	2,870
Materials and supplies	17,000	16,802	198	15,096
Payments to other agencies	143,472	143,472	0	176,450
Total Senior Center	161,838	161,757	81	194,416
Habersham County Health Department				
Payments to other agencies	198,788	198,788	0	202,845
Child Welfare				
Payments to other agencies	39,700	39,614	86	28,376
Total Health and Welfare	700,041	699,874	167	2,415,173
Culture and Recreation				
Fairgrounds				
Personal services	0	356	(356)	2,507
Contract services	0	0	0	1,295
Materials and supplies	0	0	0	3,865
Total Fairgrounds	0	356	(356)	7,667
Libraries				
Payments to other agencies	267,866	267,866	0	267,866
Recreation				
Personal services	424,757	423,737	1,020	435,090
Contract services	170,981	150,605	20,376	140,140
Materials and supplies	268,980	290,215	(21,235)	272,678
Payments to other agencies	2,940	4,464	(1,524)	1,163
Total Recreation	867,658	869,021	(1,363)	849,071
Total Culture and Recreation	1,135,524	1,137,243	(1,719)	1,124,604
Housing and Development				
Extension Service				
Personal services	19,487	19,869	(382)	14,142
Contract services	66,584	61,546	5,038	67,743
Materials and supplies	12,450	13,392	(942)	14,218
Payments to other agencies	2,500	2,500	0	2,500
Total Extension Service	101,021	97,307	3,714	98,603
Forestry				
Payments to other agencies	7,832	7,832	0	7,832

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Housing and Development (continued)				
Economic Development				
Personal services	$ 96,145	$ 88,498	$ 7,647	$ 87,188
Contract services	35,290	31,234	4,056	28,832
Materials and supplies	2,697	1,207	1,490	4,054
Total Economic Development	134,132	120,939	13,193	120,074
GIS				
Personal services	0	0	0	50,628
Contract services	0	30	(30)	15,914
Materials and supplies	0	0	0	1,183
Total GIS	0	30	(30)	67,725
Building				
Personal services	218,817	218,160	657	80,637
Contract services	21,025	21,232	(207)	9,551
Materials and supplies	5,700	5,347	353	3,727
Total Building	245,542	244,739	803	93,915
Planning				
Personal services	0	0	0	76,968
Contract services	0	0	0	3,640
Materials and supplies	0	0	0	1,417
Total Planning	0	0	0	82,025
Planning Commission				
Contract services	4,500	2,559	1,941	1,124
Materials and supplies	100	609	(509)	0
Total Planning	4,600	3,168	1,432	1,124
Code Enforcement				
Personal services	60,798	60,745	53	58,637
Contract services	4,030	4,946	(916)	6,667
Materials and supplies	4,650	3,622	1,028	4,556
Total Code Enforcement	69,478	69,313	165	69,860
Total Housing and Development	562,605	543,328	19,277	541,158
Total Current	18,356,107	18,244,458	111,649	19,555,250
Debt Service				
Health and Welfare				
Habersham County Hospital Authority				
Interest	0	0	0	16,243
Total Expenditures	$ 18,356,107	$ 18,244,458	$ 111,649	$ 19,571,493

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SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Jail Fund – This fund is used to account for fines and fees received restricted for the maintenance of the County Jail.

Emergency 911 Fund – This fund is used to account for the County's share of telephone fees for the operation of the 911 emergency system.

Hotel/Motel Tax Fund – This fund is used to account for Hotel/Motel tax collections which are used to support tourism in Habersham County.

Law Library Fund – This fund is used to account for the funds court office fines and fees legally restricted for operation of the Habersham County Law Library.

Drug Abuse Treatment Fund – This fund is used to account for fines and fees received restricted for drug treatment and education programs in the County.

Inmate Welfare Fund – This fund is used to account for monies legally restricted for the benefit of detainees in the County jail.

HABERSHAM COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 6,088	$ 3,809
Due from other funds	11,903	0
Total assets	$ 17,991	$ 3,809
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other funds	$ 0	$ 43,176
Fund balances		
Restricted for public safety	17,991	0
Unassigned	0	(39,367)
Total fund balances	17,991	(39,367)
Total liabilities and fund balances	$ 17,991	$ 3,809

HABERSHAM COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 46,500	$ 57,358	$ 10,858	$ 48,585
Total revenues	46,500	57,358	10,858	48,585
EXPENDITURES				
Current				
Public Safety				
Contract services	0	0	0	0
Total expenditures	0	0	0	0
Excess (deficiency) of revenues over (under) expenditures	46,500	57,358	10,858	48,585
Other financing sources (uses)				
Contingency	(46,500)	0	46,500	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	57,358	57,358	48,585
Fund balances, July 1	0	(39,367)	(39,367)	(87,952)
Fund balances, June 30	$ 0	$ 17,991	$ 17,991	$ (39,367)

HABERSHAM COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 164,271	$ 201,636
Accounts receivable (net)	132,630	131,248
Intergovernmental receivable	47,507	25,493
Total assets	$ 344,408	$ 358,377
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 10,780	$ 10,622
Intergovernmental payable	70	30
Accrued salaries and expenses	27,314	22,648
Due to other funds	71,378	134,974
Total liabilities	109,542	168,274
Fund balances		
Assigned to public safety	234,866	190,103
Total liabilities and fund balances	$ 344,408	$ 358,377

HABERSHAM COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 695,800	$ 731,767	$ 35,967	$ 742,796
Intergovernmental	0	44,246	44,246	25,353
Interest	100	23	(77)	35
Other	37,500	1,538	(35,962)	511
Total revenues	733,400	777,574	44,174	768,695
EXPENDITURES				
Current				
Public Safety				
Personal Services	776,458	811,098	(34,640)	765,252
Contract services	315,980	295,832	20,148	252,761
Materials and supplies	33,800	35,695	(1,895)	21,520
Capital outlay	36,000	19,025	16,975	90,977
Debt service	18,125	18,124	1	177,070
Total expenditures	1,180,363	1,179,774	589	1,307,580
Excess (deficiency) of revenues over (under) expenditures	(446,963)	(402,200)	44,763	(538,885)
Other financing sources (uses)				
Transfers in (out)				
General Fund	446,963	446,963	0	539,517
Issuance of capital leases	0	0	0	81,192
Total other financing sources (uses)	446,963	446,963	0	620,709
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	44,763	44,763	81,824
Fund balances, July 1	0	190,103	190,103	108,279
Fund balances, June 30	$ 0	$ 234,866	$ 234,866	$ 190,103

HABERSHAM COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

	2015	2014
ASSETS	$ 0	$ 0
LIABILITIES AND FUND BALANCES	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 43,000	$ 66,890	$ 23,890	$ 45,622
Total revenues	43,000	66,890	23,890	45,622
EXPENDITURES				
Current				
Housing and Development				
Payments to other agencies	17,200	26,756	(9,556)	18,249
Total expenditures	17,200	26,756	(9,556)	18,249
Excess (deficiency) of revenues over (under) expenditures	25,800	40,134	14,334	27,373
Other financing sources (uses)				
Transfers in (out)				
General Fund	(25,800)	(40,134)	(14,334)	(27,373)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	0	0
Fund balances, July 1	0	0	0	0
Fund balances, June 30	$ 0	$ 0	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 82,282	$ 69,737
Certificates of deposit	105,750	105,750
Total assets	$ 188,032	$ 175,487
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for judicial	$ 188,032	$ 175,487

HABERSHAM COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 23,200	$ 26,089	$ 2,889	$ 23,114
Interest	0	212	212	3,481
Total revenues	23,200	26,301	3,101	26,595
EXPENDITURES				
Current				
Judicial				
Personal services	0	2,200	(2,200)	2,400
Materials and supplies	6,000	11,556	(5,556)	9,454
Payments to other agencies	0	0	0	1,781
Total expenditures	6,000	13,756	(7,756)	13,635
Excess (deficiency) of revenues over (under) expenditures	17,200	12,545	(4,655)	12,960
Other financing sources (uses)				
Transfers in (out)				
SPLOST #5 Fund	(17,200)	0	17,200	(229,789)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	12,545	12,545	(216,829)
Fund balances, July 1	0	175,487	175,487	392,316
Fund balances, June 30	$ 0	$ 188,032	$ 188,032	$ 175,487

HABERSHAM COUNTY, GEORGIA
DRUG ABUSE TREATMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 52,138	$ 39,314
Intergovernmental receivable	0	1,287
Due from other funds	100	0
Total assets	$ 52,238	$ 40,601
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 100	$ 0
Fund balances		
Restricted for judicial	52,138	40,601
Total liabilities and fund balances	$ 52,238	$ 40,601

HABERSHAM COUNTY, GEORGIA
DRUG ABUSE TREATMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 24,000	$ 40,637	$ 16,637	$ 33,821
Total revenues	24,000	40,637	16,637	33,821
EXPENDITURES				
Current				
Judicial				
Contract services	0	100	(100)	0
Total expenditures	0	100	(100)	0
Excess (deficiency) of revenues over (under) expenditures	24,000	40,537	16,537	33,821
Other financing sources (uses)				
Transfers in (out)				
General Fund	(29,000)	(29,000)	0	(30,852)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and and other financing uses	(5,000)	11,537	16,537	2,969
Fund balances, July 1	5,000	40,601	35,601	37,632
Fund balances, June 30	$ 0	$ 52,138	$ 52,138	$ 40,601

HABERSHAM COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 12,012	$ 18,549
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for public safety	$ 12,012	$ 18,549

HABERSHAM COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 145,000	$ 95,725	$ (49,275)	$ 92,703
Total revenues	145,000	95,725	(49,275)	92,703
EXPENDITURES				
Current				
Public safety				
Materials and supplies	145,000	102,262	42,738	79,950
Total expenditures	145,000	102,262	42,738	79,950
Excess (deficiency) of revenues over (under) expenditures	0	(6,537)	(6,537)	12,753
Fund balances, July 1	0	18,549	18,549	5,796
Fund balances, June 30	$ 0	$ 12,012	$ 12,012	$ 18,549

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DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and payment of general government long-term debt principal and interest from governmental resources.

SPLOST Debt Service Fund – This fund is used to account for the accumulation of resources and payment of general government long-term debt principal and interest financed by special purpose local option sales taxes.

Hospital Debt Service Fund – This fund is used to account for the accumulation of resources and payment of general government long-term debt principal and interest financed from various revenue sources.

HABERSHAM COUNTY, GEORGIA
SPLOST DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 0	$ 0
LIABILITIES AND FUND BALANCES		
Liabilities		
Fund balances		
Restricted for debt service	$ 0	$ 0
Total liabilities and fund balances	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
SPLOST DEBT SERVICE FUND
COMPARATIVE STATEMENTS OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
REVENUES		
Taxes	$ 0	$ 505,427
Total revenues	0	505,427
EXPENDITURES		
Debt Service		
Principal	2,505,000	2,410,000
Interest	3,068	72,250
Total expenditures	2,508,068	2,482,250
Excess (deficiency) of revenues over (under) expenditures	(2,508,068)	(1,976,823)
Other financing sources (uses)		
Transfers in (out)		
SPLOST #5	2,508,068	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(1,976,823)
Fund balances, July 1	0	1,976,823
Fund balances, June 30	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
HOSPITAL DEBT SERVICE FUND
BALANCE SHEET
June 30, 2015

ASSETS

Cash and cash equivalents	$ 660,434
Restricted cash and cash equivalents	699,631
Accounts receivable	8,024
Due from other funds	263,136
Total assets	$ 1,631,225

LIABILITIES AND FUND BALANCES

Liabilities

Fund balances

Restricted for debt service	$ 1,631,225
Total liabilities and fund balances	$ 1,631,225

HABERSHAM COUNTY, GEORGIA
HOSPITAL DEBT SERVICE FUND
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal year ended June 30, 2015

REVENUES	
Taxes	$ 648,997
Intergovernmental	389
Other	19,072
Total revenues	668,458
EXPENDITURES	
Debt Service	
Interest	749,260
Total expenditures	749,260
Excess (deficiency) of revenues over (under) expenditures	(80,802)
Other financing sources (uses)	
Transfers in (out)	
SPLOST #6 Fund	263,136
Capital Improvements Fund	1,448,891
Total other financing sources (uses)	1,712,027
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1,631,225
Fund balances, July 1	0
Fund balances, June 30	$ 1,631,225

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CAPITAL PROJECTS FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Special Purpose Local Option Sales Tax #4 Fund – This fund is used to account for long-term projects financed by the 2003 passage of a special purpose local option sales tax.

Special Purpose Local Option Sales Tax #5 Fund – This fund is used to account for long-term projects financed by the 2014 passage of a special purpose local option sales tax.

Special Purpose Local Option Sales Tax #6 Fund – This fund is used to account for long-term projects financed by the 2008 passage of a special purpose local option sales tax.

Capital Improvements Fund – This fund is used to account for general purpose long-term capital projects financed from various revenue sources.

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #4
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 256,033	$ 805,705
Accounts receivable	0	2,446
Intergovernmental receivable	2,257,890	78,653
Total assets	$ 2,513,923	$ 886,804
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 1,953,202	$ 1,800
Retainage	527,182	0
Total liabilities	2,480,384	1,800
Fund balances		
Restricted for capital outlay	33,539	885,004
Total liabilities and fund balances	$ 2,513,923	$ 886,804

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #4
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2015 and 2014

REVENUES	**2015**	**2014**
Intergovernmental	$ 4,880,090	$ 447,072
Interest	726	5,079
Other	174	0
Total revenues	4,880,990	452,151
EXPENDITURES		
Capital outlay		
General Government		
Buildings and Grounds	0	22,579
Judicial		
Magistrate Court	0	24,604
Public Safety		
Sheriff	0	246,715
Jail	0	160,555
Fire	0	263,744
Emergency Management Agency	0	28,119
Ambulance	0	205,141
Emergency 911	0	271,168
Public Works		
Airport	5,390,141	295,871
Culture and Recreation		
Libraries	0	44,212
Recreation	315,873	35,005
Housing and Development		
Economic Development	26,441	24,604
Planning	0	35,369
Intergovernmental	0	17,959
Total expenditures	5,732,455	1,675,645
Excess (deficiency) of revenues over (under) expenditures	(851,465)	(1,223,494)
Other financing sources (uses)		
Transfers in (out)		
General Fund	0	(511,070)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(851,465)	(1,734,564)
Fund balances, July 1	885,004	2,619,568
Fund balances, June 30	$ 33,539	$ 885,004

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #5
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 1,887,320	$ 5,522,663
Certificates of deposit	734,397	245,096
Total assets	$ 2,621,717	$ 5,767,759
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 421,082	$ 124,950
Fund balances		
Restricted for capital outlay	2,200,635	5,642,809
Total liabilities and fund balances	$ 2,621,717	$ 5,767,759

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #5
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2015 and 2014

REVENUES	**2015**	**2014**
Taxes	$ 757	$ 3,405,309
Intergovernmental	1,009,480	0
Interest	69,952	13,588
Total revenues	1,080,189	3,418,897
EXPENDITURES		
Capital outlay		
General Government		
County-Wide	13,690	0
Information Technology	72	7,519
Judicial		
Judicial Facility	8,943	2,807,740
Public Safety		
Sheriff	61,674	0
Fire	38,525	0
Ambulance	118,266	0
Public Works		
Roads and Bridges	1,773,125	662,717
Culture and Recreation		
Recreation	0	15,000
Intergovernmental	0	657,003
Total expenditures	2,014,295	4,149,979
Excess (deficiency) of revenues over (under) expenditures	(934,106)	(731,082)
Other financing sources (uses)		
Transfers in (out)		
SPLOST Debt Service Fund	(2,508,068)	0
Law Library Fund	0	229,789
Total other financing sources (uses)	(2,508,068)	229,789
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(3,442,174)	(501,293)
Fund balances, July 1	5,642,809	6,144,102
Fund balances, June 30	$ 2,200,635	$ 5,642,809

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2015

ASSETS

Cash and cash equivalents	$ 579,945
Taxes receivable	494,124
Total assets	$ 1,074,069

LIABILITIES AND FUND BALANCES

Liabilities	
Accounts payable	$ 287,344
Due to other funds	263,136
Total liabilities	550,480
Fund balances	
Restricted for capital outlay	523,589
Total liabilities and fund balances	$ 1,074,069

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal year ended June 30, 2015

REVENUES	
Taxes	$ 1,315,680
Interest	34
Total revenues	1,315,714
EXPENDITURES	
Capital outlay	
Public Safety	
Fire	130,864
Intergovernmental	398,125
Total expenditures	528,989
Excess (deficiency) of revenues over (under) expenditures	786,725
Other financing sources (uses)	
Transfers in (out)	
Hospital Debt Service Fund	(263,136)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	523,589
Fund balances, July 1	0
Fund balances, June 30	$ 523,589

HABERSHAM COUNTY, GEORGIA
CAPITAL IMPROVEMENTS
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 39,748	$ 39,747
Due from other funds	25,663	0
Total assets	$ 65,411	$ 39,747
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 25,663	$ 0
Total liabilities	25,663	0
Fund balances		
Assigned to capital outlay	39,748	39,747
Total liabilities and fund balances	$ 65,411	$ 39,747

HABERSHAM COUNTY, GEORGIA
CAPITAL IMPROVEMENTS
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2015 and 2014

REVENUES	**2015**	**2014**
Interest	$ 0	$ 40
Other	33	0
Total revenues	33	40
EXPENDITURES		
Capital outlay		
General Government		
County-Wide	55,000	76,064
County Buildings & Grounds	140,925	5,475
Judicial		
Public Defender	15,938	0
Public Safety		
Sheriff	61,297	159,057
Jail	0	96,792
Fire	0	240,344
Ambulance	0	77,444
Public Works		
Road Department	0	9,250
Fleet	27,267	0
Health and Welfare		
Mental Health	0	86,899
Child Welfare	0	37,789
Health Services		
Culture and Recreation		
Recreation	59,280	21,103
Library	0	68,739
Housing and Development		
Planning	50,000	9,511
Hospital Authority	38,576,847	0
Development Authority	7,950	0
Total expenditures	38,994,504	888,467
Excess (deficiency) of revenues over (under) expenditures	(38,994,471)	(888,427)
Other financing sources (uses)		
Transfers in (out)		
General Fund	417,625	741,741
Hospital Debt Service Fund	(1,448,891)	
Issuance of long-term debt	40,025,738	0
Total other financing sources (uses)	38,994,472	741,741
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	1	(146,686)
Fund balances, July 1	39,747	186,433
Fund balances, June 30	$ 39,748	$ 39,747

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ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Water and Sewer Fund - Used to account for activities connected with the development, operation and maintenance of water and sewer services in Habersham County.

Landfill Fund – This fund is used to account for activities connected with the disposal of residential and commercial solid waste at the County's solid waste transfer station.

Transit Fund – This fund is used to account for activities of the County's on-call bus service, available to any County resident.

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HABERSHAM COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	$ 0	$ 57,575
Total current assets	$ 0	$ 57,575
LIABILITIES		
Current liabilities		
Due to other funds	$ 0	$ 57,575
Total liabilities	0	57,575
NET POSITION		
Unrestricted	0	0
Total net position	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

OPERATING REVENUES	**2015**	**2014**
Charges for sales and services	$ 0	$ 0
Total operating revenues	0	0
OPERATING EXPENSES		
Costs of sales and services	0	192
Personal services	0	314
Total operating expenses	0	506
Operating income (loss)	0	(506)
Non-operating revenues (expenses)		
Interest revenue	0	7
Intergovernmental expense	0	(15,664)
Gain (loss) on sale of assets	0	24,000
Total non-operating revenues (expenses)	0	8,343
Net income (loss) before transfers	0	7,837
Transfers in (out)		
General Fund	0	(68,003)
Change in net position	0	(60,166)
Net position, July 1	0	60,166
Net position, June 30	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
WATER AND SEWER ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 0	$ 14,743
Payments to suppliers	0	(13,338)
Payments to employees	0	(7,627)
Net cash provided (used) by operating activities	0	(6,222)
Cash flows from non-capital financing activities:		
Payments to other governments	0	(23,673)
Receipts from other funds	(57,575)	54,050
Payments to other funds	0	(68,003)
Net cash provided (used) by non-capital financing activities	(57,575)	(37,626)
Cash flows from capital and related financing activities:		
Proceeds from sale of capital assets	0	24,000
Cash flows from investing activities:		
Interest received	0	7
Net increase (decrease) in cash and cash equivalents	(57,575)	(19,841)
Cash and cash equivalents, July 1	57,575	77,416
Cash and cash equivalents, June 30	$ 0	$ 57,575
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 0	$ (506)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
(Increase) decrease in accounts receivable	0	42,594
Increase (decrease) in accounts payable	0	(13,146)
Increase (decrease) in deposits payable	0	(27,851)
Increase (decrease) in accrued payroll liabilities	0	(7,313)
Total adjustments	0	(5,716)
Net cash provided (used) by operating activities	$ 0	$ (6,222)

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	$ 570,497	$ 1,109,700
Certificates of deposit	240,706	243,552
Investments	372,126	0
Receivables		
Accounts receivable (net)	132,279	131,173
Intergovernmental	74,961	0
Interest	1,358	1,897
Prepaid items	518	0
Total current assets	1,392,445	1,486,322
Capital assets		
Land	665,702	665,702
Construction in progress	70,460	0
Land improvements	7,816,939	7,816,939
Buildings	33,365	33,365
Machinery and equipment	1,724,575	1,815,665
Vehicles	299,810	65,677
Accumulated depreciation	(6,464,066)	(6,331,834)
Total capital assets (net of accumulated depreciation)	4,146,785	4,065,514
Total assets	5,539,230	5,551,836
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	1,029	0
LIABILITIES		
Current liabilities		
Payables		
Accounts	30,515	41,900
Intergovernmental	197	66
Accrued salaries	11,096	8,049
Compensated absences	23,318	20,800
Due to other funds	67,809	40,311
Capital leases	132,158	0
Total current liabilities	265,093	111,126
Long-term liabilities		
Net pension liability	21,007	0
Capital leases payable	0	179,755
Post-closure care	3,061,007	2,936,822
Total long-term liabilities	3,082,014	3,116,577
Total liabilities	3,347,107	3,227,703
NET POSITION		
Net investment in capital assets	4,011,775	3,885,759
Unrestricted	(1,818,623)	(1,561,626)
Total net position	$ 2,193,152	$ 2,324,133

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

OPERATING REVENUES	**2015**	**2014**
Charges for sales and services	$ 929,407	$ 838,906
Miscellaneous revenues	0	181
Total operating revenues	929,407	839,087
OPERATING EXPENSES		
Costs of sales and services	413,054	475,784
Personal services	310,374	278,275
Depreciation	382,592	444,552
Total operating expenses	1,106,020	1,198,611
Operating income (loss)	(176,613)	(359,524)
Non-operating revenues (expenses)		
Interest revenue	13,603	1,634
Interest expense	(2,433)	(6,915)
Intergovernmental revenue	74,961	0
Gain (loss) on sale of assets	(24,012)	936
Total non-operating revenues (expenses)	62,119	(4,345)
Net income (loss) before capital contributions	(114,494)	(363,869)
Capital contributions		
Contributions of capital assets from Governmental Activities	4,736	0
Change in net position	(109,758)	(363,869)
Net position, July 1 (original)	2,324,133	2,688,002
Prior period adjustments	(21,223)	0
Net position, July 1 (restated)	2,302,910	2,688,002
Net position, June 30	$ 2,193,152	$ 2,324,133

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 928,301	$ 877,470
Payments to suppliers	(303,493)	(350,518)
Payments to employees	(306,054)	(290,440)
Other receipts	0	181
Net cash provided (used) by operating activities	318,754	236,693
Cash flows from non-capital financing activities:		
Receipts from other funds	27,498	0
Payments to other funds	0	(15,561)
Net cash provided (used) by non-capital financing activities	27,498	(15,561)
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(480,287)	0
Proceeds from sale of capital assets	0	936
Principal payments - capital leases	(47,597)	(43,115)
Interest paid	(2,433)	(6,915)
Net cash provided (used) by capital and related financing activities	(530,317)	(49,094)
Cash flows from investing activities:		
Interest received	14,142	1,634
Purchase of investments	(372,126)	0
Purchase of certificates of deposit	(240,706)	0
Proceeds from maturity of certificates of deposit	243,552	345,232
Net cash provided (used) by investing activities	(355,138)	346,866
Net increase (decrease) in cash and cash equivalents	(539,203)	518,904
Cash and cash equivalents, July 1	1,109,700	590,796
Cash and cash equivalents, June 30	$ 570,497	$ 1,109,700

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (176,613)	$ (359,524)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	382,592	444,552
Closure/postclosure costs	124,185	119,699
(Increase) decrease in accounts receivable	(1,106)	38,564
(Increase) decrease in prepaid items	(518)	0
(Increase) decrease in pension investment return differences	(1,029)	0
Increase (decrease) in accounts payable	(14,237)	5,541
Increase (decrease) in intergovernmental payable	131	26
Increase (decrease) in accrued payroll liabilities	5,565	(12,165)
Increase (decrease) in net pension liability	(216)	0
Total adjustments	495,367	596,217
Net cash provided (used) by operating activities	$ 318,754	$ 236,693

Noncash capital and related financing activities:

Acquisition of capital assets through accounts payable totaled $2,852 for the fiscal year ended June 30, 2015.

Contributions of capital assets from governmental activities totaled $307,637 with related accumulated depreciation totaling $302,901 for the fiscal year ended June 30, 2015.

Distributions of capital assets to governmental activities totaled $234,950 with related accumulated depreciation totaling $234,950 for the fiscal year ended June 30, 2015.

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Accounts receivable	$ 34	$ 57
Intergovernmental receivable	7,192	7,702
Total current assets	7,226	7,759
Capital assets		
Construction in progress	3,957	0
Vehicles	45,200	45,200
Accumulated depreciation	(41,733)	(32,693)
Total capital assets (net of accumulated depreciation)	7,424	12,507
Total assets	14,650	20,266
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	136	0
LIABILITIES		
Current liabilities		
Payables		
Accounts	1,028	470
Intergovernmental	336	0
Accrued salaries	1,479	969
Compensated absences	5,157	4,839
Due to other funds	2,991	12,064
Total current liabilities	10,991	18,342
Long-term liabilities		
Net pension liability	2,776	0
Total liabilities	13,767	18,342
NET POSITION		
Investment in capital assets	7,424	12,507
Unrestricted	(6,405)	(10,583)
Total net position	$ 1,019	$ 1,924

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

OPERATING REVENUES	**2015**	**2014**
Charges for sales and services	$ 26,134	$ 4,821
Total operating revenues	26,134	4,821
OPERATING EXPENSES		
Costs of sales and services	28,503	21,468
Personal services	50,466	39,000
Depreciation	9,040	9,040
Total operating expenses	88,009	69,508
Operating income (loss)	(61,875)	(64,687)
Non-operating revenues (expenses)		
Intergovernmental revenue	35,016	26,079
Net income (loss) before transfers	(26,859)	(38,608)
Transfers in (out)		
General Fund	28,759	23,207
Change in net position	1,900	(15,401)
Net position, July 1 (original)	1,924	17,325
Prior period adjustments	(2,805)	0
Net position, July 1 (restated)	(881)	17,325
Net position, June 30	$ 1,019	$ 1,924

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 26,157	$ 5,581
Payments to suppliers	(27,609)	(21,756)
Payments to employees	(49,803)	(38,251)
Net cash provided (used) by operating activities	(51,255)	(54,426)
Cash flows from non-capital financing activities:		
Receipts from other governments	35,526	23,508
Receipts from other funds	19,686	30,918
Net cash provided (used) by non-capital financing activities	55,212	54,426
Cash flows from capital and related financing activities:		
Purchase of capital assets	(3,957)	0
Net increase (decrease) in cash and cash equivalents	0	0
Cash and cash equivalents, July 1	0	0
Cash and cash equivalents, June 30	$ 0	$ 0
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (61,875)	$ (64,687)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	9,040	9,040
(Increase) decrease in accounts receivable	23	760
(Increase) decrease in pension investment return differences	(136)	0
Increase (decrease) in accounts payable	558	(288)
Increase (decrease) in intergovernmental payable	336	0
Increase (decrease) in accrued payroll liabilities	828	749
Increase (decrease) in net pension liability	(29)	0
Total adjustments	10,620	10,261
Net cash provided (used) by operating activities	$ (51,255)	$ (54,426)

AGENCY FUNDS

These funds are used to account for assets held by the County as an agent to be expended in accordance with the conditions of its agency capacity.

Tax Commissioner - This fund accounts for assets and related liabilities for the collection of taxes and tag and title fees.

Magistrate Court, Probate Court, Juvenile Court and Clerk of Court - These funds account for assets and related liabilities for the collection of court related fees.

Sheriff Department - This fund accounts for deposits held for incarcerated inmates.

HABERSHAM COUNTY, GEORGIA
AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 2015

	Tax Commissioner	Magistrate Court
ASSETS		
Cash	$ 599,579	$ 1,169
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 599,579	$ 1,169

Probate Court	Juvenile Court	Clerk of Court	Sheriff Department	Totals
$ 5,263	$ 63	$ 338,918	$ 146,432	$ 1,091,424
$ 5,263	$ 63	$ 338,918	$ 146,432	$ 1,091,424

HABERSHAM COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2015

	Balance July 1	Additions	Deletions	Balance June 30
TAX COMMISSIONER				
ASSETS				
Cash	$ 534,905	$ 34,783,610	$ 34,718,936	$ 599,579
LIABILITIES				
Due to other agencies	$ 534,905	$ 34,783,610	$ 34,718,936	$ 599,579
MAGISTRATE COURT				
ASSETS				
Cash	$ 19,289	$ 319,936	$ 338,056	$ 1,169
LIABILITIES				
Due to other agencies	$ 19,289	$ 319,936	$ 338,056	$ 1,169
PROBATE COURT				
ASSETS				
Cash	$ 207	$ 211,476	$ 206,420	$ 5,263
LIABILITIES				
Due to other agencies	$ 207	$ 211,476	$ 206,420	$ 5,263
JUVENILE COURT				
ASSETS				
Cash	$ 63	$ 6,245	$ 6,245	$ 63
LIABILITIES				
Due to other agencies	$ 63	$ 6,245	$ 6,245	$ 63
CLERK OF COURT				
ASSETS				
Cash	$ 519,409	$ 2,036,633	$ 2,217,124	$ 338,918
LIABILITIES				
Due to other agencies	$ 519,409	$ 2,036,633	$ 2,217,124	$ 338,918
SHERIFF DEPARTMENT				
ASSETS				
Cash	$ 102,409	$ 305,548	$ 261,525	$ 146,432
LIABILITIES				
Due to other agencies	$ 102,409	$ 305,548	$ 261,525	$ 146,432
TOTALS				
ASSETS				
Cash	$ 1,176,282	$ 37,663,448	$ 37,748,306	$ 1,091,424
LIABILITIES				
Due to other agencies	$ 1,176,282	$ 37,663,448	$ 37,748,306	$ 1,091,424

COMPONENT UNITS

Mountain Judicial Circuit NCIS Team – This component unit is used to account for the activities of the Mountain Judicial Circuit NCIS Team, which exists to promote a coordinated drug enforcement effort throughout the area and to encourage maximum cooperation among all enforcement and prosecuting agencies therein. The NCIS Team is a coordinated effort involving Habersham, Stephens and Rabun Counties.

Habersham County Development Authority – This component unit is used to account for the activities of the Habersham County Development Authority, which exists to promote business development in the County.

Habersham County Airport Authority – This component unit is used to account for the activities of the Habersham County Airport Authority, which exists for the establishment, maintenance, and operation of a unified and coordinated airport system in Habersham County.

HABERSHAM COUNTY, GEORGIA
MOUNTAIN JUDICIAL CIRCUIT NCIS TEAM (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 49,103	$ 156,462
Receivables		
Accounts	0	503
Intergovernmental	0	28,644
Total assets	$ 49,103	$ 185,609
LIABILITIES AND FUND BALANCES		
Liabilities		
Accrued salaries and expenses	$ 0	$ 10,155
Due to other agencies	42,544	70,757
Total liabilities	42,544	80,912
Fund balances		
Restricted for public safety	6,559	104,697
Total liabilities and fund balances	$ 49,103	$ 185,609

HABERSHAM COUNTY, GEORGIA
MOUNTAIN JUDICIAL CIRCUIT NCIS TEAM (A COMPONENT UNIT)
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 151,047	$ 27,806	$ (123,241)	$ 141,619
Forfeitures	64,703	71,001	6,298	161,079
Total revenues	215,750	98,807	(116,943)	302,698
EXPENDITURES				
Current				
Public Safety				
Personal services	155,350	26,700	128,650	131,886
Contract services	16,375	6,254	10,121	18,090
Supplies and materials	44,025	15,680	28,345	53,798
Capital outlay	0	0	0	15,060
Payments to other agencies	0	148,311	(148,311)	129,045
Total expenditures	215,750	196,945	18,805	347,879
Excess (deficiency) of revenues over (under) expenditures	0	(98,138)	(98,138)	(45,181)
Fund balances, July 1	0	104,697	104,697	149,878
Fund balances, June 30	$ 0	$ 6,559	$ 6,559	$ 104,697

HABERSHAM COUNTY, GEORGIA
DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 32,804	$ 140,417
Restricted cash and cash equivalents	227,411	288,361
Total assets	$ 260,215	$ 428,778
LIABILITIES AND FUND BALANCES		
Current liabilities		
Payables		
Accounts	$ 2,215	$ 0
Intergovernmental	8,450	8,450
Total liabilities	10,665	8,450
Fund balances		
Restricted for capital outlay	227,411	288,361
Assigned to housing and development	22,139	28,405
Assigned to subsequent year's budget	0	103,562
Total fund balances	249,550	420,328
Total liabilities and fund balances	$ 260,215	$ 428,778

HABERSHAM COUNTY, GEORGIA
DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2015 and 2014

REVENUES	**2015**	**2014**
Intergovernmental	$ 20,000	$ 0
Interest	38	45
Rents	25,580	23,358
Miscellaneous	1,100	2,652
Total revenues	46,718	26,055
EXPENDITURES		
Current		
Housing and Development		
Contract services	8,659	21,750
Materials and supplies	3,394	2,733
Capital outlay	91,504	0
Debt service	113,939	108,735
Total expenditures	217,496	133,218
Excess (deficiency) of revenues over (under) expenditures	(170,778)	(107,163)
Other financing sources (uses)		
Proceeds from sale of assets	0	31,965
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(170,778)	(75,198)
Fund balances, July 1	420,328	495,526
Fund balances, June 30	$ 249,550	$ 420,328

HABERSHAM COUNTY, GEORGIA
AIRPORT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 10,708	$ 5,476
Intergovernmental receivable	8,450	8,450
Total assets	$ 19,158	$ 13,926
LIABILITIES AND FUND BALANCES		
Current liabilities		
Accounts payable	$ 697	$ 828
Intergovernmental payable	16,947	15,231
Total liabilities	17,644	16,059
Fund balances		
Assigned to public works	1,514	0
Unassigned	0	(2,133)
Total fund balances	1,514	(2,133)
Total liabilities and fund balances	$ 19,158	$ 13,926

HABERSHAM COUNTY, GEORGIA
AIRPORT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2015 and 2014

REVENUES	**2015**	**2014**
Airport charges	$ 100,408	$ 0
Rents	16,450	13,125
Total revenues	116,858	13,125
EXPENDITURES		
Current		
Housing and Development		
Contract services	8,735	12,904
Materials and supplies	120,713	5,678
Debt service	73,224	0
Total expenditures	202,672	18,582
Excess (deficiency) of revenues over (under) expenditures	(85,814)	(5,457)
Other financing sources (uses)		
Proceeds from notes payable	89,461	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	3,647	(5,457)
Fund balances, July 1	(2,133)	3,324
Fund balances, June 30	$ 1,514	$ (2,133)

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OTHER SUPPLEMENTARY INFORMATION (UNAUDITED)

This section contains various supplemental information provided by Habersham County.

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HABERSHAM COUNTY, GEORGIA
INTRODUCTION TO THE STATISTICAL SECTION
(UNAUDITED)

This part of Habersham County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and supplementary information reveals about the County's overall financial health.

	Exhibit	Page(s)
Officials of Habersham County	*K-1*	*140*
Organizational Structure	*K-2*	*141*
Financial Trends		
These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.		
Net Position by Component	*K-3*	*142-143*
Changes in Net Position	*K-4*	*144-147*
Governmental Activities Tax Revenues by Source	*K-5*	*148*
Fund Balances of Governmental Funds	*K-6*	*149-150*
Changes in Fund Balances of Governmental Funds	*K-7*	*151-152*
Revenue Capacity		
These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax and another significant local revenue source, sales tax.		
Assessed Value and Estimated Actual Value of Taxable Property	*K-8*	*153-154*
Property Tax Rates (Direct and Overlapping Governments)	*K-9*	*155-156*
Principal Taxpayers	*K-10*	*157*
Debt Capacity		
These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future		
Legal Debt Margin Information	*K-11*	*158-159*
Demographic and Economic Information		
These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place		
Demographic and Economic Statistics	*K-12*	*160*
Principal Employers	*K-13*	*161*
Full-time Equivalent County Government Employees by Function	*K-14*	*162-163*
Operating Indicators by Function	*K-15*	*164-165*
Capital Asset Statistics by Function	*K-16*	*166-169*

Habersham County Board of Commissioners, Elected Officials and Administration.



Chairman Andrea Harper
District 2



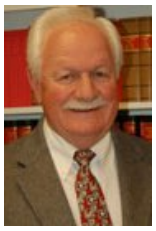
Vice Chairman Victor Anderson
District 3



Sonny James
District 1



Natalie Crawford
District 4



Ed Nichols
District 5

Elected Officials

Chan Caudell	Chief Judge, Superior Court
Russell W. Smith	Judge, Superior Court
June Black	Tax Commissioner
William R. Oliver	Solicitor General
Brian M. Rickman	District Attorney
Gerald W. Johnson	Chief Magistrate
David C. Wall	Clerk of Superior Court
Kasey C. McEntire	Coroner
Joey Terrell	Sheriff
Pamela F. Wooley	Probate Judge
M. Steven Campbell	Chief Judge, State Court

Appointed Officials

Phillip Sutton	County Manager
Donald Hunt	Attorney
Crystal Ward	Clerk of Commission
Lynn Merritt	Director of Human Resources
Trey Wood	Director of Finance
Joan Church	Chief Appraiser
Laurel Ellison	Election Supervisor
Mya Green	Senior Center Director
Jeff Cain	Fire Chief
Jackie Roberts	Accountability Court Coordinator
Robert D. Cullifer	Judge, Juvenile Court
Derick Canupp	Public Works Director
Kurt Cooper	Director of Parks & Recreation
Steve Seabolt	Director of Fleet Services
Sam Irvin	Code Enforcement
Mike Bramlett	Facilities Maintenance Superintendent
Madi Hawkins	Director of Animal Care & Control
Steven Patrick	Extension Service
Lynn Smith	Director of Emergency Management
Greg Purcell	Director of Information Technology
Michael Beecham	Community Planning & Development Director

Habersham County Organizational Chart

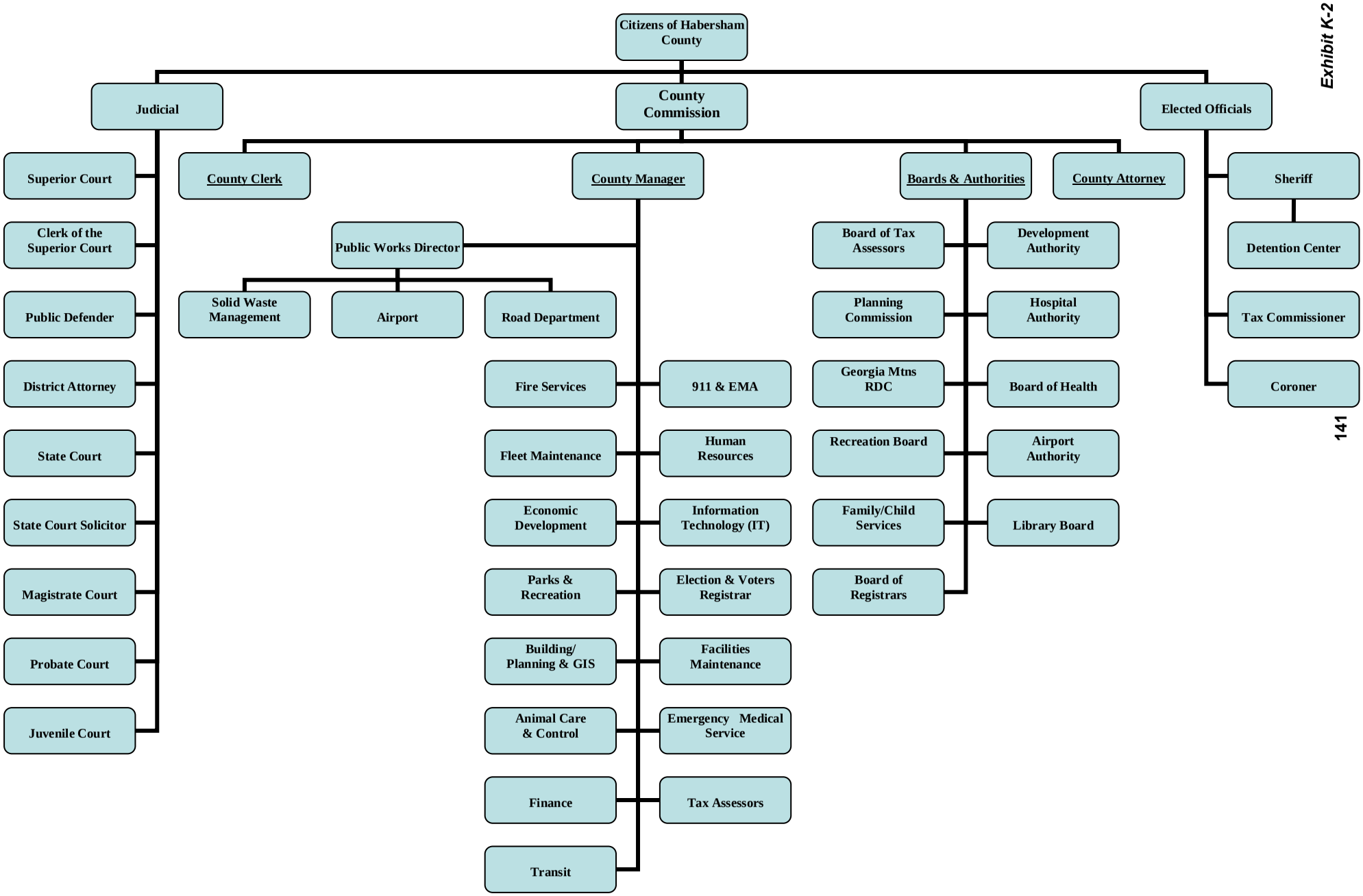


Exhibit K-2

HABERSHAM COUNTY, GEORGIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
	2006	2007	2008	2009
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 37,608	$ 35,889	$ 35,132	$ 34,794
Restricted	6,714	7,567	9,078	10,252
Unrestricted	5,560	5,555	6,246	5,479
Total governmental activities net position	$ 49,882	$ 49,012	$ 50,456	$ 50,525
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 9,145	$ 9,145	$ 13,080	$ 14,887
Restricted	4,793	6,717	4,821	4,439
Unrestricted	1,261	1,852	127	(1,932)
Total business-type activities net position	$ 15,198	$ 17,714	$ 18,028	$ 17,394
PRIMARY GOVERNMENT				
Net investment in capital assets	$ 46,753	$ 45,034	$ 48,212	$ 49,682
Restricted	11,507	14,284	13,900	14,691
Unrestricted	6,821	7,407	6,373	3,547
Total primary government net position	$ 65,081	$ 66,726	$ 68,484	$ 67,919

Fiscal Year						
2010	2011	2012	2013	2014	2015
$ 33,665	$ 32,226	$ 33,648	$ 39,095	$ 48,923	$ 52,787
14,514	24,062	22,153	11,086	6,801	4,683
5,008	(1,254)	988	7,491	2,259	4,492
$ 53,187	$ 55,033	$ 56,789	$ 57,672	$ 57,982	$ 61,962
$ 14,501	$ 13,993	$ 13,300	$ 4,309	$ 3,898	$ 4,019
1,128	1,035	0	0	0	0
(1,818)	(1,211)	(1,277)	(1,543)	(1,572)	(1,825)
$ 13,811	$ 13,817	$ 12,022	$ 2,765	$ 2,326	$ 2,194
$ 48,166	$ 46,219	$ 46,948	$ 43,404	$ 52,821	$ 56,806
15,642	25,096	22,153	11,086	6,801	4,683
3,190	(2,466)	(289)	5,948	687	2,667
$ 66,998	$ 68,850	$ 68,811	$ 60,438	$ 60,309	$ 64,156

HABERSHAM COUNTY, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
Expenses	**2006**	**2007**	**2008**	**2009**
Governmental activities:				
General Government	$ 2,999	$ 2,959	$ 3,201	$ 4,239
Judicial	1,955	2,030	2,133	2,367
Public Safety	7,808	8,009	8,894	8,674
Public Works	4,876	4,896	4,863	4,089
Health and Welfare	464	487	497	500
Culture and Recreation	1,384	1,616	1,577	1,544
Housing and Development	895	2,559	986	1,119
Nondepartmental	0	0	0	0
Interest on long-term debt	55	69	80	48
Total governmental activities expenses	20,435	22,625	22,231	22,581
Business-type activities:				
Water and Sewer	626	696	395	509
Landfill	1,166	1,227	2,304	1,527
Transit	49	51	54	51
Total business-type activities expenses	1,842	1,974	2,753	2,087
Total primary government expenses	$ 22,276	$ 24,599	$ 24,984	$ 24,668
Program revenues				
Governmental activities:				
Charges for services:				
General Government	$ 543	$ 469	$ 519	$ 529
Judicial	740	800	474	510
Public Safety	1,231	1,321	1,798	1,824
Public Works	0	0	0	0
Culture and Recreation	212	225	232	255
Housing and Development	447	422	272	161
Operating grants and contributions	254	180	391	559
Capital grants and contributions	491	390	757	394
Total governmental activities program revenues	3,917	3,808	4,443	4,233
Business-type activities:				
Charges for services:				
Water and Sewer	227	288	257	243
Landfill	1,293	1,432	1,430	1,209
Transit	6	9	3	6
Operating grants and contributions	11	121	29	34
Capital grants and contributions	0	0	0	0
Total business-type activities program revenues	1,537	1,851	1,719	1,492
Total primary government program revenues	$ 5,454	$ 5,658	$ 6,162	$ 5,725

Fiscal Year						
2010	2011	2012	2013	2014	2015
$ 4,487	$ 4,767	$ 4,698	$ 3,855	$ 4,157	$ 4,153
2,278	2,444	2,620	2,802	3,001	3,387
8,097	8,272	8,417	8,541	8,894	8,845
5,219	3,951	4,390	4,639	3,037	2,947
482	468	465	526	522	497
1,513	1,356	1,442	1,498	1,481	1,470
864	851	718	837	763	806
0	0	0	0	0	0
33	126	184	148	135	1,431
22,973	22,235	22,934	22,846	21,991	23,536
584	533	599	527	16	0
1,484	1,353	1,370	1,261	1,206	1,132
53	55	72	72	70	88
2,120	1,941	2,041	1,861	1,291	1,220
$ 25,093	$ 24,176	$ 24,975	$ 24,707	$ 23,282	$ 24,756
$ 567	$ 561	$ 545	$ 490	$ 563	$ 568
522	565	520	595	656	660
1,835	1,677	1,475	1,441	1,548	1,649
0	0	0	0	0	158
198	227	273	266	388	489
101	91	62	63	67	73
607	660	891	976	1,127	1,307
333	877	583	660	764	6,431
4,163	4,657	4,349	4,491	5,113	11,335
247	241	238	247	0	0
1,377	1,033	1,021	814	839	929
6	7	8	7	5	26
26	53	30	27	26	110
0	45	0	0	0	0
1,655	1,379	1,297	1,095	870	1,065
$ 5,818	$ 6,036	$ 5,646	$ 5,586	$ 5,983	$ 12,400

HABERSHAM COUNTY, GEORGIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
	2006	**2007 (1)**	**2008**	**2009**
Net (expense)/revenue				
Governmental activities	$ (16,518)	$ (18,817)	$ (17,787)	$ (18,348)
Business-type activities	(305)	(123)	(1,034)	(595)
Total primary government net expense	(16,822)	(18,940)	(18,821)	(18,943)
General revenues and other changes in net position				
Governmental activities:				
Property taxes	$ 10,030	$ 11,189	$ 11,285	$ 10,834
Sales taxes	3,728	3,771	5,211	5,009
Intangible	312	303	281	190
Insurance premium taxes	1,160	1,216	1,278	1,310
Other taxes	399	404	391	620
Investment earnings	404	720	608	254
Rental income	70	69	80	57
Gain on sale of capital assets	0	0	0	12
Miscellaneous	33	60	52	11
Special items	(1,347)	0	0	0
Transfers	(93)	(26)	45	77
Total governmental activities	14,696	17,706	19,232	18,373
Business-type activities:				
Taxes				
Sales	2,469	2,465	1,085	0
Investment earnings	85	148	265	36
Other revenue	0	0	0	0
Gain on sale of capital assets	30	0	43	0
Miscellaneous	1	0	0	1
Special items	0	0	0	0
Transfers	93	26	(45)	(77)
Total business-type activites	2,678	2,639	1,348	(39)
Total primary government	17,375	20,345	20,580	18,334
Prior Period Adjustments:				
Governmental Activities	224	0	0	0
Business Type Activities	0	0	0	0
Total Prior Period Adjustments:	224	0	0	0
Change in net position				
Governmental activities	(1,821)	(1,111)	1,444	25
Business-type activities	2,374	2,516	314	(634)
Total primary government	$ 552	$ 1,405	$ 1,758	$ (609)

Fiscal Year						
2010	2011	2012	2013	2014	2015
$ (18,810)	$ (17,578)	$ (18,585)	$ (18,356)	$ (16,878)	$ (12,201)
(465)	(562)	(745)	(765)	(421)	(155)
(19,276)	(18,140)	(19,330)	(19,121)	(17,299)	(12,356)
$ 10,722	$ 11,628	$ 11,276	$ 11,467	$ 12,555	$ 13,209
5,320	5,208	5,741	5,367	3,911	1,316
134	141	159	204	170	159
1,291	1,255	1,286	1,374	1,428	1,506
547	621	654	652	723	748
162	59	60	24	49	85
51	60	29	44	66	53
29	6	9	9	4	8
51	76	119	89	111	112
0	0	0	0	0	0
3,167	55	1,007	80	45	(33)
21,473	19,109	20,340	19,312	19,061	17,163
0	0	0	0	0	0
6	12	21	2	2	14
0	0	0	0	0	0
0	0	(66)	0	25	0
43	14	2	0	0	0
0	0	0	(8413)	0	0
(3167)	(55)	(1007)	(80)	(45)	33
(3,118)	(29)	(1,050)	(8,491)	(18)	47
18,354	19,080	19,291	10,820	19,043	17,210
0	0	0	0	(1,873)	983
0	0	0	0	0	24
0	0	0	0	(1,873)	1,007
2,662	1,531	1,756	956	2,183	4,962
(3,584)	(591)	(1,795)	(9,257)	(439)	(108)
$ (921)	$ 940	$ (39)	$ (8,301)	$ 1,744	$ 4,854

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HAHBERSHAM COUNTY, GEORGIA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

Fiscal Year	Property Taxes	Sales Tax	Intangible Tax	Ins. Prem Tax	Other Taxes	Total
2006	10,030	3,728	312	1,160	399	15,629
2007	11,189	3,771	303	1,216	404	16,882
2008	11,285	5,211	281	1,278	391	18,446
2009	10,834	5,009	190	1,310	620	17,962
2010	10,722	5,320	134	1,291	547	18,013
2011	11,628	5,208	141	1,255	621	18,854
2012	11,276	5,741	159	1,286	654	19,115
2013	11,467	5,367	204	1,374	652	19,065
2014	12,555	3,911	170	1,428	723	18,786
2015	13,208	1,316	159	1,506	748	16,939

HABERSHAM COUNTY, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
	2006	**2007**	**2008**	**2009**
General fund				
Reserved	$ 203	$ 227	$ 167	$ 169
Unreserved	5,483	5,146	5,977	5417
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total general fund	5,685	5,373	6,145	5,586
All other governmental funds:				
Reserved	350	322	97	0
Unreserved	4,421	5,840	7,349	9,244
Special revenue funds	756	919	625	819
Capital projects funds	1,624	782	1,048	182
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total all other governmental funds	7,150	7,863	9,119	10,246
Total governmental funds	$ 12,835	$ 13,236	$ 15,263	$ 15,832

Note (1): The County adopted GASB 54 in fiscal year 2011.

Fiscal Year					
2010	2011 (1)	2012	2013	2014	2015
$ 43	$ 0	$ 0	$ 0	$ 0	$ 0
5,232	0	0	0	0	0
0	420	230	376	559	466
0	20	36	22	38	24
0	425	428	486	0	205
0	4,790	4,674	3,367	4,107	4,703
5,276	5,655	5,368	4,250	4,705	5,399
0	0	0	0	0	0
13,430	0	0	0	0	0
750	0	0	0	0	0
345	0	0	0	0	0
0	421	202	238	0	0
0	26,018	24,094	11,195	6,762	4,659
0	243	154	38	230	275
0	0	(82)	(88)	(39)	0
14,525	26,682	24,368	11,383	6,953	4,934
$ 19,800	$ 32,337	$ 29,736	$ 15,633	$ 11,658	$ 10,333

HABERSHAM COUNTY, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(amounts expressed in thousands)

	Fiscal Year			
	2006	**2007**	**2008**	**2009**
Revenues				
Taxes	$ 15,797	$ 16,645	$ 18,235	$ 18,056
Licenses and permits	447	422	272	161
Fines, fees and forfeitures	1,067	1,209	1,367	1,313
Charges for services	1,511	1,481	1,651	1,800
Interest	891	720	608	948
Intergovernmental	404	695	1,148	254
Contributions	2	1	5	11
Other	104	130	133	68
Total Revenues	20,223	21,303	23,419	22,611
Expenditures				
General government	2,718	2,710	2,774	3,180
Judicial	1,941	2,014	2,123	2,360
Public safety	6,790	6,677	7,965	7,804
Public works	1,546	1,531	1,729	1,679
Health and welfare	404	426	435	439
Culture and recreation	1,037	1,150	1,172	1,203
Housing and development	678	2,321	750	831
Nondepartmental	0	0	0	0
Capital outlay	4,245	4,603	5,143	4,703
Intergovernmental	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Total expenditures	19,359	21,432	22,092	22,199
Excess (deficiency) of revenues over (under) expenditures	864	(129)	1,328	412
Other financing sources (uses)				
Transfers in	945	706	762	1,133
Transfers out	(1,005)	(732)	(717)	(1,057)
Issuance of capital leases	781	550	625	0
Issuance of bonds	0	0	0	0
Issuance of contracts payable	0	0	0	0
Gain on sale of assets	26	6	30	36
Total other financing sources (uses)	747	530	700	112
Special Item				
Payment to Habersham County Hospital Authority	(1,347)	0	0	0
Net change in fund balance	264	400	2,027	524
Fund balances, July 1 (original)	12,445	12,837	13,238	15,265
Prior period adjustments	128	0	0	44
Fund balances, June 30	$ 12,837	$ 13,238	$ 15,265	$ 15,833
Debt service as a percentage of non-capital expenditures	0%	0%	0%	0%

Fiscal Year					
2010	2011	2012	2013	2014	2015
$ 18,220	$ 18,963	$ 19,120	$ 19,161	$ 18,780	$ 16,932
101	91	62	63	67	104
1,284	1,186	1,071	1,085	1,154	1,260
1,824	1,833	1,736	1,706	2,001	2,233
162	134	110	62	68	114
942	1,433	992	1,581	1,844	7,653
11	20	15	18	28	13
103	135	148	133	177	165
22,647	23,795	23,254	23,809	24,119	28,475
3,349	3,391	3,489	3,600	3,571	3,958
2,292	2,436	2,575	2,789	3,031	3,048
7,458	7,848	8,590	8,538	8,387	8,243
1,637	1,719	1,669	1,695	1,886	1,910
423	409	406	457	2,415	700
1,141	1,025	1,098	1,058	1,125	1,137
668	668	508	560	559	570
0	0	0	0	0	0
3,458	4,253	5,857	16,235	6,039	46,872
2,069	875	1,151	1,267	675	398
0	545	2,225	2,315	2,410	2,505
0	89	139	106	88	752
22,494	23,257	27,706	38,622	30,187	70,095
152	538	(4,453)	(14,812)	(6,068)	(41,619)
4,082	954	2,076	1,783	2,148	5,154
(916)	(899)	(1,069)	(1,703)	(2,104)	(5,183)
620	1,600	829	620	81	0
0	10,000	0	0	0	0
0	0	0	0	1,963	40,301
29	29	15	9	4	23
3,816	11,684	1,851	709	2,093	40,294
0	0	0	0	0	0
3,969	12,222	(2,601)	(14,103)	(3,975)	(1,325)
15,832	19,800	32,337	29,736	15,633	11,658
0	315	0	0	0	0
$ 19,800	$ 32,337	$ 29,736	$ 15,633	$ 11,658	$ 10,333
0%	3%	11%	11%	10%	14%

HABERSHAM COUNTY, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Calendar Year Ended December 31	Gross Digest Assessed Value	Residential Property	Commercial Property	Industrial Property
2006	$ 1,348,950	$ 773,025	$ 153,300	$ 65,395
2007	1,422,526	833,444	155,015	67,932
2008	1,622,208	957,865	167,012	65,117
2009	1,630,836	958,263	168,017	60,625
2010	1,611,371	954,594	163,198	58,981
2011	1,485,186	861,843	151,764	59,840
2012	1,375,791	772,676	151,287	62,221
2013	1,326,305	734,826	151,675	59,053
2014	1,315,053	728,355	155,477	65,387
2015	1,312,392	745,121	154,255	63,616

Source: Tax Commissioner's Office

Notes: (1) The direct tax rate is applied against the total net taxable assessed value to levy property taxes. (2) Under Georgia law, porperty is assessed for taxes at 40% of fair market value.

Less Exempt Property	Total Net Assessed Value	Total Direct Tax	Total Net Fair Market Value	Percentage Assessed Value To Fair Market Value
$ (177,503)	$ 1,171,448	8.55	$ 2,928,620	40 %
(188,284)	1,234,242	8.43	3,085,605	40
(266,425)	1,355,783	7.76	3,389,458	40
(273,305)	1,357,531	7.76	3,393,828	40
(278,830)	1,332,540	8.40	3,331,351	40
(248,484)	1,236,703	8.97	3,091,757	40
(224,169)	1,151,622	9.64	2,879,054	40
(199,927)	1,126,378	10.75	2,815,945	40
(204,107)	1,110,947	10.75	2,777,367	40
(211,442)	1,100,950	10.64	2,752,375	40

HABERSHAM COUNTY, GEORGIA
PROPERTY TAX RATES (MILLS)
DIRECT AND OVERLAPPING GOVERNMENTS
(Per $1000 of Assessed Value)
LAST TEN FISCAL YEARS

Fiscal Year	**2007**	**2008**	**2009**
Tax Year	**2006**	**2007**	**2008**
Habersham County Rates:			
County Operations:	8.548	8.429	7.76
Board of Education :	13.80	13.60	13.35
Hospital Indigent Care:	0.575	0.568	0.510
State of Georgia:	0.250	0.250	0.250

Source: Georgia Department of Revenue

2010 2009	2011 2010	2012 2011	2013 2012	2014 2013	2015 2014	2016 2015
7.76	8.40	8.974	9.635	10.785	10.785	10.639
13.35	13.35	13.35	14.41	14.75	14.77	14.490
0.510	0.510	0.545	0.585	0.598	0.598	0.590
0.250	0.250	0.250	0.200	0.150	0.100	0.050

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HABERSHAM COUNTY, GEORGIA
PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS PRIOR

	2015			2006		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Ethicon Inc.	$ 29,509,742	1	2.68 %	$ 15,793,048	2	1.13 %
Georgia Power	22,774,177	2	2.07	17,213,767	1	1.24
Habersham EMC	14,994,644	3	1.36	12,831,445	3	0.92
Nicoln	10,007,475	4	0.91	11,928,800	4	0.86
Windstream Standard	8,450,403	5	0.77			
Fieldale Corp.	7,739,932	6	0.70	6,505,159	9	0.47
D. Aubry Higgins	5,810,396	7	0.53	5,633,096	10	0.40
Silverleaf Resorts	4,990,852	8	0.45			
Norflok Sourthern Corp.	4,857,806	9	0.44			
Lowe's Home Centers Inc	4,480,896	10	0.41	5,867,017	8	0.42
Calvin R. Wilbanks SR.				8,064,886	5	0.58
Scoville Mfg.				7,688,504	6	0.55
Mrs. Morri Mitchell				7,014,772	7	0.50
	$ 113,616,323		10.32 %	$ 98,540,494		7.07 %

Source: Habersham County Tax Commissioner

HABERSHAM COUNTY, GEORGIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

	Fiscal Year			
	2006	**2007**	**2008**	**2009**
Taxable assessed value of property	$ 1,348,950	$ 1,422,526	$ 1,622,208	$ 1,630,836
Add back: exemptions	177,503	188,284	266,425	273,305
Total assessed value	1,526,453	1,610,810	1,888,632	1,904,141
Debt limit (10% total assessed value)	152,645	161,081	188,863	190,414
Amount of debt applicable to limit	0	0	0	0
Legal debt margin	$ 152,645	$ 161,081	$ 188,863	$ 190,414
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

Note (1): Under state finance law, Habersham County's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Fiscal Year					
2010	2011	2012	2013	2014	2015
$ 1,611,371	$ 1,485,186	$ 1,375,791	$ 1,326,305	$ 1,315,053	$ 1,312,392
278,830	248,484	224,169	199,927	204,107	211,423
1,890,201	1,733,670	1,599,959	1,526,233	1,519,160	1,523,815
189,020	173,367	159,996	152,623	151,916	152,381
0	9,455	7,230	4,915	2,505	39,984
$ 189,020	$ 163,912	$ 152,766	$ 147,708	$ 149,411	$ 112,397
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

HABERSHAM COUNTY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	(1) Personal Income (in thousands)	(1) Per Capita Personal Income	Unemployment Rate (2)	School Enrollment (PK-12)
2004	38,491	$ 977,007	$ 25,383	3.80%	5,988
2005	39,155	1,018,917	26,023	4.30%	6,197
2006	40,616	1,045,268	25,735	4.20%	6,424
2007	41,865	1,147,631	27,413	4.10%	6,617
2008	42,550	1,206,029	28,344	5.70%	6,841
2009	42,947	1,167,714	27,190	9.80%	6,833
2010	43,102	1,151,519	26,716	9.80%	6,837
2011	43,081	1,202,508	27,913	9.60%	6,809
2012	43,475	1,216,705	27,986	8.80%	6,844
2013	43,300	1,266,863	29,258	7.10%	6,888

Sources: (1) US Department of Commerce, Bureau of Economic Analysis
(CA1-3 Personal Income Summary)
(2) - Annual Average. US Department of Labor, Bureau of Labor Statistics
* Information after to 2013 was unavailable
(3) GA Dept of Education Enrollment by County

HABERSHAM COUNTY, GEORGIA
PRINCIPAL EMPLOYERS

	2015			2007		
Employer	Number of Employees	Rank	Percentage of Labor Force	Number of Employees	Rank	Percentage of Labor Force
Fielddale Farms	2,100	1	11.13 %	2,000	1	9.98 %
Habersham County BOE	994	2	5.27	800	2	3.99
Ethicon	751	3	3.98	500	5	2.50
Mt. Vernon Mills	725	4	3.84	600	3	2.99
Piedmont College	714	5	3.78			
Habersham County Medical Center	671	6	3.55	600	4	2.99
Lee Arrendale Correctional Institute	450	7	2.38	500	6	2.50
North Georgia Technical College	390	8	2.07			
Habersham County BOC	351	9	1.86			
Global Tech	301	10	1.59			
Scovill Mfg.				300	7	1.50
TC Baycor				275	8	1.37
Regency Thermographers				265	9	1.32
Wal-Mart				200	10	1.00
	7,447		39.45 %	6,040		29.15 %

Source: Haberhsam County Chamber of Commerce

Total County Labor Force	18,876	20,035

HABERSHAM COUNTY, GEORGIA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Full -time Equivalent Employees as of June 30			
	2006	**2007**	**2008**	**2009**
Function				
General Government	*	*	*	*
Public Safety				
Sheriff				
Officers	*	*	*	*
Civilians	*	*	*	*
Jail				
Officers	*	*	*	*
Civilians	*	*	*	*
Fire Protection				
Firefighters	*	*	*	*
Civilians	*	*	*	*
Other public safety	*	*	*	*
Judicial	*	*	*	*
Public Works	*	*	*	*
Recreation and culture	*	*	*	*
Housing and Development	*	*	*	*
Total employees	-	-	-	-

Source: Habersham County Finance Department

Note: Full-time equivalency (FTE) is calculated by taking total labor hours worked and dividng by 2,080. A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave).

* indicates information is unavailable

Full-time Equivalent Employees as of June 30					
2010	**2011**	**2012**	**2013**	**2014**	**2015**
26.10	34.15	33.83	34.45	35.26	38.14
31.42	45.50	46.16	46.58	0	0
*	*	*	*	48.87	48.28
*	*	*	*	2.99	3.10
28.94	40.50	40.50	39.63	0	0
*	*	*	*	37.85	35.37
*	*	*	*	2.08	2.39
20.88	29.88	29.92	29.38	0	0
*	*	*	*	27.83	27.21
*	*	*	*	1.27	1.55
20.35	28.43	27.40	27.71	26.47	26.94
20.03	27.63	28.35	28.47	29.79	28.69
22.25	31.21	31.91	31.00	30.33	29.40
8.90	9.81	12.82	12.21	14.77	14.68
6.58	8.72	6.31	6.82	6.66	6.77
185.45	**255.83**	**257.20**	**256.25**	**264.17**	**262.52**

HABERSHAM COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year			
	2005	**2006**	**2007**	**2008**
Function				
Sheriff				
Traffic citations	*	*	*	*
Fire				
Number of calls answered	*	*	599	642
Inspections conducted	*	3	10	6
E911				
Emergency Calls	*	59,031	62,113	65,495
Non-Emergency Calls	*	60,021	63,376	72,356
Emergency Medical Service				
Calls	*	*	*	*
Highways and streets				
Paved or resurfaced (LMIG)	*	*	*	*
Building, Planning & GIS				
New Residential Buildings	*	311	264	137
New Other Buildings	*	20	39	46

Source: Various County Departments

Note: Indicators are not available for the general government function.

* indicates information is unavailable

Fiscal Year					
2009	**2010**	**2011**	**2012**	**2013**	**2014**
*	2,044	2,136	1,400	1,120	738
674	739	894	862	1,056	1,026
12	7	2	3	1	3
65,879	65,697	74,026	101,732	119,658	124,204
68,726	72,333	75,933	109,408	144,353	154,620
*	*	*	*	6,032	6,104
*	*	*	*	13.81	12.04
54	26	31	31	28	28
23	2	0	7	0	0

HABERSHAM COUNTY, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year				
	2006	**2007**	**2008**	**2009**	**2010**
Function					
General Government					
Buildings	21	20	21	21	21
Vehicles	7	8	9	11	12
Judicial					
Vehicles	0	0	1	1	2
Public Safety					
Sheriff					
Buildings	1	1	1	1	1
Vehicles	10	12	18	24	26
Other Equipment	4	6	7	11	13
Fire Department					
Fire stations	8	8	8	8	8
Fire Trucks (1)	29	27	27	27	30
Fire Engine	*	*	*	*	*
Tankers	*	*	*	*	*
Rescue Unit	*	*	*	*	*
Light and Air Unit	*	*	*	*	*
Other vehicles	1	1	1	1	1
Other Equipment	3	4	5	6	6
Animal Shelter					
Buildings	1	1	1	1	1
Vehicles	2	3	3	3	3
Other Equipment	0	0	1	1	1
EMA					
Vehicles	1	1	1	1	1
Other Equipment	1	1	1	1	1
E911					
Buildings	1	1	1	1	1
Vehicles	0	0	1	1	1
Other Equipment	2	4	6	6	7
EMS					
Ambulance	6	5	6	8	7
Other vehicles	0	0	0	1	1
Other Equipment	0	1	1	1	1
Coroner					
Vehicles	1	1	1	2	2

Fiscal Year				
2011	**2012**	**2013**	**2014**	**2015**
21	21	22	23	23
12	12	13	13	13
2	2	2	2	4
1	1	1	1	1
27	39	46	50	58
15	16	23	23	23
8	8	8	8	8
29	29	30	25	*
*	*	*	*	13
*	*	*	*	6
*	*	*	*	7
*	*	*	*	1
1	1	2	2	3
6	6	8	8	9
1	1	1	1	1
3	3	3	3	4
1	1	1	1	1
1	1	2	2	2
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
9	9	10	11	12
7	7	8	8	8
1	2	2	2	3
1	1	1	1	3
1	1	1	1	1

HABERSHAM COUNTY, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year				
	2006	**2007**	**2008**	**2009**	**2010**
Public Works					
Fleet Department					
Buildings	0	0	0	0	0
Vehicles	0	0	0	0	1
Other Equipment	0	0	0	0	0
Roads & Bridges					
Buildings	1	1	1	1	1
Vehicles	25	29	28	28	34
Other Equipment	18	21	23	25	26
Health and Welfare					
Hospital					
Buildings	0	0	0	0	0
Senior Center					
Buildings	1	1	1	1	1
Vehicles	1	1	2	2	1
Habersham County Health Department					
Buildings	*	*	*	*	*
Culture & Recreation					
Recreation Department					
Buildings	8	8	9	9	9
Vehicles	0	0	0	0	1
Other Equipment	5	7	7	7	7
Housing & Development					
Economic Development					
Vehicles	0	0	0	0	0
Building & Planning					
Vehicles	3	5	5	5	6
Code Enforcement					
Vehicles	1	1	1	1	1
Extension Service					
Buildings	1	1	1	1	1
Vehicles	2	2	2	2	2
Landfill					
Buildings	1	1	1	1	1
Vehicles	3	3	4	4	3
Other Equipment	9	10	10	11	11
Transit					
Vehicles	1	1	1	1	1

Source: Various County Departments and Capital Assets Reports

Note (1): Fire Trucks break-down by type not available prior to 2015
* indicates information is unavailable

Fiscal Year				
2011	**2012**	**2013**	**2014**	**2015**
0	0	0	0	1
1	2	2	2	3
0	0	1	1	2
1	1	2	2	2
35	35	35	35	41
27	30	34	39	45
0	0	0	0	4
1	1	1	1	1
2	3	3	3	3
*	*	*	*	1
10	10	10	10	10
1	1	1	1	1
7	7	8	9	10
0	0	1	1	1
4	4	4	4	4
1	1	1	1	1
1	1	1	1	1
2	2	2	2	2
2	2	2	2	2
4	4	4	4	10
12	13	13	13	16
1	1	1	1	1

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SINGLE AUDIT SECTION

This section contains reports required by OMB A-133 and grantor agencies.

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RUSHTON & COMPANY

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*

Honorable Chairman and Members
of the Board of Commissioners
Habersham 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 Habersham County, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Habersham County, Georgia's basic financial statements and have issued our report thereon dated December 14, 2015. Our report includes a reference to other auditors who audited the financial statements of the Habersham County Health Department, as described in our report on Habersham 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 were reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Habersham 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 Habersham County's internal control. Accordingly, we do not express an opinion on the effectiveness of Habersham County's internal control over financial reporting.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as comments 15-1 and 15-2 to be significant deficiencies.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Habersham County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as comment 15-3.

Habersham County, Georgia's Responses to Findings

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

Purpose of this Report

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

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
December 14, 2015

RUSHTON & COMPANY

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133

Honorable Chairman and Members
of the Board of Commissioners
Habersham County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Habersham County, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Habersham County, Georgia's major federal programs for the year ended June 30, 2015. Habersham County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Habersham County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Habersham County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Habersham County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Habersham County, Georgia complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of Habersham County, Georgia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Habersham County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Habersham County's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
December 14, 2015

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2015

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Expenditures
Department of Agriculture			
Passed through the Georgia Office of the State Treasury			
Schools and Roads - Grants to States	10.665	FY2015	$ 34,476
U.S. Department of Justice			
Passed through the Criminal Justice Coordinating Council:			
Victims of Crime Act Assistance Grant Program	16.575	C13-8-048	22,368
		C13-8-102/C14-8-072	58,516
			80,884
Violence Against Women Formula Grants	16.588	W13-8-034	29,135
		W14-8-031	27,659
			56,794
Edward Byrne Memorial Justice Assistance Grant Program	16.738	B13-8-006	25,416
		B14-8-001	8,160
			33,576
Total U.S. Department of Justice			171,254
U.S. Department of Transportation			
Passed through the Georgia Department of Transportation			
Airport Improvement Program	20.106	AP014-9025-16(137)	4,880,090
Formula Grants for Other Than Urbanized Areas	20.509	GA-18-0033	35,016
Passed through the Georgia Office of Highway Safety			
State and Community Highway Safety	20.600	GA-2014-0-00282	23,439
		GA-2015-0-00290	23,700
			47,139
Total U.S. Department of Transportation			4,962,245

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2015

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Expenditures
U.S. Department of Homeland Security			
Passed through the Georgia Emergency Management Agency			
Emergency Management Performance Grants	97.042	OEM14-070S01	$ 23,601
		OEM14-070S02	500
		OEM14-70	24,101
			48,202
Disaster Grants - Public Assistance	97.036	FEMA-4215-DR-GA	151,307
Hazard Mitigation Grant	97.039	HMGP-1858-0065	21,000
Homeland Security Grant Program	97.067	EMW-2012-00063-S01	2,568
Total U.S. Department of Homeland Security			223,077
Total Federal Awards			$ 5,391,052

See accompanying notes to the schedule of expenditures of federal awards and the schedule of findings and questioned costs.

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Habersham County, Georgia, under programs for the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because this schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2015

1. Summary of the Auditor's Results

A. Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant Deficiencie(s) identified not considered material weaknesses?	Yes
Noncompliance material to financial statements noted?	Yes

B. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant Deficiencie(s) identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)?	None reported
Identification of major programs:	
20.106 Airport Improvement Program	
Dollar threshold used to distinguish Between Type A and Type B programs:	$300,000
Auditee qualified as low-risk auditee?	No

2. Financial Statement Findings

A. Current Year Audit Findings

Comment 15-1

Condition: While performing audit procedures at the Sheriff's Department, we noted that receipts are not being deposited in a timely manner. The Sheriff's Department makes a deposit once or twice per month on average.

Criteria: Proper internal controls require that cash receipts be deposited and transactions recorded in a timely manner.

Effect: Failure to deposit cash receipts in a timely manner exposes the County to a greater risk of loss due to fraud.

Recommendation: At a minimum, deposits should be made weekly.

Management Response: Management concurs with this finding. Management will advise the appropriate Elected Officials to implement the recommendation. This action was taken immediately upon receipt of the comment from our auditors.

Comment 15-2

Condition: While performing audit procedures in the Probate Court, we noted that the appropriate firearm permit fees are not consistently charged. Applicants in 4 out of 10 (40%) of firearm permits tested were given discounts when they did not qualify for the discount.

Criteria: Proper internal controls require that all fees be consistently charged to all applicants.

Effect: Failure to charge the appropriate firearm permit fees exposes the County to a greater risk of loss of revenue due to errors.

Recommendation: The appropriate firearm permit fees should be charge consistently. .

Management Response: Management concurs with this finding. Management will advise the appropriate Elected Officials to implement the recommendation. This action was taken immediately upon receipt of the comment from our auditors.

Comment 15-3

Condition: The County experienced a material excess of expenditures over appropriations in the General Fund, Hotel/Motel Tax Special Revenue Fund, Law Library Special Revenue Fund, and Drug Abuse Treatment Special Revenue Fund. Also, an annual budget was not adopted for the SPLOST Debt Service Fund or the Hospital Debt Service Fund.

Criteria: OCGA Code Section 36-81-3 requires local governments to operate under an approved annual budget for the General Fund, special revenue funds, and debt service funds.

Effect: Failure to maintain expenditures within the balanced budget for the General Fund and Special Revenue Funds and failure to adopt annual budgets as required by OCGA Code Section 36-81-3 will place the County in violation of state law.

2. Financial Statement Findings (continued)

A. Current Year Audit Findings, continued

Comment 15-3, continued

Recommendation: County management should ensure that annual operating budgets are adopted for the General Fund, all Special Revenue Funds, and the Debt Service Fund, as required by state law. Budget to actual comparisons should be periodically reviewed by County management and budgets amended as needed to ensure that the County remains in compliance with state law. The budgets should be reviewed regularly for compliance. This will assist management with budgetary decisions throughout the fiscal year.

Management Response: Management concurs with this finding. The County Finance Officer will ensure that an annual budget be adopted for the General Fund, all Special Revenue Funds, and the Debt Service Fund, and will review the budget to actual comparisons and recommend any necessary budget revisions to the Board of Commissioners. This action was implemented immediately upon receipt of the comment from our auditors.

B. Prior Year Audit Findings Follow-Ups

Comment 14-1

Condition: There is a lack of sufficient internal controls in the Probate Court, which is due to inadequate segregation of duties. The result is that the Probate Judge maintains the checkbook, prepares and makes deposits, writes and signs all checks, and prepares all bank reconciliations. Failing to have an effective system of controls could lead to the misstatement of the financial statements.

Corrected

Comment 14-2

Condition: While performing audit procedures at the Sheriff's Department, we noted that bank reconciliations were not completed for the six bank accounts.

Corrected

Comment 14-3

Condition: While performing audit procedures at the Sheriff's Department, we noted that receipts are not being deposited in a timely manner. The Sheriff's Department makes a deposit once or twice per month on average.

Sheriff's Department personnel did not make timely deposits during fiscal year 2015.

Comment 14-4

Condition: While performing audit procedures at the Tax Commissioner's Office, we noted that tag and title back-outs do not have the original supporting documentation retained to explain the reason for the adjustment and to show proper review and authorization. The Office has established procedures for review and authorization. However, supporting documentation is not retained to document the process was followed. We noted that 3 out of 20 (15%) transactions tested lacked original supporting documentation.

Corrected

3. Federal Award Findings and Questioned Costs

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under Section 510(a) of OMB A-133.

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STATE REPORTING SECTION

This section contains additional reports required by the State of Georgia.

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2015

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST #4					
Water, Public Safety, and Transportation Facilities and Equipment	$ 24,000,000	$ 24,000,000			
Buildings and Grounds Facilities and Equipment			$ 22,579	$ 0	$ 22,579
Magistrate Court Facilities and Equipment			34,115	0	34,115
Police Facilities and Equipment			3,477,588	0	3,477,588
Fire Facilities and Equipment			2,227,786	0	2,227,786
EMA Facilities and Equipment			37,631	0	37,631
EMS Facilities and Equipment			1,022,198	0	1,022,198
Emergency 911 Facilities and Equipment			545,235	0	545,235
Water System and Equipment			9,072,877	0	9,072,877
Libraries Facilities and Equipment			60,064	0	60,064
Recreation Facilities and Equipment			1,036,037	315,873	1,351,910
Airport Facilities and Equipment			3,569,323	510,051	4,079,374
Economic Development Facilities and Equipment			34,115	26,441	60,556
Planning Facilities and Equipment			48,051	0	48,051
Roads and Bridges	10,000,000	10,000,000	9,714,734	0	9,714,734
	$ 34,000,000	$ 34,000,000	$ 30,902,333	$ 852,365	$ 31,754,698

Total expenditures and transfers out of the SPLOST #4 Capital Projects Fund	$ 5,732,455
Expenditures financed through intergovernmental revenues	(4,880,090)
	$ 852,365

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2015

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST #5					
Judicial	$ 17,965,000	$ 17,965,000	$ 14,917,920	$ 2,517,011	$ 17,434,931
Water	14,900,000	14,900,000	0	0	0
Roads, Streets, and Bridges	10,000,000	10,000,000	4,673,277	1,773,125	6,446,402
Economic Development	2,000,000	2,000,000	1,244,101	0	1,244,101
Public Safety	1,500,000	1,500,000	0	218,465	218,465
Recreation	1,200,000	1,200,000	617,609	0	617,609
Information Technology	500,000	500,000	467,070	13,762	480,832
City of Alto	454,362	454,362	265,041	0	265,041
City of Baldwin	2,010,460	2,010,460	1,172,758	0	1,172,758
City of Clarkesville	1,309,523	1,309,523	763,881	0	763,881
City of Cornelia	3,281,196	3,281,196	1,914,013	0	1,914,013
City of Demorest	1,545,939	1,545,939	901,788	0	901,788
City of Mount Airy	578,511	578,511	337,227	0	337,227
City of Tallulah Falls	55,410	55,410	32,320	0	32,320
	$ 57,300,401	$ 57,300,401	$ 27,307,005	$ 4,522,363	$ 31,829,368

Total expenditures of the SPLOST #5 Capital Projects Fund	$ 2,014,295
Transfer out to the SPLOST Debt Service Fund for debt service	2,508,068
	$ 4,522,363

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2015

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST #6					
Hospital	$ 7,500,000	$ 7,500,000	$ 0	$ 263,136	$ 263,136
Landfill	3,431,500	3,431,500	0	0	0
Roads, Streets, and Bridges	9,735,334	9,735,334	0	0	0
Public Safety	3,487,132	3,487,132	0	130,864	130,864
Capital Projects	2,000,000	2,000,000	0	0	0
City of Alto	442,878	442,878	0	15,525	15,525
City of Baldwin	1,754,438	1,754,438	0	61,574	61,574
City of Clarkesville	1,800,831	1,800,831	0	63,153	63,153
City of Cornelia	4,938,068	4,938,068	0	173,276	173,276
City of Demorest	1,256,853	1,256,853	0	44,075	44,075
City of Mount Airy	881,226	881,226	0	30,918	30,918
City of Tallulah Falls	271,740	271,740	0	9,604	9,604
	$ 37,500,000	$ 37,500,000	$ 0	$ 792,125	$ 792,125

Total expenditures of the SPLOST #6 Capital Projects Fund	$ 528,989
Transfer out to the Hospital Debt Service Fund for debt service	263,136
	$ 792,125

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.