HABERSHAM COUNTY, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2016

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HABERSHAM COUNTY, GEORGIA
FINANCIAL REPORT
For the fiscal year ended June 30, 2016

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HABERSHAM COUNTY
GEORGIA | Est. 1818

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Transmittal Letter

The Honorable Chairwoman and
Members of the Board of Commissioners:

November 18, 2016

Introduction

I am pleased to present for your consideration the Annual Financial Report for Habersham County, Georgia for the fiscal year ended June 30, 2016. State of Georgia law requires that all local governments with a population of 1,500 persons or more, or expenditures of $300,000 or more prepare an annual audit report containing basic financial statements and the opinion of an external auditor; and submit the annual audit report to the Georgia Department of Audits and Accounts within 180 days following the local government's year end. The accuracy of the data, thoroughness, and fairness of presentation, including all disclosures of the Annual Financial Report, remains the responsibility of the local government. I believe the data presented to be accurate in all material aspects, and that the presentation fairly represents the financial position and results of operations of Habersham County, Georgia as measured by the financial activity of its various funds. The government-wide financial statements report information on all of the non-fiduciary 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 non-exchange transactions are reported separately from business-type activities which, to a significant extent, rely on fees and charges to external customers for support. 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.

Rushton & Company, LLC, has issued an unmodified opinion on the Habersham County, Georgia Annual Financial Report for the fiscal year ended June 30, 2016. Their independent auditor's report is located at the beginning of the financial section of this report. Management's Discussion and Analysis immediately follows the independent auditor's report and provides an analysis of the general government and enterprise activities for the fiscal year, an overview of capital assets and debt administration, and economic condition and outlook. Other unaudited supplementary information includes a statistical section which offers operational, economic, and historical data that provides a context for assessing a government's economic condition. Furthermore, Habersham County, Georgia receives federal funding through various federal grant programs. An audit has been performed in compliance with the *Government Auditing Standards*. Reports are included in the Compliance/Single Audit Section and include; the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards, Independent Auditor's Report on Compliance for Each Major Federal Program and On Internal Control Over Compliance Required By the Uniform Guidance, and Schedule of Expenditures of Federal Awards, Schedule of Findings and Questioned Costs for the current and prior year, and Schedule of Management's Corrective Action. The State of Georgia requires additional reports related to Schedule of Projects Financed with Special Purpose Local Options Sales Tax, which are included lastly.

Reporting Entity

Habersham County's governing authority is the Habersham County Board of Commissioners. Habersham County is divided into five districts; and the five members of the Board of Commissioners are elected at-large for staggered, four-year terms. The chairman and vice-chairman of the Board of Commissioners are elected by the Board annually at their January meeting. The general duties of the Commissioners are:

- To enact resolutions and ordinances for the general health, safety and welfare of the residents of Habersham County
- To levy taxation when necessary to finance the operation of county government
- To plan for future public service needs
- To provide necessary services to safeguard the well-being and safety of county residents

County Commissioners have authority over the construction and maintenance of county roads, election facilities and equipment, the airport, and parks and recreational facilities. The Commission's taxing power allows the County to have law enforcement personnel, patrol cars, courthouses, and jails. The Board selects a County Manager to run the day-to-day operations of the County. The County Manager serves at will for the Board as a contractual employee. The County Manager is the Chief Administrative Officer and the Budget Officer for the County.

General Information

Habersham County is located in the U.S. State of Georgia. Resting in the foothills of the Appalachian Mountains, roughly 90 miles north of Atlanta, is Georgia's forty-sixth county. Officially created in 1818 from the lands of the Cherokee Indians, Habersham County is named after Revolutionary War hero and U.S. Postmaster General Joseph Habersham. According to the U.S. Census Bureau, the county has a total area of 279 square miles. The original area of 713 square miles was later split off to become part of the counties of Rabun (1828, District 16, on the south side of the Tallulah River), Lumpkin (1831), Banks (1857), White (1858), and Stephens (1905), leaving the present size. The County ranks 111th of 159 in total size for counties in Georgia.

The county seat is Clarkesville, designated in 1823, and named for the Revolutionary War General and Governor, John C. Clarke. The other municipalities in Habersham County are Alto, Baldwin, Cornelia, Demorest, Mount Airy, and Tallulah Falls. Other named communities are Turnerville, View, Hollywood, and Batesville. The population is estimated at 44,000 today; the 1990 census population was 27,621. Agriculture is the number one industry in the County. The main crops are peaches and apples, and the main industries are poultry and beef. Tourism continues to be an integral factor in the County's economic development and growth, as well as steady growth in retirees.

Natural Features

The county includes part of Chattahoochee National Forest. In general, the county sits between 1,400-2,000 feet above sea level. The highest point in the county, the summit of Young Lick Mountain (called Young Lick Knob), reaches 3,800 feet above sea level. The Appalachian Trail runs through Habersham County at Young Lick Knob. The climate is mild, average rainfall is about 57.23 inches with an average snowfall of 4.5 inches, and a median temperature of 69.7 degrees. Major rivers are the Chattahoochee, Soque, Tugaloo and Tallulah. The largest lake is Lake Russell, and parts of Lakes Yonah and Tugaloo are located in Habersham County as well.

Economic Condition & Outlook

Habersham County is well positioned for economic growth and prosperity, but, as of yet, has experienced only moderate recovery since the 2008 recession. Housing starts and retails sales related to commercial construction continue to be a concern and the County's youth continue to leave after college due to a lack of professional employment opportunities. This slow economic growth has resulted in ongoing struggles in providing citizen

services resulting in an overreliance on residential taxes and the Special Purpose Local Option Sales Tax (SPLOST) for infrastructure and facility improvements.

Habersham County has taken steps to change our fortune and improve the citizens' lives. With one of the area's newest industrial parks, Habersham County has over 120 acres available offering ample choices for nearly all types of businesses and industries. Efforts to foster a pro-business environment continue with the recent creation of a Technical Review Committee to streamline the development review process and the updating of the business recruitment and expansion incentives offered. Lastly, we have worked with federal and state partners to extend the runway of the Habersham County Airport to 5,500 feet in order to handle jet traffic while a taxiway extension project is currently under construction. Future airport improvements will include a new terminal building.

Initiatives and Foresight

An examination of these financial statements compared to the prior year show that, in some cases, we have eliminated or reduced our reliance on General Funds in order to support some Special Revenue and Enterprise Fund programs. For example, the Airport, the Recreation Department's Gymnastics Program, and Development Authority have become self-supporting programs from an operating expense standpoint. Due to an increase in their self-generated income, Transit and Animal Control have both seen a significant decrease in the amount of support required from the General Fund in order to operate.

In the future we need to focus on:

1. Habersham County's commitment to the Economic Development Council and industrial development efforts.
2. The Classification and Compensation Study showed that the County needs to continue to work towards increasing wage levels in order to meet local wage and salary targets.
3. Funding of the new Administration Building will challenge our budgeting efforts in future years.
4. The cost of employee benefits and pension benefits continue to rise, and although much has been done to minimize the cost increase through a self-insured health benefit program, we need to be vigilant in monitoring these expenses. For 30 years benefits have continued to rise and show no signs of slowing in the future.

Financial management of the Habersham County government is a group effort encompassing each department and elected official's input. It illustrates the desire of all parties to continue to work together to accomplish what is believed to be in the best interest of the citizens of Habersham County. I would like to thank each individual that has participated in this process. Please feel free to contact me at any time if questions arise or if I may be of assistance.

Sincerely,

Phil Sutton
County Manager

Enclosures

Habersham County Board of Commissioners, Elected Officials and Administration



Chairwoman Natalie Crawford
District 4



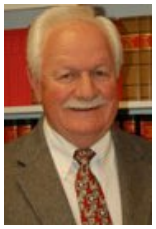
Vice Chairman Victor Anderson
District 3



Sonny James
District 1



Andrea Harper
District 2



Ed Nichols
District 5

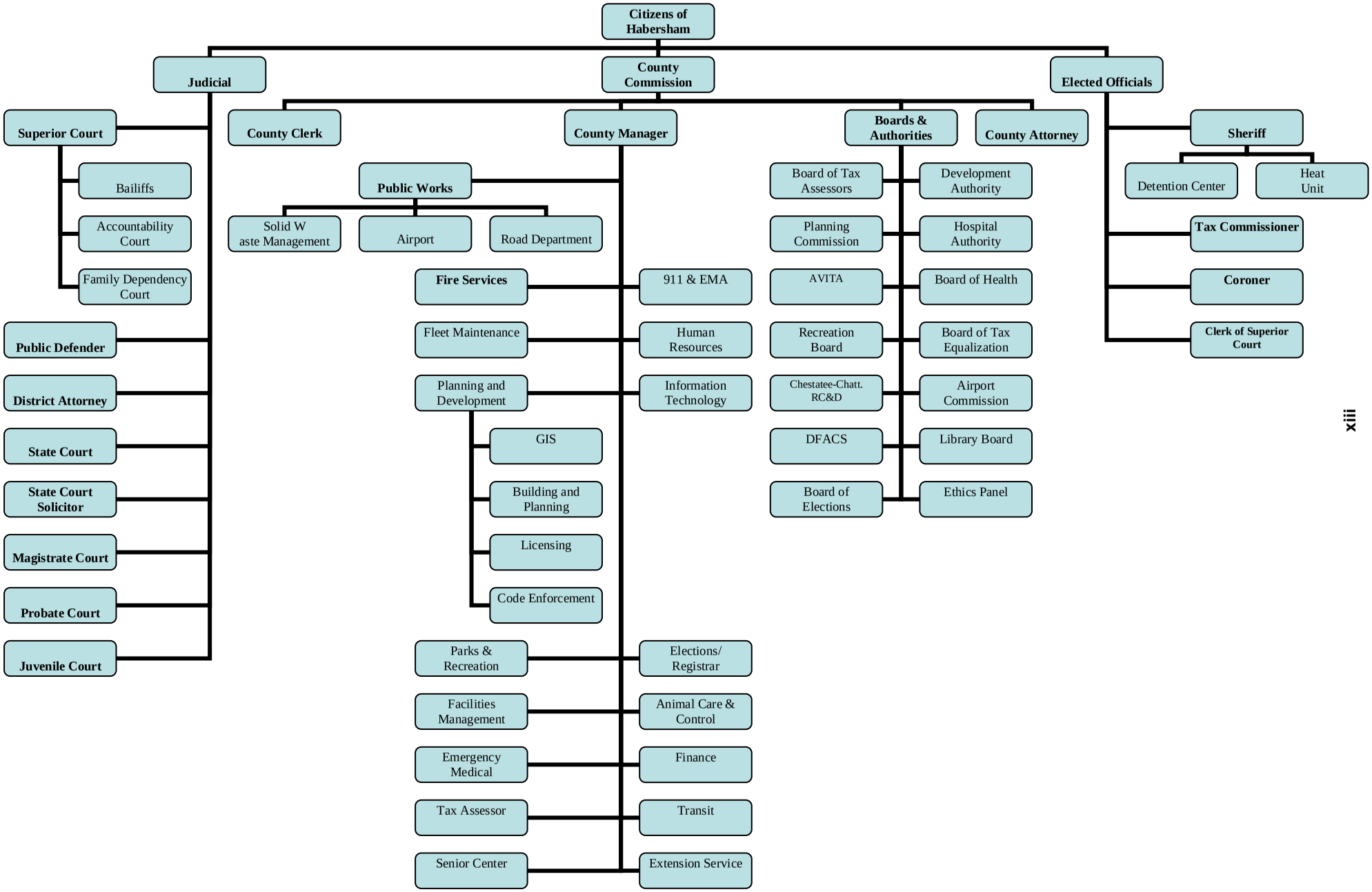
Elected Officials

Chan Caudell	Chief Judge, Superior Court
Russell W. Smith	Judge, Superior Court
June Black	Tax Commissioner
William R. Oliver	Solicitor General
George Christian	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

Administration

Phillip Sutton	County Manager
Donald Hunt	Attorney
Crystal Ward	County Clerk
Vinitha Robinson	Director of Human Resources
Heidi Hook	Finance Director
Joan Church	Chief Appraiser
Laurel Ellison	Election Supervisor
Jeff Cain	Fire Chief
Drew Powell	Public Defender
Beth Pelaccio	Accountability Courts Coordinator
Robert D. Cullifer	Judge, Juvenile Court
Derick Canupp	Public Works Director
Kurt Cooper	Director of Parks & Recreation
Steve Seabolt	Director of Fleet Maintenance
Mike Bramlett	Facilities Management Director
Madi Hawkins	Director of Animal Care & Control
Steven Patrick	Extension Service
Lynn Smith	Director of Emergency Management & E-911
Mike Beecham	Director of Planning and Development
Tracy Williamson	Director of Information Technology
Mya Greene	Senior Center Director

Habersham County Organizational Chart



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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, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Habersham County Health Department, a component unit of Habersham County, Georgia, which represent 24.6 percent, 3.0 percent, and 89.2 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, 2016, 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 15 and 79 through 82, 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 Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial.

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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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, 2015, which are not presented with the accompanying financial statements. In our report dated December 14, 2015, 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 2015 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 2015 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 2015 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 2015 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 November 18, 2016, 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
November 18, 2016

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HABERSHAM COUNTY
GEORGIA | Est. 1818

Office of Commissioners
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www.habershamga.com

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, 2016. 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, 2016 by $68,774,229 (*net position*). Of this amount, $1,424,225 is reported as unrestricted net position. This is a decrease of $1,242,398 from the previous fiscal year for unrestricted. Total net position increased by $5,095,057 from the previous fiscal year.

- As of June 30, 2016, Habersham County's governmental funds reported combined ending fund balances of $11,175,320. Approximately 43% of this total amount, or $4,852,770, is reported as unassigned and available for spending at the Board's discretion. Approximately 22% or $2,467,788, 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 47.

More detailed information regarding these activities and funds begins on page 16.

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 16-17) 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 18) 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, transit system fees, and airport fuel sales receipts 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 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 16-18.

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 83. 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 #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 83-86 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 19-26 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, Transit, and Airport functions.

  The County's proprietary fund financial statements are presented on pages 27-30.

  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 31.

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 34-78 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 21 and 24) 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 16-18):

Habersham County
Net Position
Fiscal Years 2016 and 2015

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current assets	$ 11,782,958	$ 14,005,201	$ 1,741,271	$ 1,328,871	$ 13,524,229	$ 15,334,072
Capital assets	99,794,184	93,734,763	4,242,066	4,154,209	104,036,250	97,888,972
Other noncurrent assets	750,000	0	0	0	750,000	0
Total assets	112,327,142	107,739,964	5,983,337	5,483,080	118,310,479	113,223,044
Deferred Outflows of Resources						
Pension investment return differences	414,473	41,580	11,760	1,165	426,233	42,745
Pension assumption changes	223,159	0	6,340	0	229,499	0
Total Deferred Outflow of Resources	637,632	41,580	18,100	1,165	655,732	42,745
Current liabilities	3,688,030	5,470,316	127,844	205,284	3,815,874	5,675,600
Noncurrent liabilities	42,468,740	40,826,227	3,824,662	3,084,790	46,293,402	43,911,017
Total liabilities	46,156,770	46,296,543	3,952,506	3,290,074	50,109,276	49,586,617
Deferred Inflows of Resources						
Pension investment return differe	80,421	0	2,285	0	82,706	0
Net position:						
Net investment in capital assets	57,830,154	52,786,918	3,888,490	4,019,199	61,718,644	56,806,117
Restricted	5,631,360	4,206,432	0	0	5,631,360	4,206,432
Unrestricted	3,266,069	4,491,651	(1,841,844)	(1,825,028)	1,424,225	2,666,623
Total net position	$ 66,727,583	$ 61,485,001	$ 2,046,646	$ 2,194,171	$ 68,774,229	$ 63,679,172

Net position may serve over time as a useful indicator of a government's financial position. Assets for Habersham County exceeded liabilities by $68,774,229 at the close of fiscal year 2016. Approximately 90% 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 8% of total net position. This amount represents resources that are subject to external restrictions or enabling legislation on how they may be used.

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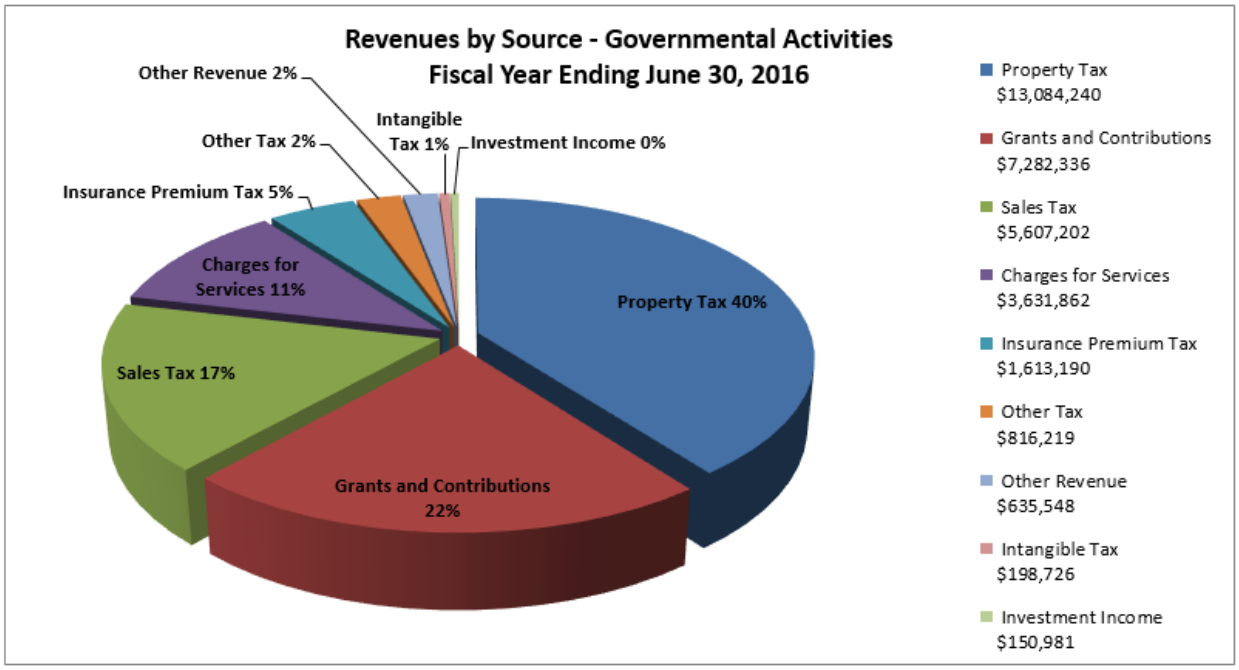
The following condensed financial information was derived from the government-wide Statement of Activities and reflects how Habersham County's net position changed during the fiscal year.

Habersham County
Changes in Net Position
Fiscal Years 2016 and 2015

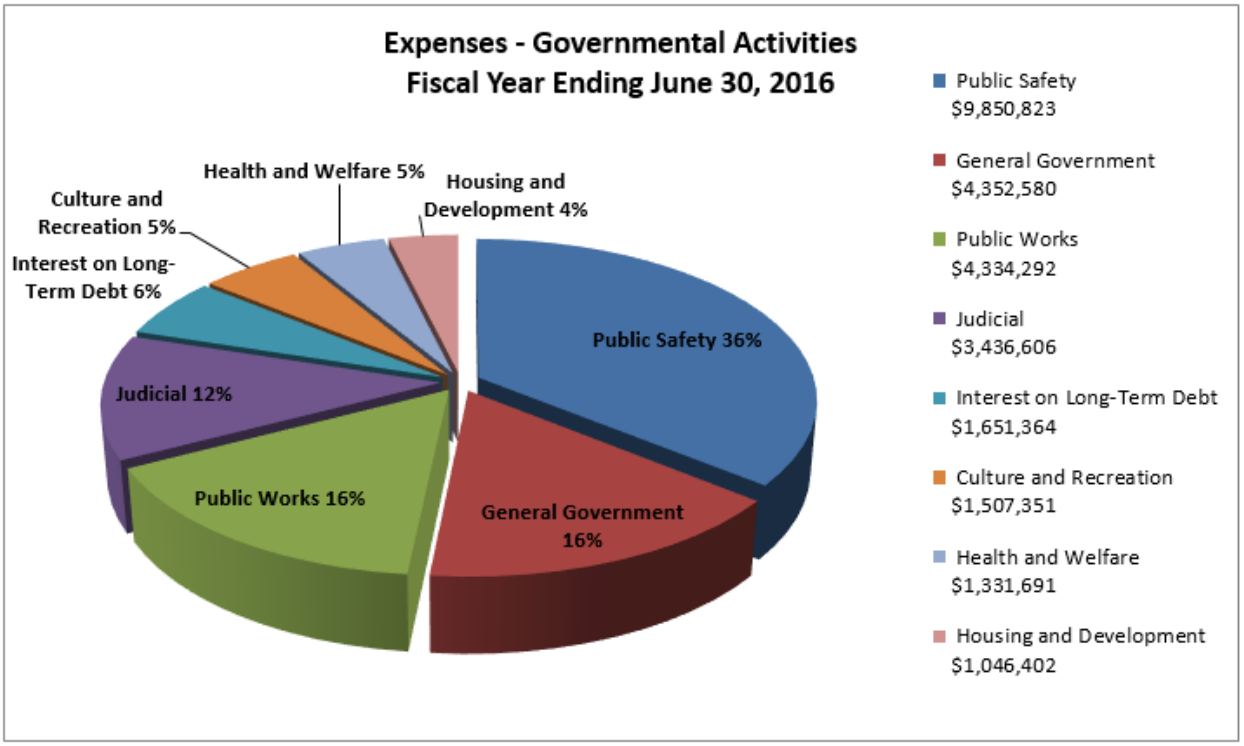
	Governmental Activities		Business-Type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues:						
Charges for services	$ 3,631,862	$ 3,596,957	$ 1,106,910	$ 955,541	$ 4,738,772	$ 4,552,498
Operating grants and contributions	1,440,798	1,306,540	55,712	109,977	1,496,510	1,416,517
Capital grants and contributions	5,841,538	6,430,835	35,609	0	5,877,147	6,430,835
General revenues:						
Property tax	13,084,240	13,208,497	0	0	13,084,240	13,208,497
Sales tax	5,607,202	1,316,437	0	0	5,607,202	1,316,437
Intangible tax	198,726	158,815	0	0	198,726	158,815
Insurance premium tax	1,613,190	1,506,466	0	0	1,613,190	1,506,466
Other taxes	816,219	748,474	0	0	816,219	748,474
Interest & investment earnings	150,981	85,477	36,724	13,603	187,705	99,080
Other revenue	635,548	172,553	9,427	0	644,975	172,553
Total revenues	33,020,304	28,531,051	1,244,382	1,079,121	34,264,686	29,610,172
Expenses						
General government	4,352,580	4,153,125	0	0	4,352,580	4,153,125
Judicial	3,436,606	3,387,115	0	0	3,436,606	3,387,115
Public Safety	9,850,823	8,845,103	0	0	9,850,823	8,845,103
Public Works	4,334,292	2,947,035	0	0	4,334,292	2,947,035
Health and Welfare	1,331,691	497,206	0	0	1,331,691	497,206
Culture and Recreation	1,507,351	1,469,683	0	0	1,507,351	1,469,683
Housing and Development	1,046,402	805,840	0	0	1,046,402	805,840
Interest on long-term debt	1,651,364	1,430,453	0	0	1,651,364	1,430,453
Landfill	0	0	1,466,572	1,132,465	1,466,572	1,132,465
Transit	0	0	91,353	88,009	91,353	88,009
Airport	0	0	100,595	0	100,595	0
Total expenses	27,511,109	23,535,560	1,658,520	1,220,474	29,169,629	24,756,034
Increase (decrease) in net position before transfers	5,509,195	4,995,491	(414,138)	(141,353)	5,095,057	4,854,138
Transfers	(266,613)	(33,495)	266,613	33,495	0	0
Increase (decrease) in net position	5,242,582	4,961,996	(147,525)	(107,858)	5,095,057	4,854,138
Net position - beginning (original)	61,961,700	57,982,466	2,194,171	2,326,057	64,155,871	60,308,523
Prior period adjustments	(476,699)	(982,762)	0	(24,028)	(476,699)	(1,006,790)
Net position - beginning (restated)	61,485,001	56,999,704	2,194,171	2,302,029	63,679,172	59,301,733
Net position - ending	$ 66,727,583	$ 61,961,700	$ 2,046,646	$ 2,194,171	$ 68,774,229	$ 64,155,871

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 $147,525, or 7%. 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 $11,175,320. Of this amount, $4,852,770 (43%) 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 $4,852,770, while total fund balance reached $5,244,186. 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 93% of total fund balance in the General Fund. Unassigned fund balance represents 27% of total General Fund expenditures, while total fund balance represents approximately 29% of that same amount. The County ended the fiscal year realizing an increase in the overall fund balance in the General Fund by $321,838, or approximately 7%. The County increased unassigned fund balance in the General Fund by $149,321 or 3%. 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 fourteen 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 three proprietary funds totaled as follows:

- Landfill $ (1,848,709)
- Transit $ (12,821)
- Airport $ 9,686

The Landfill Fund decreased unrestricted net position by approximately $30,086. Post-closure care liability as of June 30, 2016 is $3,479,990 versus $3,061,007 as of the end of fiscal year 2015. This is an increase of $418,983, or 14%.

Capital Assets and Debt Administration

Capital Assets. Habersham County has invested $104,036,250 in capital assets (net of accumulated depreciation) compared to $97,888,972 in the previous fiscal year. This represents an increase of 6%. 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 2016 and 2015

	Governmental Activities		Business-Type Activities		Totals	
	2016	2015	2016	2015	2016	2015
Land	$ 8,433,115	$ 7,659,686	$ 665,702	$ 665,702	$ 9,098,817	$ 8,325,388
Construction in progress	11,242,083	6,351,289	303,268	74,417	11,545,351	6,425,706
Buildings	73,248,141	72,362,570	33,365	33,365	73,281,506	72,395,935
Land improvements	4,462,903	4,169,340	7,816,939	7,816,939	12,279,842	11,986,279
Machinery and equipment	2,939,114	3,052,230	1,755,134	1,724,574	4,694,248	4,776,804
Furniture and fixtures	3,348,860	3,227,381	0	0	3,348,860	3,227,381
Vehicles	7,286,467	7,545,467	307,853	345,008	7,594,320	7,890,475
Infrastructure	67,048,414	65,017,667	0	0	67,048,414	65,017,667
Total	178,009,097	169,385,630	10,882,261	10,660,005	188,891,358	180,045,635
Accumulated Depreciation	(78,214,913)	(75,650,767)	(6,640,195)	(6,505,796)	(84,855,108)	(82,156,563)
Net Capital Assets	$ 99,794,184	$ 93,734,863	$ 4,242,066	$ 4,154,209	$ 104,036,250	$ 97,889,072

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

- 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 10 on pages 58-60 of this report.

Debt/Capital Leases. On June 30, 2016, Habersham County had a total debt balance outstanding for governmental activities in the amount of $42,662,254, as compared to $40,660,900 the previous fiscal year. Habersham County's outstanding debt for governmental activities has increased by $2,001,354 during the fiscal year. The intergovernmental contract dated July 17, 2014 with the Hospital Authority of Habersham County allowed the Authority to request funds from the County up to $1,000,000. In April 2016, the County entered into a lending agreement for a line of credit in the original amount of $1,000,000. The balance of the note at June 30, 2016 is $994,148. Additionally, during fiscal year 2016 the County was transferred two notes payable along with the related capital assets through an intergovernmental agreement with the Habersham County Development Authority Component Unit. At June 30, 2016 that balance of those notes were $774,330 and $207,598.

Additional information on the County's long-term debt can be found in Note 12 on pages 62-65 of this report.

Economic Condition and Outlook

Habersham County continues to work to maintain healthy fund reserves and provide services to its citizens. The County is well positioned for economic growth and prosperity but has experienced moderate recovery since the 2008 recession. The County will continue to face challenges due to slow economic growth.

The following key issues and factors are considered in preparation of the budget so that Habersham County can meet those challenges:

- Housing starts and retails sales related to commercial construction continue to be a concern.
- Continued increased reliance on residential taxes and the Special Purpose Local Option Sales Tax (SPLOST).
- Rising costs of healthcare and insurance benefits.
- Need for additional qualified personnel, and funding for personnel development and training. In addition, the County's youth continues to leave the County after college due to a lack of professional employment opportunities.

Habersham County has taken the following steps in an effort to change the economic development outlook and improve citizens' lives:

- With one of the area's newest industrial parks, Habersham County has over 120 acres available offering ample choices for nearly all types of businesses and industries.
- Continuous support and increasing activity of the Economic Development Council and Development Authority.
- Recent creation of a Technical Review Committee to streamline the development review process and the updating of the business recruitment and expansion incentives offered to foster a pro-business environment.
- Partnering with federal and state governments in order to extend the runway of the Habersham County Airport to 5,500 feet, while a taxiway extension project is currently under construction. Future airport improvements will include a new terminal building.

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 Director
555 Monroe Street, Unit 20
Clarkesville, Georgia 30523
Email: hhook@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

BASIC FINANCIAL STATEMENTS

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2016

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 9,223,846	$ 1,039,030	$ 10,262,876	$ 705,509
Certificates of deposit	105,856	0	105,856	0
Investments	779,215	408,416	1,187,631	0
Restricted assets				
Cash and cash equivalents	46,328	0	46,328	223,768
Receivables (net)				
Accounts	329,343	98,770	428,113	11,962
Intergovernmental	478,930	16,480	495,410	5,476
Taxes	716,954	0	716,954	0
Notes	200,000	0	200,000	0
Inventory	0	20,423	20,423	0
Prepaid items	60,638	0	60,638	0
Internal balances	(158,152)	158,152	0	0
Total current assets	11,782,958	1,741,271	13,524,229	946,715
Noncurrent assets				
Notes receivable	750,000	0	750,000	0
Capital assets				
Non-depreciable	19,675,198	968,970	20,644,168	1,545,381
Depreciable (net)	80,118,986	3,273,096	83,392,082	362,261
Total noncurrent assets	100,544,184	4,242,066	104,786,250	1,907,642
Total assets	112,327,142	5,983,337	118,310,479	2,854,357
DEFERRED OUTFLOW OF RESOURCES				
Pension investment return differences	414,473	11,760	426,233	0
Pension assumption changes	223,159	6,340	229,499	75,506
Total deferred outflow of resources	637,632	18,100	655,732	75,506
LIABILITIES				
Current liabilities				
Payables				
Accounts	400,323	24,425	424,748	11,307
Intergovernmental	400,962	242	401,204	8,450
Retainage	10,898	0	10,898	0
Interest	670,007	5,981	675,988	0
Accrued salaries and expenses	496,313	15,901	512,214	0
Compensated absences	709,122	29,470	738,592	31,749
Unearned revenue	0	1,400	1,400	0
Due to other agencies	42,544	0	42,544	0
Capital leases payable	16,751	50,425	67,176	0
Notes payable	130,492	0	130,492	0
Contracts payable	810,618	0	810,618	0
Total current liabilities	3,688,030	127,844	3,815,874	51,506

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2016

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Noncurrent liabilities				
Compensated absences	$ 0	$ 0	$ 0	$ 12,103
Net pension liability	1,473,469	41,521	1,514,990	0
Proportionate share of net pension liability	0	0	0	603,739
Capital leases payable	22,001	303,151	325,152	0
Notes payable	1,845,584	0	1,845,584	0
Contracts payable	39,127,686	0	39,127,686	0
Post-closure care costs	0	3,479,990	3,479,990	0
Total noncurrent liabilities	42,468,740	3,824,662	46,293,402	615,842
Total liabilities	46,156,770	3,952,506	50,109,276	667,348
DEFERRED INFLOWS OF RESOURCES				
Pension investment return differences	80,421	2,285	82,706	54,857
NET POSITION				
Net investment in capital assets	57,830,154	3,888,490	61,718,644	1,907,642
Restricted for:				
Judicial	279,807	0	279,807	0
Public safety	108,393	0	108,393	0
Health and welfare	0	0	0	101,817
Capital outlay	2,467,788	0	2,467,788	223,768
Debt service	2,775,372	0	2,775,372	0
Unrestricted	3,266,069	(1,841,844)	1,424,225	(25,569)
Total net position	$ 66,727,583	$ 2,046,646	$ 68,774,229	$ 2,207,658

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, 2016

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	$ 4,352,580	$ 584,298	$ 0	$ 0	$ (3,768,282)
Judicial	3,436,606	640,641	926,418	3,028	(1,866,519)
Public Safety	9,850,823	1,653,372	259,349	134,813	(7,803,289)
Public Works	4,334,292	146,059	10,302	5,173,163	995,232
Health and Welfare	1,331,691	0	190,566	0	(1,141,125)
Culture and Recreation	1,507,351	481,756	0	0	(1,025,595)
Housing and Development	1,046,402	125,736	54,163	530,534	(335,969)
Interest on long-term debt	1,651,364	0	0	0	(1,651,364)
Total governmental activities	27,511,109	3,631,862	1,440,798	5,841,538	(16,596,911)
Business-type activities					
Landfill	1,466,572	982,270	0	0	(484,302)
Transit	91,353	32,565	36,716	35,609	13,537
Airport	100,595	92,075	18,996	0	10,476
Total business-type activities	1,658,520	1,106,910	55,712	35,609	(460,289)
Total primary government	29,169,629	4,738,772	1,496,510	5,877,147	(17,057,200)
Component Units					
Mountain Judicial Circuit NCIS Team					
Public Safety	6,559	0	0	0	(6,559)
Habersham County Development Authority					
Housing and Development	970,641	0	22,706	0	(947,935)
Habersham County Airport Authority					
Public Works	92,362	101,526	0	0	9,164
Habersham County Health Department					
Health and Welfare	865,343	462,846	425,439	0	22,942
Total component units	1,934,905	564,372	448,145	0	(922,388)

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Change in net position				
Net (expense) revenue	$ (16,596,911)	$ (460,289)	$ (17,057,200)	$ (922,388)
General revenues				
Taxes				
Property	13,084,240	0	13,084,240	0
Sales	5,607,202	0	5,607,202	0
Intangible	198,726	0	198,726	0
Insurance premium	1,613,190	0	1,613,190	0
Other	816,219	0	816,219	0
Interest and investment earnings	150,981	36,724	187,705	25
Rental income	69,247	9,200	78,447	6,500
Payments from Habersham County	0	0	0	198,788
Gain on sale of assets	202,179	0	202,179	0
Miscellaneous	364,122	227	364,349	1,265
Transfers	(266,613)	266,613	0	0
Total general revenues and transfers	21,839,493	312,764	22,152,257	206,578
Change in net position	5,242,582	(147,525)	5,095,057	(715,810)
Net position - beginning (original)	61,961,700	2,194,171	64,155,871	2,923,468
Prior period adjustments	(476,699)	0	(476,699)	0
Net position - beginning (restated)	61,485,001	2,194,171	63,679,172	2,923,468
Net position - ending	$ 66,727,583	$ 2,046,646	$ 68,774,229	$ 2,207,658

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

HABERSHAM COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2016

	General	Hospital Debt Service	SPLOST #5
ASSETS			
Cash and cash equivalents	$ 4,440,129	$ 1,615,064	$ 1,599,131
Certificates of deposit	0	0	0
Investments	779,215	0	0
Restricted assets			
Cash and cash equivalents	46,328	0	0
Receivables (net)			
Accounts	149,960	6,764	0
Intergovernmental	217,988	0	0
Taxes	142,466	0	0
Notes receivable	0	950,000	0
Prepaid items	60,638	0	0
Due from other funds	275,102	203,544	0
Total assets	$ 6,111,826	$ 2,775,372	$ 1,599,131
LIABILITIES AND FUND BALANCES			
Liabilities			
Payables			
Accounts	$ 213,728	$ 0	$ 2,175
Intergovernmental	92,925	0	0
Retainage	0	0	0
Accrued salaries and expenses	443,898	0	0
Due to other agencies	0	0	0
Due to other funds	110,491	0	0
Total liabilities	861,042	0	2,175
Deferred Inflows of Resources			
Unavailable revenue - property taxes	6,598	0	0
Fund balances			
Nonspendable:			
Prepaid items	60,638	0	0
Restricted for:			
Judicial	28,221	0	0
Public safety	18,107	0	0
Capital outlay	0	0	1,596,956
Debt service	0	2,775,372	0
Assigned to:			
Public safety	0	0	0
Health and welfare	0	0	0
Subsequent year's budget	284,450	0	0
Unassigned	4,852,770	0	0
Total fund balances	5,244,186	2,775,372	1,596,956
Total liabilities, deferred inflows, and fund balances	$ 6,111,826	$ 2,775,372	$ 1,599,131

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

SPLOST #6	Nonmajor Governmental Funds	Totals
$ 1,043,162	$ 526,360	$ 9,223,846
0	105,856	105,856
0	0	779,215
0	0	46,328
0	172,619	329,343
94,069	166,873	478,930
574,488	0	716,954
0	0	950,000
0	0	60,638
0	110,491	589,137
$ 1,711,719	$ 1,082,199	$ 13,280,247
$ 85,613	$ 98,807	$ 400,323
307,962	75	400,962
10,898	0	10,898
0	52,415	496,313
0	42,544	42,544
476,162	160,636	747,289
880,635	354,477	2,098,329
0	0	6,598
0	0	60,638
0	251,586	279,807
0	90,286	108,393
831,084	39,748	2,467,788
0	0	2,775,372
0	248,530	248,530
0	97,572	97,572
0	0	284,450
0	0	4,852,770
831,084	727,722	11,175,320
$ 1,711,719	$ 1,082,199	$ 13,280,247

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HABERSHAM COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2016

Total fund balance - total governmental funds	$	11,175,320
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets of $178,009,097, net of accumulated depreciation of ($78,214,913) are not financial resources and, therefore, are not reported in the funds.		99,794,184
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.		6,598
Deferred outflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		637,632
Deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		(80,421)
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are interest payable of ($670,007), capital leases payable of ($38,752), notes payable of ($1,976,076), contracts payable of ($39,938,304), compensated absences of ($709,122), and net pension liability of ($1,473,469).		(44,805,730)
Net position of governmental activities	$	66,727,583

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, 2016

	General	Hospital Debt Service	SPLOST #5
REVENUES			
Taxes	$ 15,030,303	$ 643,655	$ 0
Licenses and permits	167,147	0	0
Fines, fees and forfeitures	1,094,781	0	0
Charges for services	1,263,127	0	0
Intergovernmental	1,111,045	571	0
Interest	105,007	0	3,029
Contributions	9,860	0	0
Other	312,944	0	0
Total revenues	19,094,214	644,226	3,029
EXPENDITURES			
Current			
General government	4,169,699	0	0
Judicial	2,612,707	0	0
Public safety	7,766,955	0	0
Public works	1,539,004	0	0
Health and welfare	269,710	0	0
Culture and recreation	1,118,852	0	0
Housing and development	604,713	0	0
Capital outlay	0	0	606,708
Intergovernmental	0	0	0
Debt service			
Principal	80,409	0	0
Interest	33,530	1,621,519	0
Total expenditures	18,195,579	1,621,519	606,708
Excess (deficiency) of revenues over (under) expenditures	898,635	(977,293)	(603,679)
Other financing sources (uses)			
Transfers in	98,682	1,121,440	0
Transfers out	(955,072)	0	0
Issuance of notes payable	0	1,000,000	0
Proceeds from sale of assets	279,593	0	0
Total other financing sources (uses)	(576,797)	2,121,440	0
Net change in fund balance	321,838	1,144,147	(603,679)
Fund balances, July 1 (original)	5,399,047	1,631,225	2,200,635
Prior period adjustment	(476,699)	0	0
Fund balances, July 1 (restated)	4,922,348	1,631,225	2,200,635
Fund balances, June 30	$ 5,244,186	$ 2,775,372	$ 1,596,956

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

SPLOST #6	Nonmajor Governmental Funds	Totals
$ 5,607,202	$ 63,409	$ 21,344,569
0	0	167,147
0	118,960	1,213,741
0	915,764	2,178,891
5,164,112	532,219	6,807,947
3,009	398	111,443
0	0	9,860
0	120,428	433,372
10,774,323	1,751,178	32,266,970
0	0	4,169,699
0	391,402	3,004,109
0	1,266,677	9,033,632
0	0	1,539,004
0	347,986	617,696
0	0	1,118,852
0	25,364	630,077
7,619,396	412,130	8,638,234
1,696,739	0	1,696,739
0	0	80,409
0	0	1,655,049
9,316,135	2,443,559	32,183,500
1,458,188	(692,381)	83,470
0	940,459	2,160,581
(1,373,440)	(98,682)	(2,427,194)
0	0	1,000,000
222,747	0	502,340
(1,150,693)	841,777	1,235,727
307,495	149,396	1,319,197
523,589	578,326	10,332,822
0	0	(476,699)
523,589	578,326	9,856,123
$ 831,084	$ 727,722	$ 11,175,320

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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, 2016

Net change in fund balances - total governmental funds	$	1,319,197
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 $8,303,125 exceeded depreciation of ($3,485,428) in the current period.		4,817,697
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 Land disposed ($242,911), Construction in Progress ($80,536) and other capital assets ($1,195,118) exceeded related accumulated depreciation $1,166,368 in the current period.		(352,197)
Contributions of capital assets increases 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 by which the cost of capital assets $1,838,907 exceeded related accumulated depreciation ($245,086) contributed from the Habersham County Development Authority Component Unit.		1,593,821
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.		(24,891)
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 proceeds of ($1,000,000) exceeded repayments of 102,292 and amortization of premium on debt $45,618.		(852,090)
Transfers of debt decreases 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 debt transferred from the Habersham County Development Authority Component Unit.		(1,062,338)
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 cost of benefits earned, net of employee contributions ($505,594) exceeded pension contributions $396,927.		(108,667)
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 increase in compensated absences ($86,926) and the net increase in interest payable ($1,024).		(87,950)
Change in net position of governmental activities	$	5,242,582

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, 2016

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 15,106,760	$ 15,184,760	$ 15,030,303	$ (154,457)
Licenses and permits	93,200	93,200	167,147	73,947
Fines, fees and forfeitures	1,001,100	1,020,100	1,094,781	74,681
Charges for services	1,255,228	1,256,913	1,263,127	6,214
Intergovernmental	977,936	1,068,018	1,111,045	43,027
Interest	55,000	55,000	105,007	50,007
Contributions	13,500	19,500	9,860	(9,640)
Other	162,415	320,448	312,944	(7,504)
Total revenues	18,665,139	19,017,939	19,094,214	76,275
EXPENDITURES				
Current				
General Government				
County-Wide	737,000	917,000	934,091	(17,091)
Commissioners	452,264	518,464	517,307	1,157
County Manager	149,294	179,794	176,602	3,192
County Finance	250,964	250,964	243,803	7,161
County Human Resources	129,688	135,819	134,200	1,619
Tax Commissioner	365,128	373,918	365,516	8,402
Tax Assessor	503,121	518,271	517,719	552
Board of Equalization	5,150	5,150	3,248	1,902
County Clerk	88,975	60,661	60,452	209
Engineer	98,748	0	0	0
Registrar	141,207	159,807	159,485	322
Buildings and Grounds	798,242	824,792	822,264	2,528
Information Technology	236,393	239,893	235,012	4,881
Judicial				
Probate Court	184,535	184,535	179,240	5,295
Magistrate Court	186,791	162,791	151,486	11,305
Clerk of Superior Court	693,190	648,190	627,794	20,396
Superior Court	215,740	245,407	241,170	4,237
District Attorney	144,456	229,356	228,161	1,195
Public Defender	439,539	471,339	467,902	3,437
State Court Judge	269,458	269,458	263,893	5,565
Juvenile Court	293,514	293,514	290,895	2,619
Juvenile Supervision	8,000	8,000	5,050	2,950
State Court Solicitor	157,454	157,454	157,116	338
Public Safety				
Sheriff	2,903,818	3,108,730	3,102,357	6,373
Jail	2,105,608	2,290,606	2,284,704	5,902
Heat Unit	76,946	80,146	77,564	2,582
Animal Control	228,591	263,391	262,194	1,197
Coroner	26,699	26,699	23,634	3,065
Fire	1,234,476	1,234,476	1,216,238	18,238
Emergency Management Agency	85,736	121,636	119,661	1,975
Ambulance	690,064	687,146	680,603	6,543
Public Works				
Fleet	306,833	393,833	375,568	18,265
Road Department	1,499,792	1,244,660	1,163,436	81,224

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, 2016

	Budget			Variance with
	Original	Final	Actual	Final Budget
Health and Welfare				
Georgia Mountains Community				
Mental Health	$ 25,259	$ 25,259	$ 25,259	$ 0
Senior Center	8,450	8,450	4,725	3,725
Habersham County				
Health Department	198,788	198,788	198,788	0
Child Welfare	39,200	41,000	40,938	62
Culture and Recreation				
Libraries	269,166	269,166	269,166	0
Recreation	828,319	861,126	849,686	11,440
Housing and Development				
Extension Service	97,625	100,125	99,175	950
Forestry	7,832	7,832	7,832	0
Economic Development	144,561	0	0	0
Building	265,952	503,372	492,992	10,380
Conservation	500	500	500	0
Planning Commission	4,600	4,600	4,214	386
Code Enforcement	70,972	0	0	0
Debt service	132,000	132,000	113,939	18,061
Total expenditures	17,800,638	18,458,118	18,195,579	262,539
Excess (deficiency) of revenues over (under) expenditures	864,501	559,821	898,635	338,814
Other financing sources (uses)				
Transfers in	219,866	169,866	98,682	(71,184)
Transfers out	(1,054,859)	(1,051,359)	(955,072)	96,287
Sale of capital assets	15,000	227,250	279,593	52,343
Contingency	(250,000)	(111,070)	0	111,070
Total other financing sources (uses)	(1,069,993)	(765,313)	(576,797)	188,516
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(205,492)	(205,492)	321,838	527,330
Fund balances, July 1 (original)	205,492	205,492	5,399,047	5,193,555
Prior period adjustment	0	0	(476,699)	(476,699)
Fund balances, July 1 (restated)	205,492	205,492	4,922,348	4,716,856
Fund balances, June 30	$ 0	$ 0	$ 5,244,186	$ 5,244,186

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2016

	Business-Type Activities			
	Landfill	Transit	Airport	Totals
ASSETS				
Current assets				
Cash and cash equivalents	$ 1,003,305	$ 0	$ 35,725	$ 1,039,030
Investments	408,416	0	0	408,416
Receivables (net)				
Accounts	98,770	0	0	98,770
Intergovernmental	168	7,862	8,450	16,480
Inventory	0	0	20,423	20,423
Due from other funds	252,000	0	0	252,000
Total current assets	1,762,659	7,862	64,598	1,835,119
Noncurrent assets				
Capital assets				
Non-depreciable	964,551	4,419	0	968,970
Depreciable (net)	3,235,525	37,571	0	3,273,096
Total noncurrent assets	4,200,076	41,990	0	4,242,066
Total assets	5,962,735	49,852	64,598	6,077,185
DEFERRED OUTFLOWS OF RESOURCES				
Pension investment return differences	10,091	1,669	0	11,760
Pension assumption changes	5,423	917	0	6,340
Total deferred outflows of resources	15,514	2,586	0	18,100
LIABILITIES				
Current liabilities				
Payables				
Accounts	23,240	627	558	24,425
Intergovernmental	56	186	0	242
Interest	5,981	0	0	5,981
Accrued salaries	12,951	2,950	0	15,901
Compensated absences	23,718	5,752	0	29,470
Unearned revenue	0	0	1,400	1,400
Due to other funds	42,813	8,081	42,954	93,848
Capital leases	50,425	0	0	50,425
Total current liabilities	159,184	17,596	44,912	221,692
Noncurrent liabilities				
Net pension liability	36,179	5,342	0	41,521
Capital leases payable	303,151	0		303,151
Postclosure care	3,479,990	0	0	3,479,990
Total noncurrent liabilities	3,819,320	5,342	0	3,824,662
Total liabilities	3,978,504	22,938	44,912	4,046,354
DEFERRED INFLOWS OF RESOURCES				
Pension investment return differences	1,954	331	0	2,285
NET POSITION				
Net investment in capital assets	3,846,500	41,990	0	3,888,490
Unrestricted	(1,848,709)	(12,821)	19,686	(1,841,844)
Total net position	$ 1,997,791	$ 29,169	$ 19,686	$ 2,046,646

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, 2016

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
OPERATING REVENUES				
Charges for sales and services	$ 982,270	$ 32,565	$ 92,075	$ 1,106,910
Rental income	0	0	9,200	9,200
Miscellaneous	227	0	0	227
Total operating revenues	982,497	32,565	101,275	1,116,337
OPERATING EXPENSES				
Costs of sales and services	721,915	24,931	100,595	847,441
Personal services	345,689	60,960	0	406,649
Depreciation	371,605	5,462	0	377,067
Total operating expenses	1,439,209	91,353	100,595	1,631,157
Operating income (loss)	(456,712)	(58,788)	680	(514,820)
Non-operating revenues (expenses)				
Interest revenue	36,714	0	10	36,724
Interest expense	(5,981)	0	0	(5,981)
Intergovernmental revenue	0	36,716	18,996	55,712
Gain (loss) on sale of assets	(21,382)	0	0	(21,382)
Total non-operating revenues (expenses)	9,351	36,716	19,006	65,073
Net income (loss) before capital contributions and transfers	(447,361)	(22,072)	19,686	(449,747)
Capital contributions				
Intergovernmental	0	35,609	0	35,609
Net income (loss) before transfers	(447,361)	13,537	19,686	(414,138)
Transfers				
Transfers in	252,000	14,613	0	266,613
Change in net position	(195,361)	28,150	19,686	(147,525)
Net position, July 1	2,193,152	1,019	0	2,194,171
Net position, June 30	$ 1,997,791	$ 29,169	$ 19,686	$ 2,046,646

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, 2016

	Landfill	Transit	Airport	Totals
Cash flows from operating activities:				
Receipts from customers	$ 1,015,779	$ 32,599	$ 102,675	$ 1,151,053
Payments to suppliers	(306,978)	(25,482)	(120,460)	(452,920)
Payments to employees	(340,793)	(58,447)	0	(399,240)
Other receipts	227	0	0	227
Net cash provided (used) by operating activities	368,235	(51,330)	(17,785)	299,120
Cash flows from non-capital financing activities:				
Receipts from other governments	74,793	36,046	10,546	121,385
Receipts from other funds	0	19,703	42,954	62,657
Payments to other funds	(24,996)	0	0	(24,996)
Net cash provided (used) by non-capital financing activities	49,797	55,749	53,500	159,046
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(224,860)	(4,419)	0	(229,279)
Payment of prior year accounts payable for the purchase of capital assets	(2,852)	0	0	(2,852)
Net cash provided (used) by capital and related financing activities	(227,712)	(4,419)	0	(232,131)
Cash flows from investing activities:				
Interest received	38,072	0	10	38,082
Purchase of investments	(36,290)	0	0	(36,290)
Proceeds from maturity of certificates of deposit	240,706	0	0	240,706
Net cash provided (used) by investing activities	242,488	0	10	242,498
Net increase (decrease) in cash and cash equivalents	432,808	0	35,725	468,533
Cash and cash equivalents, July 1	570,497	0	0	570,497
Cash and cash equivalents, June 30	$ 1,003,305	$ 0	$ 35,725	$ 1,039,030

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, 2016

	Landfill	Transit	Airport	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (456,712)	$ (58,788)	$ 680	$ (514,820)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	371,605	5,462	0	377,067
Closure/postclosure costs	418,983	0	0	418,983
(Increase) decrease in accounts receivable	33,509	34	(20,423)	13,120
(Increase) decrease in prepaid items	518	0	0	518
(Increase) decrease in pension investment return differences	(9,062)	(1,533)	0	(10,595)
(Increase) decrease in pension assumption changes	(5,423)	(917)	0	(6,340)
Increase (decrease) in accounts payable	(4,423)	(401)	558	(4,266)
Increase (decrease) in unearned revenue	0	0	1,400	1,400
Increase (decrease) in intergovernmental payable	(141)	(150)	0	(291)
Increase (decrease) in accrued payroll liabilities	2,255	2,066	0	4,321
Increase (decrease) in pension investment return differences	1,954	2,566	0	4,520
Increase (decrease) in net pension liability	15,172	331	0	15,503
Total adjustments	824,947	7,458	(18,465)	813,940
Net cash provided (used) by operating activities	$ 368,235	$ (51,330)	$ (17,785)	$ 299,120

Noncash capital and related financing activities:

Contributions of capital assets from other governments totaled $35,609.

Acquisition of capital assets through capital leases payable totaled $353,576.

Refinance of capital lease future principal payments for trade of capital asset totaled $132,158.

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2016

	Agency Funds
ASSETS	
Cash	$ 1,392,916
LIABILITIES	
Due to other agencies	$ 1,392,916

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

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2016

	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	$ 0	$ 18,976	$ 0	$ 686,533	$ 705,509
Restricted assets					
Cash and cash equivalents	0	223,768	0	0	223,768
Receivables (net)					
Accounts	0	249	0	11,713	11,962
Intergovernmental	0	257	0	5,219	5,476
Total current assets	0	243,250	0	703,465	946,715
Noncurrent assets					
Capital assets					
Non-depreciable	0	1,545,381	0	0	1,545,381
Depreciable (net)	0	362,261	0	0	362,261
Total noncurrent assets	0	1,907,642	0	0	1,907,642
Total assets	0	2,150,892	0	703,465	2,854,357
DEFERRED OUTFLOWS OF RESOURCES					
Pension contributions subsequent to measurement date	0	0	0	75,506	75,506
LIABILITIES					
Current liabilities					
Payables					
Accounts	0	983	0	10,324	11,307
Intergovernmental	0	8,450	0	0	8,450
Compensated absences	0	0	0	31,749	31,749
Total current liabilities	0	9,433	0	42,073	51,506
Noncurrent liabilities					
Compensated absences	0	0	0	12,103	12,103
Proportionate share of net pension liability	0	0	0	603,739	603,739
Total noncurrent liabilities	0	0	0	615,842	615,842
Total liabilities	0	9,433	0	657,915	667,348
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows or resources, net	0	0	0	54,857	54,857
NET POSITION					
Net investment in capital assets	0	1,907,642	0	0	1,907,642
Restricted for capital outlay	0	223,768	0	0	223,768
Restricted for health and welfare	0	0	0	101,817	101,817
Unrestricted	0	10,049	0	(35,618)	(25,569)
Total net position	$ 0	$ 2,141,459	$ 0	$ 66,199	$ 2,207,658

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, 2016

	Mountain Judicial Circuit NCIS Team	Habersham County Development Authority	Habersham County Airport Authority	Habersham County Health Department	Totals
Expenses					
Public Safety	$ 6,559	$ 0	$ 0	$ 0	$ 6,559
Public Works	0	0	92,362	0	92,362
Health and Welfare	0	0	0	865,343	865,343
Housing and Development	0	970,641	0	0	970,641
Total expenses	6,559	970,641	92,362	865,343	1,934,905
Program revenues					
Charges for services	0	0	101,526	462,846	564,372
Operating grants and contributions	0	22,706	0	425,439	448,145
Total program revenues	0	22,706	101,526	888,285	1,012,517
Net (expense) revenue	(6,559)	(947,935)	9,164	22,942	(922,388)
General revenues					
Interest	0	25	0	0	25
Rental income	0	0	6,500	0	6,500
Payments from Habersham County	0	0	0	198,788	198,788
Miscellaneous	0	1,265	0	0	1,265
Total general revenues	0	1,290	6,500	198,788	206,578
Change in net position	(6,559)	(946,645)	15,664	221,730	(715,810)
Net position - beginning (original)	6,559	3,088,104	(15,664)	(155,531)	2,923,468
Net position, June 30	$ 0	$ 2,141,459	$ 0	$ 66,199	$ 2,207,658

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 #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.

The County reports the following major proprietary funds:

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.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

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

Airport Enterprise Fund – This fund is used to account for activities of the County's airport 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.

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.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

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.

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.

2. Summary of Significant Accounting Policies (continued)

F. Revenues and Expenditures/Expenses, continued

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.

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.

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting, continued

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 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.

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

The County reports investments using net asset value (NAV) when NAV is calculated in a manner consistent with fair value measurement guidelines, fair value is not readily determinable, and it is not probable for the investment to be sold at an amount other than NAV.

2. Summary of Significant Accounting Policies (continued)

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, 2016 are recorded as prepaids.

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 acquisition cost on the date donated.

2. Summary of Significant Accounting Policies (continued)

K. Capital Assets, continued

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.

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.

2. Summary of Significant Accounting Policies (continued)

L. Deferred Outflows/Inflows of Resources, continued

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.

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.

2. Summary of Significant Accounting Policies (continued)

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.

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, 2016 by the County are nonspendable in form. The County has not reported any amounts that are legally or contractually required to be maintained intact.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds, continued

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.

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.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds (continued)

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.

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.

2. Summary of Significant Accounting Policies (continued)

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.

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 another 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.

2. Summary of Significant Accounting Policies (continued)

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 2015 amounts have been reclassified to conform to the 2016 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.

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.

3. Deposit and Investment Risk (continued)

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.

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, 2016 was 42 days. At June 30, 2016, the County's balance in Georgia Fund 1 was $1,187,631.

At June 30, 2016, the County's investments in securities had the following maturities and credit ratings:

Investment Type	Net Asset Value	Maturity (in months)	Credit Rating (1)
Government Mutual Funds			
Nuveen Georgia Muni Bd Fd	$ 779,215	Open End	Various
Mainstay Tax Free Bd Fd	408,416	Open End	Various

(1) - Standard and Poor's

4. Accounts Receivable

Net accounts receivable at June 30, 2016 consist of the following:

Primary Government:		
Major Funds		
General Fund	$	149,960
Hospital Debt Service		6,764
Enterprise Funds		
Landfill		98,770
Nonmajor Funds		
Emergency 911 Special Revenue Fund		133,814
Senior Center Fund		38,805
Total primary government	$	428,113
Component Units:		
Habersham County Health Department	$	11,713
Habersham County Development Authority		249
Total component units	$	11,962

5. Intergovernmental Receivables

Intergovernmental receivables at June 30, 2016 consist of the following:

Major Funds		
General Fund		
City of Alto, Georgia	$ 111	
City of Baldwin, Georgia	3,183	
City of Clarkesville, Georgia	14,206	
Cit of Cornelia, Georgia	647	
City of Demorest, Georgia	16,417	
City of Tallullah Falls, Georgia	40	
City of Mt. Airy, Georgia	3,046	
Appalachian Regional	1,336	
Drug Task Force	5,787	
Rabun County, Georgia	20,457	
Stephens County, Georgia	40,925	
Extension Services	5,971	
Georgia Department of Public Safety	8,710	
Georgia Emergency Management	61,327	
Office for Victims of Crime	24,142	
Department of Justice	11,683	$ 217,988
SPLOST #6 Capital Projects Fund		
Georgia Department of Transportation		94,069
Landfill Enterprise Fund		
Georgia Department of Transportation		168
Transit Enterprise Fund		
Georgia Department of Transportation		7,862
Airport Enterprise Fund		
Habersham County Development Authority		8,450
Nonmajor Funds		
Family Dependency Treatment Court Fund		
Mountain Family Treatment Court		20,757
Senior Center Special Revenue Fund		
T and T Transportation		5,220
Drug Abuse Treatment Special Revenue Fund		
Criminal Council of Ga.		84,599
Emergency 911 Special Revenue Fund		
City of Baldwin, Georgia	19,110	
City of Clarkesville, Georgia	12,307	
City of Cornelia, Georgia	15,369	
City of Demorest, Georgia	4,843	
City of Tallulah Falls, Georgia	4,668	56,297
Total primary government		$ 495,410

5. Intergovernmental Receivables (continued)

Component Units	
Habersham County Health Department	
Georgia Department of Public Health	$ 5,219
Habersham County Development Authority	
Habersham County	257
Total component units	$ 5,476

6. Notes Receivable

The County entered into an intergovernmental contract dated August 1, 2014 with the Hospital Authority of Habersham County (Authority) to all the Authority to draw down $1,000,000 with 0%. Repayment is due in 60 monthly installments beginning April 1, 2016 and due on the first day of each month, thereafter, until such 60 payments have been made. As of June 30, 2016, the balance of this note is $950,000.

Year Ending June 30,	Principal	Interest	Total
2017	$ 200,000	$ 0	$ 200,000
2018	200,000	0	200,000
2019	200,000	0	200,000
2020	200,000	0	200,000
2021	150,000	0	150,000
	$ 950,000	$ 0	$ 950,000

7. 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 2015, based upon the assessments of January 1, 2015, were levied on July 27, 2015, billed on August 6, 2015, and due on December 20, 2015. Tax liens may be issued 90 days after the due date.

8. Interfund Receivables and Payables

A summary of interfund receivables and payables as of June 30, 2016 is as follows:

Receivable Fund	Payable Fund	Amount
General	Landfill	$ 42,813
General	Transit	8,081
General	Airport	42,954
General	SPLOST #6	20,618
General	Nonmajor Governmental	160,636
Hospital Debt service	SPLOST #6	203,544
Landfill	SPLOST #6	252,000
Nonmajor Governmental	General	110,491
		$ 841,137

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”.

9. Interfund Transfers

A summary of interfund transfers as of June 30, 2016 is as follows:

	Transfers out:			
	Major Funds		Nonmajor Funds	
	General	SPLOST #6	Governmental	Total
Transfers in:				
Major Funds				
General	$ 0	$ 0	$ 98,682	$ 98,682
Hospital Debt Service	0	1,121,440	0	1,121,440
Landfill	0	252,000	0	252,000
Transit	14,613	0	0	14,613
Nonmajor Funds				
Governmental	940,459	0	0	940,459
Total Transfers in	$ 955,072	$ 1,373,440	$ 98,682	$ 2,427,194

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.

10. Capital Assets

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

	Balance 6/30/15	Increases	Decreases	Balance 6/30/16
Governmental activities				
Non-depreciable assets				
Land	$ 7,659,686	$ 1,016,340	$ (242,911)	$ 8,433,115
Construction in progress	6,351,289	7,405,060	(2,514,266)	11,242,083
Total non-depreciable assets	14,010,975	8,421,400	(2,757,177)	19,675,198
Depreciable assets				
Buildings	72,362,570	1,250,969	(365,398)	73,248,141
Land improvements	4,169,340	293,563	0	4,462,903
Machinery and equipment	3,052,230	150,384	(263,500)	2,939,114
Furniture and fixtures	3,227,381	136,305	(14,826)	3,348,860
Vehicles	7,545,467	292,394	(551,394)	7,286,467
Infrastructure	65,017,667	2,030,747	0	67,048,414
Total depreciable assets	155,374,655	4,154,362	(1,195,118)	158,333,899
Less accumulated depreciation				
Buildings	(10,459,910)	(1,910,422)	344,713	(12,025,619)
Land improvements	(1,855,360)	(280,226)	0	(2,135,586)
Machinery and equipment	(2,066,157)	(202,422)	263,500	(2,005,079)
Furniture and fixtures	(1,527,569)	(304,747)	12,554	(1,819,762)
Vehicles	(6,495,943)	(353,415)	545,601	(6,303,757)
Infrastructure	(53,245,828)	(679,282)	0	(53,925,110)
Total accumulated depreciation	(75,650,767)	(3,730,514)	1,166,368	(78,214,913)
Total depreciable assets, net	79,723,888	423,848	(28,750)	80,118,986
Governmental activities capital assets, net	$ 93,734,863	$ 8,845,248	$ (2,785,927)	$ 99,794,184
Business-type activities				
Non-depreciable assets				
Land	$ 665,702	$ 0	$ 0	$ 665,702
Construction in progress	74,417	296,338	(67,487)	303,268
Total non-depreciable assets	740,119	296,338	(67,487)	968,970
Depreciable assets				
Buildings	33,365	0	0	33,365
Land improvements	7,816,939	0	0	7,816,939
Machinery and equipment	1,724,574	402,953	(372,393)	1,755,134
Vehicles	345,008	39,566	(76,721)	307,853
Total depreciable assets	9,919,886	442,519	(449,114)	9,913,291
Less accumulated depreciation				
Buildings	(11,353)	(1,005)	0	(12,358)
Land improvements	(5,168,492)	(249,108)	0	(5,417,600)
Machinery and equipment	(984,412)	(121,492)	165,949	(939,955)
Vehicles	(341,539)	(5,462)	76,719	(270,282)
Total accumulated depreciation	(6,505,796)	(377,067)	242,668	(6,640,195)
Total depreciable assets, net	3,414,090	65,452	(206,446)	3,273,096
Business-type activities capital assets, net	$ 4,154,209	$ 361,790	$ (273,933)	$ 4,242,066

10. Capital Assets (continued)

Capital asset activity for the discretely presented component units for the year ended June 30, 2016 was as follows:

	Balance 6/30/15	Increases	Decreases	Balance 6/30/16
Habersham County Development Authority				
Non-depreciable assets				
Land	$ 2,419,069	$ 0	$ (989,348)	$ 1,429,721
Construction in progress	91,504	24,156	0	115,660
Total non-depreciable assets	2,510,573	24,156	(989,348)	1,545,381
Depreciable assets				
Buildings	1,301,068	0	(1,251,070)	49,998
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	(1,251,070)	561,126
Less accumulated depreciation				
Buildings	(263,842)	(1,253)	245,086	(20,009)
Land improvements	(144,135)	(15,612)	0	(159,747)
Machinery and equipment	(3,061)	(1,337)	0	(4,398)
Vehicles	(9,890)	(4,821)	0	(14,711)
Total accumulated depreciation	(420,928)	(23,023)	245,086	(198,865)
Total depreciable assets, net	1,391,268	(23,023)	(1,005,984)	362,261
Habersham County Development Authority capital assets, net	$ 3,901,841	$ 1,133	$ (1,995,332)	$ 1,907,642
Habersham County Health Department				
Depreciable assets				
Equipment	$ 22,578	$ 0	$ (22,578)	$ 0
Total depreciable assets	22,578	0	(22,578)	0
Less accumulated depreciation				
Equipment	(22,578)	0	22,578	0
Total accumulated depreciation	(22,578)	0	22,578	0
Habersham County Health Department capital assets, net	$ 0	$ 0	$ 0	$ 0

10. Capital Assets (continued)

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 157,713
Judicial	359,139
Public Safety	761,958
Public Works	690,612
Health and Welfare	760,905
Culture and Recreation	372,300
Housing and Development	382,801
Total depreciation expense for governmental activities	$ 3,485,428
Business-type activities	
Landfill	$ 371,605
Transit	5,462
Total depreciation expense for busines-type activities	$ 377,067
Discretely presented component units	
Habersham County Development Authority	$ 23,023

	Governmental Activities
Current year depreciation expense	$ 3,485,428
Prior accumulated depreciation on assets transferred between governmental and business-type activities	245,086
Additions to accumulated depreciation	$ 3,730,514

11. 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, 2016 are $38,752 and $353,576 for governmental and business-type activities, respectively.

Total assets leased under capital leases are $81,192 and $374,530 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	$ 40,596	$ 374,530	$ 24,627

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, 2016:

Year Ending June 30,	Governmental activities	Business-type activities
2017	$ 18,123	$ 60,679
2018	18,123	60,679
2019	4,531	60,679
2020	0	203,609
Total minimum lease payments	40,777	385,646
Less amounts representing interest	(2,025)	(32,070)
Present value of minimum lease payments	$ 38,752	$ 353,576

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

12. Long-Term Debt

Contracts Payable

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, 2016, the balance of this contract payable is $39,938,304.

Based on total advances to date at June 30, 2016, annual debt service requirements for contracts payable are as follows:

Year Ending June 30,	Principal	Interest	Total
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	895,618	1,523,769	2,419,387
2022-2026	5,143,092	6,938,593	12,081,685
2027-2031	6,428,091	5,665,544	12,093,635
2032-2036	7,833,091	4,249,481	12,082,572
2037-2041	9,603,091	2,480,000	12,083,091
2042-2044	6,697,849	533,201	7,231,050
	$ 39,938,304	$ 27,717,825	$ 67,656,129

12. Long-Term Debt (continued)

Notes Payable

Hospital Authority of Habersham County Note Payable

The County entered into an intergovernmental contract dated July 17, 2014 with the Hospital Authority of Habersham County (Authority) to allow the Authority to request funds from the County up to $1,000,000. In April 2016, the County entered into a lending agreement with a bank for a line of credit with an original available amount of $1,000,000. As of June 30, 2016, the balance of this note is $994,148. The note requires Quarterly payments beginning July 1, 2016 with all unpaid principal and interest due on January 1, 2019; interest at 2.15%.

Habersham County Development Authority

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, 2016, the balance of this note is $774,330. The note requires monthly payments of $7,490 with all unpaid principal and interest due on August 20, 2018; interest at 3.25%.

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, 2016, the balance of this note is $207,598. The note requires monthly payments of $2,005 with all unpaid principal and interest due on August 20, 2018; interest at 3.25%.

Through an intergovernmental agreement, these notes payable, along with the related capital assets were transferred to the County during fiscal year 2016 and are reported as Habersham County debt as of June 30, 2016.

Annual debt service requirements for notes payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2017	$ 130,492	$ 55,248	$ 185,740
2018	277,544	49,833	327,377
2019	1,568,040	17,717	1,585,757
	$ 1,976,076	$ 122,798	$ 2,098,874

12. Long-Term Debt (continued)

Notes Payable, continued

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, 2016, the balance of this note is $0. 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%.

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, 2016:

	Balance 6/30/2015	Additions	Deductions	Balance 6/30/2016	Due Within One Year
Governmental activities					
Capital leases payable	$ 54,782	$ 0	$ 16,030	$ 38,752	$ 16,751
Notes payable	0	2,062,338	86,262	1,976,076	130,492
Contracts payable	39,983,922	0	45,618	39,938,304	810,618
Compensated absences	622,196	709,122	622,196	709,122	709,122
Total governmental activities	$ 40,660,900	$ 2,771,460	$ 770,106	$ 42,662,254	$ 1,666,983
Business-type activities					
Capital leases payable	$ 132,158	$ 353,576	$ 132,158	$ 353,576	$ 50,425
Landfill post-closure care costs	3,061,007	418,983	0	3,479,990	0
Compensated absences	28,475	29,470	28,475	29,470	29,470
	$ 3,221,640	$ 802,029	$ 160,633	$ 3,863,036	$ 79,895
Habersham County Development Authority Component Unit					
Notes payable	$ 1,062,338	$ 0	$ 1,062,338	$ 0	$ 0
Habersham County Airport Authority Component Unit					
Notes payable	$ 17,178	$ 0	$ 17,178	$ 0	$ 0
Habersham County Health Department Component Unit					
Compensated absences	$ 47,444	$ 30,995	$ 34,587	$ 43,852	$ 31,749

12. Long-Term Debt (continued)

Changes in Long-Term Debt, continued

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, 2016 was $1,651,364 for governmental activities, and $5,981 for business-type activities. See note 22 for more detail on the guarantee obligation.

13. 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 $3,479,990 as of June 30, 2016, which is based on 54.7% usage (filled) of the landfill. It is estimated that an additional $4,203,961 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 ($418,983) 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, 2016. 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.

14. 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.

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.

14. Pension Plan (continued)

At January 1, 2015, the date of the most recent actuarial valuation, there were 445 participants consisting of the following:

Retirees, beneficiaries and disables currently receiving benefits	39
Terminated vested participants entitled to but not yet receiving benefits	202
Active participants	204
Total number of participants	445

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, 2016, the County reported a net pension liability of $1,514,990. The net pension asset was measured as of December 31, 2015, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2015. For the fiscal year ended June 30, 2016, the County recognized pension expense of $519,959.

14. Pension Plan (continued)

At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 426,233	$ (82,706)
Changes of assumptions	229,499	0
	$ 655,732	$ (82,706)

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

Year Ending June 30	
2017	$ 145,928
2018	145,928
2019	145,928
2020	135,242
Totals	$ 573,026

Actuarial Assumptions. The total pension liability in the December 31, 2015 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

14. Pension Plan (continued)

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.

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, 2015 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%

14. Pension Plan (continued)

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.

Changes in Net Pension Liability (Asset)

	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 12/31/14	$ 7,577,167	$ 6,704,212	$ 872,955
Changes for the year:			
Service cost	259,833	0	259,833
Interest	568,288	0	568,288
Differences between expected and actual experience	(105,680)	0	(105,680)
Changes of assumptions	293,250	0	293,250
Contributions—employer	0	408,205	(408,205)
Net investment income	0	45,158	(45,158)
Benefit payments, including refunds of employee contributions	(243,064)	(234,279)	(8,785)
Administrative expense	0	(37,197)	37,197
Other changes	0	(51,295)	51,295
Net changes	772,627	130,592	642,035
Balances at 12/31/15	$ 8,349,794	$ 6,834,804	$ 1,514,990

14. Pension Plan (continued)

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%	$ 2,714,270
Current discount rate	7.50%	1,514,990
1% increase	8.50%	525,522

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, 2016, the Department contributed $75,506. As of June 30, 2016, the Department reported a liability in the amount of $603.739 for its proportionate share (0.02%) of the net pension liability. The Department recognized pension expense of $75,506 for the fiscal year ended June 30, 2016. Further information regarding the plan can be obtained from Department's annual audit report by contacting District 2, Public Health, 1280 Athens Street, Gainesville, GA 30507.

15. 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.

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, 2016, the County contributed $10,008 to the Plans. The County Manager made voluntary contributions of $5,004.

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, 2016, the County contributed $30,704 to the Plan. Plan members made voluntary contributions of $106,707.

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.

16. 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, 2016 follows:

Lodging tax receipts	$	63,409	
Disbursements for tourism and trade	$	25,364	40%

17. 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, 2016, the County paid $33,855 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.

18. 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, 2016:

	General	Hospital Debt Service	SPLOST #5	SPLOST #6	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:						
Judicial						
Juvenile supervision	$ 17,371	$ 0	$ 0	$ 0	$ 0	$ 17,371
Indigent defense	10,850	0	0	0	0	10,850
Law library operations	0	0	0	0	199,448	199,448
Drug programs	0	0	0	0	52,138	52,138
Public Safety						
Sheriff facilities and equipment	18,107	0	0	0	90,286	108,393
Debt service	0	2,775,372	0	0	0	2,775,372
Capital projects	0	0	1,596,956	831,084	39,748	2,467,788
	$ 46,328	$ 2,775,372	$ 1,596,956	$ 831,084	$ 381,620	$ 5,631,360
Assigned to:						
Public Safety						
Emergency 911 operations	$ 0	$ 0	$ 0	$ 0	$ 248,530	$ 248,530
Health and Welfare						
Senior Center operations	0	0	0	0	97,572	97,572
Subsequent budget	284,450	0	0	0	0	284,450
	$ 284,450	$ 0	$ 0	$ 0	$ 346,102	$ 630,552

At June 30, 2016, the Habersham County Development Authority fund balance consists of $223,768 restricted for capital projects, and $10,049 assigned to the housing and development.

19. Changes in Beginning Balances

General Fund

A prior period adjustment has been made to remove an accounts receivable that has been written-off as of June 30, 2016. This adjustment decreased beginning fund balance by $403,987.

A prior period adjustment has been made to remove incorrectly recorded revenue as June 30, 2015. The 2015 numbers were restated to reflect this change. This adjustment decreased beginning fund balance by $72,712.

The net effect of these adjustments was to decrease net position in the Governmental Activities by $476,699.

20. 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.

20. Risk Financing Activities (continued)

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, 2016, the County has no losses that are probable or estimable and accordingly has not recognized any liability.

21. 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
Hospital Debt Service Fund	$ 922,005	$ 1,621,519	$ (699,514)

The County did not adopt an annual budget for the Confiscated Assets Special Revenue 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.

22. 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 contract provides that 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. During fiscal year 2016, the County made no such payments to the Authority.

23. 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.

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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, 2016
(Unaudited)

	Fiscal Year End	
	2016	**2015**
Total pension liability		
Service cost	$ 259,833	$ 228,980
Interest	559,503	519,221
Differences between expected and actual experience	(105,680)	0
Changes of assumptions	293,250	0
Benefit payments, including refunds of employee contributions	(234,279)	(187,990)
Net change in total pension liability	772,627	560,211
Total pension liability - beginning	7,577,166	7,016,955
Total pension liability - ending (a)	$ 8,349,793	$ 7,577,166
Plan fiduciary net position		
Contributions - employer	$ 408,205	$ 399,462
Net investment income	45,158	443,332
Benefit payments, including refunds of employee contributions	(234,279)	(187,990)
Administrative expense	(37,197)	(33,173)
Other	(51,296)	(52,449)
Net change in total pension liability	130,591	569,182
Plan fiduciary net position - beginning	6,704,212	6,135,030
Plan fiduciary net position - ending (b)	$ 6,834,803	$ 6,704,212
Net pension liability (asset) - ending : (a) - (b)	$ 1,514,990	$ 872,954
Plan's fiduciary net position as a percentage of the total pension liability	81.86%	88.48%
Covered-employee payroll	$ 7,165,355	$ 6,482,782
Net pension liability as a percentage of covered-employee payroll	21.14%	13.47%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only two years are reported.

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, 2016
(Unaudited)

	Fiscal Year End	
	2016	**2015**
Actuarially determined contribution	$ 408,205	$ 399,462
Contributions in relation to the actuarially determined contribution	(408,205)	(399,462)
Contribution deficiency (excess)	$ 0	$ 0
Covered-employee payroll	$ 7,165,355	$ 6,482,782
Contributions as a percentage of covered-employee payroll	5.70%	6.16%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only two years are reported.

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, 2015, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending 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 = N/A

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 one 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, 2016

	Special Revenue				
	Jail	**Emergency 911**	**Hotel/Motel Tax**	**Law Library**	**Drug Abuse Treatment**
ASSETS					
Cash and cash equivalents	$ 5,552	$ 232,625	$ 0	$ 93,592	$ 0
Certificates of deposit	0	0	0	105,856	0
Receivables					
Accounts (net)	0	133,814	0	0	0
Intergovernmental	0	56,297	0	0	84,599
Due from other funds	68,337	0	0	0	0
Total assets	$ 73,889	$ 422,736	$ 0	$ 199,448	$ 84,599
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 0	$ 3,356	$ 0	$ 0	$ 17,449
Intergovernmental payable	0	5	0	0	0
Accrued salaries and expenses	0	36,156	0	0	5,084
Due to other agencies	0	0	0	0	0
Due to other funds	0	134,689	0	0	9,928
Total liabilities	0	174,206	0	0	32,461
Fund balances					
Restricted for:					
Judicial	0	0	0	199,448	52,138
Public safety	73,889	0	0	0	0
Capital outlay	0	0	0	0	0
Assigned to:					
Public safety	0	248,530	0	0	0
Health and welfare	0	0	0	0	0
Total fund balances	73,889	248,530	0	199,448	52,138
Total liabilities and fund balances	$ 73,889	$ 422,736	$ 0	$ 199,448	$ 84,599

Special Revenue				Capital Projects		Total Nonmajor Governmental Funds
Inmate Welfare	Confiscated Assets	Senior Center	Family Dependency Treatment	SPLOST #4	Capital Improvements	
$ 10,878	$ 48,063	$ 77,884	$ 0	$ 0	$ 57,766	$ 526,360
0	0	0	0	0	0	105,856
0	0	38,805	0	0	0	172,619
0	0	5,220	20,757	0	0	166,873
0	0	0	0	0	42,154	110,491
$ 10,878	$ 48,063	$ 121,909	$ 20,757	$ 0	$ 99,920	$ 1,082,199
$ 0	$ 0	$ 14,449	$ 3,381	$ 0	$ 60,172	$ 98,807
0	0	70	0	0	0	75
0	0	9,818	1,357	0	0	52,415
0	42,544	0	0	0	0	42,544
0	0	0	16,019	0	0	160,636
0	42,544	24,337	20,757	0	60,172	354,477
0	0	0	0	0	0	251,586
10,878	5,519	0	0	0	0	90,286
0	0	0	0	0	39,748	39,748
0	0	0	0	0	0	248,530
0	0	97,572	0	0	0	97,572
10,878	5,519	97,572	0	0	39,748	727,722
$ 10,878	$ 48,063	$ 121,909	$ 20,757	$ 0	$ 99,920	$ 1,082,199

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2016

	Special Revenue				
	Jail	**Emergency 911**	**Hotel/Motel Tax**	**Law Library**	**Drug Abuse Treatment**
REVENUES					
Taxes	$ 0	$ 0	$ 63,409	$ 0	$ 0
Fines, fees, and forfeitures	55,898	0	0	25,631	37,431
Charges for services	0	735,870	0	0	119,677
Intergovernmental	0	11,716	0	0	280,388
Interest	0	28	0	328	0
Other	0	2,848	0	0	0
Total revenues	55,898	750,462	63,409	25,959	437,496
EXPENDITURES					
Current					
Judicial	0	0	0	14,543	376,859
Public safety	0	1,204,286	0	0	0
Health and welfare	0	0	0	0	0
Housing and development	0	0	25,364	0	0
Capital outlay	0	0	0	0	0
Total expenditures	0	1,204,286	25,364	14,543	376,859
Excess (deficiency) of revenues over (under) expenditures	55,898	(453,824)	38,045	11,416	60,637
Other financing sources (uses)					
Transfers in	0	467,488	0	0	0
Transfers out	0	0	(38,045)	0	(60,637)
Total other financing sources (uses)	0	467,488	(38,045)	0	(60,637)
Net change in fund balance	55,898	13,664	0	11,416	0
Fund balances, July 1	17,991	234,866	0	188,032	52,138
Fund balances, June 30	$ 73,889	$ 248,530	$ 0	$ 199,448	$ 52,138

Special Revenue				Capital Projects		Total Nonmajor Governmental Funds
Inmate Welfare	Confiscated Assets	Senior Center	Family Dependency Treatment	SPLOST #4	Capital Improvements	
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0	$ 63,409
0	0	0	0	0	0	118,960
60,217	0	0	0	0	0	915,764
0	6,559	186,995	46,561	0	0	532,219
0	0	0	0	42	0	398
0	0	117,577	0	3	0	120,428
60,217	6,559	304,572	46,561	45	0	1,751,178
0	0	0	0	0	0	391,402
61,351	1,040	0	0	0	0	1,266,677
0	0	296,654	51,332	0	0	347,986
0	0	0	0	0	0	25,364
0	0	0	0	33,584	378,546	412,130
61,351	1,040	296,654	51,332	33,584	378,546	2,443,559
(1,134)	5,519	7,918	(4,771)	(33,539)	(378,546)	(692,381)
0	0	89,654	4,771	0	378,546	940,459
0	0	0	0	0	0	(98,682)
0	0	89,654	4,771	0	378,546	841,777
(1,134)	5,519	97,572	0	(33,539)	0	149,396
12,012	0	0	0	33,539	39,748	578,326
$ 10,878	$ 5,519	$ 97,572	$ 0	$ 0	$ 39,748	$ 727,722

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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, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 4,440,129	$ 1,508,080
Investments	779,215	3,528,590
Receivables (net)		
Accounts	149,960	35,161
Intergovernmental	217,988	400,493
Taxes	142,466	155,734
Prepaid items	60,638	62,149
Due from other funds	275,102	142,178
Restricted Assets		
Cash and cash equivalents	46,328	23,970
Total assets	$ 6,111,826	$ 5,856,355
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 213,728	$ 437,869
Intergovernmental	92,925	88,605
Accrued salaries and expenses	443,898	338,278
Due to other funds	110,491	37,666
Total liabilities	861,042	902,418
Deferred Inflows of Resources		
Unavailable revenue - property taxes	6,598	31,589
Fund balances		
Nonspendable:		
Prepaid items	60,638	62,149
Restricted for judicial	28,221	22,593
Restricted for public safety	18,107	1,377
Assigned to subsequent year's budget	284,450	205,492
Unassigned	4,852,770	4,630,737
Total fund balances	5,244,186	4,922,348
Total liabilities, deferred inflows, and fund balances	$ 6,111,826	$ 5,856,355

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2016 and 2015

	2016	2015
REVENUES		
Taxes	$ 15,030,303	14,899,907
Licenses and permits	167,147	104,150
Fines, fees and forfeitures	1,094,781	1,136,145
Charges for services	1,263,127	1,405,086
Intergovernmental	1,111,045	1,651,511
Interest	105,007	43,392
Contributions	9,860	13,406
Other	312,944	139,054
Total revenues	19,094,214	19,392,651
EXPENDITURES		
Current		
General Government	4,169,699	3,958,339
Judicial	2,612,707	3,034,318
Public Safety	7,766,955	6,960,908
Public Works	1,539,004	1,910,448
Health and Welfare	269,710	699,374
Culture and Recreation	1,118,852	1,137,243
Housing and Development	604,713	543,828
Debt Service		
Health and Welfare	113,939	0
Total expenditures	18,195,579	18,244,458
Excess (deficiency) of revenues over (under) expenditures	898,635	1,148,193
Other financing sources (uses)		
Transfers in (out)		
Hotel/Motel Tax Fund	38,045	40,134
E911 Fund	(467,488)	(446,963)
Drug Abuse Treatment Fund	60,637	29,000
Capital Improvements Fund	(378,546)	(417,625)
Senior Center Fund	(89,654)	0
Family Dependency Treatment Court Fund	(4,771)	0
Transit Fund	(14,613)	(28,759)
Issuance of contracts payable	0	274,961
Proceeds from the sale of assets	279,593	22,550
Total other financing sources (uses)	(576,797)	(526,702)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	321,838	621,491
Fund balances, July 1 (original)	4,922,348	4,704,844
Prior period adjustment	0	(403,987)
Fund balances, July 1 (restated)	4,922,348	4,300,857
Fund balances, June 30	$ 5,244,186	$ 4,922,348

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Current and prior year levies	$ 11,100,000	$ 11,012,673	$ (87,327)	$ 11,047,344
Motor vehicle tax	1,400,000	1,261,839	(138,161)	1,300,158
Mobile home tax	106,560	116,749	10,189	113,945
Timber tax	0	2,388	2,388	3,284
Cost, penalties, and interest	120,000	86,366	(33,634)	97,893
Total general property taxes	12,726,560	12,480,015	(246,545)	12,562,624
Intangibles tax	170,000	188,271	18,271	152,513
Real estate transfer tax	36,000	61,410	25,410	46,349
Franchise tax	95,000	88,440	(6,560)	95,654
Insurance premium tax	1,613,000	1,613,190	190	1,506,466
Alcohol excise tax	416,000	469,288	53,288	410,782
Occupational tax	119,200	118,576	(624)	114,595
Other	9,000	11,113	2,113	10,924
Total taxes	15,184,760	15,030,303	(154,457)	14,899,907
Licenses and permits				
Building permits	93,200	167,147	73,947	104,150
Fines, fees and forfeitures	1,020,100	1,094,781	74,681	1,136,145
Charges for Services				
Sheriff services	42,000	41,277	(723)	39,575
Prisoner board	40,000	20,986	(19,014)	32,604
Recreation fees	415,628	481,756	66,128	489,341
Collection commissions	602,085	545,294	(56,791)	552,617
Other charges for services	157,200	173,814	16,614	290,949
Total charges for services	1,256,913	1,263,127	6,214	1,405,086
Intergovernmental	1,068,018	1,111,045	43,027	1,651,511
Interest	55,000	105,007	50,007	43,392
Contributions	19,500	9,860	(9,640)	13,406
Other				
Rental Income	64,165	69,247	5,082	53,245
Miscellaneous	256,283	243,697	(12,586)	85,809
Total other	320,448	312,944	(7,504)	139,054
Total revenues	$ 19,017,939	$ 19,094,214	$ 76,275	$ 19,392,651

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
County-Wide				
Personal services	$ 51,000	$ 50,602	$ 398	$ 57,817
Contract services	865,000	883,139	(18,139)	720,958
Materials and supplies	1,000	350	650	14,535
Total County-Wide	917,000	934,091	(17,091)	793,310
Commissioners				
Personal services	83,264	82,705	559	77,969
Contract services	74,200	73,223	977	75,338
Materials and supplies	12,000	12,721	(721)	15,855
Payments to other agencies	349,000	348,658	342	308,077
Total Commissioners	518,464	517,307	1,157	477,239
County Manager				
Personal services	169,594	167,059	2,535	146,346
Contract services	6,900	5,465	1,435	6,472
Materials and supplies	3,300	4,078	(778)	2,975
Total County Manager	179,794	176,602	3,192	155,793
County Finance				
Personal services	240,264	234,076	6,188	218,060
Contract services	6,950	5,306	1,644	2,839
Materials and supplies	3,750	4,421	(671)	2,335
Total County Finance	250,964	243,803	7,161	223,234
County Human Resources				
Personal services	128,538	128,147	391	121,352
Contract services	6,431	4,359	2,072	2,976
Materials and supplies	850	1,694	(844)	651
Total County Human Resources	135,819	134,200	1,619	124,979
Tax Commissioner				
Personal services	310,968	302,762	8,206	299,981
Contract services	55,000	54,832	168	50,626
Materials and supplies	7,950	7,922	28	6,588
Total Tax Commissioner	373,918	365,516	8,402	357,195
Tax Assessor				
Personal services	440,256	439,763	493	402,919
Contract services	73,815	74,455	(640)	77,215
Materials and supplies	4,200	3,501	699	3,950
Total Tax Assessor	518,271	517,719	552	484,084
Board of Equalization				
Contract services	4,850	3,027	1,823	2,449
Materials and supplies	300	221	79	27
Total Board of Equalization	5,150	3,248	1,902	2,476

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
General Government (continued)				
County Clerk				
Personal services	$ 51,976	$ 51,957	$ 19	$ 81,412
Contract services	8,485	8,099	386	14,187
Materials and supplies	200	396	(196)	550
Total County Clerk	60,661	60,452	209	96,149
Engineer				
Personal services	0	0	0	76,201
Contract services	0	0	0	13,486
Materials and supplies	0	0	0	73
Total Engineer	0	0	0	89,760
Registrar				
Personal services	119,207	118,953	254	96,667
Contract services	23,100	22,639	461	12,292
Materials and supplies	17,500	17,893	(393)	10,589
Total Registrar	159,807	159,485	322	119,548
Buildings and Grounds				
Personal services	373,296	371,959	1,337	337,835
Contract services	234,315	231,941	2,374	230,761
Materials and supplies	217,181	218,364	(1,183)	240,850
Total Buildings and Grounds	824,792	822,264	2,528	809,446
Information Technology				
Personal services	118,419	113,654	4,765	121,364
Contract services	95,174	94,102	1,072	88,261
Materials and supplies	26,300	27,256	(956)	15,501
Total Information Technology	239,893	235,012	4,881	225,126
Total General Government	4,184,533	4,169,699	14,834	3,958,339
Judicial				
Accountability Court				
Personal services	0	0	0	81,214
Contract services	0	0	0	223,769
Materials and supplies	0	0	0	7,610
Total Accountability Court	0	0	0	312,593

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
Judicial (continued)				
Probate Court				
Personal services	$ 155,135	$ 149,899	$ 5,236	$ 135,929
Contract services	24,400	22,155	2,245	34,452
Materials and supplies	5,000	7,186	(2,186)	17,217
Total Probate Court	184,535	179,240	5,295	187,598
Magistrate Court				
Personal services	150,606	145,075	5,531	206,029
Contract services	10,585	5,217	5,368	13,565
Materials and supplies	1,600	1,194	406	2,322
Total Magistrate Court	162,791	151,486	11,305	221,916
Clerk of Superior Court				
Personal services	565,490	556,213	9,277	584,790
Contract services	65,600	57,916	7,684	66,162
Materials and supplies	17,100	13,665	3,435	21,073
Total Clerk of Superior Court	648,190	627,794	20,396	672,025
Superior Court				
Personal services	152,607	151,976	631	148,435
Contract services	88,300	85,556	2,744	83,042
Materials and supplies	4,500	3,638	862	1,985
Total Superior Court	245,407	241,170	4,237	233,462
District Attorney				
Personal services	54,856	54,004	852	37,297
Contract services	91,500	95,373	(3,873)	91,876
Materials and supplies	9,000	5,718	3,282	8,303
Payments to other agencies	74,000	73,066	934	73,663
Total District Attorney	229,356	228,161	1,195	211,139
Public Defender				
Personal services	55,563	54,943	620	51,943
Contract services	399,616	394,879	4,737	372,412
Materials and supplies	16,160	18,080	(1,920)	15,073
Total Public Defender	471,339	467,902	3,437	439,428
State Court Judge				
Personal services	172,138	171,353	785	165,743
Contract services	87,920	81,750	6,170	78,975
Materials and supplies	9,400	10,790	(1,390)	10,000
Total State Court Judge	269,458	263,893	5,565	254,718

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
Judicial (continued)				
Juvenile Court				
Personnel services	$ 208,264	$ 205,894	$ 2,370	$ 210,857
Contract services	83,250	83,432	(182)	132,185
Materials and supplies	2,000	1,569	431	1,896
Total Juvenile Court	293,514	290,895	2,619	344,938
Juvenile Supervision				
Contract services	8,000	5,050	2,950	1,950
State Court Solicitor				
Personal services	147,904	147,616	288	145,051
Materials and supplies	9,550	9,500	50	9,500
Total State Court Solicitor	157,454	157,116	338	154,551
Total Judicial	2,670,044	2,612,707	57,337	3,034,318
Public Safety				
Sheriff				
Personal services	2,491,590	2,485,884	5,706	2,385,690
Contract services	229,790	261,037	(31,247)	217,364
Materials and supplies	374,350	342,436	31,914	390,841
Capital outlay	13,000	13,000	0	0
Total Sheriff	3,108,730	3,102,357	6,373	2,993,895
Jail				
Personal services	1,541,586	1,536,212	5,374	1,399,801
Contract services	604,520	603,795	725	556,017
Materials and supplies	144,500	144,697	(197)	142,046
Total Jail	2,290,606	2,284,704	5,902	2,097,864
Heat Unit				
Personal services	64,686	60,517	4,169	50,096
Materials and supplies	15,460	17,047	(1,587)	23,546
Total Heat Unit	80,146	77,564	2,582	73,642
Animal Control				
Personal services	162,413	161,949	464	137,652
Contract services	58,578	58,447	131	43,529
Materials and supplies	42,400	41,798	602	36,083
Total Animal Control	263,391	262,194	1,197	217,264
Coroner				
Personal services	12,224	9,892	2,332	9,919
Contract services	11,625	12,153	(528)	7,505
Materials and supplies	2,850	1,589	1,261	3,510
Total Coroner	26,699	23,634	3,065	20,934

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
Public Safety (continued)				
Fire				
Personal services	$ 1,064,091	$ 1,046,000	$ 18,091	$ 911,169
Contract services	63,685	63,660	25	51,965
Materials and supplies	106,700	106,578	122	121,262
Total Fire	1,234,476	1,216,238	18,238	1,084,396
Emergency Management Agency				
Personal services	39,776	39,469	307	38,594
Contract services	69,810	70,344	(534)	12,691
Materials and supplies	12,050	9,848	2,202	12,735
Total Emergency Management Agency	121,636	119,661	1,975	64,020
Ambulance				
Contract services	67,781	68,281	(500)	40,112
Materials and supplies	92,456	85,414	7,042	97,650
Capital outlay	13,126	13,125	1	8,005
Payments to other agencies	513,783	513,783	0	260,736
Total Ambulance	687,146	680,603	6,543	406,503
Northeast Georgia Drug Task Force				
Payments to other agencies	0	0	0	2,390
Total Public Safety	7,812,830	7,766,955	45,875	6,960,908
Public Works				
Fleet				
Personal services	242,993	237,488	5,505	230,328
Contract services	15,140	22,010	(6,870)	20,335
Materials and supplies	135,700	116,070	19,630	133,630
Total Fleet	393,833	375,568	18,265	384,293
Road Department				
Personal services	923,542	866,234	57,308	1,049,093
Contract services	173,718	157,881	15,837	162,294
Materials and supplies	141,400	133,066	8,334	281,328
Capital outlay	6,000	6,255	(255)	32,967
Total Road Department	1,244,660	1,163,436	81,224	1,525,682
Water and Sewer Authority				
Contract services	0	0	0	473
Total Public Works	1,638,493	1,539,004	99,489	1,910,448
Health and Welfare				
Georgia Mountains Community Mental Health				
Payments to other agencies	25,259	25,259	0	24,754

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
Health and Welfare (continued)				
Habersham County Hospital Authority				
Payments to other agencies	$ 0	$ 0	$ 0	$ 274,961
Senior Center				
Contract services	0	0	0	983
Materials and supplies	0	0	0	16,802
Payments to other agencies	8,450	4,725	3,725	143,472
Total Senior Center	8,450	4,725	3,725	161,257
Habersham County Health Department				
Payments to other agencies	198,788	198,788	0	198,788
Child Welfare				
Payments to other agencies	41,000	40,938	62	39,614
Total Health and Welfare	273,497	269,710	3,787	699,374
Culture and Recreation				
Fairgrounds				
Personal services	0	0	0	356
Libraries				
Payments to other agencies	269,166	269,166	0	267,866
Recreation				
Personal services	409,112	406,848	2,264	423,737
Contract services	145,493	140,382	5,111	150,605
Materials and supplies	303,581	299,072	4,509	290,215
Payments to other agencies	2,940	3,384	(444)	4,464
Total Recreation	861,126	849,686	11,440	869,021
Total Culture and Recreation	1,130,292	1,118,852	11,440	1,137,243
Housing and Development				
Extension Service				
Personal services	20,500	20,226	274	19,869
Contract services	68,375	63,970	4,405	61,546
Materials and supplies	8,750	12,479	(3,729)	13,392
Payments to other agencies	2,500	2,500	0	2,500
Total Extension Service	100,125	99,175	950	97,307
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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
Housing and Development (continued)				
Economic Development				
Personal services	$ 0	$ 0	$ 0	$ 88,498
Contract services	0	0	0	31,234
Materials and supplies	0	0	0	1,207
Total Economic Development	0	0	0	120,939
GIS				
Contract services	0	0	0	30
Building				
Personal services	409,703	405,993	3,710	218,160
Contract services	75,722	61,068	14,654	21,232
Materials and supplies	17,947	17,221	726	5,347
Capital outlay	0	8,710	(8,710)	0
Total Building	503,372	492,992	10,380	244,739
Conservation				
Contract services	500	500	0	500
Planning Commission				
Contract services	4,500	4,151	349	2,559
Materials and supplies	100	63	37	609
Total Planning	4,600	4,214	386	3,168
Code Enforcement				
Personal services	0	0	0	60,745
Contract services	0	0	0	4,946
Materials and supplies	0	0	0	3,622
Total Code Enforcement	0	0	0	69,313
Total Housing and Development	616,429	604,713	11,716	543,828
Total Current	18,326,118	18,081,640	244,478	18,244,458
Debt Service				
General Government				
County-Wide				
Principal	80,409	80,409	0	0
Interest	132,000	33,530	98,470	0
Total Debt Service	212,409	113,939	98,470	0
Total Expenditures	$ 18,538,527	$ 18,195,579	$ 342,948	$ 18,244,458

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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.

Confiscated Assets Fund – This fund is used to account for cash received either from a cash confiscation or cash received from a sale of assets acquired from a drug raid.

Senior Center Fund – This fund is used to account for monies received restricted for use at the Senior Center.

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

HABERSHAM COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 5,552	$ 6,088
Due from other funds	68,337	11,903
Total assets	$ 73,889	$ 17,991
LIABILITIES AND FUND BALANCES		
Liabilities		
Fund balances		
Restricted for public safety	$ 73,889	$ 0
Unassigned	0	17,991
Total fund balances	73,889	17,991
Total liabilities and fund balances	$ 73,889	$ 17,991

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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 46,500	$ 55,898	$ 9,398	$ 57,358
Total revenues	46,500	55,898	9,398	57,358
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	55,898	9,398	57,358
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	55,898	55,898	57,358
Fund balances, July 1	0	17,991	17,991	(39,367)
Fund balances, June 30	$ 0	$ 73,889	$ 73,889	$ 17,991

HABERSHAM COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 232,625	$ 164,271
Accounts receivable (net)	133,814	132,630
Intergovernmental receivable	56,297	47,507
Total assets	$ 422,736	$ 344,408
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 3,356	$ 10,780
Intergovernmental payable	5	70
Accrued salaries and other payroll liabilities	36,156	27,314
Due to other funds	134,689	71,378
Total liabilities	174,206	109,542
Fund balances		
Assigned to public safety	248,530	234,866
Total liabilities and fund balances	$ 422,736	$ 344,408

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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 705,500	$ 735,870	$ 30,370	$ 731,767
Intergovernmental	3,000	11,716	8,716	44,246
Interest	100	28	(72)	23
Other	35,000	2,848	(32,152)	1,538
Total revenues	743,600	750,462	6,862	777,574
EXPENDITURES				
Current				
Public Safety				
Personal Services	853,658	847,294	6,364	811,098
Contract services	306,005	312,395	(6,390)	295,832
Materials and supplies	33,300	26,473	6,827	35,695
Capital outlay	0	0	0	19,025
Debt service	18,125	18,124	1	18,124
Total expenditures	1,211,088	1,204,286	6,802	1,179,774
Excess (deficiency) of revenues over (under) expenditures	(467,488)	(453,824)	13,664	(402,200)
Other financing sources (uses)				
Transfers in (out)				
General Fund	467,488	467,488	0	446,963
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	13,664	13,664	44,763
Fund balances, July 1	0	234,866	234,866	190,103
Fund balances, June 30	$ 0	$ 248,530	$ 248,530	$ 234,866

HABERSHAM COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

	2016	2015
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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 64,000	$ 63,409	$ (591)	$ 66,890
Total revenues	64,000	63,409	(591)	66,890
EXPENDITURES				
Current				
Housing and Development				
Payments to other agencies	25,400	25,364	36	26,756
Total expenditures	25,400	25,364	36	26,756
Excess (deficiency) of revenues over (under) expenditures	38,600	38,045	(555)	40,134
Other financing sources (uses)				
Transfers in (out)				
General Fund	(38,600)	(38,045)	555	(40,134)
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, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 93,592	$ 82,282
Certificates of deposit	105,856	105,750
Total assets	$ 199,448	$ 188,032
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for judicial	$ 199,448	$ 188,032

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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 23,200	$ 25,631	$ 2,431	$ 26,089
Interest	0	328	328	212
Total revenues	23,200	25,959	2,759	26,301
EXPENDITURES				
Current				
Judicial				
Personal services	2,400	2,400	0	2,200
Materials and supplies	12,150	12,143	7	11,556
Total expenditures	14,550	14,543	7	13,756
Excess (deficiency) of revenues over (under) expenditures	8,650	11,416	2,766	12,545
Other financing sources (uses)				
Transfers in (out)				
SPLOST #5 Fund	(8,650)	0	8,650	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	11,416	11,416	12,545
Fund balances, July 1	0	188,032	188,032	175,487
Fund balances, June 30	$ 0	$ 199,448	$ 199,448	$ 188,032

HABERSHAM COUNTY, GEORGIA
DRUG ABUSE TREATMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 0	$ 52,138
Intergovernmental receivable	84,599	0
Due from other funds	0	100
Total assets	$ 84,599	$ 52,238
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 17,449	$ 100
Accrued salaries and other payroll liabilities	5,084	0
Due to other funds	9,928	0
Total liabilities	32,461	100
Fund balances		
Restricted for judicial	52,138	52,138
Total liabilities and fund balances	$ 84,599	$ 52,238

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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 26,000	$ 37,431	$ 11,431	$ 40,637
Charges for services	120,000	119,677	(323)	0
Intergovernmental	341,308	280,388	(60,920)	0
Total revenues	487,308	437,496	(49,812)	40,637
EXPENDITURES				
Current				
Judicial				
Personal services	87,894	86,873	1,021	0
Contract services	259,548	247,767	11,781	100
Supplies	6,000	8,937	(2,937)	0
Payments to others	34,000	33,282	718	0
Total expenditures	387,442	376,859	10,583	100
Excess (deficiency) of revenues over (under) expenditures	99,866	60,637	(39,229)	40,537
Other financing sources (uses)				
Transfers in (out)				
General Fund	(99,866)	(60,637)	39,229	(29,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and and other financing uses	0	0	0	11,537
Fund balances, July 1	0	52,138	52,138	40,601
Fund balances, June 30	$ 0	$ 52,138	$ 52,138	$ 52,138

HABERSHAM COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 10,878	$ 12,012
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for public safety	$ 10,878	$ 12,012

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, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 145,000	$ 60,217	$ (84,783)	$ 95,725
Total revenues	145,000	60,217	(84,783)	95,725
EXPENDITURES				
Current				
Public safety				
Materials and supplies	145,000	61,351	83,649	102,262
Total expenditures	145,000	61,351	83,649	102,262
Excess (deficiency) of revenues over (under) expenditures	0	(1,134)	(1,134)	(6,537)
Fund balances, July 1	0	12,012	12,012	18,549
Fund balances, June 30	$ 0	$ 10,878	$ 10,878	$ 12,012

HABERSHAM COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2016

ASSETS

Cash and cash equivalents	$	48,063

LIABILITIES AND FUND BALANCES

Liabilities		
Due to other agencies	$	42,544
Fund balances		
Restricted for public safety		5,519
Total liabilities and fund balances	$	48,063

HABERSHAM COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal year ended June 30, 2016

REVENUES	
Intergovernmental	$ 6,559
Total revenues	6,559
EXPENDITURES	
Current	
Public Safety	
Contract services	975
Supplies and materials	65
Total expenditures	1,040
Excess (deficiency) of revenues over (under) expenditures	5,519
Fund balances, July 1	0
Fund balances, June 30	$ 5,519

HABERSHAM COUNTY, GEORGIA
SENIOR CENTER SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2016

ASSETS		
Cash and cash equivalents	$	77,884
Receivables		
Accounts		38,805
Intergovernmental		5,220
Total assets	$	121,909
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$	14,449
Intergovernmental		70
Accrued salaries and other payroll liabilities		9,818
Total liabilities		24,337
Fund balances		
Assigned for health and welfare		97,572
Total liabilities and fund balances	$	121,909

HABERSHAM COUNTY, GEORGIA
SENIOR CENTER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 211,454	$ 186,995	$ (24,459)
Other	103,900	117,577	13,677
Total revenues	315,354	304,572	(10,782)
EXPENDITURES			
Current			
Health and Welfare			
Personal services	217,130	200,253	16,877
Contract services	223,258	70,045	153,213
Materials and supplies	26,224	26,356	(132)
Total expenditures	466,612	296,654	169,958
Excess (deficiency) of revenues over (under) expenditures	(151,258)	7,918	159,176
Other financing sources (uses)			
Transfers in			
General Fund	151,258	89,654	61,604
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	97,572	97,572
Fund balances, July 1	0	0	0
Fund balances, June 30	$ 0	$ 97,572	$ 97,572

HABERSHAM COUNTY, GEORGIA
FAMILY DEPENDENCY TREATMENT COURT SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2016

ASSETS

Intergovernmental receivables	$ 20,757

LIABILITIES AND FUND BALANCES

Liabilities	
Accounts payable	$ 3,381
Accrued salaries and other payroll liabilities	1,357
Due to other funds	16,019
Total liabilities	$ 20,757

HABERSHAM COUNTY, GEORGIA
FAMILY DEPENDENCY TREATMENT COURT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	$ 48,550	$ 46,561	$ (1,989)
Total revenues	48,550	46,561	(1,989)
EXPENDITURES			
Current			
Health and Welfare			
Personal services	20,240	20,016	224
Contract services	29,885	28,565	1,320
Materials and supplies	1,925	2,751	(826)
Total expenditures	52,050	51,332	718
Excess (deficiency) of revenues over (under) expenditures	(3,500)	(4,771)	(1,271)
Other financing sources (uses)			
Transfers in			
General Fund	3,500	4,771	(1,271)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0	0
Fund balances, July 1	0	0	0
Fund balances, June 30	$ 0	$ 0	$ 0

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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, 2016 and 2015

ASSETS	**2016**	**2015**
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, 2016 and 2015

	2016	2015
REVENUES		
Taxes	$ 0	$ 0
Total revenues	0	0
EXPENDITURES		
Debt Service		
Principal	0	2,505,000
Interest	0	3,068
Total expenditures	0	2,508,068
Excess (deficiency) of revenues over (under) expenditures	0	(2,508,068)
Other financing sources (uses)		
Transfers in (out)		
SPLOST #5	0	2,508,068
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	0
Fund balances, July 1	0	0
Fund balances, June 30	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
HOSPITAL DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 1,615,064	$ 660,434
Restricted cash and cash equivalents	0	699,631
Receivables		
Accounts	6,764	8,024
Notes	950,000	0
Due from other funds	203,544	263,136
Total assets	$ 2,775,372	$ 1,631,225
LIABILITIES AND FUND BALANCES		
Liabilities		
Fund balances		
Restricted for debt service	$ 2,775,372	$ 1,631,225
Total liabilities and fund balances	$ 2,775,372	$ 1,631,225

HABERSHAM COUNTY, GEORGIA
HOSPITAL DEBT SERVICE FUND
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2016
(With comparative actual amounts for the fiscal year ended June 30, 2015)

	2016			2015
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 645,000	$ 643,655	$ (1,345)	$ 648,997
Intergovernmental	0	571	571	389
Other	0	0	0	19,072
Total revenues	645,000	644,226	(774)	668,458
EXPENDITURES				
Debt Service				
Interest	922,005	1,621,519	(699,514)	749,260
Total expenditures	922,005	1,621,519	(699,514)	749,260
Excess (deficiency) of revenues over (under) expenditures	(277,005)	(977,293)	(700,288)	(80,802)
Other financing sources (uses)				
Transfers in (out)				
SPLOST #6 Fund	1,060,000	1,121,440	61,440	263,136
Capital Improvements Fund	0	0	0	1,448,891
Proceeds from issuance of notes payable	0	1,000,000	1,000,000	0
Contingency	(782,995)	0	782,995	0
Total other financing sources (uses)	277,005	2,121,440	1,844,435	1,712,027
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	1,144,147	1,144,147	1,631,225
Fund balances, July 1	0	1,631,225	1,631,225	0
Fund balances, June 30	$ 0	$ 2,775,372	$ 2,775,372	$ 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 2008 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 2014 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, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 0	$ 256,033
Intergovernmental receivable	0	2,257,890
Total assets	$ 0	$ 2,513,923
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 0	$ 1,953,202
Retainage	0	527,182
Total liabilities	0	2,480,384
Fund balances		
Restricted for capital outlay	0	33,539
Total liabilities and fund balances	$ 0	$ 2,513,923

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, 2016 and 2015

REVENUES	**2016**	**2015**
Intergovernmental	$ 0	$ 4,880,090
Interest	42	726
Other	3	174
Total revenues	45	4,880,990
EXPENDITURES		
Capital outlay		
Public Works		
Airport	1,976	5,390,141
Culture and Recreation		
Recreation	10,966	315,873
Housing and Development		
Economic Development	20,642	26,441
Total expenditures	33,584	5,732,455
Excess (deficiency) of revenues over (under) expenditures	(33,539)	(851,465)
Fund balances, July 1	33,539	885,004
Fund balances, June 30	$ 0	$ 33,539

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #5
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 1,599,131	$ 1,887,320
Certificates of deposit	0	734,397
Total assets	$ 1,599,131	$ 2,621,717
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 2,175	$ 421,082
Fund balances		
Restricted for capital outlay	1,596,956	2,200,635
Total liabilities and fund balances	$ 1,599,131	$ 2,621,717

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, 2016 and 2015

REVENUES	**2016**	**2015**
Taxes	$ 0	$ 757
Intergovernmental	0	1,009,480
Interest	3,029	69,952
Total revenues	3,029	1,080,189
EXPENDITURES		
Capital outlay		
General Government		
County-Wide	153,413	13,690
Information Technology	0	72
Judicial		
Judicial Facility	6,450	8,943
Public Safety		
Sheriff	0	61,674
Fire	0	38,525
Ambulance	5,998	118,266
E911	26,609	0
Animal Control	20,799	0
Public Works		
Roads and Bridges	390,874	1,773,125
Housing and Development		
Economic Development	2,565	0
Total expenditures	606,708	2,014,295
Excess (deficiency) of revenues over (under) expenditures	(603,679)	(934,106)
Other financing sources (uses)		
Transfers in (out)		
SPLOST Debt Service Fund	0	(2,508,068)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(603,679)	(3,442,174)
Fund balances, July 1	2,200,635	5,642,809
Fund balances, June 30	$ 1,596,956	$ 2,200,635

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 1,043,162	$ 579,945
Receivables		
Intergovernmental	94,069	0
Taxes	574,488	494,124
Total assets	$ 1,711,719	$ 1,074,069
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 85,613	$ 287,344
Intergovernmental	307,962	0
Retainages	10,898	0
Due to other funds	476,162	263,136
Total liabilities	880,635	550,480
Fund balances		
Restricted for capital outlay	831,084	523,589
Total liabilities and fund balances	$ 1,711,719	$ 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 years ended June 30, 2016 and 2015

REVENUES	**2016**	**2015**
Taxes	$ 5,607,202	$ 1,315,680
Intergovernmental	5,164,112	0
Interest	3,009	34
Total revenues	10,774,323	1,315,714
EXPENDITURES		
Capital outlay		
General Government		
County Wide	30	0
Public Safety		
Sheriff	58,863	0
Fire	285,266	130,864
Ambulance	263,425	0
Public Works		
Roads and Bridges	1,817,463	0
Landfill	0	0
Airport	5,182,285	0
Housing and Development		
Economic Development	12,064	0
Intergovernmental	1,696,739	398,125
Total expenditures	9,316,135	528,989
Excess (deficiency) of revenues over (under) expenditures	1,458,188	786,725
Other financing sources (uses)		
Transfers in (out)		
Hospital Debt Service Fund	(1,121,440)	(263,136)
Landfill Fund	(252,000)	0
Proceeds from the sale of capital assets	222,747	0
Total other financing sources (uses)	(1,150,693)	(263,136)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	307,495	523,589
Fund balances, July 1	523,589	0
Fund balances, June 30	$ 831,084	$ 523,589

HABERSHAM COUNTY, GEORGIA
CAPITAL IMPROVEMENTS
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 57,766	$ 39,748
Due from other funds	42,154	25,663
Total assets	$ 99,920	$ 65,411
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 60,172	$ 25,663
Total liabilities	60,172	25,663
Fund balances		
Assigned to capital outlay	39,748	39,748
Total liabilities and fund balances	$ 99,920	$ 65,411

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, 2016 and 2015

REVENUES	**2016**	**2015**
Other	$ 0	$ 33
Total revenues	0	33
EXPENDITURES		
Capital outlay		
General Government		
County-Wide	0	55,000
County Buildings & Grounds	46,170	140,925
Judicial		
Public Defender	165,565	15,938
Public Safety		
Sheriff	55,887	61,297
Jail	14,713	0
Public Works		
Fleet	0	27,267
Airport	29,447	0
Culture and Recreation		
Recreation	39,086	59,280
Housing and Development		
Planning	17,210	50,000
Hospital Authority	0	38,576,847
Development Authority	10,468	7,950
Total expenditures	378,546	38,994,504
Excess (deficiency) of revenues over (under) expenditures	(378,546)	(38,994,471)
Other financing sources (uses)		
Transfers in (out)		
General Fund	378,546	417,625
Hospital Debt Service Fund	0	(1,448,891)
Issuance of long-term debt	0	40,025,738
Total other financing sources (uses)	378,546	38,994,472
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	1
Fund balances, July 1	39,748	39,747
Fund balances, June 30	$ 39,748	$ 39,748

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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.

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.

Airport Fund – This fund is used to account for activities of the County's airport.

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2016 and 2015

	2016	2015
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,003,305	$ 570,497
Certificates of deposit	0	240,706
Investments	408,416	372,126
Receivables		
Accounts receivable (net)	98,770	132,279
Intergovernmental	168	74,961
Interest	0	1,358
Prepaid items	0	518
Due from other funds	252,000	0
Total current assets	1,762,659	1,392,445
Capital assets		
Land	665,702	665,702
Construction in progress	298,849	70,460
Land improvements	7,816,939	7,816,939
Buildings	33,365	33,365
Machinery and equipment	1,755,133	1,724,575
Vehicles	268,289	299,810
Accumulated depreciation	(6,638,201)	(6,464,066)
Total capital assets (net of accumulated depreciation)	4,200,076	4,146,785
Total assets	5,962,735	5,539,230
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	10,091	1,029
Pension assumption changes	5,423	0
Total deferred outflows of resources	15,514	1,029
LIABILITIES		
Current liabilities		
Payables		
Accounts	23,240	30,515
Intergovernmental	56	197
Interest	5,981	0
Accrued salaries	12,951	11,096
Compensated absences	23,718	23,318
Due to other funds	42,813	67,809
Capital leases payable	50,425	132,158
Total current liabilities	159,184	265,093
Long-term liabilities		
Net pension liability	36,179	21,007
Capital leases payable	303,151	0
Post-closure care	3,479,990	3,061,007
Total long-term liabilities	3,819,320	3,082,014
Total liabilities	3,978,504	3,347,107

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2016 and 2015

	2016	2015
DEFERRED INFLOWS OF RESOURCES		
Pension investment return differences	$ 1,954	$ 0
NET POSITION		
Net investment in capital assets	3,846,500	4,011,775
Unrestricted	(1,848,709)	(1,818,623)
Total net position	$ 1,997,791	$ 2,193,152

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HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2016 and 2015

OPERATING REVENUES	**2016**	**2015**
Charges for sales and services	$ 982,270	$ 929,407
Miscellaneous revenues	227	0
Total operating revenues	982,497	929,407
OPERATING EXPENSES		
Costs of sales and services	721,915	413,053
Personal services	345,689	310,375
Depreciation	371,605	382,592
Total operating expenses	1,439,209	1,106,020
Operating income (loss)	(456,712)	(176,613)
Non-operating revenues (expenses)		
Interest revenue	36,714	13,603
Interest expense	(5,981)	(2,433)
Intergovernmental revenue	0	74,961
Gain (loss) on sale of assets	(21,382)	(24,012)
Total non-operating revenues (expenses)	9,351	62,119
Net income (loss) before capital contributions	(447,361)	(114,494)
Capital contributions		
Contributions of capital assets from Governmental Activities	0	4,736
Net income (loss) before transfers	(447,361)	(109,758)
Transfers in (out)		
SPLOST #6 Fund	252,000	0
Change in net position	(195,361)	(109,758)
Net position, July 1 (original)	2,193,152	2,324,133
Prior period adjustments	0	(21,223)
Net position, July 1 (restated)	2,193,152	2,302,910
Net position, June 30	$ 1,997,791	$ 2,193,152

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Receipts from customers	$ 1,015,779	$ 928,301
Payments to suppliers	(306,978)	(303,493)
Payments to employees	(340,793)	(306,054)
Other receipts	227	0
Net cash provided (used) by operating activities	368,235	318,754
Cash flows from non-capital financing activities:		
Receipts from other funds	0	27,498
Payments to other funds	(24,996)	0
Receipts from other governments	74,793	0
Net cash provided (used) by non-capital financing activities	49,797	27,498
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(224,860)	(480,287)
Payment of prior year accounts payable for the purchase of capital assets	(2,852)	0
Principal payments - capital leases	0	(47,597)
Interest paid	0	(2,433)
Net cash provided (used) by capital and related financing activities	(227,712)	(530,317)
Cash flows from investing activities:		
Interest received	38,072	14,142
Purchase of investments	(36,290)	(372,126)
Purchase of certificates of deposit	0	(240,706)
Proceeds from maturity of certificates of deposit	240,706	243,552
Net cash provided (used) by investing activities	242,488	(355,138)
Net increase (decrease) in cash and cash equivalents	432,808	(539,203)
Cash and cash equivalents, July 1	570,497	1,109,700
Cash and cash equivalents, June 30	$ 1,003,305	$ 570,497

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2016 and 2015

	2016	2015
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (456,712)	$ (176,613)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	371,605	382,592
Closure/postclosure costs	418,983	124,185
(Increase) decrease in accounts receivable	33,509	(1,106)
(Increase) decrease in prepaid items	518	(518)
(Increase) decrease in pension investment return differences	(9,062)	(1,029)
(Increase) decrease in pension assumption changes	(5,423)	0
Increase (decrease) in accounts payable	(4,423)	(14,237)
Increase (decrease) in intergovernmental payable	(141)	131
Increase (decrease) in accrued payroll liabilities	2,255	5,565
Increase (decrease) in pension investment return differences	1,954	
Increase (decrease) in net pension liability	15,172	(216)
Total adjustments	824,947	495,367
Net cash provided (used) by operating activities	$ 368,235	$ 318,754

Noncash capital and related financing activities:

Acquisition of capital assets through capital leases payable totaled $353,576 for the fiscal year ended June 30, 2016.

Refinance of capital lease future principal payments for trade of capital asset totaled $132,158.

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, 2016 and 2015

	2016	2015
ASSETS		
Current assets		
Accounts receivable	$ 0	$ 34
Intergovernmental receivable	7,862	7,192
Total current assets	7,862	7,226
Capital assets		
Construction in progress	4,419	3,957
Vehicles	39,566	45,200
Accumulated depreciation	(1,995)	(41,733)
Total capital assets (net of accumulated depreciation)	41,990	7,424
Total assets	49,852	14,650
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	1,669	136
Pension assumption changes	917	0
Total deferred outflows of resources	2,586	136
LIABILITIES		
Current liabilities		
Payables		
Accounts	627	1,028
Intergovernmental	186	336
Accrued salaries and other payroll liabilities	2,950	1,479
Compensated absences	5,752	5,157
Due to other funds	8,081	2,991
Total current liabilities	17,596	10,991
Long-term liabilities		
Net pension liability	5,342	2,776
Total liabilities	22,938	13,767
DEFERRED INFLOWS OF RESOURCES		
Pension investment return differences	331	0
NET POSITION		
Investment in capital assets	41,990	7,424
Unrestricted	(12,821)	(6,405)
Total net position	$ 29,169	$ 1,019

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2016 and 2015

OPERATING REVENUES	**2016**	**2015**
Charges for sales and services	$ 32,565	$ 26,134
Total operating revenues	32,565	26,134
OPERATING EXPENSES		
Costs of sales and services	24,931	28,503
Personal services	60,960	50,466
Depreciation	5,462	9,040
Total operating expenses	91,353	88,009
Operating income (loss)	(58,788)	(61,875)
Non-operating revenues (expenses)		
Intergovernmental revenue	36,716	35,016
Net income (loss) before capital contributions and transfers	(22,072)	(26,859)
Capital contributions		
Intergovernmental	35,609	0
Net income (loss) before transfers	13,537	(26,859)
Transfers in (out)		
General Fund	14,613	28,759
Change in net position	28,150	1,900
Net position, July 1 (original)	1,019	1,924
Prior period adjustments	0	(2,805)
Net position, July 1 (restated)	1,019	(881)
Net position, June 30	$ 29,169	$ 1,019

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Receipts from customers	$ 32,599	$ 26,157
Payments to suppliers	(25,482)	(27,609)
Payments to employees	(58,447)	(49,803)
Net cash provided (used) by operating activities	(51,330)	(51,255)
Cash flows from non-capital financing activities:		
Receipts from other governments	36,046	35,526
Receipts from other funds	19,703	19,686
Net cash provided (used) by non-capital financing activities	55,749	55,212
Cash flows from capital and related financing activities:		
Purchase of capital assets	(4,419)	(3,957)
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)	$ (58,788)	$ (61,875)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	5,462	9,040
(Increase) decrease in accounts receivable	34	23
(Increase) decrease in pension investment return differences	(1,533)	(136)
(Increase) decrease in pension assumption changes	(917)	0
Increase (decrease) in accounts payable	(401)	558
Increase (decrease) in intergovernmental payable	(150)	336
Increase (decrease) in accrued payroll liabilities	2,066	828
Increase (decrease) in net pension liability	2,566	(29)
Increase (decrease) in net pension investment return differences	331	0
Total adjustments	7,458	10,620
Net cash provided (used) by operating activities	$ (51,330)	$ (51,255)

Noncash capital and related financing activities:

Contributions of capital assets from other governments totaled $35,609 for the fiscal year ended June 30, 2016.

HABERSHAM COUNTY, GEORGIA
AIRPORT ENTERPRISE FUND
STATEMENT OF NET POSITION
June 30, 2016

ASSETS	
Current assets	
Cash and cash equivalents	$ 35,725
Intergovernmental receivable	8,450
Inventories	20,423
Total current assets	64,598
LIABILITIES	
Current liabilities	
Accounts payable	558
Unearned revenue	1,400
Due to other funds	42,954
Total liabilities	44,912
NET POSITION	
Unrestricted	19,686
Total net position	$ 19,686

HABERSHAM COUNTY, GEORGIA
AIRPORT ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal year ended June 30, 2016

OPERATING REVENUES	
Charges for sales and services	$ 92,075
Rental income	9,200
Total operating revenues	101,275
OPERATING EXPENSES	
Costs of sales and services	100,595
Total operating expenses	100,595
Operating income (loss)	680
Non-operating revenues (expenses)	
Interest revenue	10
Intergovernmental revenue	18,996
Total non-operating revenues (expenses)	19,006
Change in net position	19,686
Net position, July 1	0
Net position, June 30	$ 19,686

HABERSHAM COUNTY, GEORGIA
AIRPORT ENTERPRISE FUND
STATEMENT OF CASH FLOWS
For the fiscal year ended June 30, 2016

Cash flows from operating activities:	
Receipts from customers	$ 102,675
Payments to suppliers	(120,460)
Net cash provided (used) by operating activities	(17,785)
Cash flows from non-capital financing activities:	
Receipts from other governments	10,546
Receipts from other funds	42,954
Net cash provided (used) by non-capital financing activities	53,500
Cash flows from investing activities:	
Interest received	10
Net increase (decrease) in cash and cash equivalents	35,725
Cash and cash equivalents, July 1	0
Cash and cash equivalents, June 30	$ 35,725
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	$ 680
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
(Increase) decrease in inventories	(20,423)
Increase (decrease) in accounts payable	558
Increase (decrease) in unearned revenue	1,400
Total adjustments	(18,465)
Net cash provided (used) by operating activities	$ (17,785)

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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, 2016

	Tax Commissioner	Magistrate Court
ASSETS		
Cash	$ 782,388	$ 41,690
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 782,388	$ 41,690

Probate Court	Juvenile Court	Clerk of Court	Sheriff Department	Totals
$ 12,072	$ 64	$ 355,304	$ 201,398	$ 1,392,916
$ 12,072	$ 64	$ 355,304	$ 201,398	$ 1,392,916

HABERSHAM COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2016

	Balance July 1	Additions	Deletions	Balance June 30
TAX COMMISSIONER				
ASSETS				
Cash	$ 599,579	$ 34,729,246	$ 34,546,437	$ 782,388
LIABILITIES				
Due to other agencies	$ 599,579	$ 34,729,246	$ 34,546,437	$ 782,388
MAGISTRATE COURT				
ASSETS				
Cash	$ 1,169	$ 342,503	$ 301,982	$ 41,690
LIABILITIES				
Due to other agencies	$ 1,169	$ 342,503	$ 301,982	$ 41,690
PROBATE COURT				
ASSETS				
Cash	$ 5,263	$ 238,476	$ 231,667	$ 12,072
LIABILITIES				
Due to other agencies	$ 5,263	$ 238,476	$ 231,667	$ 12,072
JUVENILE COURT				
ASSETS				
Cash	$ 63	$ 5,979	$ 5,978	$ 64
LIABILITIES				
Due to other agencies	$ 63	$ 5,979	$ 5,978	$ 64
CLERK OF COURT				
ASSETS				
Cash	$ 338,918	$ 1,901,712	$ 1,885,326	$ 355,304
LIABILITIES				
Due to other agencies	$ 338,918	$ 1,901,712	$ 1,885,326	$ 355,304
SHERIFF DEPARTMENT				
ASSETS				
Cash	$ 146,432	$ 397,631	$ 342,665	$ 201,398
LIABILITIES				
Due to other agencies	$ 146,432	$ 397,631	$ 342,665	$ 201,398
TOTALS				
ASSETS				
Cash	$ 1,091,424	$ 37,615,547	$ 37,314,055	$ 1,392,916
LIABILITIES				
Due to other agencies	$ 1,091,424	$ 37,615,547	$ 37,314,055	$ 1,392,916

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, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 0	$ 49,103
Total assets	$ 0	$ 49,103
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 0	$ 42,544
Fund balances		
Restricted for public safety	0	6,559
Total liabilities and fund balances	$ 0	$ 49,103

HABERSHAM COUNTY, GEORGIA
MOUNTAIN JUDICIAL CIRCUIT NCIS TEAM (A COMPONENT UNIT)
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2016 and 2015

	2016	2015
REVENUES		
Intergovernmental	$ 0	$ 27,806
Forfeitures	0	71,001
Total revenues	0	98,807
EXPENDITURES		
Current		
Public Safety		
Personal services	0	26,700
Contract services	0	6,254
Supplies and materials	0	15,679
Payments to others	6,559	148,312
Total expenditures	6,559	196,945
Excess (deficiency) of revenues over (under) expenditures	(6,559)	(98,138)
Fund balances, July 1	6,559	104,697
Fund balances, June 30	$ 0	$ 6,559

HABERSHAM COUNTY, GEORGIA
DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 18,976	$ 32,803
Restricted cash and cash equivalents	223,768	227,411
Accounts receivable	249	0
Intergovernmental receivable	257	0
Total assets	$ 243,250	$ 260,215
LIABILITIES AND FUND BALANCES		
Current liabilities		
Payables		
Accounts	$ 983	$ 2,215
Intergovernmental	8,450	8,450
Total liabilities	9,433	10,665
Fund balances		
Restricted for capital outlay	223,768	227,411
Assigned to housing and development	10,049	22,139
Total fund balances	233,817	249,550
Total liabilities and fund balances	$ 243,250	$ 260,215

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, 2016 and 2015

REVENUES	**2016**	**2015**
Intergovernmental	$ 22,706	$ 20,000
Interest	25	38
Rents	0	25,580
Miscellaneous	1,265	1,100
Total revenues	23,996	46,718
EXPENDITURES		
Current		
Housing and Development		
Contract services	11,390	8,659
Materials and supplies	4,183	3,394
Capital outlay	24,156	91,504
Debt service	0	113,939
Total expenditures	39,729	217,496
Excess (deficiency) of revenues over (under) expenditures	(15,733)	(170,778)
Fund balances, July 1	249,550	420,328
Fund balances, June 30	$ 233,817	$ 249,550

HABERSHAM COUNTY, GEORGIA
AIRPORT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2016 and 2015

ASSETS	**2016**	**2015**
Cash and cash equivalents	$ 0	$ 10,708
Intergovernmental receivable	0	8,450
Total assets	$ 0	$ 19,158
LIABILITIES AND FUND BALANCES		
Current liabilities		
Accounts payable	$ 0	$ 697
Intergovernmental payable	0	16,947
Total liabilities	0	17,644
Fund balances		
Unassigned	0	1,514
Total liabilities and fund balances	$ 0	$ 19,158

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, 2016 and 2015

REVENUES	**2016**	**2015**
Airport charges	$ 101,526	$ 100,408
Rents	6,500	16,450
Total revenues	108,026	116,858
EXPENDITURES		
Current		
Public Works		
Contract services	3,123	8,735
Materials and supplies	70,094	120,713
Debt service	47,327	73,224
Payments to others	18,996	0
Total expenditures	139,540	202,672
Excess (deficiency) of revenues over (under) expenditures	(31,514)	(85,814)
Other financing sources (uses)		
Proceeds from notes payable	30,000	89,461
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,514)	3,647
Fund balances, July 1	1,514	(2,133)
Fund balances, June 30	$ 0	$ 1,514

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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)
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-1	148-149
Changes in Net Position	K-2	150-153
Governmental Activities Tax Revenues by Source	K-3	154
Fund Balances of Governmental Funds	K-4	155-156
Changes in Fund Balances of Governmental Funds	K-5	157-158
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-6	159-160
Property Tax Rates (Direct and Overlapping Governments)	K-7	161-162
Principal Taxpayers	K-8	163
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-9	164-165
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-10	166
Principal Employers	K-11	167
Full-time Equivalent County Government Employees	K-12	168-169
Operating Indicators by Function	K-13	170-171
Capital Asset Statistics by Function	K-14	172-175

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

	Fiscal Year			
	2007	**2008**	**2009**	**2010**
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 35,889	$ 35,132	$ 34,794	$ 33,665
Restricted	7,567	9,078	10,252	14,514
Unrestricted	5,555	6,246	5,479	5,008
Total governmental activities net position	$ 49,012	$ 50,456	$ 50,525	$ 53,187
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 9,145	$ 13,080	$ 14,887	$ 14,501
Restricted	6,717	4,821	4,439	1,128
Unrestricted	1,852	127	(1,932)	(1,818)
Total business-type activities net position	$ 17,714	$ 18,028	$ 17,394	$ 13,811
PRIMARY GOVERNMENT				
Net investment in capital assets	$ 45,034	$ 48,212	$ 49,682	$ 48,166
Restricted	14,284	13,900	14,691	15,642
Unrestricted	7,407	6,373	3,547	3,190
Total primary government net position	$ 66,726	$ 68,484	$ 67,919	$ 66,998

Fiscal Year						
2011	2012	2013	2014	2015	2016
$ 32,226	$ 33,648	$ 39,095	$ 48,923	$ 52,787	$ 57,830
24,062	22,153	11,086	6,801	4,683	5,631
(1,254)	988	7,491	2,259	4,492	3,267
$ 55,033	$ 56,789	$ 57,672	$ 57,982	$ 61,962	$ 66,728
$ 13,993	$ 13,300	$ 4,309	$ 3,898	$ 4,019	$ 3,888
1,035	0	0	0	0	0
(1,211)	(1,277)	(1,543)	(1,572)	(1,825)	(1,841)
$ 13,817	$ 12,022	$ 2,765	$ 2,326	$ 2,194	$ 2,047
$ 46,219	$ 46,948	$ 43,404	$ 52,821	$ 56,806	$ 61,718
25,096	22,153	11,086	6,801	4,683	5,631
(2,466)	(289)	5,948	687	2,667	1,426
$ 68,850	$ 68,811	$ 60,438	$ 60,309	$ 64,156	$ 68,775

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

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

Fiscal Year							
2010	2011	2012	2013	2014	2015	2016
$ 4,487	$ 4,767	$ 4,698	$ 3,855	$ 4,157	$ 4,153	$ 4,353
2,278	2,444	2,620	2,802	3,001	3,387	3,437
8,097	8,272	8,417	8,541	8,894	8,845	9,851
5,219	3,951	4,390	4,639	3,037	2,947	4,334
482	468	465	526	522	497	1,332
1,513	1,356	1,442	1,498	1,481	1,470	1,507
864	851	718	837	763	806	1,046
0	0	0	0	0	0	0
33	126	184	148	135	1,430	1,651
22,973	22,235	22,934	22,846	21,991	23,536	27,511
584	533	599	527	16	0	0
1,484	1,353	1,370	1,261	1,206	1,132	1,467
53	55	72	72	70	88	91
0	0	0	0	0	0	101
2,120	1,941	2,041	1,861	1,291	1,220	1,659
$ 25,093	$ 24,176	$ 24,975	$ 24,707	$ 23,282	$ 24,756	$ 29,170
$ 567	$ 561	$ 545	$ 490	$ 563	$ 568	$ 584
522	565	520	595	656	660	641
1,835	1,677	1,475	1,441	1,548	1,649	1,653
0	0	0	0	0	158	146
198	227	273	266	388	489	482
101	91	62	63	67	73	126
607	660	891	976	1,127	1,307	1,441
333	877	583	660	764	6,431	5,842
4,163	4,657	4,349	4,491	5,113	11,334	10,914
247	241	238	247	0	0	0
1,377	1,033	1,021	814	839	929	982
6	7	8	7	5	26	33
-	-	-	-	-	-	92
26	53	30	27	26	110	56
0	45	0	0	0	0	36
1,655	1,379	1,297	1,095	870	1,066	1,198
$ 5,818	$ 6,036	$ 5,646	$ 5,586	$ 5,983	$ 12,400	$ 12,112

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

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

Fiscal Year							
2010	2011	2012	2013	2014	2015	2016
$ (18,810)	$ (17,578)	$ (18,585)	$ (18,356)	$ (16,878)	$ (12,201)	$ (16,597)
(465)	(562)	(745)	(765)	(421)	(155)	(460)
(19,276)	(18,140)	(19,330)	(19,121)	(17,299)	(12,356)	(17,057)
$ 10,722	$ 11,628	$ 11,276	$ 11,467	$ 12,555	$ 13,208	$ 13,084
5,320	5,208	5,741	5,367	3,911	1,316	5,607
134	141	159	204	170	159	199
1,291	1,255	1,286	1,374	1,428	1,506	1,613
547	621	654	652	723	748	816
162	59	60	24	49	85	151
51	60	29	44	66	53	69
29	6	9	9	4	8	202
51	76	119	89	111	112	364
0	0	0	0	0	0	0
3,167	55	1,007	80	45	(33)	(267)
21,473	19,109	20,340	19,312	19,061	17,163	21,839
0	0	0	0	0	0	0
6	12	21	2	2	14	37
0	0	0	0	0	0	0
0	0	0	0	0	0	9
0	0	(66)	0	25	0	0
43	14	2	0	0	0	0
0	0	0	(8413)	0	0	0
(3167)	(55)	(1007)	(80)	(45)	33	267
(3,118)	(29)	(1,050)	(8,491)	(18)	47	313
18,354	19,080	19,291	10,820	19,043	17,211	22,152
0	0	0	0	(1,873)	(983)	(477)
0	0	0	0	0	(24)	0
0	0	0	0	(1,873)	(1,007)	(477)
2,662	1,531	1,756	956	2,183	4,962	5,243
(3,584)	(591)	(1,795)	(9,257)	(439)	(108)	(148)
$ (921)	$ 940	$ (39)	$ (8,301)	$ 1,744	$ 4,854	$ 5,095

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
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
2016	13,084	5,607	199	1,613	816	21,320

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

	Fiscal Year			
	2007	**2008**	**2009**	**2010**
General fund				
Reserved	$ 227	$ 167	$ 169	$ 43
Unreserved	5,146	5,977	5,417	5,232
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
Total general fund	5,373	6,145	5,586	5,276
All other governmental funds:				
Reserved	322	97	0	0
Unreserved	5,840	7,349	9,244	13,430
Special revenue funds	919	625	819	750
Capital projects funds	782	1,048	182	345
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	7,863	9,119	10,246	14,525
Total governmental funds	$ 13,236	$ 15,263	$ 15,832	$ 19,800

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

Fiscal Year					
2011 (1)	2012	2013	2014	2015	2016
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
0	0	0	0	0	0
420	230	376	559	466	61
20	36	22	38	24	46
425	428	486	0	205	284
4,790	4,674	3,367	4,107	4,704	4,853
5,655	5,368	4,250	4,705	5,399	5,244
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
421	202	238	0	0	0
26,018	24,094	11,195	6,762	4,659	5,585
243	154	38	230	275	346
0	(82)	(88)	(39)	0	0
26,682	24,368	11,383	6,953	4,934	5,931
$ 32,337	$ 29,736	$ 15,633	$ 11,658	$ 10,333	$ 11,175

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			
	2007	**2008**	**2009**	**2010**
Revenues				
Taxes	$ 16,645	$ 18,235	$ 18,056	$ 18,220
Licenses and permits	422	272	161	101
Fines, fees and forfeitures	1,209	1,367	1,313	1,284
Charges for services	1,481	1,651	1,800	1,824
Interest	720	608	948	162
Intergovernmental	695	1,148	254	942
Contributions	1	5	11	11
Other	130	133	68	103
Total Revenues	21,303	23,419	22,611	22,647
Expenditures				
General government	2,710	2,774	3,180	3,349
Judicial	2,014	2,123	2,360	2,292
Public safety	6,677	7,965	7,804	7,458
Public works	1,531	1,729	1,679	1,637
Health and welfare	426	435	439	423
Culture and recreation	1,150	1,172	1,203	1,141
Housing and development	2,321	750	831	668
Capital outlay	4,603	5,143	4,703	3,458
Intergovernmental	0	0	0	2,069
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Total expenditures	21,432	22,092	22,199	22,494
Excess (deficiency) of revenues over (under) expenditures	(129)	1,328	412	152
Other financing sources (uses)				
Transfers in	706	762	1,133	4,082
Transfers out	(732)	(717)	(1,057)	(916)
Issuance of capital leases	550	625	0	620
Issuance of bonds	0	0	0	0
Issuance of contracts payable	0	0	0	0
Issuance of notes payable	0	0	0	0
Gain on sale of assets	6	30	36	29
Total other financing sources (uses)	530	700	112	3,816
Net change in fund balance	400	2,027	524	3,969
Fund balances, July 1 (original)	12,835	13,235	15,263	15,833
Prior period adjustments	0	0	44	0
Fund balances, June 30	$ 13,235	$ 15,263	$ 15,831	$ 19,802
Debt service as a percentage of non-capital expenditures	0%	0%	0%	0%

Fiscal Year					
2011	2012	2013	2014	2015	2016
$ 18,963	$ 19,120	$ 19,161	$ 18,780	$ 16,932	$ 21,345
91	62	63	67	104	167
1,186	1,071	1,085	1,154	1,260	1,214
1,833	1,736	1,706	2,001	2,233	2,179
134	110	62	68	114	6,808
1,433	992	1,581	1,844	7,653	111
20	15	18	28	13	10
135	148	133	177	165	433
23,795	23,254	23,809	24,119	28,475	32,267
3,391	3,489	3,600	3,571	3,958	4,170
2,436	2,575	2,789	3,031	3,048	3,004
7,848	8,590	8,538	8,387	8,243	9,034
1,719	1,669	1,695	1,886	1,910	1,539
409	406	457	2,415	700	618
1,025	1,098	1,058	1,125	1,137	1,119
668	508	560	559	570	630
4,253	5,857	16,235	6,039	46,872	8,638
875	1,151	1,267	675	398	1,697
545	2,225	2,315	2,410	2,505	80
89	139	106	88	752	1,655
23,257	27,706	38,622	30,187	70,095	32,184
538	(4,453)	(14,812)	(6,068)	(41,619)	83
954	2,076	1,783	2,148	5,154	2,161
(899)	(1,069)	(1,703)	(2,104)	(5,183)	(2,427)
1,600	829	620	81	0	0
10,000	0	0	0	0	0
0	0	0	1,963	40,301	0
0	0	0	0	0	1,000
29	15	9	4	23	502
11,684	1,851	709	2,093	40,294	1,236
12,222	(2,601)	(14,103)	(3,975)	(1,325)	1,319
19,800	32,337	29,736	15,633	11,658	10,333
315	0	0	0	0	(477)
$ 32,337	$ 29,736	$ 15,633	$ 11,658	$ 10,333	$ 11,175
3%	11%	11%	10%	14%	7%

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
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
2016	1,318,913	750,900	159,120	67,604

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 Rate	Total Net Fair Market Value	Percentage Assessed Value To Fair Market Value
(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
(221,034)	1,097,879	10.63	2,744,698	40

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

Fiscal Year	**2008**	**2009**	**2010**
Tax Year	**2007**	**2008**	**2009**
Habersham County Rates:			
County Operations:	8.429	7.76	7.76
Board of Education :	13.60	13.35	13.35
Hospital Indigent Care:	0.568	0.510	0.510
State of Georgia:	0.250	0.250	0.250

Source: Georgia Department of Revenue

2011 2010	2012 2011	2013 2012	2014 2013	2015 2014	2016 2015	2017 2016
8.40	8.974	9.635	10.785	10.785	10.639	10.626
13.35	13.35	14.41	14.75	14.77	14.490	14.451
0.510	0.545	0.585	0.598	0.598	0.590	0.998
0.250	0.250	0.200	0.150	0.100	0.050	0.000

HABERSHAM COUNTY, GEORGIA
PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS PRIOR

	2016			2007		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Ethicon Inc.	$ 27,996,236	1	2.54 %	$ 18,401,032	1	1.32
Georgia Power	24,454,756	2	2.22	16,579,575	2	1.19
Habersham EMC	15,019,376	3	1.36	14,327,614	4	1.03
Nicoln	12,067,871	4	1.10	11,089,976	5	0.80
Windstream Standard	8,042,073	5	0.73	7,353,476	6	
Fieldale Corp.	7,425,287	6	0.67	6,671,544	7	0.48
D. Aubry Higgins	5,933,232	7	0.54	6,036,272	8	0.43
Norflok Sourthern Corp.	5,649,046	8	0.51			
Silverleaf Resorts	4,990,852	9	0.45			
Lowe's Home Centers Inc	4,598,311	10	0.42	5,823,513	9	0.42
Calvin R. Wilbanks SR.				5,132,204	10	0.37
Fieldale Farms Inc.				15,284,567	3	1.10
Bare Warren						
	$ 116,177,040		**10.55** %	**$ 106,699,773**		**7.13**

Source: Habersham County Tax Commissioner

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

	Fiscal Year			
	2007	**2008**	**2009**	**2010**
Taxable assessed value of property	$ 1,422,526	$ 1,622,208	$ 1,630,836	$ 1,611,371
Add back: exemptions	188,284	266,425	273,305	278,830
Total assessed value	1,610,810	1,888,632	1,904,141	1,890,201
Debt limit (10% total assessed value)	161,081	188,863	190,414	189,020
Amount of debt applicable to limit	0	0	0	0
Legal debt margin	$ 161,081	$ 188,863	$ 190,414	$ 189,020
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.

2011	2012	2013	2014	2015	2016
$ 1,485,186	$ 1,375,791	$ 1,326,305	$ 1,315,053	$ 1,312,392	$ 1,318,913
248,484	224,169	199,927	204,107	211,423	221,034
1,733,670	1,599,959	1,526,233	1,519,160	1,523,815	1,539,947
173,367	159,996	152,623	151,916	152,381	153,995
9,455	7,230	4,915	2,505	0	0
$ 163,912	$ 152,766	$ 147,708	$ 149,411	$ 152,381	$ 153,995
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
2014	43,752	1,274,640	29,133	6.90%	6,853

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

	2016			2007		
Employer	Number of Employees	Rank	Percentage of Labor Force	Number of Employees	Rank	Percentage of Labor Force
Fielddale Farms	1,900	1	10.07 %	2,000	1	9.98 %
Habersham County BOE	1,024	2	5.42	800	2	3.99
Ethicon	715	3	3.79	500	5	2.50
Mt. Vernon Mills	700	4	3.71	600	3	2.99
Piedmont College	296	9	1.57			
Habersham County Medical Center	699	5	3.70	600	4	2.99
Lee Arrendale Correctional Institute	332	7	1.76	500	6	2.50
North Georgia Technical College	444	6	2.35			
Habersham County BOC	290	10	1.54			
Global Tech	303	8	1.61			
Scovill Mfg.	164	12	0.87	300	7	1.50
TC Baycor			0.00	275	8	1.37
Regency Thermographers			0.00	265	9	1.32
Wal-Mart	280	11	1.48	200	10	1.00
	7,147		36.38 %	6,040		29.15 %

Source: Haberhsam County Chamber of Commerce

Total County Labor Force	18,844		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			
	2007	**2008**	**2009**	**2010**
Function				
General Government	*	*	*	26.10
Public Safety				
Sheriff				31.42
Officers	*	*	*	*
Civilians	*	*	*	*
Jail				28.94
Officers	*	*	*	*
Civilians	*	*	*	*
Fire Protection				20.88
Firefighters	*	*	*	*
Civilians	*	*	*	*
Other public safety	*	*	*	20.35
Judicial	*	*	*	20.03
Public Works	*	*	*	22.25
Recreation and culture	*	*	*	8.90
Housing and Development	*	*	*	6.58
Total employees	**-**	**-**	**-**	**185.45**

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					
2011	**2012**	**2013**	**2014**	**2015**	**2016**
34.15	33.83	34.45	35.26	38.14	37.93
45.50	46.16	46.58	0	0	0
*	*	*	48.87	48.28	50.21
*	*	*	2.99	3.10	3.11
40.50	40.50	39.63	0	0	0
*	*	*	37.85	35.37	36.94
*	*	*	2.08	2.39	2.77
29.88	29.92	29.38	0	0	0
*	*	*	27.83	27.21	29.36
*	*	*	1.27	1.55	1.61
28.43	27.40	27.71	26.47	26.94	25.81
27.63	28.35	28.47	29.79	28.69	26.90
31.21	31.91	31.00	30.33	29.40	29.75
9.81	12.82	12.21	14.77	14.68	13.56
8.72	6.31	6.82	6.66	6.77	12.05
255.83	**257.20**	**256.25**	**264.17**	**262.52**	**270.00**

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

	Fiscal Year			
	2006	**2007**	**2008**	**2009**
Function				
Sheriff				
Traffic citations	*	*	*	*
Fire				
Number of calls answered	*	599	642	674
Inspections conducted	3	10	6	12
E911				
Emergency Calls	59,031	62,113	65,495	65,879
Non-Emergency Calls	60,021	63,376	72,356	68,726
Emergency Medical Service				
Calls	*	*	*	*
Highways and streets				
Paved or resurfaced (LMIG)	*	*	*	*
Building, Planning & GIS				
New Residential Buildings	311	264	137	54
New Other Buildings	20	39	46	23

Source: Various County Departments

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

* indicates information is unavailable

Fiscal Year					
2010	**2011**	**2012**	**2013**	**2014**	**2015**
2,044	2,136	1,400	1,120	738	2,721
739	894	862	1,056	1,026	2,407
7	2	3	1	3	4
65,697	74,026	101,732	119,658	124,204	126,146
72,333	75,933	109,408	144,353	154,620	156,396
*	*	*	6,032	6,104	6,808
*	*	*	13.81	12.04	16.36
26	31	31	28	28	92
2	0	7	0	0	0

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

	Fiscal Year				
	2007	**2008**	**2009**	**2010**	**2011**
Function					
General Government					
Buildings	20	21	21	21	21
Vehicles	8	9	11	12	12
Judicial					
Vehicles	0	1	1	2	2
Public Safety					
Sheriff					
Buildings	1	1	1	1	1
Vehicles	12	18	24	26	27
Other Equipment	6	7	11	13	15
Fire Department					
Fire stations	8	8	8	8	8
Fire Trucks (1)	27	27	27	30	29
Fire Engine	*	*	*	*	*
Tankers	*	*	*	*	*
Rescue Unit	*	*	*	*	*
Light and Air Unit	*	*	*	*	*
Other vehicles	1	1	1	1	1
Other Equipment	4	5	6	6	6
Animal Shelter					
Buildings	1	1	1	1	1
Vehicles	3	3	3	3	3
Other Equipment	0	1	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	1	1	1	1
Other Equipment	4	6	6	7	9
EMS					
Ambulance	5	6	8	7	7
Other vehicles	0	0	1	1	1
Other Equipment	1	1	1	1	1
Coroner					
Vehicles	1	1	2	2	1

Fiscal Year				
2012	2013	2014	2015	2016
21	22	23	23	23
12	13	13	13	9
2	2	2	4	3
1	1	1	1	1
39	46	50	58	58
16	23	23	23	20
8	8	8	8	8
29	30	25	*	*
*	*	*	13	13
*	*	*	6	6
*	*	*	7	7
*	*	*	1	1
1	2	2	3	5
6	8	8	9	10
1	1	1	1	1
3	3	3	4	4
1	1	1	1	1
1	2	2	2	2
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
9	10	11	12	11
7	8	8	8	8
2	2	2	3	3
1	1	1	3	5
1	1	1	1	1

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

	Fiscal Year				
	2007	**2008**	**2009**	**2010**	**2011**
Public Works					
Fleet Department					
Buildings	0	0	0	0	0
Vehicles	0	0	0	1	1
Other Equipment	0	0	0	0	0
Roads & Bridges					
Buildings	1	1	1	1	1
Vehicles	29	28	28	34	35
Other Equipment	21	23	25	26	27
Health and Welfare					
Hospital					
Buildings	0	0	0	0	0
Senior Center					
Buildings	1	1	1	1	1
Vehicles	1	2	2	1	2
Habersham County Health Department					
Buildings	*	*	*	*	*
Vehicles	*	*	*	*	*
Culture & Recreation					
Recreation Department					
Buildings	8	9	9	9	10
Vehicles	0	0	0	1	1
Other Equipment	7	7	7	7	7
Housing & Development					
Economic Development					
Vehicles	0	0	0	0	0
Planning & Development					
Vehicles	5	5	5	6	4
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	2
Vehicles	3	4	4	3	4
Other Equipment	10	10	11	11	12
Transit					
Vehicles	1	1	1	1	1
Airport					
Buildings	*	*	*	*	*
Other Equipment	*	*	*	*	*

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
** indicated restructured to another department

Fiscal Year				
2012	2013	2014	2015	2016
0	0	0	1	1
2	2	2	3	5
0	1	1	2	2
1	2	2	2	2
35	35	35	41	35
30	34	39	45	42
0	0	0	4	4
1	1	1	1	1
3	3	3	3	4
*	*	*	1	1
*	*	*	*	2
10	10	10	10	10
1	1	1	1	1
7	8	9	10	11
0	1	1	1	**
4	4	4	4	5
1	1	1	1	**
1	1	1	1	1
2	2	2	2	2
2	2	2	2	2
4	4	4	10	10
13	13	13	16	13
1	1	1	1	1
*	*	*	*	12
*	*	*	*	2

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SINGLE AUDIT SECTION

This section contains reports required by Uniform Guidance and grantor agencies.

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with *Government Auditing Standards*

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, 2016, 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 November 18, 2016. 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 2016-001 through 2016-005 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 2016-006.

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
November 18, 2016

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

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 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, 2016. 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 the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance 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, 2016.

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 program and to test and report on internal control over compliance in accordance with Uniform Guidance, 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
November 18, 2016

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2016

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	FY2016	$ 34,100
U.S. Department of Interior			
Payments in Lieu of Taxes	15.226	N/A	72,083
U.S. Department of Justice			
Passed through the Criminal Justice Coordinating Council:			
Victims of Crime Act			
Assistance Grant Program	16.575	C13-8-102/C14-8-072	60,401
		C13-8-103/C14-8-108	19,221
			79,622
Violence Against Women Formula Grants	16.588	W14-8-031	30,613
		W15-8-029	24,229
			54,842
Edward Byrne Memorial Justice Assistance Grant Program	16.738	B14-8-001	7,416
		B14-8-022	7,171
			14,587
Total U.S. Department of Justice			149,051
U.S. Department of Transportation			
Passed through the Georgia Department of Transportation			
Airport Improvement Program	20.106	AP014-9025-16(137)	588,235
		AP015-9028-17(137)	3,744,115
		AP016-9030-18(137)	94,069
			4,426,419
Formula Grants for Rural Areas	20.509	GA-18-033	36,716
		T005508	35,609
			72,325
Passed through the Georgia Office of Highway Safety			
State and Community Highway Safety	20.600	GA-2015-0-00290	71,118
Total U.S. Department of Transportation			4,569,862

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2016

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Expenditures
Department of Health and Human Services			
Aging Cluster of Programs			
Passed through Legacy Link, Inc.:			
Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	FY2016	$ 14,280
Title III, Part C, Nutrition Services	93.045	FY2016	48,003
Nutrition Services Incentive Program	93.053	FY2016	8,510
Total Aging Cluster of Programs			70,793
Passed through Legacy Link, Inc.:			
Social Services Block Grant	93.667	FY2016	8,152
Passed through T&T Transportation:			
Social Services Block Grant	93.667	FY2016	54,383
			62,535
Total Department of Health and Human Services			133,328
U.S. Department of Homeland Security			
Passed through the Georgia Emergency Management Agency			
Emergency Management Performance Grants	97.042	OEM15-70	49,101
Homeland Security Grant Program	97.067	EMW-2013-SS-00054-S01	1,921
		EMW-2014-SS-00092-S01	1,165
			3,086
Total U.S. Department of Homeland Security			52,187
Total Federal Awards			$ 5,010,611

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

HABERSHAM COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2016

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Habersham County, Georgia, under programs for the federal government for the fiscal year ended June 30, 2016. The information in this schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards* (Uniform Guidance). 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*, or the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. De Minimis Indirect Cost Rate

Habersham County, Georgia has elected not to use the 10-percent *de minimis* indirect cost rate allowed under the Uniform Guidance.

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016

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 the Uniform Guidance?	None reported
Identification of major programs:	
20.106 Airport Improvement Program	
Dollar threshold used to distinguish Between Type A and Type B programs:	$750,000
Auditee qualified as low-risk auditee?	No

2. Financial Statement Findings

A. Current Year Audit Findings

Comment 2016-001

Condition: While performing audit procedures at the Sheriff's Department, we noted that receipts are not 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 2016-002

Condition: While performing audit procedures at the Recreation Department, we noted that cash registers Z-tapes are not being reconciled to the Daily Attendance and Financial Statement.

Criteria: Proper internal controls require that daily receipts be reconciled to subsidiary records.

Effect: Failure to reconcile cash registers Z-tapes to the Daily Attendance and Financial Statements exposes the County to a greater risk of loss due to fraud.

Recommendation: Management should ensure that the cash registers Z-tapes are reconciled to the Daily Attendance and Financial Statements on a daily basis.

Management Response: Management concurs with this finding. Management will ensure that the cash registers Z-tapes are reconciled to the Daily Attendance and Financial Statements on a daily basis. This action was taken immediately upon receipt of the comment from our auditors.

Comment 2016-003

Condition: While performing audit procedures at the Tax Commissioner's Office, we noted that the ending cash balance was not reconciled to the amounts paid out in July.

Criteria: Proper internal controls require that ending cash balances be reconciled to the amounts paid out in the subsequent month.

Effect: Failure to reconcile ending cash balances to the amounts paid out in the subsequent month exposes the County to a greater risk of loss due to fraud.

2. Financial Statement Findings (continued)

A. Current Year Audit Findings, continued

Comment 2016-003, continued

Recommendation: Ending cash balances should be reconciled to the amounts paid out in the subsequent month on a monthly basis.

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 2016-004

Condition: While performing audit procedures at the Probate Court, we noted that the ending cash balance was not reconciled to the amounts paid out in July.

Criteria: Proper internal controls require that ending cash balances be reconciled to the amounts paid out in the subsequent month.

Effect: Failure to reconcile ending cash balances to the amounts paid out in the subsequent month exposes the County to a greater risk of loss due to fraud.

Recommendation: Ending cash balances should be reconciled to the amounts paid out in the subsequent month on a monthly basis.

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 2016-005

Condition: Inadequate separation of duties. While performing audit procedures at the Clerk of Superior Court, we noted that all employees receipting, also have the ability to void receipts.

Criteria: Proper internal controls require proper separation of duties over receipting.

Effect: Failure to maintain proper internal controls over voiding of receipts exposes the County to a greater risk of loss due to fraud.

Recommendation: Employees receipting should not have the ability to void receipts. A member of management should be responsible for approving all voids.

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.

2. Financial Statement Findings (continued)

A. Current Year Audit Findings, continued

Comment 2016-006

Condition: The County experienced a material excess of expenditures over appropriations in the Hospital Debt Service Fund. Also, an annual budget was not adopted for the Confiscated Assets Special Revenue 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 Hospital Debt Service Fund and failure to adopt annual budgets as required by OCGA Code Section 36-81-3 will place the County in violation of state law.

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 2015-01

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 2016.

Comment 2015-02

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.

Corrected

2. Financial Statement Findings (continued)

B. Prior Year Audit Findings Follow-ups, continued

Comment 2015-03

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.

The County experienced material excess of expenditures over appropriations in the Hospital Debt Service Fund and did not adopt an annual budget for the Confiscated Assets Special Revenue Fund, in fiscal year 2016.

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 Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

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, 2016

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			1,351,910	10,966	1,362,876
Airport Facilities and Equipment			4,079,374	1,976	4,081,350
Economic Development Facilities and Equipment			60,556	20,642	81,198
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	$ 31,754,698	$ 33,584	$ 31,788,282

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2016

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST #5					
Judicial	$ 17,965,000	$ 17,965,000	$ 17,434,931	$ 6,450	$ 17,441,381
Water	14,900,000	14,900,000	0	0	0
Roads, Streets, and Bridges	10,000,000	10,000,000	6,446,402	390,874	6,837,276
Economic Development	2,000,000	2,000,000	1,244,101	2,565	1,246,666
Public Safety	1,500,000	1,500,000	218,465	53,406	271,871
Recreation	1,200,000	1,200,000	617,609	0	617,609
Information Technology	500,000	500,000	480,832	153,413	634,245
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	$ 31,829,368	$ 606,708	$ 32,436,076

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2016

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST #6					
Hospital	$ 7,500,000	$ 7,500,000	$ 263,136	$ 1,121,440	$ 1,384,576
Landfill	3,431,500	3,431,500	0	252,000	252,000
Roads, Streets, Bridges, and Airport	9,735,334	9,735,334	0	1,835,636	1,835,636
Public Safety	3,487,132	3,487,132	130,864	607,554	738,418
Capital Projects	2,000,000	2,000,000	0	12,094	12,094
City of Alto	442,878	442,878	15,525	66,170	81,695
City of Baldwin	1,754,438	1,754,438	61,574	262,463	324,037
City of Clarkesville	1,800,831	1,800,831	63,153	269,117	332,270
City of Cornelia	4,938,068	4,938,068	173,276	738,437	911,713
City of Demorest	1,256,853	1,256,853	44,075	187,833	231,908
City of Mount Airy	881,226	881,226	30,918	131,814	162,732
City of Tallulah Falls	271,740	271,740	9,604	40,905	50,509
	$ 37,500,000	$ 37,500,000	$ 792,125	$ 5,525,463	$ 6,317,588

Total expenditures of the SPLOST #6 Capital Projects Fund	$ 10,689,575
Expenditures financed through intergovernmental revenues	(5,164,112)
	$ 5,525,463

* 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.