HABERSHAM COUNTY, GEORGIA

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2017

Prepared by: Finance Department

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Part I

Introductory Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

HABERSHAM COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2017

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Habersham County Board of Commissioners, Elected Officials and Administration



Chairman Victor Anderson
District 3



Vice-Chairman Ed Nichols
District 5



Stacy Hall
District 1



Andrea Harper
District 2



Natalie Crawford
District 4

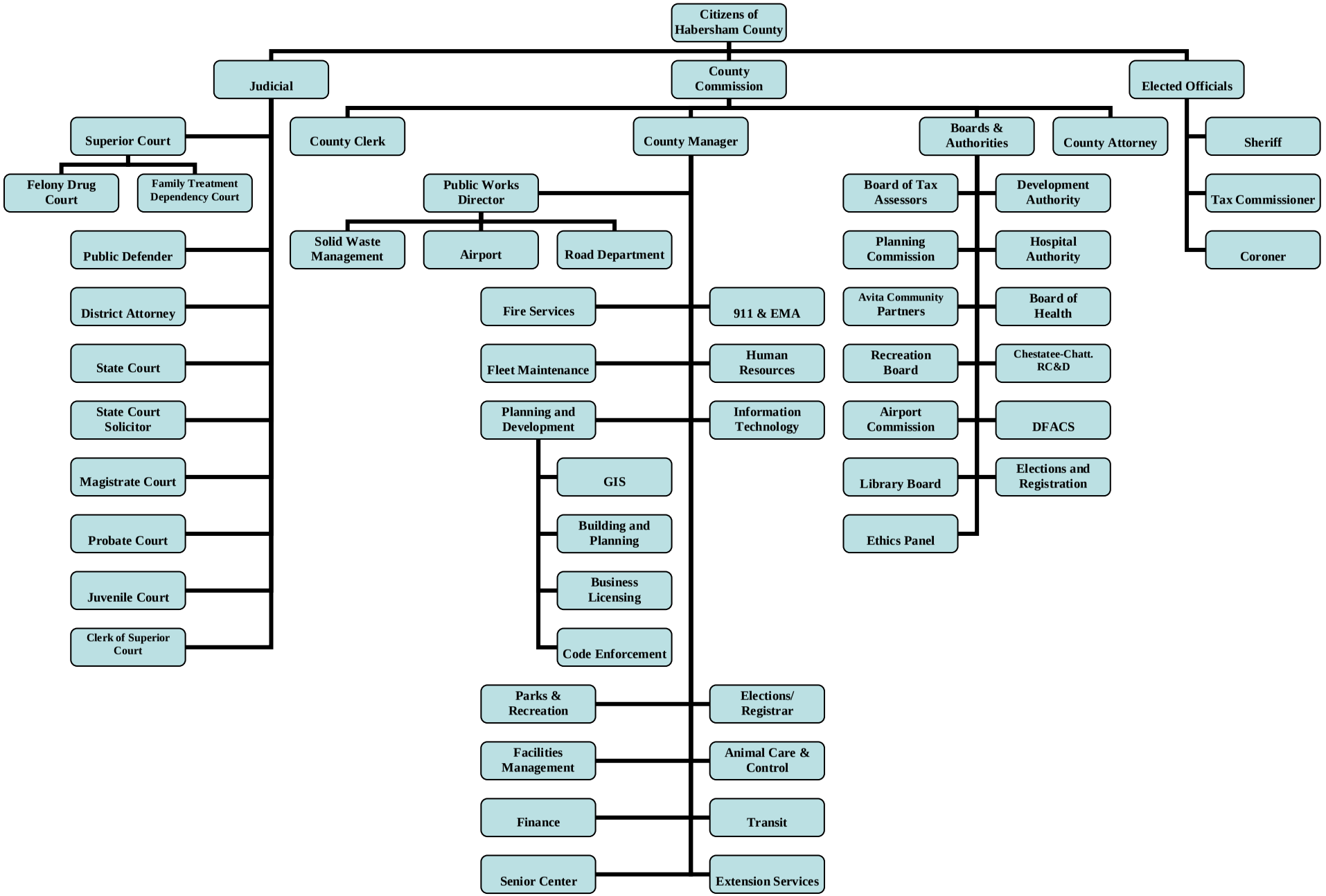
Elected Officials

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
Lindsay Underwood	County Clerk
Vinitha Robinson	Human Resources Director
Heidi Hook	Finance Director
Joan Church	Chief Appraiser
Laurel Ellison	Chief Registrar & Elections Supervisor
Jeff Cain	Fire Chief
Beth Pelaccio	Accountability Courts Director
Nichole Carswell	Judge, Juvenile Court
Derick Canupp	Public Works Director
Kurt Cooper	Parks & Recreation Director
Steve Seabolt	Fleet Maintenance Director
Mike Bramlett	Facilities Management Director
Madi Hawkins	Animal Care & Control Director
Steven Patrick	County Extension Coordinator
Lynn Smith	E-911 & Emergency Management Director
Mike Beecham	Planning and Development Director
Tracy Williamson	Information Technology Director
Kathy Holcomb	Senior Center Director

Habersham County Organizational Chart



HABERSHAM COUNTY
GEORGIA | Est. 1818

Office of County Commissioners
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Clarkesville, GA 30523
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Transmittal Letter

The Honorable Chairman and
Members of the Board of Commissioners:

November 20, 2017

Introduction

I am pleased to present for your consideration the Comprehensive Annual Financial Report for Habersham County, Georgia for the fiscal year ended June 30, 2017. 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 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 Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. 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.

Economic Condition & Outlook

Habersham County is well positioned for economic growth and prosperity, yet, has experienced only moderate recovery since the 2008 recession. Housing starts and retail 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 to handle jet traffic while a taxiway extension project is currently under construction. Future airport improvements will include a new terminal building.

The total General Fund balance as of June 30, 2017 was $5,248,767 vs. $5,244,186 in FY'16 an increase of $4,581. The unrestricted fund balance is $4,757,363 of which $3,938,386 was unassigned. The unrestricted fund balance represents 23.6% of the FY2018 original budget, which exceeds the Habersham County Fund Balance Policy minimum of 17%. The unrestricted Fund Balances includes $513,212 which has been assigned to Future Employee Health Benefit payments. Also, $300,764 has been assigned to subsequent year's budget. As in the past, prior year fund balance has been budgeted for non-recurring CIP expenditures. The unrestricted fund balance serves as a useful measure of a government's net resources available for spending at the end of a fiscal year.

During FY2017, many challenges faced in prior years remained, while new challenges arose. As in previous years, requests for additional positions and market-comparable salaries are a concern for numerous departments. Excess spending throughout FY2017 in overtime within numerous Public Safety Departments became a budgetary challenge for FY2018. Additionally, full capacity of the Jail in FY2017 created budgetary concerns for future years. In response to the declining fund balance The Habersham County Board of Commissioners approved an increase in the millage rate of .55 mils (5.2%)

to strengthen the general fund for the FY2018 budget; increasing the millage rate to 11.176. Additionally, Emergency Medical Service was moved to its own Special Revenue Fund entitled "Hospital Services", which will be funded by a special district levy of .39 mils. In order to gain a full picture of the prior year challenges require that we reflect on FY2017.

During FY2017, Habersham County:

Roads & Bridges: Habersham County has 508 miles of roads, of which 404 are paved miles and 104 are graveled miles. In FY2017 11.44 miles of roads were paved and/or resurfaced. The county continues to fund a road-paving program utilizing a combination of State-aid and SPLOST funds-as allowed by funding specifications. Furthermore, nine bridge structures received repairs, preservation, or replacement during FY2017 utilizing SPLOST VI funds.

Sheriff's Department/Jail: In FY2017 the Habersham County Sheriff's Department purchased three new pursuit vehicles by splitting the costs for additional vehicles between SPLOST and the General Fund. Additionally, funding through a GEMA /Homeland Security Grant allowed the purchase and outfitting of an Explosive Ordinance Detection (EOD) K9 unit. In April 2017 bids for HVAC upgrades to the Detention Center were received. The project is expected to cost $172,851 and will use Jail Fund balance and Prior Year Fund balance as sources.

E-911 & Emergency Management: A Georgia Emergency Management and Homeland Security Agency Grant in the amount of $52,879 was awarded for a siren implementation project that was completed in June 2016. In October 2016, the replacement of the Computer Aided Dispatch (CAD) system was completed. This project began in December 2015 and included replacement of hardware, software, implementation, and staff training.

Emergency Medical Services: In 2017, SPLOST VI funding was utilized to purchase an ambulance and outfit it with necessary equipment such as a LifePak 15 Cardiac Monitor/Defibrillator System, and a MX-PRO R3 stretcher. Additional equipment was purchased through funding from a Georgia Trauma Commission Grant award of $4,413. EMS equipment is consistently updated and replaced in an effort to maintain this life saving service by the most effective means.

Fire Department: Panther Creek Fire Station #17 construction was completed in FY2017. Batesville Fire Station #8 was outfitted with a fixed generator through a Georgia Emergency Management and Homeland Security Agency Grant. Additionally, general and personal protection equipment and a ladder truck were purchased utilizing SPLSOT VI funds.

Animal Care and Control: In September 2016, in response to approved Intergovernmental Agreements with the Cities of Baldwin, Cornelia, and Demorest for Animal Control Services, an additional full-time position and vehicle were approved for HCACC. Donations to outfit the truck were sought from the community. HCACC was faced with an unprecedented seizure of approximately 400+ neglected animals in April 2017. Lacking the resources to handle the 400+ neglected animals, HCACC required the assistance of reinforcements from numerous agencies and local volunteers. The Humane Society of the United States invested approximately $200,000 towards the costs of caring for the animals and providing volunteers.

Senior Center: In FY2017, Habersham County applied for a Community Development Block Grant with the assistance of GMRC in the amount of $750,000 for a Senior Center Wellness Facility. The CDBG Grant was awarded in September 2017. The Senior Center roof replacement project was completed in January 2017.

Recreation Department: Replacement of one existing 20-ton condenser and air handling unit, along with replacement of the existing in-line gas heater with a new in-line electric strip heater, was completed in January 2017. During FY2017 new ballfield netting and other safety improvements were made to the athletic fields.

Transit: In March 2017, through a GDOT Capital Grant, we received a 2016-10 passenger van with a wheelchair lift. This increases the Habersham County transit fleet to two vehicles that provide transportation throughout the work week. Approximately 9,300 annual trips were taken by citizens utilizing this service to travel within Habersham County.

Habersham County Landfill: Construction of a 10,000 gallon per day leachate treatment facility to serve Habersham County -S.R. -13 Municipal Solid Waste Landfill began in March 2016 and was completed in March 2017 at a cost of $577,675 from SPLOST VI funds. In April 2017, the Road Department completed construction of the Landfill Borrow Access Road.

Habersham County Airport: The Airport Fund exceeded the $220,000 budgeted fuel sales for FY2017. Airport fuel sales, hangar rent, and other sources of income, are providing the separate Airport Enterprise Fund with enough revenues to cover all expenses related to the Airport. Additionally, the Airport has been able to purchase an 1800-gallon fuel truck for fueling operations. This enables the Airport to fuel larger and/or multiple jets. At the beginning of FY2017, the Airport Fund owed the General Fund approximately $43,000 for legal fees and other expenses paid on its behalf; this was repaid in full by the end of FY2017. The relocation of a Georgia Power 115 KV transmission line was completed in November 2016. Phase III bids were received in April 2017 and bids for the Airport Terminal Building were received in May 2017. The Board of County Commissioners approved the grant contract with the DOT in June 2017 for both Phase III and the Airport Terminal Building. The Phase IV Design work was also approved in June 2017.

Airport Industrial Park: Grading for development pads in the Airport Industrial Park began early in FY2017. In June 2017, the Development Authority received bids for initial expansion of water and sewer service to potential development sites. The County purchased approximately 46.5 acres to expanding the Airport Industrial Park, and Foothills Land Design has provided schematic drawings of potential layouts for industrial development pads.

New Administration Building: Throughout FY2017 several Town Hall meetings were held to address public concerns related to the proposed Administration Building. In November 2016, the Commission voted to finance the future Administration Building through a certificate of participation, and the Jacob's Way property was selected as the site. In June 2017, the Construction Manager at Risk Firm was hired.

Compensation & Classification: Phase I of the Classification and Compensation Study was implemented in FY2017, and it was prudent to set aside funds for Phase II implementation during FY2018.

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 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 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 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, although much has been done to minimize the cost increase through the implementation of a self-insured health benefit program, which has reduced the growth in the rising costs of Health Benefit expenses.

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 everyone that has participated in this process.

Sincerely,



Heidi Hook, Finance Director



Phil Sutton, County Manager

Part II

Financial Section

HABERSHAM COUNTY
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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, 2017, 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 22.6 percent, 8.1 percent, and 49.3 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, 2017, 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 schedules of projects financed with special purpose local option sales tax 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 schedules of projects financed with special purpose local option sales tax, 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, 2016, which are not presented with the accompanying financial statements. In our report dated November 18, 2016, 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 2016 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 2016 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 2016 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 2016 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 20, 2017, 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 20, 2017

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HABERSHAM COUNTY
GEORGIA | Est. 1818

Office of Commissioners
Finance Department
555 Monroe Street, Unit 20, Clarkesville, GA 30523
706-839-0200 Fax: 706-839-0219
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 for the fiscal year ended June 30, 2017. 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, 2017 by $70,972,142 (*net position*). Of this amount, $370,375 is reported as unrestricted net position. This is a decrease of $1,053,850 from the previous fiscal year for unrestricted. Total net position increased by $2,195,913 from the previous fiscal year.

- As of June 30, 2017, Habersham County's governmental funds reported combined ending fund balances of $8,783,058. Approximately 45% of this total amount, or $3,938,386, is reported as unassigned and available for spending at the Board's discretion. Approximately 6% or $496,836, 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, 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, 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 2017 and 2016

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current assets	$ 11,244,796	$ 11,782,958	$ 1,804,016	$ 1,741,271	$ 13,048,812	$ 13,524,229
Capital assets	82,799,911	99,794,184	24,341,877	4,242,066	107,141,788	104,036,250
Other noncurrent assets	533,333	750,000	0	0	533,333	750,000
Total assets	94,578,040	112,327,142	26,145,893	5,983,337	120,723,933	118,310,479
Deferred Outflows of Resources						
Pension investment return differences	334,394	414,473	9,243	11,760	343,637	426,233
Pension experience differences	37,175	0	1,169	0	38,344	0
Pension assumption changes	380,610	223,159	11,290	6,340	391,900	229,499
Total Deferred Outflow of Resources	752,179	637,632	21,702	18,100	773,881	655,732
Current liabilities	5,216,356	3,688,030	102,140	127,844	5,318,496	3,815,874
Noncurrent liabilities	41,211,250	42,468,740	3,938,194	3,824,662	45,149,444	46,293,402
Total liabilities	46,427,606	46,156,770	4,040,334	3,952,506	50,467,940	50,109,276
Deferred Inflows of Resources						
Pension investment return differ	0	80,421	1,585	2,285	1,585	82,706
Pension experience differences	58,147	0	0	0	58,147	0
Total Deferred Inflows of Resources	58,147	80,421	1,585	2,285	59,732	82,706
Net position:						
Net investment in capital assets	43,253,157	57,830,154	24,036,985	3,888,490	67,290,142	61,718,644
Restricted	3,309,625	5,631,360	0	0	3,309,625	5,631,360
Unrestricted	2,281,684	3,266,069	(1,911,309)	(1,841,844)	370,375	1,424,225
Total net position	$ 48,844,466	$ 66,727,583	$ 22,125,676	$ 2,046,646	$ 70,970,142	$ 68,774,229

Net position may serve over time as a useful indicator of a government's financial position. Assets for Habersham County exceeded liabilities by $70,970,142 at the close of fiscal year 2017. Approximately 95% 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 5% 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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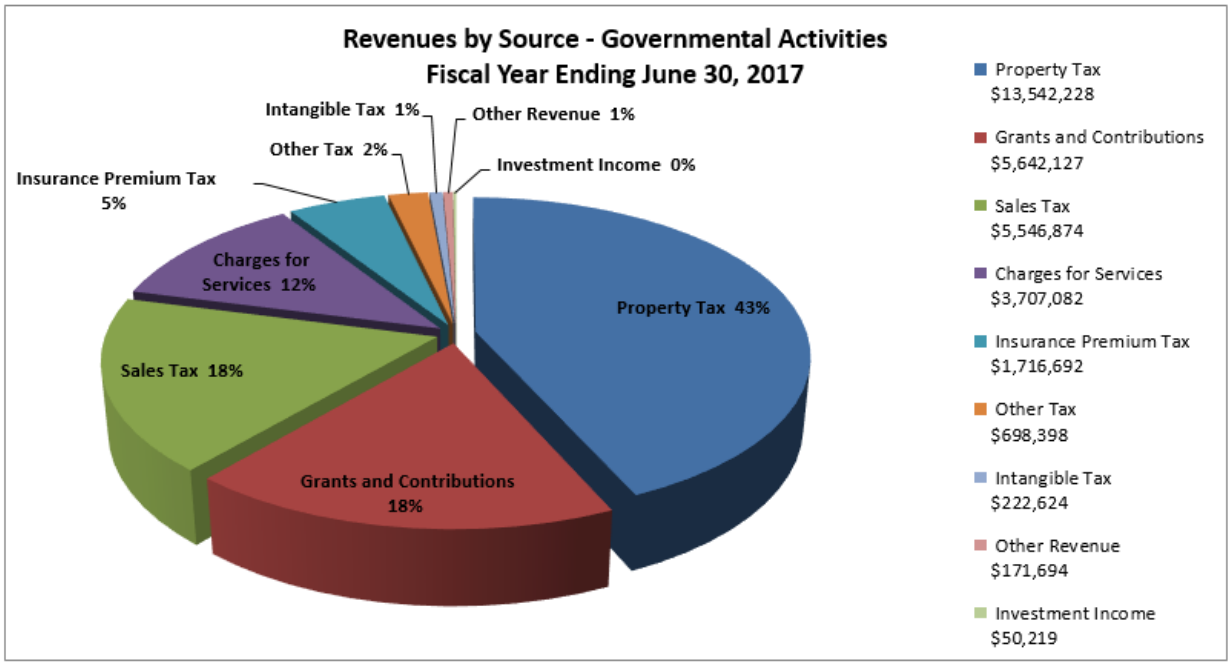
The following condensed financial information was derived from the government-wide Statement of Activities and reflects how Habersham County's net position changed during the fiscal year.

Habersham County
Changes in Net Position
Fiscal Years 2017 and 2016

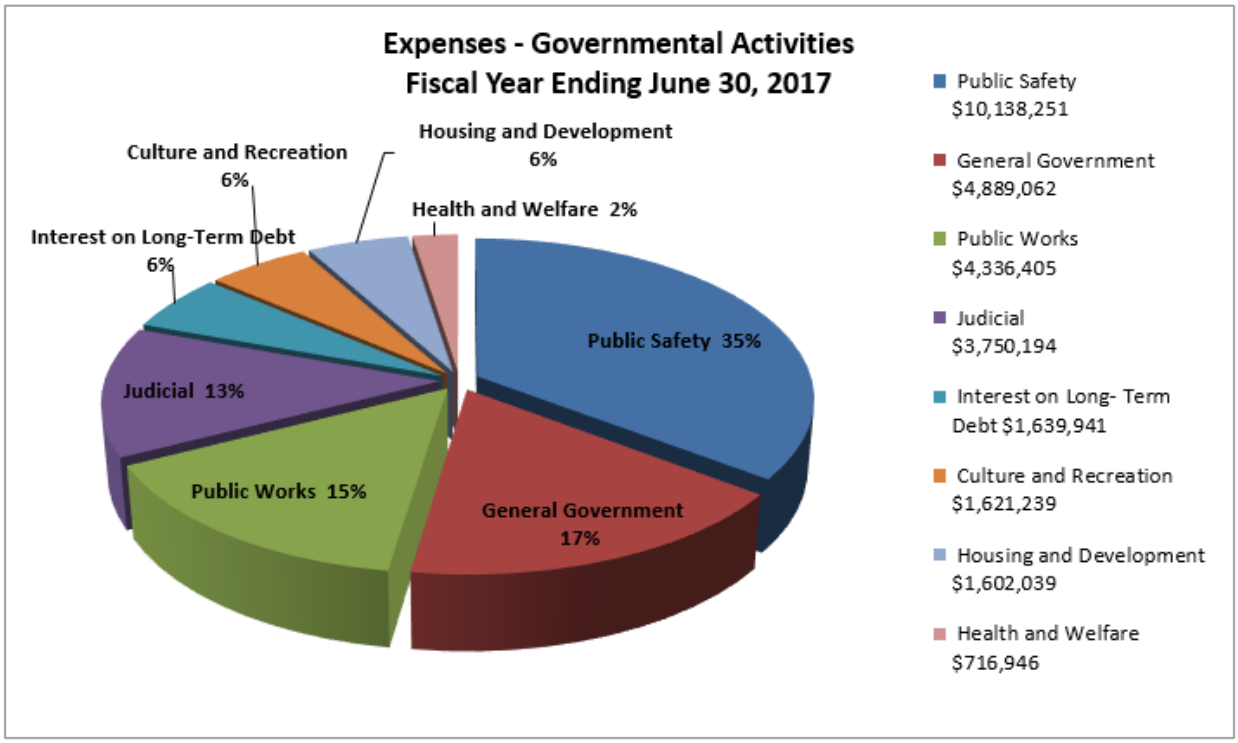
	Governmental Activities		Business-Type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Revenues						
Program revenues:						
Charges for services	$ 3,707,082	$ 3,631,862	$ 1,274,642	$ 1,106,910	$ 4,981,724	$ 4,738,772
Operating grants and contributions	1,859,479	1,440,798	42,988	55,712	1,902,467	1,496,510
Capital grants and contributions	3,782,648	5,841,538	40,503	35,609	3,823,151	5,877,147
General revenues:						
Property tax	13,542,228	13,084,240	-	-	13,542,228	13,084,240
Sales tax	5,546,874	5,607,202	-	-	5,546,874	5,607,202
Intangible tax	222,624	198,726	-	-	222,624	198,726
Insurance premium tax	1,716,692	1,613,190	-	-	1,716,692	1,613,190
Other taxes	698,398	816,219	-	-	698,398	816,219
Interest & investment earnings	50,219	150,981	(5,858)	36,724	44,361	187,705
Other revenue	171,694	635,548	43,980	9,427	215,674	644,975
Total revenues	31,297,938	33,020,304	1,396,255	1,244,382	32,694,193	34,264,686
Expenses						
General government	4,889,062	4,352,580	-	-	4,889,062	4,352,580
Judicial	3,750,194	3,436,606	-	-	3,750,194	3,436,606
Public Safety	10,138,251	9,850,823	-	-	10,138,251	9,850,823
Public Works	4,336,405	4,334,292	-	-	4,336,405	4,334,292
Health and Welfare	716,946	1,331,691	-	-	716,946	1,331,691
Culture and Recreation	1,621,239	1,507,351	-	-	1,621,239	1,507,351
Housing and Development	1,602,039	1,046,402	-	-	1,602,039	1,046,402
Interest on long-term debt	1,639,941	1,651,364	-	-	1,639,941	1,651,364
Landfill	-	-	1,164,269	1,466,572	1,164,269	1,466,572
Transit	-	-	108,962	91,353	108,962	91,353
Airport	-	-	530,972	100,595	530,972	100,595
Total expenses	28,694,077	27,511,109	1,804,203	1,658,520	30,498,280	29,169,629
Increase (decrease) in net position before special items and transfers	2,603,861	5,509,195	(407,948)	(414,138)	2,195,913	5,095,057
Transfers	(20,486,978)	(266,613)	20,486,978	266,613	-	-
Increase (decrease) in net position	(17,883,117)	5,242,582	20,079,030	(147,525)	2,195,913	5,095,057
Net position - beginning (original)	66,727,583	61,961,700	2,046,646	2,194,171	68,774,229	64,155,871
Prior period adjustments	-	(476,699)	-	-	-	(476,699)
Net position - beginning (restated)	66,727,583	61,485,001	2,046,646	2,194,171	68,774,229	63,679,172
Net position - ending	$ 48,844,466	$ 66,727,583	$ 22,125,676	$ 2,046,646	$ 70,970,142	$ 68,774,229

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 $407,948 or 20%, excluding transfers. This decrease is due in large part to an operating loss in the Landfill Enterprise Fund and Airport Enterprise Fund related to depreciation. As of June 30, 2017, Airport Capital Assets are now being reported in the Airport Enterprise Fund whereas in previous years they were reported in Governmental Activities. The amount of the contribution of capital assets from the Governmental Activates to the Airport Enterprise Fund was $20,074,678.

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 $8,783,058. Of this amount, $3,938,386 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 $3,938,386, while total fund balance reached $5,248,767. 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 75% of total fund balance in the General Fund. Unassigned fund balance represents 22% 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 $4,581, or approximately 0%. The County decreased unassigned fund balance in the General Fund by $914,384 or 19%. Fund balances now includes as assignment to Future Employee Health in the amount of $513,212. These are the funds set aside but not utilized for health insurance coverage in FY17. 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 $ (1,949,630)
- Transit $ (8,260)
- Airport $ 50,956

The Landfill Fund decreased unrestricted net position by approximately $100,921. Post-closure care liability as of June 30, 2017 is 3,625,680 versus $3,479,990 as of the end of fiscal year 2016. This is an increase of $145,690, or 4%.

Capital Assets and Debt Administration

Capital Assets. Habersham County has invested $107,141,788 in capital assets (net of accumulated depreciation) compared to $104,036,250 in the previous fiscal year. This represents an increase of 3%. Approximately 77% 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 2017 and 2016

	Governmental Activities		Business-Type Activities		Totals	
	2017	2016	2017	2016	2017	2016
Land	$ 6,433,499	$ 8,433,115	$ 2,871,675	$ 665,702	$ 9,305,174	$ 9,098,817
Construction in progress	502,734	11,242,083	3,657,502	303,268	4,160,236	11,545,351
Buildings	73,010,275	73,248,141	1,156,047	33,365	74,166,322	73,281,506
Land improvements	3,241,355	4,462,903	9,771,863	7,816,939	13,013,218	12,279,842
Machinery and equipment	3,071,387	2,939,114	1,862,099	1,755,134	4,933,486	4,694,248
Furniture and fixtures	3,616,141	3,348,860	-	0	3,616,141	3,348,860
Vehicles	7,220,655	7,286,467	426,423	307,853	7,647,078	7,594,320
Infrastructure	63,193,588	67,048,414	15,397,879	0	78,591,467	67,048,414
Total	160,289,634	178,009,097	35,143,488	10,882,261	195,433,122	188,891,358
Accumulated Depreciation	(77,489,723)	(78,214,913)	(10,801,611)	(6,640,195)	(88,291,334)	(84,855,108)
Net Capital Assets	$ 82,799,911	$ 99,794,184	$ 24,341,877	$ 4,242,066	$ 107,141,788	$ 104,036,250

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, 2017, Habersham County had a total debt balance outstanding for governmental activities in the amount of $40,931,687 as compared to $42,662,254 the previous fiscal year. Habersham County's outstanding debt for governmental activities has decreased by $1,730,567 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, 2017 is $899,385. 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, 2017 that balance of the remaining note was $116,860.

Additional information on the County's long-term debt can be found in Note 12 on pages 62-64 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, 2017

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 7,422,134	$ 610,173	$ 8,032,307	$ 812,689
Certificates of deposit	105,909	0	105,909	0
Investments	779,485	642,489	1,421,974	0
Restricted assets				
Cash and cash equivalents	48,367	0	48,367	195,370
Investments	36,607	0	36,607	0
Receivables (net)				
Accounts	226,640	56,008	282,648	44,827
Intergovernmental	1,852,635	14,535	1,867,170	0
Taxes	607,983	0	607,983	0
Notes	200,000	0	200,000	0
Inventory	0	39,417	39,417	0
Prepaid items	406,430	0	406,430	0
Internal balances	(441,394)	441,394	0	0
Total current assets	11,244,796	1,804,016	13,048,812	1,052,886
Noncurrent assets				
Notes receivable	533,333	0	533,333	0
Capital assets				
Non-depreciable	6,936,233	6,529,177	13,465,410	2,339,751
Depreciable (net)	75,863,678	17,812,700	93,676,378	357,711
Total noncurrent assets	83,333,244	24,341,877	107,675,121	2,697,462
Total assets	94,578,040	26,145,893	120,723,933	3,750,348
DEFERRED OUTFLOW OF RESOURCES				
Pension investment return differences	334,394	9,243	343,637	64,731
Pension experience differences	37,175	1,169	38,344	5,393
Pension assumption changes	380,610	11,290	391,900	86,309
Total deferred outflow of resources	752,179	21,702	773,881	156,433
LIABILITIES				
Current liabilities				
Payables				
Accounts	2,051,859	13,356	2,065,215	24,635
Intergovernmental	316,187	0	316,187	8,450
Retainage	335,604	0	335,604	0
Interest	663,191	4,375	667,566	0
Accrued salaries and expenses	199,616	6,101	205,717	0
Compensated absences	574,316	22,820	597,136	26,000
Unearned revenue	0	3,600	3,600	2,500
Due to other agencies	36,756	0	36,756	0
Claims reserve	33,671	0	33,671	0
Capital leases payable	17,504	51,888	69,392	0
Notes payable	162,034	0	162,034	0
Contracts payable	825,618	0	825,618	0
Total current liabilities	5,216,356	102,140	5,318,496	61,585

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2017

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	$ 191,439	$ 7,607	$ 199,046	$ 22,888
Net pension liability	1,859,035	53,644	1,912,679	0
Proportionate share of net pension liability	0	0	0	636,667
Capital leases payable	4,497	251,263	255,760	0
Notes payable	854,211	0	854,211	0
Contracts payable	38,302,068	0	38,302,068	0
Post-closure care costs	0	3,625,680	3,625,680	0
Total noncurrent liabilities	41,211,250	3,938,194	45,149,444	659,555
Total liabilities	46,427,606	4,040,334	50,467,940	721,140
DEFERRED INFLOWS OF RESOURCES				
Pension investment return differences	0	1,585	1,585	0
Pension experience differences	58,147	0	58,147	41,826
Total deferred inflows of resources	58,147	1,585	59,732	41,826
NET POSITION				
Net investment in capital assets	43,253,157	24,036,985	67,290,142	2,697,462
Restricted for:				
Judicial	277,159	0	277,159	0
Public safety	86,839	0	86,839	0
Health and welfare	0	0	0	253,775
Capital outlay	496,836	0	496,836	195,370
Debt service	2,448,791	0	2,448,791	0
Unrestricted	2,281,684	(1,911,309)	370,375	(2,792)
Total net position	$ 48,844,466	$ 22,125,676	$ 70,970,142	$ 3,143,815

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, 2017

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	$ 4,889,062	$ 592,119	$ 10,000	$ 0	$ (4,286,943)
Judicial	3,750,194	592,827	1,237,329	0	(1,920,038)
Public Safety	10,138,251	1,682,798	365,974	167,955	(7,921,524)
Public Works	4,336,405	158,972	0	3,501,969	(675,464)
Health and Welfare	716,946	0	220,649	0	(496,297)
Culture and Recreation	1,621,239	560,354	1,540	0	(1,059,345)
Housing and Development	1,602,039	120,012	23,987	112,724	(1,345,316)
Interest on long-term debt	1,639,941	0	0	0	(1,639,941)
Total governmental activities	28,694,077	3,707,082	1,859,479	3,782,648	(19,344,868)
Business-type activities					
Landfill	1,164,269	1,007,961	0	0	(156,308)
Transit	108,962	38,232	42,988	40,503	12,761
Airport	530,972	228,449	0	0	(302,523)
Total business-type activities	1,804,203	1,274,642	42,988	40,503	(446,070)
Total primary government	30,498,280	4,981,724	1,902,467	3,823,151	(19,790,938)
Component Units					
Habersham County Development Authority					
Housing and Development	330,259	0	21,291	935,396	626,428
Habersham County Health Department					
Health and Welfare	861,145	501,159	361,955	0	1,969
Total component units	1,191,404	501,159	383,246	935,396	628,397

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Change in net position				
Net (expense) revenue	$ (19,344,868)	$ (446,070)	$ (19,790,938)	$ 628,397
General revenues				
Taxes				
Property	13,542,228	0	13,542,228	0
Sales	5,546,874	0	5,546,874	0
Intangible	222,624	0	222,624	0
Insurance premium	1,716,692	0	1,716,692	0
Other	698,398	0	698,398	0
Interest and investment earnings	50,219	(5,858)	44,361	24
Rental income	82,559	40,800	123,359	20,000
Payments from Habersham County	0	0	0	185,607
Gain on sale of assets	18,199	0	18,199	101,000
Miscellaneous	70,936	3,180	74,116	1,129
Transfers	(20,486,978)	20,486,978	0	0
Total general revenues and transfers	1,461,751	20,525,100	21,986,851	307,760
Change in net position	(17,883,117)	20,079,030	2,195,913	936,157
Net position - beginning	66,727,583	2,046,646	68,774,229	2,207,658
Net position - ending	$ 48,844,466	$ 22,125,676	$ 70,970,142	$ 3,143,815

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

HABERSHAM COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2017

	General	Hospital Debt Service	SPLOST #5
ASSETS			
Cash and cash equivalents	$ 3,918,666	$ 1,510,612	$ 0
Certificates of deposit	0	0	0
Investments	779,485	0	0
Restricted assets			
Cash and cash equivalents	48,367	0	0
Investments	36,607	0	0
Receivables (net)			
Accounts	55,111	10,018	0
Intergovernmental	186,224	0	0
Taxes	115,735	0	0
Notes receivable	0	733,333	0
Prepaid items	406,430	0	0
Due from other funds	263,185	194,828	0
Total assets	$ 5,809,810	$ 2,448,791	$ 0
LIABILITIES AND FUND BALANCES			
Liabilities			
Payables			
Accounts	$ 243,245	$ 0	$ 0
Intergovernmental	21,412	0	0
Retainage	0	0	0
Accrued salaries and expenses	179,874	0	0
Due to other agencies	0	0	0
Due to other funds	61,463	0	0
Claims reserve	33,671	0	0
Total liabilities	539,665	0	0
Deferred Inflows of Resources			
Unavailable revenue - property taxes	21,378	0	0
Fund balances			
Nonspendable:			
Prepaid items	406,430	0	0
Restricted for:			
Judicial	31,590	0	0
Public safety	53,384	0	0
Capital outlay	0	0	0
Debt service	0	2,448,791	0
Assigned to:			
General government	513,212	0	0
Public safety	5,001	0	0
Health and welfare	0	0	0
Subsequent year's budget	300,764	0	0
Unassigned	3,938,386	0	0
Total fund balances	5,248,767	2,448,791	0
Total liabilities, deferred inflows, and fund balances	$ 5,809,810	$ 2,448,791	$ 0

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

Exhibit A-3, continued

SPLOST #6	Nonmajor Governmental Funds	Totals
$ 1,466,414	$ 526,442	$ 7,422,134
0	105,909	105,909
0	0	779,485
0	0	48,367
0	0	36,607
0	161,511	226,640
1,542,227	124,184	1,852,635
492,248	0	607,983
0	0	733,333
0	0	406,430
0	61,463	519,476
$ 3,500,889	$ 979,509	$ 12,738,999

$ 1,655,714	$ 152,900	$ 2,051,859
294,775	0	316,187
335,604	0	335,604
0	19,742	199,616
0	36,756	36,756
717,960	181,447	960,870
0	0	33,671
3,004,053	390,845	3,934,563
0	0	21,378
0	0	406,430
0	245,569	277,159
0	33,455	86,839
496,836	0	496,836
0	0	2,448,791
0	0	513,212
0	306,446	311,447
0	3,194	3,194
0	0	300,764
0	0	3,938,386
496,836	588,664	8,783,058
$ 3,500,889	$ 979,509	$ 12,738,999

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HABERSHAM COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2017

Total fund balance - total governmental funds	$	8,783,058
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets of $160,289,634, net of accumulated depreciation of ($77,489,723) are not financial resources and, therefore, are not reported in the funds.		82,799,911
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.		21,378
Deferred outflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		752,179
Deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		(58,147)
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are interest payable of ($663,191), capital leases payable of ($22,001), notes payable of ($1,016,245), contracts payable of ($39,127,686), compensated absences of ($765,755), and net pension liability of ($1,859,035).		(43,453,913)
Net position of governmental activities	$	48,844,466

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, 2017

	General	Hospital Debt Service	SPLOST #5
REVENUES			
Taxes	$ 15,042,349	$ 1,056,030	$ 0
Licenses and permits	161,715	0	0
Fines, fees and forfeitures	1,045,695	0	0
Charges for services	1,406,053	0	0
Intergovernmental	1,316,699	899	101,000
Investment income	(5,080)	0	(3,703)
Contributions	74,844	0	0
Other	127,477	0	0
Total revenues	19,169,752	1,056,929	97,297
EXPENDITURES			
Current			
General government	3,953,167	0	0
Judicial	2,690,785	0	0
Public safety	7,963,784	0	0
Public works	1,553,824	0	0
Health and welfare	274,874	0	0
Culture and recreation	1,220,973	0	0
Housing and development	590,633	0	0
Capital outlay	0	0	1,734,789
Intergovernmental	0	0	0
Debt service			
Principal	34,209	0	0
Interest	3,771	2,492,885	0
Total expenditures	18,286,020	2,492,885	1,734,789
Excess (deficiency) of revenues over (under) expenditures	883,732	(1,435,956)	(1,637,492)
Other financing sources (uses)			
Transfers in	179,070	1,109,375	40,536
Transfers out	(1,080,820)	0	0
Proceeds from sale of assets	22,599	0	0
Total other financing sources (uses)	(879,151)	1,109,375	40,536
Net change in fund balance	4,581	(326,581)	(1,596,956)
Fund balances, July 1	5,244,186	2,775,372	1,596,956
Fund balances, June 30	$ 5,248,767	$ 2,448,791	$ 0

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

Exhibit A-5

SPLOST #6	Nonmajor Governmental Funds	Totals
$ 5,546,874	$ 66,783	$ 21,712,036
0	0	161,715
0	139,086	1,184,781
0	895,284	2,301,337
3,499,707	682,227	5,600,532
2,262	448	(6,073)
0	12,013	86,857
0	26,022	153,499
9,048,843	1,821,863	31,194,684
0	0	3,953,167
0	581,341	3,272,126
0	1,229,528	9,193,312
0	0	1,553,824
0	439,047	713,921
0	0	1,220,973
0	26,713	617,346
6,204,740	523,698	8,463,227
1,678,484	0	1,678,484
0	0	34,209
0	0	2,496,656
7,883,224	2,800,327	33,197,245
1,165,619	(978,464)	(2,002,561)
0	1,018,476	2,347,457
(1,499,867)	(179,070)	(2,759,757)
0	0	22,599
(1,499,867)	839,406	(389,701)
(334,248)	(139,058)	(2,392,262)
831,084	727,722	11,175,320
$ 496,836	$ 588,664	$ 8,783,058

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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, 2017

Net change in fund balances - total governmental funds	$	(2,392,262)
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 $7,306,266 exceeded depreciation of ($3,284,872) in the current period.		4,021,394
In the statement of activities, the loss on the disposal of capital assets is reported, 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 capital assets disposed ($43,841) exceeded accumulated depreciation of $16,958 in the current period.		(26,883)
Distributions of capital assets 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 by which the cost of capital assets ($24,981,888) exceeded related accumulated depreciation $3,993,104 contributed to Airport Fund and the Habersham County Development Authority Component Unit.		(20,988,784)
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.		14,780
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 ($0) were less than repayments of $1,787,200.		1,787,200
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 ($967,971) exceeded pension contributions $719,226.		(248,745)
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 ($56,633) and the net decrease in interest payable $6,816.		(49,817)
Change in net position of governmental activities	$	(17,883,117)

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, 2017

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 15,638,000	$ 15,342,000	$ 15,042,349	$ (299,651)
Licenses and permits	128,600	133,600	161,715	28,115
Fines, fees and forfeitures	1,037,300	1,077,300	1,045,695	(31,605)
Charges for services	1,349,100	1,610,100	1,406,053	(204,047)
Intergovernmental	1,052,844	1,279,803	1,316,699	36,896
Investment income	70,000	70,000	(5,080)	(75,080)
Contributions	16,500	19,100	74,844	55,744
Other	103,150	127,850	127,477	(373)
Total revenues	19,395,494	19,659,753	19,169,752	(490,001)
EXPENDITURES				
Current				
General Government				
County-Wide	788,850	775,171	774,358	813
Commissioners	460,358	498,799	492,447	6,352
County Manager	184,512	200,166	194,019	6,147
County Finance	271,478	256,366	241,536	14,830
County Human Resources	149,905	157,872	152,997	4,875
Tax Commissioner	376,821	355,565	343,223	12,342
Tax Assessor	543,490	525,377	500,792	24,585
Board of Equalization	4,350	3,350	1,624	1,726
County Clerk	60,791	62,136	59,108	3,028
Registrar	155,980	139,330	133,742	5,588
Buildings and Grounds	826,142	834,713	807,145	27,568
Information Technology	263,122	258,933	252,176	6,757
Judicial				
Probate Court	193,306	191,422	179,848	11,574
Magistrate Court	170,019	159,603	151,738	7,865
Clerk of Superior Court	711,159	653,437	620,351	33,086
Superior Court	235,982	236,307	229,147	7,160
District Attorney	131,370	209,794	207,671	2,123
Public Defender	630,372	602,803	596,500	6,303
State Court Judge	272,298	264,378	253,548	10,830
Juvenile Court	303,594	307,333	296,285	11,048
Juvenile Supervision	8,000	4,000	3,150	850
State Court Solicitor	158,687	156,957	152,547	4,410
Public Safety				
Sheriff	3,000,101	3,381,219	3,269,691	111,528
Jail	2,255,012	2,521,965	2,445,780	76,185
Heat Unit	83,699	68,654	64,547	4,107
Animal Control	248,370	357,230	349,884	7,346
Coroner	24,405	26,257	24,580	1,677
Fire	1,391,855	1,367,820	1,306,220	61,600
Emergency Management Agency	109,708	123,494	120,012	3,482
Ambulance	606,472	593,172	383,070	210,102
Public Works				
Fleet	417,992	417,005	405,411	11,594
Road Department	1,238,581	1,189,846	1,148,413	41,433

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

Exhibit A-7, continued

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, 2017

	Budget			Variance with
	Original	Final	Actual	Final Budget
Health and Welfare				
Georgia Mountains Community				
Mental Health	$ 26,300	$ 26,300	$ 26,300	$ 0
Senior Center	9,450	9,450	9,450	0
Habersham County				
Health Department	198,788	185,607	185,607	0
Child Welfare	43,904	60,904	53,517	7,387
Culture and Recreation				
Libraries	283,463	283,463	283,463	0
Recreation	928,638	954,682	937,510	17,172
Housing and Development				
Extension Service	98,485	106,678	104,929	1,749
Forestry	7,832	7,832	7,832	0
Building	510,355	491,900	468,924	22,976
Conservation	5,000	5,000	5,000	0
Planning Commission	5,400	5,400	3,948	1,452
Debt service	132,000	38,000	37,980	20
Total expenditures	18,526,396	19,075,690	18,286,020	789,670
Excess (deficiency) of revenues over (under) expenditures	869,098	584,063	883,732	299,669
Other financing sources (uses)				
Transfers in	88,248	178,480	179,070	590
Transfers out	(1,055,257)	(1,086,993)	(1,080,820)	6,173
Sale of capital assets	20,000	20,000	22,599	2,599
Contingency	(206,539)	0	0	0
Total other financing sources (uses)	(1,153,548)	(888,513)	(879,151)	9,362
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(284,450)	(304,450)	4,581	309,031
Fund balances, July 1	284,450	304,450	5,244,186	4,939,736
Fund balances, June 30	$ 0	$ 0	$ 5,248,767	$ 5,248,767

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

Exhibit A-7, continued

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2017

	Business-Type Activities			
	Landfill	Transit	Airport	Totals
ASSETS				
Current assets				
Cash and cash equivalents	$ 598,585	$ 0	$ 11,588	$ 610,173
Investments	642,489	0	0	642,489
Receivables (net)				
Accounts	55,537	52	419	56,008
Intergovernmental	0	6,085	8,450	14,535
Inventory	0	0	39,417	39,417
Due from other funds	499,685	0	0	499,685
Total current assets	1,796,296	6,137	59,874	1,862,307
Noncurrent assets				
Capital assets				
Non-depreciable	986,467	0	5,542,710	6,529,177
Depreciable (net)	3,499,311	71,998	14,241,391	17,812,700
Total noncurrent assets	4,485,778	71,998	19,784,101	24,341,877
Total assets	6,282,074	78,135	19,843,975	26,204,184
DEFERRED OUTFLOWS OF RESOURCES				
Pension investment return differences	7,890	1,353	0	9,243
Pension experience differences	1,022	147	0	1,169
Pension assumption changes	9,751	1,539	0	11,290
Total deferred outflows of resources	18,663	3,039	0	21,702
LIABILITIES				
Current liabilities				
Payables				
Accounts	7,246	792	5,318	13,356
Interest	4,375	0	0	4,375
Accrued salaries	5,163	938	0	6,101
Compensated absences	18,358	4,462	0	22,820
Unearned revenue	0	0	3,600	3,600
Due to other funds	55,644	2,647	0	58,291
Capital leases	51,888	0	0	51,888
Total current liabilities	142,674	8,839	8,918	160,431
Noncurrent liabilities				
Compensated absences	6,119	1,488	0	7,607
Net pension liability	46,778	6,866	0	53,644
Capital leases payable	251,263	0	0	251,263
Postclosure care	3,625,680	0	0	3,625,680
Total noncurrent liabilities	3,929,840	8,354	0	3,938,194
Total liabilities	4,072,514	17,193	8,918	4,098,625
DEFERRED INFLOWS OF RESOURCES				
Pension investment return differences	1,342	243	0	1,585
NET POSITION				
Net investment in capital assets	4,180,886	71,998	19,784,101	24,036,985
Unrestricted	(1,954,005)	(8,260)	50,956	(1,911,309)
Total net position	$ 2,226,881	$ 63,738	$ 19,835,057	$ 22,125,676

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, 2017

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
OPERATING REVENUES				
Charges for sales and services	$ 1,007,961	$ 38,232	$ 228,449	$ 1,274,642
Rental income	0	0	40,800	40,800
Miscellaneous	767	0	2,413	3,180
Total operating revenues	1,008,728	38,232	271,662	1,318,622
OPERATING EXPENSES				
Costs of sales and services	483,953	28,673	219,593	732,219
Personal services	357,780	69,713	0	427,493
Depreciation	313,889	10,576	311,379	635,844
Total operating expenses	1,155,622	108,962	530,972	1,795,556
Operating income (loss)	(146,894)	(70,730)	(259,310)	(476,934)
Non-operating revenues (expenses)				
Investment income	(5,861)	0	3	(5,858)
Interest expense	(8,647)	0	0	(8,647)
Intergovernmental revenue	0	42,988	0	42,988
Total non-operating revenues (expenses)	(14,508)	42,988	3	28,483
Net income (loss) before capital contributions and transfers	(161,402)	(27,742)	(259,307)	(448,451)
Capital contributions				
Intergovernmental	0	40,503	0	40,503
Contributions of capital assets from Governmental Activities	0	0	20,074,678	20,074,678
Total capital contributions	0	40,503	20,074,678	20,115,181
Net income (loss) before transfers	(161,402)	12,761	19,815,371	19,666,730
Transfers				
Transfers in	390,492	21,808	0	412,300
Change in net position	229,090	34,569	19,815,371	20,079,030
Net position, July 1	1,997,791	29,169	19,686	2,046,646
Net position, June 30	$ 2,226,881	$ 63,738	$ 19,835,057	$ 22,125,676

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

Exhibit A-9

HABERSHAM COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2017

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
Cash flows from operating activities:				
Receipts from customers	$ 1,051,194	$ 38,180	$ 273,443	$ 1,362,817
Payments to suppliers	(356,054)	(28,694)	(233,827)	(618,575)
Payments to employees	(357,971)	(70,544)	0	(428,515)
Other receipts	767	0	0	767
Net cash provided (used) by operating activities	337,936	(61,058)	39,616	316,494
Cash flows from non-capital financing activities:				
Receipts from other governments	168	44,765	0	44,933
Receipts from other funds	12,831	16,374	0	29,205
Payments to other funds	0	0	(42,954)	(42,954)
Net cash provided (used) by non-capital financing activities	12,999	61,139	(42,954)	31,184
Cash flows from capital and related financing activities:				
Receipts from other funds	142,807	0	0	142,807
Acquisition of capital assets	(597,850)	(81)	(20,802)	(618,733)
Principal payments - capital leases	(50,425)	0	0	(50,425)
Interest paid	(10,253)	0	0	(10,253)
Net cash provided (used) by capital and related financing activities	(515,721)	(81)	(20,802)	(536,604)
Cash flows from investing activities:				
Interest received	0	0	3	3
Purchase of investments	(239,934)	0	0	(239,934)
Net cash provided (used) by investing activities	(239,934)	0	3	(239,931)
Net increase (decrease) in cash and cash equivalents	(404,720)	0	(24,137)	(428,857)
Cash and cash equivalents, July 1	1,003,305	0	35,725	1,039,030
Cash and cash equivalents, June 30	$ 598,585	$ 0	$ 11,588	$ 610,173

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

Exhibit A-10, continued

HABERSHAM COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2017

	Business-Type Activities			
	Landfill	Transit	Airport	Totals
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (146,894)	$ (70,730)	$ (259,310)	$ (476,934)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	313,889	10,576	311,379	635,844
Closure/postclosure costs	145,690	0	0	145,690
(Increase) decrease in accounts receivable	43,233	(52)	(419)	42,762
(Increase) decrease in inventories	0	0	(18,994)	(18,994)
(Increase) decrease in pension investment return differences	2,201	316	0	2,517
(Increase) decrease in pension experience differences	(1,022)	(147)	0	(1,169)
(Increase) decrease in pension assumption changes	(4,328)	(622)	0	(4,950)
Increase (decrease) in accounts payable	(17,735)	165	4,760	(12,810)
Increase (decrease) in unearned revenue	0	0	2,200	2,200
Increase (decrease) in intergovernmental payable	(56)	(186)	0	(242)
Increase (decrease) in accrued payroll liabilities	(7,029)	(1,814)	0	(8,843)
Increase (decrease) in pension investment return differences	(612)	1,524	0	912
Increase (decrease) in net pension liability	10,599	(88)	0	10,511
Total adjustments	484,830	9,672	298,926	793,428
Net cash provided (used) by operating activities	$ 337,936	$ (61,058)	$ 39,616	$ 316,494

Noncash capital and related financing activities:

Contributions of capital assets from other governments totaled $40,503.

Contributions of capital assets from government totaled $20,074,678 ($23,615,575 cost less $3,540,897 accumulated depreciation).

Acquisition of capital assets through accounts payable totaled $1,740.

Unrealized loss on investments totaled $5,861.

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2017

	Agency Funds
ASSETS	
Cash	$ 1,502,799
LIABILITIES	
Due to other agencies	$ 1,502,799

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

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2017

	Habersham County Development Authority	Habersham County Health Department	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 8,093	$ 804,596	$ 812,689
Restricted cash and cash equivalents	195,370	0	195,370
Accounts Receivable (net)	249	44,578	44,827
Total current assets	203,712	849,174	1,052,886
Noncurrent assets			
Capital assets			
Non-depreciable	2,339,751	0	2,339,751
Depreciable (net)	357,711	0	357,711
Total noncurrent assets	2,697,462	0	2,697,462
Total assets	2,901,174	849,174	3,750,348
DEFERRED OUTFLOW OF RESOURCES			
Pension investment return differences	0	64,731	64,731
Pension experience differences	0	5,393	5,393
Pension contributions subsequent to measurement date	0	86,309	86,309
Total deferred outflow of resources	0	156,433	156,433
LIABILITIES			
Current liabilities			
Payables			
Accounts	184	24,451	24,635
Intergovernmental	8,450	0	8,450
Compensated absences	0	26,000	26,000
Unearned revenue	2,500	0	2,500
Total current liabilities	11,134	50,451	61,585
Noncurrent liabilities			
Compensated absences	0	22,888	22,888
Proportionate share of net pension liability	0	636,667	636,667
Total noncurrent liabilities	0	659,555	659,555
Total liabilities	11,134	710,006	721,140
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows or resources, net	0	41,826	41,826
NET POSITION			
Investment in capital assets	2,697,462	0	2,697,462
Restricted for capital outlay	195,370	0	195,370
Restricted for health and welfare	0	253,775	253,775
Unrestricted	(2,792)	0	(2,792)
Total net position	$ 2,890,040	$ 253,775	$ 3,143,815

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, 2017

	Habersham County Development Authority	Habersham County Health Department	Totals
Expenses			
Health and Welfare	$ 0	$ 861,145	$ 861,145
Housing and Development	330,259	0	330,259
Total expenses	330,259	861,145	1,191,404
Program revenues			
Charges for services	0	501,159	501,159
Operating grants and contributions	21,291	361,955	383,246
Capital grants and contributions	935,396	0	935,396
Total program revenues	956,687	863,114	1,819,801
Net (expense) revenue	626,428	1,969	628,397
General revenues			
Investment income	24	0	24
Rental income	20,000	0	20,000
Payments from Habersham County	0	185,607	185,607
Gain on the sale of assets	101,000	0	101,000
Miscellaneous	1,129	0	1,129
Total general revenues	122,153	185,607	307,760
Change in net position	748,581	187,576	936,157
Net position - beginning	2,141,459	66,199	2,207,658
Net position, June 30	$ 2,890,040	$ 253,775	$ 3,143,815

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

Exhibit A-13

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 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.

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. This component unit was dissolved in fiscal year 2016. 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. This component unit was dissolved in fiscal year 2016. 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.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements

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

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

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.

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, 2017 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, 2017 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 2016 amounts have been reclassified to conform to the 2017 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.

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, 2017 was 26 days. At June 30, 2017, the County's balance in Georgia Fund 1 was $870,345.

3. Deposit and Investment Risk (continued)

Credit Risk (continued)

At June 30, 2017, 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	$ 117,003	Open End	Various
Mainstay Tax Free Bd Fd	1,033,960	Open End	Various
Goldman Sachs	32,052	Open End	Various
Thornburg Investment Trust	238,958	Open End	Various
500 Index	10,799	Open End	Various
Star	10,335	Open End	Various
Inception	15,474	Open End	Various

(1) - Standard and Poor's

4. Accounts Receivable

Net accounts receivable at June 30, 2017 consist of the following:

Primary Government:	
Major Funds	
General Fund	$ 55,111
Hospital Debt Service Fund	10,018
Enterprise Funds	
Landfill	55,537
Transit	52
Airport	419
Nonmajor Funds	
Emergency 911 Special Revenue Fund	134,404
Drug Abuse Treatment Special Revenue Fund	7,853
Senior Center Special Revenue Fund	19,254
Total primary government	$ 282,648
Component Units:	
Habersham County Health Department	$ 44,578
Habersham County Development Authority	249
Total component units	$ 44,827

5. Intergovernmental Receivables

Intergovernmental receivables at June 30, 2017 consist of the following:

Major Funds		
General Fund		
City of Alto, Georgia	$ 177	
City of Baldwin, Georgia	1,020	
City of Clarkesville, Georgia	347	
Cit of Cornelia, Georgia	661	
City of Demorest, Georgia	693	
City of Tallullah Falls, Georgia	67	
City of Mt. Airy, Georgia	21	
Appalachian Regional	3,591	
Parks and Recreation	430	
Rabun County, Georgia	16,868	
Stephens County, Georgia	36,617	
Extension Services	4,838	
Georgia Department of Public Safety	4,689	
Georgia Emergency Management	42,873	
Office for Victims of Crime	35,250	
Animal Control	30,687	
Habersham Probate Court	7,395	$ 186,224
SPLOST #6 Capital Projects Fund		
Georgia Department of Transportation		1,542,227
Transit Enterprise Fund		
Georgia Department of Transportation		6,085
Airport Enterprise Fund		
Habersham County Development Authority		8,450
Nonmajor Funds		
Family Dependency Treatment Court Fund		
Mountain Family Treatment Court		20,248
Senior Center Special Revenue Fund		
T and T Transportation		14,101
Drug Abuse Treatment Special Revenue Fund		
Criminal Council of Ga.		71,671
Emergency 911 Special Revenue Fund		
City of Clarkesville, Georgia	12,376	
City of Demorest, Georgia	5,788	18,164
Total primary government		$ 1,867,170

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, 2017, the balance of this note is $733,333.

Year Ending June 30,	Principal	Interest	Total
2018	$ 200,000	$ 0	$ 200,000
2019	200,000	0	200,000
2020	200,000	0	200,000
2021	133,333	0	133,333
	$ 733,333	$ 0	$ 733,333

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, 2016, were levied on July 18, 2016, billed on August 3, 2016, and due on December 20, 2016. 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, 2017 is as follows:

Receivable Fund	Payable Fund	Amount
General	Landfill	$ 55,644
General	Transit	2,647
General	SPLOST #6	23,447
General	Nonmajor Governmental	181,447
Hospital Debt service	SPLOST #6	194,828
Landfill	SPLOST #6	499,685
Nonmajor Governmental	General	61,463
		$ 1,019,161

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, 2017 is as follows:

Transfer Out Fund	Transfer In Fund	Amount
General	Transit	$ 21,808
	SPLOST #5	40,536
	Nonmajor Governmental	1,018,476
SPLOST #6	Hospital Debt Service	1,109,375
	Landfill	390,492
Nonmajor Governmental	General	179,070
		2,759,757
Transfer of capital assets		
Governmental Activities	Airport	20,074,678
		$ 22,834,435

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 #6 Capital Projects Fund was for debt service payments made by the Hospital Debt Service Fund and capital assets purchased for the Landfill Fund. The transfer to SPLOST #5 from the General Fund was for capital outay.

10. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2017 was as follows:

	Balance 6/30/16	Increases	Decreases	Balance 6/30/17
Governmental activities				
Non-depreciable assets				
Land	$ 8,433,115	$ 916,979	$ (2,916,595)	$ 6,433,499
Construction in progress	11,242,083	6,640,706	(17,380,055)	502,734
Total non-depreciable assets	19,675,198	7,557,685	(20,296,650)	6,936,233
Depreciable assets				
Buildings	73,248,141	884,816	(1,122,682)	73,010,275
Land improvements	4,462,903	174,118	(1,395,666)	3,241,355
Machinery and equipment	2,939,114	161,273	(29,000)	3,071,387
Furniture and fixtures	3,348,860	393,411	(126,130)	3,616,141
Vehicles	7,286,467	428,871	(494,683)	7,220,655
Infrastructure	67,048,414	1,184,618	(5,039,444)	63,193,588
Total depreciable assets	158,333,899	3,227,107	(8,207,605)	153,353,401
Less accumulated depreciation				
Buildings	(12,025,619)	(1,623,481)	618,838	(13,030,262)
Land improvements	(2,135,586)	(189,589)	454,550	(1,870,625)
Machinery and equipment	(2,005,079)	(194,036)	24,350	(2,174,765)
Furniture and fixtures	(1,819,762)	(293,826)	112,188	(2,001,400)
Vehicles	(6,303,757)	(416,284)	489,091	(6,230,950)
Infrastructure	(53,925,110)	(567,656)	2,311,045	(52,181,721)
Total accumulated depreciation	(78,214,913)	(3,284,872)	4,010,062	(77,489,723)
Total depreciable assets, net	80,118,986	(57,765)	(4,197,543)	75,863,678
Governmental activities capital assets, net	$ 99,794,184	$ 7,499,920	$ (24,494,193)	$ 82,799,911
Business-type activities				
Non-depreciable assets				
Land	$ 665,702	$ 2,205,973	$ 0	$ 2,871,675
Construction in progress	303,268	14,294,343	(10,940,109)	3,657,502
Total non-depreciable assets	968,970	16,500,316	(10,940,109)	6,529,177
Depreciable assets				
Buildings	33,365	1,122,682	0	1,156,047
Land improvements	7,816,939	1,954,924	0	9,771,863
Machinery and equipment	1,755,134	122,290	(15,325)	1,862,099
Vehicles	307,853	118,570	0	426,423
Infastructure	0	15,397,879	0	15,397,879
Total depreciable assets	9,913,291	18,716,345	(15,325)	28,614,311
Less accumulated depreciation				
Buildings	(12,358)	(648,179)	0	(660,537)
Land improvements	(5,417,600)	(797,601)	0	(6,215,201)
Machinery and equipment	(939,955)	(195,320)	15,325	(1,119,950)
Vehicles	(270,282)	(65,622)	0	(335,904)
Infastructure	0	(2,470,019)	0	(2,470,019)
Total accumulated depreciation	(6,640,195)	(4,176,741)	15,325	(10,801,611)
Total depreciable assets, net	3,273,096	14,539,604	0	17,812,700
Business-type activities capital assets, net	$ 4,242,066	$ 31,039,920	$ (10,940,109)	$ 24,341,877

10. Capital Assets (continued)

Capital asset activity for the discretely presented component units for the year ended June 30, 2017 was as follows:

	Balance 6/30/16	Increases	Decreases	Balance 6/30/17
Habersham County Development Authority				
Non-depreciable assets				
Land	$ 1,429,721	$ 916,979	(173,907)	$ 2,172,793
Construction in progress	115,660	51,298		166,958
Total non-depreciable assets	1,545,381	968,277	(173,907)	2,339,751
Depreciable assets				
Buildings	49,998	0	0	49,998
Land improvements	467,092	0	0	467,092
Machinery and equipment	20,000	18,418	0	38,418
Vehicles	24,036	0	0	24,036
Total depreciable assets	561,126	18,418	0	579,544
Less accumulated depreciation				
Buildings	(20,009)	(1,250)	0	(21,259)
Land improvements	(159,747)	(15,570)	0	(175,317)
Machinery and equipment	(4,398)	(1,341)	0	(5,739)
Vehicles	(14,711)	(4,807)	0	(19,518)
Total accumulated depreciation	(198,865)	(22,968)	0	(221,833)
Total depreciable assets, net	362,261	(4,550)	0	357,711
Habersham County Development Authority capital assets, net	$ 1,907,642	$ 963,727	$ (173,907)	$ 2,697,462
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	$ 864,149
Judicial	368,926
Public Safety	832,200
Public Works	729,055
Health and Welfare	76,406
Culture and Recreation	380,116
Housing and Development	34,020
Total depreciation expense for governmental activities	$ 3,284,872
Business-type activities	
Landfill	$ 313,889
Transit	10,576
Airport	311,379
Total depreciation expense for busines-type activities	$ 635,844
Discretely presented component units	
Habersham County Development Authority	$ 22,968

	Business-type Activities
Current year depreciation expense	$ 635,844
Prior accumulated depreciation on assets transferred between governmental and business-type activities	3,540,897
Additions to accumulated depreciation	$ 4,176,741

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, 2017 are $22,001 and $303,151 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	$ 54,131	$ 374,530	$ 62,080

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, 2017:

Year Ending June 30,	Governmental activities	Business-type activities
2018	$ 18,123	$ 60,679
2019	4,531	60,679
2020	0	203,609
Total minimum lease payments	22,654	324,967
Less amounts representing interest	(653)	(21,816)
Present value of minimum lease payments	$ 22,001	$ 303,151

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, 2017, the balance of this contract payable is $39,127,686.

Based on total advances to date at June 30, 2017, annual debt service requirements for contracts payable are as follows:

Year Ending June 30,	Principal	Interest	Total
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	935,618	1,481,269	2,416,887
2023-2027	5,388,091	6,692,844	12,080,935
2028-2032	6,698,092	5,394,106	12,092,198
2033-2037	8,153,092	3,932,600	12,085,692
2038-2042	9,988,091	2,096,000	12,084,091
2043-2044	4,542,230	270,000	4,812,230
	$ 39,127,686	$ 26,112,269	$ 65,239,955

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, 2017, the balance of this note is $899,385. 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, 2017, the balance of this note is $0. 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, 2017, the balance of this note is $116,860. 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, 2017.

Annual debt service requirements for notes payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2018	$ 162,034	$ 49,833	$ 211,867
2019	854,211	17,717	871,928
	$ 1,016,245	$ 67,550	$ 1,083,795

12. Long-Term Debt (continued)

Changes in Long-Term Debt

The following is a summary of changes in long-term debt of the County for the fiscal year ending June 30, 2017:

	Balance 6/30/2016	Additions	Deductions	Balance 6/30/2017	Due Within One Year
Governmental activities					
Capital leases payable	$ 38,752	$ 0	$ 16,751	$ 22,001	$ 17,504
Notes payable	1,976,076	0	959,831	1,016,245	162,034
Contracts payable	39,938,304	0	810,618	39,127,686	825,618
Compensated absences	709,122	765,755	709,122	765,755	574,316
Total governmental activities	$ 42,662,254	$ 765,755	$ 2,496,322	$ 40,931,687	$ 1,579,472
Business-type activities					
Capital leases payable	$ 353,576	$ 0	$ 50,425	$ 303,151	$ 51,888
Landfill post-closure care costs	3,479,990	145,690	0	3,625,680	0
Compensated absences	29,470	30,427	29,470	30,427	22,820
	$ 3,863,036	$ 176,117	$ 79,895	$ 3,959,258	$ 74,708
Habersham County Health Department Component Unit					
Compensated absences	$ 43,852	$ 31,304	$ 26,268	$ 48,888	$ 26,000

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, 2017 was $1,639,941 for governmental activities, and $8,647 for business-type activities.

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 $3,625,680 as of June 30, 2017, which is based on 54.7% usage (filled) of the landfill. It is estimated that an additional $4,164,162 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 ($7,789,842) 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, 2017. 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, 2016, the date of the most recent actuarial valuation, there were 445 participants consisting of the following:

Retirees, beneficiaries and disables currently receiving benefits	45
Terminated vested participants entitled to but not yet receiving benefits	222
Active participants	184
Total number of participants	451

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 6.53% 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, 2017, the County reported a net pension liability of $1,912,679. The net pension liability was measured as of December 31, 2016, and the total pension asset used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. For the fiscal year ended June 30, 2017, the County recognized pension expense of $707,276.

14. Pension Plan (continued)

At June 30, 2017, 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
Differences between expected and actual experience	$ 38,344	$ (58,147)
Net difference between projected and actual earnings on pension plan investments	343,637	(1,585)
Changes of assumptions	391,900	0
	$ 773,881	$ (59,732)

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

Year Ending June 30	
2017	$ 239,318
2018	239,318
2019	187,856
2020	47,657
Totals	$ 714,149

Actuarial Assumptions. The total pension liability in the December 31, 2016 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	N/A
Net investment rate of return	7.25%
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, 2016 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, 2016 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%	7.91%	2.37%	10.22%	3.07%
Barlay's Agg.	30%	5.60%	1.68%	6.56%	1.97%
MSCI EAFE	15%	4.29%	0.64%	5.73%	0.86%
Citi Non US WEBI	5%	4.66%	0.23%	5.98%	0.30%
NAREIT Equity	5%	10.79%	0.54%	10.44%	0.52%
Russell 2000	5%	8.06%	0.40%	9.33%	0.47%
Russell 3000	5%	8.03%	0.40%	10.14%	0.51%
S&P Mid Cap	5%	11.22%	0.56%	11.53%	0.58%
Weighted Return			6.82%		8.28%

14. Pension Plan (continued)

Discount Rate. The discount rate used to measure the total pension liability was 7.25 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 12/31/15	$ 8,349,793	$ 6,834,803	$ 1,514,990
Changes for the year:			
Service cost	269,607	0	269,607
Interest	617,110	0	617,110
Differences between expected and actual experience	50,327	0	50,327
Changes of assumptions	296,824	0	296,824
Contributions—employer	0	450,711	(450,711)
Net investment income	0	501,317	(501,317)
Benefit payments, including refunds of employee contributions	(243,346)	(243,346)	0
Administrative expense	0	(39,054)	39,054
Other changes	0	(76,795)	76,795
Net changes	990,522	592,833	397,689
Balances at 12/31/16	$ 9,340,315	$ 7,427,636	$ 1,912,679

Plan's fiduciary net position as a percentage of the total pension liability	79.52%
Covered payroll	$ 6,905,412
Net pension liability as a percentage of covered payroll	27.70%

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 (6.25 percent) or one percentage-point higher (8.25 percent) than the current rate:

	Discount Rate	Net Pension Liabilty (Asset)
1% decrease	6.25%	$ 3,253,400
Current discount rate	7.25%	1,912,679
1% increase	8.25%	804,769

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, 2017, the Department contributed $86,309. As of June 30, 2017, the Department reported a liability in the amount of $636,667 for its proportionate share (0.02%) of the net pension liability. The Department recognized pension expense of $86,309 for the fiscal year ended June 30, 2017. 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, 2017, the County contributed $11,699 to the Plans. The County Manager made voluntary contributions of $7,873.

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, 2017, the County contributed $35,527 to the Plan. Plan members made voluntary contributions of $137,969.

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, 2017 follows:

Lodging tax receipts	$	66,783	
Disbursements for tourism and trade	$	26,713	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, 2017, the County paid $34,241 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, 2017:

	General	Hospital Debt Service	SPLOST #6	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:					
Judicial					
Juvenile supervision	$ 20,191	$ 0	$ 0	$ 0	$ 20,191
Indigent defense	11,399	0	0	0	11,399
Law library operations	0	0	0	203,959	203,959
Drug programs	0	0	0	41,610	41,610
Public Safety					
Sheriff facilities and equipment	16,777	0	0	33,455	50,232
Animal control facilities and equipment	36,607	0	0	0	36,607
Debt service	0	2,448,791	0	0	2,448,791
Capital projects	0	0	496,836	0	496,836
	$ 84,974	$ 2,448,791	$ 496,836	$ 279,024	$ 3,309,625
Assigned to:					
General Government					
Future healthcare costs	$ 513,212	$ 0	$ 0	$ 0	$ 513,212
Public Safety					
Emergency 911 operations	5,001	0	0	306,446	311,447
Health and Welfare					
Senior Center operations	0	0	0	3,194	3,194
Subsequent budget	300,764	0	0	0	300,764
	$ 305,765	$ 0	$ 0	$ 309,640	$ 615,405

At June 30, 2017, the Habersham County Development Authority fund balance consists of $195,370 restricted for capital projects.

19. Risk Financing Activities

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

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

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against the members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

Settled claims in the past three years have not exceeded the coverages. Management estimates liabilities for unpaid claims based on the probability of losses exceeding the occurrence limits and the reasonableness of estimating those losses. At June 30, 2017, the County has no losses that are probable or estimable and accordingly has not recognized any liability.

20. Self-Insurance

Group Health Insurance

During the fiscal year 2017, the County began providing health care benefits to its active employees and their dependents through a self-insured plan administered by MSI Benefits Group, Inc. Under this arrangement, the County is responsible for paying all claims but purchases reinsurance policies through an insurance provider that is responsible for paying claims in excess of agreed-upon specific and aggregate levels.

Liabilities

Liabilities of the funds are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Changes in the balances of claims liabilities during the year are as follows:

Group Insurance Liabilities

Balance at 7/1/2016	$	0
Current year claims and changes in estimates		1,037,020
Claim payments		(1,003,349)
Balance at 6/30/2017	$	33,671

21. Tax Abatements

The County is subject to tax incentives granted by the Development Authority of Habersham County, an entity created by the State of Georgia and activated by the Board of Commissioners of Habersham County ("Authority"). These incentives are negotiated on an individual basis as a reduction of property taxes by percentage of total taxes and have the stated purpose of increasing business activity and employment in the County by allowing localities to abate property taxes for a variety of economic development purposes, including business relocation, retention, and expansion. The incentives may be granted to any business located within or promising to relocate to a local government's geographic area and require the business to enter into a sale-leaseback transaction with the Authority in exchange for tax exempt debt financing for the purpose of locating to the area or expansion of current facilities. In addition to the commitment of the debt financing, the business may also commit to certain economic or employment increases. The incentive agreements contain a provision that the business may lose a portion or a portion of the abatement for that year if the business fails to meet its jobs and/or investment goals.

The County has not made any commitments as part of the agreement other than to reduce taxes.

The following incentive exists for the County:

Purpose	% Abated	Current Year $ Abated
SteelCell of North America, Inc	60%	$ 28,452

22. Commitments and Contingencies

Contingencies

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

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

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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, 2017
(Unaudited)

	Fiscal Year End		
	2017	**2016**	**2015**
Total pension liability			
Service cost	$ 269,607	$ 259,833	$ 228,980
Interest	617,110	559,503	519,221
Differences between expected and actual experience	50,327	(105,680)	0
Changes of assumptions	296,824	293,250	0
Benefit payments, including refunds of employee contributions	(243,346)	(234,279)	(187,990)
Net change in total pension liability	990,522	772,627	560,211
Total pension liability - beginning	8,349,793	7,577,166	7,016,955
Total pension liability - ending (a)	$ 9,340,315	$ 8,349,793	$ 7,577,166
Plan fiduciary net position			
Contributions - employer	$ 450,711	$ 408,205	$ 399,462
Net investment income	501,317	45,158	443,332
Benefit payments, including refunds of employee contributions	(243,346)	(234,279)	(187,990)
Administrative expense	(39,054)	(37,197)	(33,173)
Other	(76,795)	(51,296)	(52,449)
Net change in total pension liability	592,833	130,591	569,182
Plan fiduciary net position - beginning	6,834,803	6,704,212	6,135,030
Plan fiduciary net position - ending (b)	$ 7,427,636	$ 6,834,803	$ 6,704,212
Net pension liability (asset) - ending : (a) - (b)	$ 1,912,679	$ 1,514,990	$ 872,954
Plan's fiduciary net position as a percentage of the total pension liability	79.52%	81.86%	88.48%
Covered payroll	$ 6,905,412	$ 7,165,355	$ 6,482,782
Net pension liability as a percentage of covered payroll	27.70%	21.14%	13.47%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only three 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, 2017
(Unaudited)

	Fiscal Year End		
	2017	**2016**	**2015**
Actuarially determined contribution	$ 450,711	$ 408,205	$ 399,462
Contributions in relation to the actuarially determined contribution	(450,711)	(408,205)	(399,462)
Contribution deficiency (excess)	$ 0	$ 0	$ 0
Covered payroll	$ 6,905,412	$ 7,165,355	$ 6,482,782
Contributions as a percentage of covered payroll	6.53%	5.70%	6.16%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only three 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, 2016, 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, 2017.

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 = 7.25%

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, 2017

	Special Revenue				
	Jail	Emergency 911	Hotel/Motel Tax	Law Library	Drug Abuse Treatment
ASSETS					
Cash and cash equivalents	$ 5,900	$ 347,064	$ 0	$ 98,403	$ 0
Certificates of deposit	0	0	0	105,909	0
Receivables					
Accounts (net)	0	134,404	0	0	7,853
Intergovernmental	0	18,164	0	0	71,671
Due from other funds	0	0	0	0	0
Total assets	$ 5,900	$ 499,632	$ 0	$ 204,312	$ 79,524
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 0	$ 5,920	$ 0	$ 353	$ 42,526
Accrued salaries and expenses	0	13,697	0	0	2,165
Due to other agencies	0	0	0	0	0
Due to other funds	388	173,569	0	0	2,091
Total liabilities	388	193,186	0	353	46,782
Fund balances					
Restricted for:					
Judicial	0	0	0	203,959	32,742
Public safety	5,512	0	0	0	0
Assigned to:					
Public safety	0	306,446	0	0	0
Health and welfare	0	0	0	0	0
Total fund balances	5,512	306,446	0	203,959	32,742
Total liabilities and fund balances	$ 5,900	$ 499,632	$ 0	$ 204,312	$ 79,524

Special Revenue				Capital Projects		Total Nonmajor Governmental Funds
Inmate Welfare	Confiscated Assets	Senior Center	Family Dependency Treatment	SPLOST #4	Capital Improvements	
$ 16,551	$ 48,148	$ 10,376	$ 0	$ 0	$ 0	$ 526,442
0	0	0	0	0	0	105,909
0	0	19,254	0	0	0	161,511
0	0	14,101	20,248	0	0	124,184
0	0	0	0	0	61,463	61,463
$ 16,551	$ 48,148	$ 43,731	$ 20,248	$ 0	$ 61,463	$ 979,509
$ 0	$ 0	$ 37,063	$ 5,575	$ 0	$ 61,463	$ 152,900
0	0	3,474	406	0	0	19,742
0	36,756	0	0	0	0	36,756
0	0	0	5,399	0	0	181,447
0	36,756	40,537	11,380	0	61,463	390,845
0	0	0	8,868	0	0	245,569
16,551	11,392	0	0	0	0	33,455
0	0	0	0	0	0	306,446
0	0	3,194	0	0	0	3,194
16,551	11,392	3,194	8,868	0	0	588,664
$ 16,551	$ 48,148	$ 43,731	$ 20,248	$ 0	$ 61,463	$ 979,509

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2017

	Special Revenue				
	Jail	Emergency 911	Hotel/Motel Tax	Law Library	Drug Abuse Treatment
REVENUES					
Taxes	$ 0	$ 0	$ 66,783	$ 0	$ 0
Fines, fees, and forfeitures	64,623	0	0	32,001	32,539
Charges for services	0	741,374	0	0	120,405
Intergovernmental	0	9,755	0	0	387,095
Investment income	0	32	0	416	0
Contributions	0	0	0	0	0
Other	0	2,114	0	0	0
Total revenues	64,623	753,275	66,783	32,417	540,039
EXPENDITURES					
Current					
Judicial	0	0	0	27,906	553,435
Public safety	0	1,201,696	0	0	0
Health and welfare	0	0	0	0	0
Housing and development	0	0	26,713	0	0
Capital outlay	0	0	0	0	0
Total expenditures	0	1,201,696	26,713	27,906	553,435
Excess (deficiency) of revenues over (under) expenditures	64,623	(448,421)	40,070	4,511	(13,396)
Other financing sources (uses)					
Transfers in		506,337	0	0	0
Transfers out	(133,000)	0	(40,070)	0	(6,000)
Total other financing sources (uses)	(133,000)	506,337	(40,070)	0	(6,000)
Net change in fund balance	(68,377)	57,916	0	4,511	(19,396)
Fund balances, July 1	73,889	248,530	0	199,448	52,138
Fund balances, June 30	$ 5,512	$ 306,446	$ 0	$ 203,959	$ 32,742

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	$ 66,783
0	0	0	9,923	0	0	139,086
33,505	0	0	0	0	0	895,284
0	0	205,837	79,540	0	0	682,227
0	0	0	0	0	0	448
0	0	10,913	1,100	0	0	12,013
0	85	23,823	0	0	0	26,022
33,505	85	240,573	90,563	0	0	1,821,863
0	0	0	0	0	0	581,341
27,832	0	0	0	0	0	1,229,528
0	0	357,352	81,695	0	0	439,047
0	0	0	0	0	0	26,713
0	0	0	0	0	523,698	523,698
27,832	0	357,352	81,695	0	523,698	2,800,327
5,673	85	(116,779)	8,868	0	(523,698)	(978,464)
0	5,788	22,401	0	0	483,950	1,018,476
0	0	0	0	0	0	(179,070)
0	5,788	22,401	0	0	483,950	839,406
5,673	5,873	(94,378)	8,868	0	(39,748)	(139,058)
10,878	5,519	97,572	0	0	39,748	727,722
$ 16,551	$ 11,392	$ 3,194	$ 8,868	$ 0	$ 0	$ 588,664

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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, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 3,918,666	$ 4,439,872
Investments	779,485	779,215
Receivables (net)		
Accounts	55,111	149,960
Intergovernmental	186,224	217,988
Taxes	115,735	142,466
Prepaid items	406,430	60,638
Due from other funds	263,185	275,359
Restricted Assets		
Cash and cash equivalents	48,367	46,328
Investments	36,607	0
Total assets	$ 5,809,810	$ 6,111,826
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 243,245	$ 213,728
Intergovernmental	21,412	92,925
Accrued salaries and expenses	179,874	443,898
Due to other funds	61,463	110,491
Claims reserve	33,671	0
Total liabilities	539,665	861,042
Deferred Inflows of Resources		
Unavailable revenue - property taxes	21,378	6,598
Fund balances		
Nonspendable:		
Prepaid items	406,430	60,638
Restricted for:		
Judicial	31,590	28,221
Public Safety	53,384	18,107
Assigned for:		
General Government	513,212	0
Public Safety	5,001	0
Subsequent year's budget	300,764	284,450
Unassigned	3,938,386	4,852,770
Total fund balances	5,248,767	5,244,186
Total liabilities, deferred inflows, and fund balances	$ 5,809,810	$ 6,111,826

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2017 and 2016

	2017	2016
REVENUES		
Taxes	$ 15,042,349	15,030,303
Licenses and permits	161,715	167,147
Fines, fees and forfeitures	1,045,695	1,094,781
Charges for services	1,406,053	1,263,127
Intergovernmental	1,316,699	1,111,045
Investment income	(5,080)	105,007
Contributions	74,844	9,860
Other	127,477	312,944
Total revenues	19,169,752	19,094,214
EXPENDITURES		
Current		
General Government	3,953,167	4,169,699
Judicial	2,690,785	2,612,707
Public Safety	7,963,784	7,766,955
Public Works	1,553,824	1,539,004
Health and Welfare	274,874	269,710
Culture and Recreation	1,220,973	1,118,852
Housing and Development	590,633	604,713
Debt Service		
General Government	37,980	113,939
Total expenditures	18,286,020	18,195,579
Excess (deficiency) of revenues over (under) expenditures	883,732	898,635
Other financing sources (uses)		
Transfers in (out)		
Jail Fund	133,000	0
Hotel/Motel Tax Fund	40,070	38,045
E911 Fund	(506,337)	(467,488)
Confiscated Assets Fund	(5,788)	0
Drug Abuse Treatment Fund	6,000	60,637
SPLOST 5	(40,536)	0
Capital Improvements Fund	(483,950)	(378,546)
Senior Center Fund	(22,401)	(89,654)
Family Dependency Treatment Court Fund	0	(4,771)
Transit Fund	(21,808)	(14,613)
Proceeds from the sale of assets	22,599	279,593
Total other financing sources (uses)	(879,151)	(576,797)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	4,581	321,838
Fund balances, July 1	5,244,186	4,922,348
Fund balances, June 30	$ 5,248,767	$ 5,244,186

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Current and prior year levies	$ 11,273,000	$ 11,091,709	$ (181,291)	$ 11,012,673
Motor vehicle tax	1,330,000	1,249,817	(80,183)	1,261,839
Mobile home tax	97,000	76,171	(20,829)	116,749
Timber tax	3,000	1,661	(1,339)	2,388
Cost, penalties, and interest	85,000	72,715	(12,285)	86,366
Total general property taxes	12,788,000	12,492,073	(295,927)	12,480,015
Intangibles tax	175,000	206,927	31,927	188,271
Real estate transfer tax	40,000	59,156	19,156	61,410
Franchise tax	95,000	79,941	(15,059)	88,440
Insurance premium tax	1,700,000	1,716,692	16,692	1,613,190
Alcohol excise tax	423,000	371,853	(51,147)	469,288
Occupational tax	112,000	110,815	(1,185)	118,576
Other	9,000	4,892	(4,108)	11,113
Total taxes	15,342,000	15,042,349	(299,651)	15,030,303
Licenses and permits				
Building permits	133,600	161,699	28,099	167,147
Other	0	16	16	0
Total licenses and permits	133,600	161,715	28,115	167,147
Fines, fees and forfeitures	1,077,300	1,045,695	(31,605)	1,094,781
Charges for Services				
Sheriff services	40,000	38,306	(1,694)	41,277
Prisoner board	30,000	21,900	(8,100)	20,986
Ambulance charges	215,000	4,800	(210,200)	0
Recreation fees	548,500	560,354	11,854	481,756
Collection commissions	590,000	578,832	(11,168)	545,294
Other charges for services	186,600	201,861	15,261	173,814
Total charges for services	1,610,100	1,406,053	(204,047)	1,263,127
Intergovernmental	1,279,803	1,316,699	36,896	1,111,045
Investment income	70,000	(5,080)	(75,080)	105,007
Contributions	19,100	74,844	55,744	9,860
Other				
Rental Income	95,400	82,559	(12,841)	69,247
Miscellaneous	32,450	44,918	12,468	243,697
Total other	127,850	127,477	(373)	312,944
Total revenues	$ 19,659,753	$ 19,169,752	$ (490,001)	$ 19,094,214

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
County-Wide				
Personal services	$ 54,821	$ 54,224	$ 597	$ 50,602
Contract services	720,350	720,043	307	883,139
Materials and supplies	0	91	(91)	350
Total County-Wide	775,171	774,358	813	934,091
Commissioners				
Personal services	85,799	79,599	6,200	82,705
Contract services	70,000	71,105	(1,105)	73,223
Materials and supplies	12,000	10,842	1,158	12,721
Payments to other agencies	331,000	330,901	99	348,658
Total Commissioners	498,799	492,447	6,352	517,307
County Manager				
Personal services	189,166	183,758	5,408	167,059
Contract services	7,200	7,238	(38)	5,465
Materials and supplies	3,800	3,023	777	4,078
Total County Manager	200,166	194,019	6,147	176,602
County Finance				
Personal services	248,166	234,249	13,917	234,076
Contract services	4,360	3,167	1,193	5,306
Materials and supplies	3,840	4,120	(280)	4,421
Total County Finance	256,366	241,536	14,830	243,803
County Human Resources				
Personal services	114,780	111,076	3,704	128,147
Contract services	41,244	40,802	442	3,731
Materials and supplies	1,848	1,119	729	1,694
Total County Human Resources	157,872	152,997	4,875	133,572
Tax Commissioner				
Personal services	292,805	280,569	12,236	302,762
Contract services	55,300	55,242	58	54,832
Materials and supplies	7,460	7,412	48	7,922
Total Tax Commissioner	355,565	343,223	12,342	365,516
Tax Assessor				
Personal services	448,782	425,340	23,442	439,763
Contract services	71,530	71,232	298	74,455
Materials and supplies	5,065	4,220	845	3,501
Total Tax Assessor	525,377	500,792	24,585	517,719
Board of Equalization				
Contract services	3,050	1,624	1,426	3,027
Materials and supplies	300	0	300	221
Total Board of Equalization	3,350	1,624	1,726	3,248

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
General Government (continued)				
County Clerk				
Personal services	$ 60,861	$ 58,309	$ 2,552	$ 51,957
Contract services	725	576	149	8,099
Materials and supplies	550	223	327	396
Total County Clerk	62,136	59,108	3,028	60,452
Registrar				
Personal services	112,180	107,073	5,107	118,953
Contract services	13,250	12,857	393	22,639
Materials and supplies	13,900	13,812	88	17,893
Total Registrar	139,330	133,742	5,588	159,485
Buildings and Grounds				
Personal services	398,161	370,968	27,193	371,959
Contract services	216,236	215,259	977	232,569
Materials and supplies	220,316	220,918	(602)	218,364
Total Buildings and Grounds	834,713	807,145	27,568	822,892
Information Technology				
Personal services	136,813	130,261	6,552	113,654
Contract services	107,470	107,976	(506)	94,102
Materials and supplies	14,650	13,939	711	27,256
Total Information Technology	258,933	252,176	6,757	235,012
Total General Government	4,067,778	3,953,167	114,611	4,169,699
Judicial				
Probate Court				
Personal services	175,922	165,233	10,689	149,899
Contract services	10,500	9,017	1,483	22,155
Materials and supplies	5,000	5,598	(598)	7,186
Total Probate Court	191,422	179,848	11,574	179,240
Magistrate Court				
Personal services	150,648	143,721	6,927	145,075
Contract services	7,955	7,254	701	5,217
Materials and supplies	1,000	763	237	1,194
Total Magistrate Court	159,603	151,738	7,865	151,486
Clerk of Superior Court				
Personal services	577,237	544,477	32,760	556,213
Contract services	60,700	62,003	(1,303)	57,916
Materials and supplies	15,500	13,871	1,629	13,665
Total Clerk of Superior Court	653,437	620,351	33,086	627,794

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
Judicial (continued)				
Superior Court				
Personal services	$ 159,807	$ 153,229	$ 6,578	$ 151,976
Contract services	73,500	73,303	197	85,556
Materials and supplies	3,000	2,615	385	3,638
Total Superior Court	236,307	229,147	7,160	241,170
District Attorney				
Personal services	24,194	22,891	1,303	54,004
Contract services	107,600	108,132	(532)	95,373
Materials and supplies	7,000	6,311	689	5,718
Payments to other agencies	71,000	70,337	663	73,066
Total District Attorney	209,794	207,671	2,123	228,161
Public Defender				
Personal services	56,601	52,097	4,504	54,943
Contract services	529,572	527,126	2,446	394,879
Materials and supplies	16,630	17,277	(647)	18,080
Total Public Defender	602,803	596,500	6,303	467,902
State Court Judge				
Personal services	172,448	162,502	9,946	171,353
Contract services	82,530	81,046	1,484	81,750
Materials and supplies	9,400	10,000	(600)	10,790
Total State Court Judge	264,378	253,548	10,830	263,893
Juvenile Court				
Personnel services	211,583	202,361	9,222	205,894
Contract services	93,050	90,995	2,055	83,432
Materials and supplies	2,700	2,929	(229)	1,569
Total Juvenile Court	307,333	296,285	11,048	290,895
Juvenile Supervision				
Contract services	4,000	3,150	850	5,050
State Court Solicitor				
Personal services	147,407	143,047	4,360	147,616
Materials and supplies	9,550	9,500	50	9,500
Total State Court Solicitor	156,957	152,547	4,410	157,116
Total Judicial	2,786,034	2,690,785	95,249	2,612,707
Public Safety				
Sheriff				
Personal services	2,635,799	2,526,222	109,577	2,485,884
Contract services	287,600	290,552	(2,952)	261,037
Materials and supplies	406,000	401,097	4,903	342,436
Capital outlay	51,820	51,820	0	13,000
Total Sheriff	3,381,219	3,269,691	111,528	3,102,357

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
Public Safety (continued)				
Jail				
Personal services	$ 1,682,465	$ 1,607,892	$ 74,573	$ 1,536,212
Contract services	695,500	675,272	20,228	603,795
Materials and supplies	144,000	162,616	(18,616)	144,697
Total Jail	2,521,965	2,445,780	76,185	2,284,704
Heat Unit				
Personal services	56,694	53,364	3,330	60,517
Materials and supplies	11,960	11,183	777	17,047
Total Heat Unit	68,654	64,547	4,107	77,564
Animal Control				
Personal services	213,055	205,883	7,172	161,949
Contract services	86,525	86,261	264	58,447
Materials and supplies	47,650	47,741	(91)	41,798
Capital outlay	10,000	9,999	1	0
Total Animal Control	357,230	349,884	7,346	262,194
Coroner				
Personal services	10,532	9,429	1,103	9,892
Contract services	13,625	13,187	438	12,153
Materials and supplies	2,100	1,964	136	1,589
Total Coroner	26,257	24,580	1,677	23,634
Fire				
Personal services	1,176,159	1,115,441	60,718	1,046,000
Contract services	66,276	68,843	(2,567)	63,660
Materials and supplies	125,385	121,936	3,449	106,578
Total Fire	1,367,820	1,306,220	61,600	1,216,238
Emergency Management Agency				
Personal services	78,719	75,474	3,245	39,469
Contract services	12,075	11,158	917	70,344
Materials and supplies	9,700	10,524	(824)	9,848
Capital outlay	23,000	22,856	144	0
Total Emergency Management Agency	123,494	120,012	3,482	119,661
Ambulance				
Contract services	56,325	56,847	(522)	68,281
Materials and supplies	90,974	89,262	1,712	85,414
Capital outlay	0	0	0	13,125
Payments to other agencies	445,873	236,961	208,912	513,783
Total Ambulance	593,172	383,070	210,102	680,603
Total Public Safety	8,439,811	7,963,784	476,027	7,766,955

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
Public Works				
Fleet				
Personal services	$ 264,365	$ 254,030	$ 10,335	$ 237,488
Contract services	19,940	19,120	820	22,010
Materials and supplies	132,700	132,261	439	116,070
Total Fleet	417,005	405,411	11,594	375,568
Road Department				
Personal services	856,071	815,212	40,859	866,234
Contract services	184,275	187,687	(3,412)	157,881
Materials and supplies	130,000	126,251	3,749	133,066
Capital outlay	19,500	19,263	237	6,255
Total Road Department	1,189,846	1,148,413	41,433	1,163,436
Total Public Works	1,606,851	1,553,824	53,027	1,539,004
Health and Welfare				
Georgia Mountains Community Mental Health				
Payments to other agencies	26,300	26,300	0	25,259
Senior Center				
Payments to other agencies	9,450	9,450	0	4,725
Total Senior Center	9,450	9,450	0	4,725
Habersham County Health Department				
Payments to other agencies	185,607	185,607	0	198,788
Child Welfare				
Payments to other agencies	60,904	53,517	7,387	40,938
Total Health and Welfare	282,261	274,874	7,387	269,710
Culture and Recreation				
Libraries				
Payments to other agencies	283,463	283,463	0	269,166
Recreation				
Personal services	467,562	456,186	11,376	406,848
Contract services	207,877	174,251	33,626	140,382
Materials and supplies	276,343	306,036	(29,693)	299,072
Payments to other agencies	2,900	1,037	1,863	3,384
Total Recreation	954,682	937,510	17,172	849,686
Total Culture and Recreation	1,238,145	1,220,973	17,172	1,118,852

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
Housing and Development				
Extension Service				
Personal services	$ 22,624	$ 21,642	$ 982	$ 20,226
Contract services	69,804	68,494	1,310	63,970
Materials and supplies	11,000	11,543	(543)	12,479
Payments to other agencies	3,250	3,250	0	2,500
Total Extension Service	106,678	104,929	1,749	99,175
Forestry				
Payments to other agencies	7,832	7,832	0	7,832
Building				
Personal services	450,944	429,595	21,349	405,993
Contract services	28,292	28,138	154	61,068
Materials and supplies	12,664	11,191	1,473	17,221
Capital outlay	0	0	0	8,710
Total Building	491,900	468,924	22,976	492,992
Conservation				
Contract services	5,000	5,000	0	500
Planning Commission				
Contract services	5,200	3,848	1,352	4,151
Materials and supplies	200	100	100	63
Total Planning	5,400	3,948	1,452	4,214
Total Housing and Development	616,810	590,633	26,177	604,713
Total Current	19,037,690	18,248,040	789,650	18,081,640
Debt Service				
General Government				
County-Wide				
Principal	34,209	34,209	0	80,409
Interest	3,791	3,771	20	33,530
Total Debt Service	38,000	37,980	20	113,939
Total Expenditures	$ 19,075,690	$ 18,286,020	$ 789,670	$ 18,195,579

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, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 5,900	$ 5,552
Due from other funds	0	68,337
Total assets	$ 5,900	$ 73,889
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other funds	$ 388	$ 0
Fund balances		
Restricted for public safety	5,512	73,889
Total liabilities and fund balances	$ 5,900	$ 73,889

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, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 58,500	$ 64,623	$ 6,123	$ 55,898
Total revenues	58,500	64,623	6,123	55,898
EXPENDITURES				
Current				
Public Safety				
Contract services	0	0	0	0
Total expenditures	0	0	0	0
Excess (deficiency) of revenues over (under) expenditures	58,500	64,623	6,123	55,898
Other financing sources (uses)				
Transfers in (out)				
General fund	(133,000)	(133,000)	0	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(74,500)	(68,377)	6,123	55,898
Fund balances, July 1	74,500	73,889	(611)	17,991
Fund balances, June 30	$ 0	$ 5,512	$ 5,512	$ 73,889

HABERSHAM COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 347,064	$ 232,625
Accounts receivable (net)	134,404	133,814
Intergovernmental receivable	18,164	56,297
Total assets	$ 499,632	$ 422,736
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 5,920	$ 3,356
Intergovernmental payable	0	5
Accrued salaries and other payroll liabilities	13,697	36,156
Due to other funds	173,569	134,689
Total liabilities	193,186	174,206
Fund balances		
Assigned to public safety	306,446	248,530
Total liabilities and fund balances	$ 499,632	$ 422,736

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, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 705,500	$ 741,374	$ 35,874	$ 735,870
Intergovernmental	45,000	9,755	(35,245)	11,716
Investment income	0	32	32	28
Other	750	2,114	1,364	2,848
Total revenues	751,250	753,275	2,025	750,462
EXPENDITURES				
Current				
Public Safety				
Personal Services	879,678	852,502	27,176	847,294
Contract services	328,605	299,887	28,718	312,395
Materials and supplies	34,200	31,184	3,016	26,473
Debt service	15,104	18,123	(3,019)	18,124
Total expenditures	1,257,587	1,201,696	55,891	1,204,286
Excess (deficiency) of revenues over (under) expenditures	(506,337)	(448,421)	57,916	(453,824)
Other financing sources (uses)				
Transfers in (out)				
General Fund	506,337	506,337	0	467,488
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	57,916	57,916	13,664
Fund balances, July 1	0	248,530	248,530	234,866
Fund balances, June 30	$ 0	$ 306,446	$ 306,446	$ 248,530

HABERSHAM COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

	2017	2016
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, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 67,000	$ 66,783	$ (217)	$ 63,409
Total revenues	67,000	66,783	(217)	63,409
EXPENDITURES				
Current				
Housing and Development				
Payments to other agencies	26,800	26,713	87	25,364
Total expenditures	26,800	26,713	87	25,364
Excess (deficiency) of revenues over (under) expenditures	40,200	40,070	(130)	38,045
Other financing sources (uses)				
Transfers in (out)				
General Fund	(40,200)	(40,070)	130	(38,045)
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, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 98,403	$ 93,592
Certificates of deposit	105,909	105,856
Total assets	$ 204,312	$ 199,448
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 353	$ 0
Fund balances		
Restricted for judicial	203,959	199,448
Total liabilities and fund balances	$ 204,312	$ 199,448

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, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 27,770	$ 32,001	$ 4,231	$ 25,631
Investment income	0	416	416	328
Total revenues	27,770	32,417	4,647	25,959
EXPENDITURES				
Current				
Judicial				
Personal services	2,600	2,600	0	2,400
Contact services	2,750	2,604	146	0
Materials and supplies	22,420	22,702	(282)	12,143
Total expenditures	27,770	27,906	(136)	14,543
Excess (deficiency) of revenues over (under) expenditures	0	4,511	4,511	11,416
Fund balances, July 1	0	199,448	199,448	188,032
Fund balances, June 30	$ 0	$ 203,959	$ 203,959	$ 199,448

HABERSHAM COUNTY, GEORGIA
DRUG ABUSE TREATMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Accounts receivable	$ 7,853	$ 0
Intergovernmental receivable	71,671	84,599
Total assets	$ 79,524	$ 84,599
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 42,526	$ 17,449
Accrued salaries and other payroll liabilities	2,165	5,084
Due to other funds	2,091	9,928
Total liabilities	46,782	32,461
Fund balances		
Restricted for judicial	32,742	52,138
Total liabilities and fund balances	$ 79,524	$ 84,599

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, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 26,500	$ 32,539	$ 6,039	$ 37,431
Charges for services	141,750	120,405	(21,345)	119,677
Intergovernmental	392,858	387,095	(5,763)	280,388
Total revenues	561,108	540,039	(21,069)	437,496
EXPENDITURES				
Current				
Judicial				
Personal services	104,264	103,693	571	86,873
Contract services	383,357	389,798	(6,441)	247,767
Supplies	23,487	16,056	7,431	8,937
Payments to others	44,000	43,888	112	33,282
Total expenditures	555,108	553,435	1,673	376,859
Excess (deficiency) of revenues over (under) expenditures	6,000	(13,396)	(19,396)	60,637
Other financing sources (uses)				
Transfers in (out)				
General Fund	(6,000)	(6,000)	0	(60,637)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and and other financing uses	0	(19,396)	(19,396)	0
Fund balances, July 1	0	52,138	52,138	52,138
Fund balances, June 30	$ 0	$ 32,742	$ 32,742	$ 52,138

HABERSHAM COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 16,551	$ 10,878
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for public safety	$ 16,551	$ 10,878

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, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 145,000	$ 33,505	$ (111,495)	$ 60,217
Total revenues	145,000	33,505	(111,495)	60,217
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	145,000	13,766	131,234	61,351
Capital outlay	0	14,066	(14,066)	0
Total expenditures	145,000	27,832	117,168	61,351
Excess (deficiency) of revenues over (under) expenditures	0	5,673	5,673	(1,134)
Fund balances, July 1	0	10,878	10,878	12,012
Fund balances, June 30	$ 0	$ 16,551	$ 16,551	$ 10,878

HABERSHAM COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 48,148	$ 48,063
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 36,756	$ 42,544
Fund balances		
Restricted for public safety	11,392	5,519
Total liabilities and fund balances	$ 48,148	$ 48,063

HABERSHAM COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 0	$ 0	$ 0	$ 6,559
Other	0	85	85	0
Total revenues	0	85	85	6,559
EXPENDITURES				
Current				
Public Safety				
Contract services	100	0	100	975
Supplies and materials	500	0	500	65
Total expenditures	600	0	600	1,040
Excess (deficiency) of revenues over (under) expenditures	(600)	85	685	5,519
Other financing sources (uses)				
Transfers in (out)				
General Fund	0	5,788	(5,788)	0
Proceeds from the sale of capital assets	600	0	600	0
Total other financing sources (uses)	600	5,788	(5,188)	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	5,873	5,873	5,519
Fund balances, July 1	0	5,519	5,519	0
Fund balances, June 30	$ 0	$ 11,392	$ 11,392	$ 5,519

HABERSHAM COUNTY, GEORGIA
SENIOR CENTER SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 10,376	$ 77,884
Receivables		
Accounts	19,254	38,805
Intergovernmental	14,101	5,220
Total assets	$ 43,731	$ 121,909
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 37,063	$ 14,449
Intergovernmental	0	70
Accrued salaries and other payroll liabilities	3,474	9,818
Total liabilities	40,537	24,337
Fund balances		
Assigned for Health and Welfare	3,194	97,572
Total liabilities and fund balances	$ 43,731	$ 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, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 260,206	$ 205,837	$ (54,369)	$ 186,995
Contributions	8,407	10,913	2,506	0
Other	37,606	23,823	(13,783)	117,577
Total revenues	306,219	240,573	(65,646)	304,572
EXPENDITURES				
Current				
Health and Welfare				
Personal services	242,979	236,124	6,855	200,253
Contract services	207,994	92,864	115,130	70,045
Materials and supplies	25,210	28,364	(3,154)	26,356
Total expenditures	476,183	357,352	118,831	296,654
Excess (deficiency) of revenues over (under) expenditures	(169,964)	(116,779)	53,185	7,918
Other financing sources (uses)				
Transfers in				
General Fund	75,464	22,401	(53,063)	89,654
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(94,500)	(94,378)	122	97,572
Fund balances, July 1	94,500	97,572	3,072	0
Fund balances, June 30	$ 0	$ 3,194	$ 3,194	$ 97,572

HABERSHAM COUNTY, GEORGIA
FAMILY DEPENDENCY TREATMENT COURT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Intergovernmental receivables	$ 20,248	$ 20,757
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 5,575	$ 3,381
Accrued salaries and other payroll liabilities	406	1,357
Due to other funds	5,399	16,019
Total liabilities	11,380	20,757
Fund balances		
Restricted for judicial	8,868	0
Total liabilities and fund balances	$ 20,248	$ 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, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 69,540	$ 79,540	$ 10,000	$ 46,561
Fines, fees, and forfeitures	13,875	9,923	(3,952)	0
Contributions	0	1,100	1,100	0
Other	1,500	0	(1,500)	0
Total revenues	84,915	90,563	5,648	46,561
EXPENDITURES				
Current				
Health and Welfare				
Personal services	40,056	37,840	2,216	20,016
Contract services	47,011	43,655	3,356	28,565
Materials and supplies	300	200	100	2,751
Total expenditures	87,367	81,695	5,672	51,332
Excess (deficiency) of revenues over (under) expenditures	(2,452)	8,868	11,320	(4,771)
Other financing sources (uses)				
Transfers in				
General Fund	2,452	0	2,452	4,771
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	8,868	8,868	0
Fund balances, July 1	0	0	0	0
Fund balances, June 30	$ 0	$ 8,868	$ 8,868	$ 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.

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
HOSPITAL DEBT SERVICE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 1,510,612	$ 1,615,064
Receivables		
Accounts	10,018	6,764
Notes	733,333	950,000
Due from other funds	194,828	203,544
Total assets	$ 2,448,791	$ 2,775,372
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for debt service	$ 2,448,791	$ 2,775,372

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, 2017
(With comparative actual amounts for the fiscal year ended June 30, 2016)

	2017			2016
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 646,600	$ 1,056,030	$ 409,430	$ 643,655
Intergovernmental	203,400	899	(202,501)	571
Total revenues	850,000	1,056,929	206,929	644,226
EXPENDITURES				
Debt Service				
Interest	2,493,705	2,492,885	820	1,621,519
Total expenditures	2,493,705	2,492,885	820	1,621,519
Excess (deficiency) of revenues over (under) expenditures	(1,643,705)	(1,435,956)	207,749	(977,293)
Other financing sources (uses)				
Transfers in (out)				
SPLOST #6 Fund	1,133,000	1,109,375	(23,625)	1,121,440
Proceeds from issuance of notes payable	0	0	0	1,000,000
Contingency	510,705	0	(510,705)	0
Total other financing sources (uses)	1,643,705	1,109,375	(534,330)	2,121,440
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(326,581)	(326,581)	1,144,147
Fund balances, July 1	0	2,775,372	2,775,372	1,631,225
Fund balances, June 30	$ 0	$ 2,448,791	$ 2,448,791	$ 2,775,372

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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, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 0	$ 0
Intergovernmental receivable	0	0
Total assets	$ 0	$ 0
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 0	$ 0
Retainage	0	0
Total liabilities	0	0
Fund balances		
Restricted for capital outlay	0	0
Total liabilities and fund balances	$ 0	$ 0

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, 2017 and 2016

REVENUES	**2017**	**2016**
Investment income	$ 0	$ 42
Other	0	3
Total revenues	0	45
EXPENDITURES		
Capital outlay		
Public Works		
Airport	0	1,976
Culture and Recreation		
Recreation	0	10,966
Housing and Development		
Economic Development	0	20,642
Total expenditures	0	33,584
Excess (deficiency) of revenues over (under) expenditures	0	(33,539)
Fund balances, July 1	0	33,539
Fund balances, June 30	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #5
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 0	$ 1,599,131
Total assets	$ 0	$ 1,599,131
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 0	$ 2,175
Fund balances		
Restricted for capital outlay	0	1,596,956
Total liabilities and fund balances	$ 0	$ 1,599,131

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, 2017 and 2016

REVENUES	**2017**	**2016**
Intergovernmental	$ 101,000	$ 0
Investment income	(3,703)	3,029
Total revenues	97,297	3,029
EXPENDITURES		
Capital outlay		
General Government		
County-Wide	907,161	153,413
Judicial		
Judicial Facility	0	6,450
Public Safety		
Ambulance	0	5,998
E911	0	26,609
Animal Control	0	20,799
Public Works		
Roads and Bridges	0	390,874
Housing and Development		
Economic Development	0	2,565
Debt service		
Housing and Development		
Economic Development	827,628	0
Total expenditures	1,734,789	606,708
Excess (deficiency) of revenues over (under) expenditures	(1,637,492)	(603,679)
Other financing sources (uses)		
Transfers in (out)		
General Fund	40,536	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(1,596,956)	(603,679)
Fund balances, July 1	1,596,956	2,200,635
Fund balances, June 30	$ 0	$ 1,596,956

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 1,466,414	$ 1,043,162
Receivables		
Intergovernmental	1,542,227	94,069
Taxes	492,248	574,488
Total assets	$ 3,500,889	$ 1,711,719
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 1,655,714	$ 85,613
Intergovernmental	294,775	307,962
Retainages	335,604	10,898
Due to other funds	717,960	476,162
Total liabilities	3,004,053	880,635
Fund balances		
Restricted for capital outlay	496,836	831,084
Total liabilities and fund balances	$ 3,500,889	$ 1,711,719

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2017 and 2016

REVENUES	**2017**	**2016**
Taxes	$ 5,546,874	$ 5,607,202
Intergovernmental	3,499,707	5,164,112
Investment income	2,262	3,009
Total revenues	9,048,843	10,774,323
EXPENDITURES		
Capital outlay		
General Government		
County Wide	101	30
Public Safety		
Sheriff	32,927	58,863
Fire	891,561	285,266
Ambulance	57,643	263,425
Public Works		
Roads and Bridges	1,730,977	1,817,463
Airport	3,464,450	5,182,285
Housing and Development		
Economic Development	27,081	12,064
Intergovernmental	1,678,484	1,696,739
Total expenditures	7,883,224	9,316,135
Excess (deficiency) of revenues over (under) expenditures	1,165,619	1,458,188
Other financing sources (uses)		
Transfers in (out)		
Hospital Debt Service Fund	(1,109,375)	(1,121,440)
Landfill Enterprise Fund	(390,492)	(252,000)
Proceeds from the sale of capital assets	0	222,747
Total other financing sources (uses)	(1,499,867)	(1,150,693)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(334,248)	307,495
Fund balances, July 1	831,084	523,589
Fund balances, June 30	$ 496,836	$ 831,084

HABERSHAM COUNTY, GEORGIA
CAPITAL IMPROVEMENTS
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 0	$ 57,766
Due from other funds	61,463	42,154
Total assets	$ 61,463	$ 99,920
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 61,463	$ 60,172
Total liabilities	61,463	60,172
Fund balances		
Assigned to capital outlay	0	39,748
Total liabilities and fund balances	$ 61,463	$ 99,920

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, 2017 and 2016

REVENUES	**2017**	**2016**
Other	$ 0	$ 0
Total revenues	0	0
EXPENDITURES		
Capital outlay		
General Government		
County-Wide	47,799	0
Information Technology	29,972	0
County Buildings & Grounds	135,753	46,170
Judicial		
Public Defender	0	165,565
Health and Welfare		
Health Department	13,181	0
Senior Center	9,607	0
Public Safety		
Sheriff	102,136	55,887
Jail	32,557	14,713
Public Works		
Airport	0	29,447
Culture and Recreation		
Recreation	121,850	39,086
Housing and Development		
Planning	0	17,210
Building	30,843	0
Development Authority	0	10,468
Total expenditures	523,698	378,546
Excess (deficiency) of revenues over (under) expenditures	(523,698)	(378,546)
Other financing sources (uses)		
Transfers in (out)		
General Fund	483,950	378,546
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(39,748)	0
Fund balances, July 1	39,748	39,748
Fund balances, June 30	$ 0	$ 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, 2017 and 2016

	2017	2016
ASSETS		
Current assets		
Cash and cash equivalents	$ 598,585	$ 1,003,305
Investments	642,489	408,416
Receivables		
Accounts receivable (net)	55,537	98,770
Intergovernmental	0	168
Due from other funds	499,685	252,000
Total current assets	1,796,296	1,762,659
Capital assets		
Land	872,059	665,702
Construction in progress	114,408	298,849
Land improvements	7,816,939	7,816,939
Buildings	33,365	33,365
Machinery and equipment	2,338,483	1,755,133
Vehicles	321,056	268,289
Accumulated depreciation	(7,010,532)	(6,638,201)
Total capital assets (net of accumulated depreciation)	4,485,778	4,200,076
Total assets	6,282,074	5,962,735
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	7,890	10,091
Pension experience differences	1,022	0
Pension assumption changes	9,751	5,423
Total deferred outflows of resources	18,663	15,514
LIABILITIES		
Current liabilities		
Payables		
Accounts	7,246	23,240
Intergovernmental	0	56
Interest	4,375	5,981
Accrued salaries	5,163	12,951
Compensated absences	18,358	17,788
Due to other funds	55,644	42,813
Capital leases payable	51,888	50,425
Total current liabilities	142,674	153,254
Long-term liabilities		
Compensated absences	6,119	5,930
Net pension liability	46,778	36,179
Capital leases payable	251,263	303,151
Post-closure care	3,625,680	3,479,990
Total long-term liabilities	3,929,840	3,825,250
Total liabilities	4,072,514	3,978,504

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2017 and 2016

	2017	2016
DEFERRED INFLOWS OF RESOURCES		
Pension experience differences	$ 1,342	$ 1,954
NET POSITION		
Net investment in capital assets	4,180,886	3,846,500
Unrestricted	(1,954,005)	(1,848,709)
Total net position	$ 2,226,881	$ 1,997,791

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2017 and 2016

OPERATING REVENUES	**2017**	**2016**
Charges for sales and services	$ 1,007,961	$ 982,270
Miscellaneous revenues	767	227
Total operating revenues	1,008,728	982,497
OPERATING EXPENSES		
Costs of sales and services	483,953	721,914
Personal services	357,780	345,690
Depreciation	313,889	371,605
Total operating expenses	1,155,622	1,439,209
Operating income (loss)	(146,894)	(456,712)
Non-operating revenues (expenses)		
Investment income	(5,861)	36,714
Interest expense	(8,647)	(5,981)
Gain (loss) on sale of assets	0	(21,382)
Total non-operating revenues (expenses)	(14,508)	9,351
Net income (loss) before transfers	(161,402)	(447,361)
Transfers in (out)		
SPLOST #6 Fund	390,492	252,000
Change in net position	229,090	(195,361)
Net position, July 1	1,997,791	2,193,152
Net position, June 30	$ 2,226,881	$ 1,997,791

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Receipts from customers	$ 1,051,194	$ 1,015,779
Payments to suppliers	(356,054)	(306,978)
Payments to employees	(357,971)	(340,793)
Other receipts	767	227
Net cash provided (used) by operating activities	337,936	368,235
Cash flows from non-capital financing activities:		
Receipts from other funds	12,831	0
Payments to other funds	0	(24,996)
Receipts from other governments	168	74,793
Net cash provided (used) by non-capital financing activities	12,999	49,797
Cash flows from capital and related financing activities:		
Receipts from other funds	142,807	0
Acquisition of capital assets	(597,850)	(224,860)
Payment of prior year accounts payable for the purchase of capital assets	0	(2,852)
Principal payments - capital leases	(50,425)	0
Interest paid	(10,253)	0
Net cash provided (used) by capital and related financing activities	(515,721)	(227,712)
Cash flows from investing activities:		
Interest received	0	38,072
Purchase of investments	(239,934)	(36,290)
Proceeds from maturity of certificates of deposit	0	240,706
Net cash provided (used) by investing activities	(239,934)	242,488
Net increase (decrease) in cash and cash equivalents	(404,720)	432,808
Cash and cash equivalents, July 1	1,003,305	570,497
Cash and cash equivalents, June 30	$ 598,585	$ 1,003,305

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2017 and 2016

	2017	2016
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (146,894)	$ (456,712)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	313,889	371,605
Closure/postclosure costs	145,690	418,983
(Increase) decrease in accounts receivable	43,233	33,509
(Increase) decrease in prepaid items	0	518
(Increase) decrease in pension investment return differences	2,201	(9,062)
(Increase) decrease in pension experience differences	(1,022)	0
(Increase) decrease in pension assumption changes	(4,328)	(5,423)
Increase (decrease) in accounts payable	(17,735)	(4,423)
Increase (decrease) in intergovernmental payable	(56)	(141)
Increase (decrease) in accrued payroll liabilities	(7,029)	2,255
Increase (decrease) in pension investment return differences	(612)	1,954
Increase (decrease) in net pension liability	10,599	15,172
Total adjustments	484,830	824,947
Net cash provided (used) by operating activities	$ 337,936	$ 368,235

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 for the fiscal year ended June 30, 2016.

Acquisition of capital assets through accounts payable totaled $1,740 for the fiscal year ended June 30, 2017.

Unrealized loss on investments totaled $5,861 for the fiscal year ended June 30, 2017.

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2017 and 2016

	2017	2016
ASSETS		
Current assets		
Accounts receivable	$ 52	$ 0
Intergovernmental receivable	6,085	7,862
Total current assets	6,137	7,862
Capital assets		
Construction in progress	0	4,419
Vehicles	84,569	39,566
Accumulated depreciation	(12,571)	(1,995)
Total capital assets (net of accumulated depreciation)	71,998	41,990
Total assets	78,135	49,852
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	1,353	1,669
Pension experience differences	147	0
Pension assumption changes	1,539	917
Total deferred outflows of resources	3,039	2,586
LIABILITIES		
Current liabilities		
Payables		
Accounts	792	627
Intergovernmental	0	186
Accrued salaries and other payroll liabilities	938	2,950
Compensated absences	4,462	4,314
Due to other funds	2,647	8,081
Total current liabilities	8,839	16,158
Long-term liabilities		
Compensated absences	1,488	1,438
Net pension liability	6,866	5,342
Total long-term liabilities	8,354	6,780
Total liabilities	17,193	22,938
DEFERRED INFLOWS OF RESOURCES		
Pension investment return differences	243	331
NET POSITION		
Investment in capital assets	71,998	41,990
Unrestricted	(8,260)	(12,821)
Total net position	$ 63,738	$ 29,169

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2017 and 2016

OPERATING REVENUES	**2017**	**2016**
Charges for sales and services	$ 38,232	$ 32,565
Total operating revenues	38,232	32,565
OPERATING EXPENSES		
Costs of sales and services	28,673	24,931
Personal services	69,713	60,960
Depreciation	10,576	5,462
Total operating expenses	108,962	91,353
Operating income (loss)	(70,730)	(58,788)
Non-operating revenues (expenses)		
Intergovernmental revenue	42,988	36,716
Net income (loss) before capital contributions and transfers	(27,742)	(22,072)
Capital contributions		
Intergovernmental	40,503	35,609
Net income (loss) before transfers	12,761	13,537
Transfers in (out)		
General Fund	21,808	14,613
Change in net position	34,569	28,150
Net position, July 1	29,169	1,019
Net position, June 30	$ 63,738	$ 29,169

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Receipts from customers	$ 38,180	$ 32,599
Payments to suppliers	(28,694)	(25,482)
Payments to employees	(70,544)	(58,447)
Net cash provided (used) by operating activities	(61,058)	(51,330)
Cash flows from non-capital financing activities:		
Receipts from other governments	44,765	36,046
Receipts from other funds	16,374	19,703
Net cash provided (used) by non-capital financing activities	61,139	55,749
Cash flows from capital and related financing activities:		
Purchase of capital assets	(81)	(4,419)
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)	$ (70,730)	$ (58,788)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	10,576	5,462
(Increase) decrease in accounts receivable	(52)	34
(Increase) decrease in pension investment return differences	316	(1,533)
(Increase) decrease in pension experience differences	(147)	0
(Increase) decrease in pension assumption changes	(622)	(917)
Increase (decrease) in accounts payable	165	(401)
Increase (decrease) in intergovernmental payable	(186)	(150)
Increase (decrease) in accrued payroll liabilities	(1,814)	2,066
Increase (decrease) in net pension liability	1,524	2,566
Increase (decrease) in net pension investment return differences	(88)	331
Total adjustments	9,672	7,458
Net cash provided (used) by operating activities	$ (61,058)	$ (51,330)

Noncash capital and related financing activities:

Contributions of capital assets from other governments totaled $40,503 and $35,609 for the fiscal years ended June 30, 2017 and 2016, respectively.

HABERSHAM COUNTY, GEORGIA
AIRPORT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2017 and 2016

	2017	2016
ASSETS		
Current assets		
Cash and cash equivalents	$ 11,588	$ 35,725
Accounts receivable	419	0
Intergovernmental receivable	8,450	8,450
Inventories	39,417	20,423
Total current assets	59,874	64,598
Capital assets		
Land	1,999,616	0
Construction in progress	3,543,094	0
Building	1,122,682	0
Land improvements	1,377,249	0
Infrastructure	15,397,879	0
Vehicles and equipment	20,800	0
Machinery and equipment	8,000	0
Furniture and equipment	93,290	0
Accumulated depreciation	(3,778,509)	0
Total capital assets (net of accumulated depreciation)	19,784,101	0
Total assets	19,843,975	64,598
LIABILITIES		
Current liabilities		
Accounts payable	5,318	558
Unearned revenue	3,600	1,400
Due to other funds	0	42,954
Total liabilities	8,918	44,912
NET POSITION		
Investment in capital assets	19,784,101	0
Unrestricted	50,956	19,686
Total net position	$ 19,835,057	$ 19,686

HABERSHAM COUNTY, GEORGIA
AIRPORT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2017 and 2016

OPERATING REVENUES	**2017**	**2016**
Charges for sales and services	$ 228,449	$ 92,075
Rental income	40,800	9,200
Other	2,413	0
Total operating revenues	271,662	101,275
OPERATING EXPENSES		
Costs of sales and services	219,593	100,595
Depreciation	311,379	0
Total operating expenses	530,972	100,595
Operating income (loss)	(259,310)	680
Non-operating revenues (expenses)		
Investment income	3	10
Intergovernmental revenue	0	18,996
Total non-operating revenues (expenses)	3	19,006
Net income (loss) before capital contributions	(259,307)	19,686
Capital contributions		
Contribution of capital assets from Governmental Activities	20,074,678	0
Change in net position	19,815,371	19,686
Net position, July 1	19,686	0
Net position, June 30	$ 19,835,057	$ 19,686

HABERSHAM COUNTY, GEORGIA
AIRPORT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2017 and 2016

	2017	2016
Cash flows from operating activities:		
Receipts from customers	$ 273,443	$ 102,675
Payments to suppliers	(233,827)	(120,460)
Net cash provided (used) by operating activities	39,616	(17,785)
Cash flows from non-capital financing activities:		
Receipts from other governments	0	10,546
Receipts from other funds	0	42,954
Payments to other funds	(42,954)	0
Net cash provided (used) by non-capital financing activities	(42,954)	53,500
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(20,802)	0
Cash flows from investing activities:		
Interest received	3	10
Net increase (decrease) in cash and cash equivalents	(24,137)	35,725
Cash and cash equivalents, July 1	35,725	0
Cash and cash equivalents, June 30	$ 11,588	$ 35,725
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (259,310)	$ 680
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	311,379	0
(Increase) decrease in accounts receivable	(419)	0
(Increase) decrease in inventories	(18,994)	(20,423)
Increase (decrease) in accounts payable	4,760	558
Increase (decrease) in unearned revenue	2,200	1,400
Total adjustments	298,926	(18,465)
Net cash provided (used) by operating activities	$ 39,616	$ (17,785)

Noncash capital and related financing activities:

Contributions of capital assets from government totaled $20,074,678 ($23,615,575 cost less $3,540,897 accumulated depreciation) for the fiscal year ended June 30, 2017.

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, 2017

	Tax Commissioner	Magistrate Court
ASSETS		
Cash	$ 759,435	$ 42,634
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 759,435	$ 42,634

Probate Court	Juvenile Court	Clerk of Court	Sheriff Department	Totals
$ 15,649	$ 88	$ 414,008	$ 270,985	$ 1,502,799
$ 15,649	$ 88	$ 414,008	$ 270,985	$ 1,502,799

HABERSHAM COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2017

	Balance July 1	Additions	Deletions	Balance June 30
TAX COMMISSIONER				
ASSETS				
Cash	$ 782,388	$ 35,178,104	$ 35,201,057	$ 759,435
LIABILITIES				
Due to other agencies	$ 782,388	$ 35,178,104	$ 35,201,057	$ 759,435
MAGISTRATE COURT				
ASSETS				
Cash	$ 41,690	$ 319,031	$ 318,087	$ 42,634
LIABILITIES				
Due to other agencies	$ 41,690	$ 319,031	$ 318,087	$ 42,634
PROBATE COURT				
ASSETS				
Cash	$ 12,072	$ 212,172	$ 208,595	$ 15,649
LIABILITIES				
Due to other agencies	$ 12,072	$ 212,172	$ 208,595	$ 15,649
JUVENILE COURT				
ASSETS				
Cash	$ 64	$ 2,365	$ 2,341	$ 88
LIABILITIES				
Due to other agencies	$ 64	$ 2,365	$ 2,341	$ 88
CLERK OF COURT				
ASSETS				
Cash	$ 355,304	$ 1,948,269	$ 1,889,565	$ 414,008
LIABILITIES				
Due to other agencies	$ 355,304	$ 1,948,269	$ 1,889,565	$ 414,008
SHERIFF DEPARTMENT				
ASSETS				
Cash	$ 201,398	$ 553,096	$ 483,509	$ 270,985
LIABILITIES				
Due to other agencies	$ 201,398	$ 553,096	$ 483,509	$ 270,985
TOTALS				
ASSETS				
Cash	$ 1,392,916	$ 38,213,037	$ 38,103,154	$ 1,502,799
LIABILITIES				
Due to other agencies	$ 1,392,916	$ 38,213,037	$ 38,103,154	$ 1,502,799

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, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 0	$ 0
Total assets	$ 0	$ 0
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 0	$ 0
Fund balances		
Restricted for public safety	0	0
Total liabilities and fund balances	$ 0	$ 0

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, 2017 and 2016

	2017	2016
REVENUES		
Intergovernmental	$ 0	$ 0
Forfeitures	0	0
Total revenues	0	0
EXPENDITURES		
Current		
Public Safety		
Personal services	0	0
Contract services	0	0
Supplies and materials	0	0
Payments to others	0	6,559
Total expenditures	0	6,559
Excess (deficiency) of revenues over (under) expenditures	0	(6,559)
Fund balances, July 1	0	6,559
Fund balances, June 30	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 8,093	$ 18,976
Restricted cash and cash equivalents	195,370	223,768
Accounts receivable	249	249
Intergovernmental receivable	0	257
Total assets	$ 203,712	$ 243,250
LIABILITIES AND FUND BALANCES		
Current liabilities		
Payables		
Accounts	$ 184	$ 983
Intergovernmental	8,450	8,450
Unearned revenue	2,500	0
Total liabilities	11,134	9,433
Fund balances		
Restricted for capital outlay	195,370	223,768
Assigned to housing and development	0	10,049
Unassigned	(2,792)	0
Total fund balances	192,578	233,817
Total liabilities and fund balances	$ 203,712	$ 243,250

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, 2017 and 2016

REVENUES	**2017**	**2016**
Intergovernmental	$ 21,291	$ 22,706
Investment income	24	25
Rents	20,000	0
Miscellaneous	1,129	1,265
Total revenues	42,444	23,996
EXPENDITURES		
Current		
Housing and Development		
Contract services	12,990	11,390
Materials and supplies	3,355	4,183
Capital outlay	51,298	24,156
Intergovernmental	16,040	0
Total expenditures	83,683	39,729
Excess (deficiency) of revenues over (under) expenditures	(41,239)	(15,733)
Fund balances, July 1	233,817	249,550
Fund balances, June 30	$ 192,578	$ 233,817

HABERSHAM COUNTY, GEORGIA
AIRPORT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2017 and 2016

ASSETS	**2017**	**2016**
Cash and cash equivalents	$ 0	$ 0
Intergovernmental receivable	0	0
Total assets	$ 0	$ 0
LIABILITIES AND FUND BALANCES		
Current liabilities		
Accounts payable	$ 0	$ 0
Intergovernmental payable	0	0
Total liabilities	0	0
Fund balances		
Unassigned	0	0
Total liabilities and fund balances	$ 0	$ 0

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, 2017 and 2016

REVENUES	**2017**	**2016**
Airport charges	$ 0	$ 101,526
Rents	0	6,500
Total revenues	0	108,026
EXPENDITURES		
Current		
Public Works		
Contract services	0	3,123
Materials and supplies	0	70,094
Debt service	0	47,327
Payments to others	0	18,996
Total expenditures	0	139,540
Excess (deficiency) of revenues over (under) expenditures	0	(31,514)
Other financing sources (uses)		
Proceeds from notes payable	0	30,000
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(1,514)
Fund balances, July 1	0	1,514
Fund balances, June 30	$ 0	$ 0

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Part III

Statistical Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

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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.

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.

	Exhibit	Page(s)
Net Position by Component	K-1	145-146
Changes in Net Position	K-2	147-150
Governmental Activities Tax Revenues by Source	K-3	151
Fund Balances of Governmental Funds	K-4	152-153
Changes in Fund Balances of Governmental Funds	K-5	154-155
General Government Tax Revenue by Source	K-6	156

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-7	157-158
Property Tax Rates (Direct and Overlapping Governments)	K-8	159-160
Principal Taxpayers	K-9	161
Property Tax Levies and Collections	K-10	162

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

Ratios of Outstanding Debt by Type	K-11	163
Direct and Overlapping Governmental Activities Debt	K-12	164
Legal Debt Margin Information	K-13	165-166

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-14	167
Principal Employers	K-15	168

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs

Full-time Equivalent County Government Employees	K-16	169-170
Operating Indicators by Function	K-17	171-172
Capital Asset Statistics by Function	K-18	173-176

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

	Fiscal Year			
	2008	**2009**	**2010**	**2011**
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 35,132	$ 34,794	$ 33,665	$ 32,226
Restricted	9,078	10,252	14,514	24,062
Unrestricted	6,246	5,479	5,008	(1,254)
Total governmental activities net position	$ 50,456	$ 50,525	$ 53,187	$ 55,033
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 13,080	$ 14,887	$ 14,501	$ 13,993
Restricted	4,821	4,439	1,128	1,035
Unrestricted	127	(1,932)	(1,818)	(1,211)
Total business-type activities net position	$ 18,028	$ 17,394	$ 13,811	$ 13,817
PRIMARY GOVERNMENT				
Net investment in capital assets	$ 48,212	$ 49,682	$ 48,166	$ 46,219
Restricted	13,900	14,691	15,642	25,096
Unrestricted	6,373	3,547	3,190	(2,466)
Total primary government net position	$ 68,484	$ 67,919	$ 66,998	$ 68,850

Fiscal Year						
2012	2013	2014	2015	2016	2017
$ 33,648	$ 39,095	$ 48,923	$ 52,787	$ 57,830	$ 43,253
22,153	11,086	6,801	4,650	5,729	3,310
988	7,491	2,259	5,458	3,168	2,282
$ 56,789	$ 57,672	$ 57,982	$ 62,894	$ 66,728	$ 48,844
$ 13,300	$ 4,309	$ 3,898	$ 4,019	$ 3,888	$ 24,037
0	0	0	0	0	0
(1,277)	(1,543)	(1,572)	(1,802)	(1,842)	(1,911)
$ 12,022	$ 2,765	$ 2,326	$ 2,217	$ 2,047	$ 22,126
$ 46,948	$ 43,404	$ 52,821	$ 56,806	$ 61,719	$ 67,290
22,153	11,086	6,801	4,650	5,729	3,310
(289)	5,948	687	3,655	1,327	370
$ 68,811	$ 60,438	$ 60,309	$ 65,111	$ 68,774	$ 70,970

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

	Fiscal Year		
Expenses	**2008**	**2009**	**2010**
Governmental activities:			
General Government	$ 3,201	$ 4,239	$ 4,487
Judicial	2,133	2,367	2,278
Public Safety	8,894	8,674	8,097
Public Works	4,863	4,089	5,219
Health and Welfare	497	500	482
Culture and Recreation	1,577	1,544	1,513
Housing and Development	986	1,119	864
Nondepartmental	0	0	0
Interest on long-term debt	80	48	33
Total governmental activities expenses	22,231	22,581	22,973
Business-type activities:			
Water and Sewer	395	509	584
Landfill	2,304	1,527	1,484
Transit	54	51	53
Airport	0	0	0
Total business-type activities expenses	2,753	2,087	2,120
Total primary government expenses	$ 24,984	$ 24,668	$ 25,093
Program revenues			
Governmental activities:			
Charges for services:			
General Government	$ 519	$ 529	$ 567
Judicial	474	510	522
Public Safety	1,798	1,824	1,835
Public Works	0	0	0
Culture and Recreation	232	255	198
Housing and Development	272	161	101
Operating grants and contributions	391	559	607
Capital grants and contributions	757	394	333
Total governmental activities program revenues	4,443	4,233	4,163
Business-type activities:			
Charges for services:			
Water and Sewer	257	243	247
Landfill	1,430	1,209	1,377
Transit	3	6	6
Airport	-	-	-
Operating grants and contributions	29	34	26
Capital grants and contributions	0	0	0
Total business-type activities program revenues	1,719	1,492	1,655
Total primary government program revenues	$ 6,162	$ 5,725	$ 5,818

Fiscal Year							
2011	2012	2013	2014	2015	2016	2017
$ 4,767	$ 4,698	$ 3,855	$ 4,157	$ 4,153	$ 4,353	$ 4,889
2,444	2,620	2,802	3,001	3,387	3,437	3,750
8,272	8,417	8,541	8,894	8,845	9,851	10,138
3,951	4,390	4,639	3,037	2,947	4,334	4,336
468	465	526	522	497	1,332	717
1,356	1,442	1,498	1,481	1,470	1,507	1,621
851	718	837	763	806	1,046	1,602
0	0	0	0	0	0	0
126	184	148	135	1,430	1,651	1,640
22,235	22,934	22,846	21,991	23,536	27,511	28,694
533	599	527	16	0	0	0
1,353	1,370	1,261	1,206	1,132	1,467	1,164
55	72	72	70	88	91	109
0	0	0	0	0	101	531
1,941	2,041	1,861	1,291	1,220	1,659	1,804
$ 24,176	$ 24,975	$ 24,707	$ 23,282	$ 24,756	$ 29,170	$ 30,498
$ 561	$ 545	$ 490	$ 563	$ 568	$ 584	$ 592
565	520	595	656	660	641	593
1,677	1,475	1,441	1,548	1,649	1,653	1,683
0	0	0	0	158	146	159
227	273	266	388	489	482	560
91	62	63	67	73	126	120
660	891	976	1,127	1,307	1,441	1,859
877	583	660	764	6,431	5,842	3,783
4,657	4,349	4,491	5,113	11,334	10,914	9,349
241	238	247	0	0	0	0
1,033	1,021	814	839	929	982	1,008
7	8	7	5	26	33	38
-	-	-	-	-	92	228
53	30	27	26	110	56	43
45	0	0	0	0	36	41
1,379	1,297	1,095	870	1,066	1,198	1,358
$ 6,036	$ 5,646	$ 5,586	$ 5,983	$ 12,400	$ 12,112	$ 10,707

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

	Fiscal Year		
	2008	**2009**	**2010**
Net (expense)/revenue			
Governmental activities	$ (17,787)	$ (18,348)	$ (18,810)
Business-type activities	(1,034)	(595)	(465)
Total primary government net expense	(18,821)	(18,943)	(19,276)
General revenues and other changes in net position			
Governmental activities:			
Property taxes	$ 11,285	$ 10,834	$ 10,722
Sales taxes	5,211	5,009	5,320
Intangible	281	190	134
Insurance premium taxes	1,278	1,310	1,291
Other taxes	391	620	547
Investment earnings	608	254	162
Rental income	80	57	51
Gain on sale of capital assets	0	12	29
Miscellaneous	52	11	51
Special items	0	0	0
Transfers	45	77	3,167
Total governmental activities	19,232	18,373	21,473
Business-type activities:			
Taxes			
Sales	1,085	0	0
Investment earnings	265	36	6
Rental Income	0	0	0
Gain on sale of capital assets	43	0	0
Miscellaneous	0	1	43
Special items	0	0	0
Transfers	(45)	(77)	(3167)
Total business-type activites	1,348	(39)	(3,118)
Total primary government	20,580	18,334	18,354
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	1,444	25	2,662
Business-type activities	314	(634)	(3,584)
Total primary government	$ 1,758	$ (609)	$ (921)

Fiscal Year							
2011	2012	2013	2014	2015	2016	2017
$ (17,578)	$ (18,585)	$ (18,356)	$ (16,878)	$ (12,201)	$ (16,597)	$ (19,345)
(562)	(745)	(765)	(421)	(155)	(460)	(446)
(18,140)	(19,330)	(19,121)	(17,299)	(12,356)	(17,057)	(19,791)
$ 11,628	$ 11,276	$ 11,467	$ 12,555	$ 13,208	$ 13,084	$ 13,542
5,208	5,741	5,367	3,911	1,316	5,607	5,547
141	159	204	170	159	199	223
1,255	1,286	1,374	1,428	1,506	1,613	1,717
621	654	652	723	748	816	698
59	60	24	49	85	151	50
60	29	44	66	53	69	83
6	9	9	4	8	202	18
76	119	89	111	112	364	71
0	0	0	0	0	0	0
55	1,007	80	45	(33)	(267)	(20,487)
19,109	20,340	19,312	19,061	17,163	21,839	1,462
0	0	0	0	0	0	0
12	21	2	2	14	37	(6)
0	0	0	0	0	9	41
0	(66)	0	25	0	0	0
14	2	0	0	0	0	3
0	0	(8413)	0	0	0	0
(55)	(1007)	(80)	(45)	33	267	20,487
(29)	(1,050)	(8,491)	(18)	47	313	20,525
19,080	19,291	10,820	19,043	17,211	22,152	21,987
0	0	0	(1,873)	(983)	(477)	0
0	0	0	0	(24)	0	0
0	0	0	(1,873)	(1,007)	(477)	0
1,531	1,756	956	2,183	4,962	5,243	(17,883)
(591)	(1,795)	(9,257)	(439)	(108)	(148)	20,079
$ 940	$ (39)	$ (8,301)	$ 1,744	$ 4,854	$ 5,095	$ 2,196

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
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
2017	13,542	5,547	223	1,717	698	21,727

Note: Other taxes include real estate transfer, intangible, occupational, alcoholic beverage, hotel/motel, and franchise taxes.

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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			
	2008	**2009**	**2010**	**2011 (1)**
General fund				
Reserved	$ 167	$ 169	$ 43	$ 0
Unreserved	5,977	5,417	5,232	0
Nonspendable	0	0	0	420
Restricted	0	0	0	20
Assigned	0	0	0	425
Unassigned	0	0	0	4,790
Total general fund	6,145	5,586	5,276	5,655
All other governmental funds:				
Reserved	97	0	0	0
Unreserved	7,349	9,244	13,430	0
Special revenue funds	625	819	750	0
Capital projects funds	1,048	182	345	0
Nonspendable	0	0	0	421
Restricted	0	0	0	26,018
Assigned	0	0	0	243
Unassigned	0	0	0	0
Total all other governmental funds	9,119	10,246	14,525	26,682
Total governmental funds	$ 15,263	$ 15,832	$ 19,800	$ 32,337

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

Fiscal Year					
2012	2013	2014	2015	2016	2017
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
0	0	0	0	0	0
230	376	559	466	61	406
36	22	38	24	46	85
428	486	0	205	284	819
4,674	3,367	4,107	4,703	4,853	3,938
5,368	4,250	4,705	5,399	5,244	5,249
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
202	238	0	0	0	0
24,094	11,195	6,762	4,626	5,683	3,225
154	38	230	275	249	310
(82)	(88)	(39)	34	0	0
24,368	11,383	6,953	4,934	5,931	3,534
$ 29,736	$ 15,633	$ 11,658	$ 10,333	$ 11,175	$ 8,783

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		
	2008	**2009**	**2010**
Revenues			
Taxes	$ 18,235	$ 18,056	$ 18,220
Licenses and permits	272	161	101
Fines, fees and forfeitures	1,367	1,313	1,284
Charges for services	1,651	1,800	1,824
Interest	608	948	162
Intergovernmental	1,148	254	942
Contributions	5	11	11
Other	133	68	103
Total Revenues	23,419	22,611	22,647
Expenditures			
General government	2,774	3,180	3,349
Judicial	2,123	2,360	2,292
Public safety	7,965	7,804	7,458
Public works	1,729	1,679	1,637
Health and welfare	435	439	423
Culture and recreation	1,172	1,203	1,141
Housing and development	750	831	668
Capital outlay	5,143	4,703	3,458
Intergovernmental	0	0	2,069
Debt service:			
Principal	0	0	0
Interest	0	0	0
Total expenditures	22,092	22,199	22,494
Excess (deficiency) of revenues over (under) expenditures	1,328	412	152
Other financing sources (uses)			
Transfers in	762	1,133	4,082
Transfers out	(717)	(1,057)	(916)
Issuance of capital leases	625	0	620
Issuance of bonds	0	0	0
Issuance of contracts payable	0	0	0
Issuance of notes payable	0	0	0
Gain on sale of assets	30	36	29
Total other financing sources (uses)	700	112	3,816
Special Item			
Payment to Habersham County Hospital Authority	0	0	0
Net change in fund balance	2,027	524	3,969
Fund balances, July 1 (original)	13,921	15,948	15,833
Prior period adjustments	0	44	0
Fund balances, June 30	$ 15,948	$ 16,516	$ 19,802
Debt service as a percentage of non-capital expenditures	0%	0%	0%

Fiscal Year						
2011	2012	2013	2014	2015	2016	2017
$ 18,963	$ 19,120	$ 19,161	$ 18,780	$ 16,932	$ 21,345	$ 21,712
91	62	63	67	104	167	162
1,186	1,071	1,085	1,154	1,260	1,214	1,185
1,833	1,736	1,706	2,001	2,233	2,179	2,301
134	110	62	68	114	111	5,601
1,433	992	1,581	1,844	7,653	6,808	(6)
20	15	18	28	13	10	87
135	148	133	177	165	433	153
23,795	23,254	23,809	24,119	28,475	32,267	31,195
3,391	3,489	3,600	3,571	3,958	4,170	3,953
2,436	2,575	2,789	3,031	3,048	3,004	3,272
7,848	8,590	8,538	8,387	8,243	9,034	9,193
1,719	1,669	1,695	1,886	1,910	1,539	1,554
409	406	457	2,415	700	618	714
1,025	1,098	1,058	1,125	1,137	1,119	1,221
668	508	560	559	570	630	617
4,253	5,857	16,235	6,039	46,872	8,638	8,463
875	1,151	1,267	675	398	1,697	1,678
545	2,225	2,315	2,410	2,505	80	34
89	139	106	88	752	1,655	2,497
23,257	27,706	38,622	30,187	70,095	32,184	33,197
538	(4,453)	(14,812)	(6,068)	(41,619)	83	(2,003)
954	2,076	1,783	2,148	5,154	2,161	2,347
(899)	(1,069)	(1,703)	(2,104)	(5,183)	(2,427)	(2,760)
1,600	829	620	81	0	0	0
10,000	0	0	0	0	0	0
0	0	0	1,963	40,301	0	0
0	0	0	0	0	1,000	0
29	15	9	4	23	502	23
11,684	1,851	709	2,093	40,294	1,236	(390)
0	0	0	0	0	0	0
12,222	(2,601)	(14,103)	(3,975)	(1,325)	1,319	(2,392)
19,800	32,337	29,736	15,633	11,658	10,333	11,175
315	0	0	0	0	(477)	0
$ 32,337	$ 29,736	$ 15,633	$ 11,658	$ 10,333	$ 11,175	$ 8,783
3%	11%	11%	10%	14%	7%	10%

HAHBERSHAM COUNTY, GEORGIA
GENERAL GOVERNMENT 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
2008	$ 11,495	$ 5,211	$ 281	$ 1,278	$ 391	$ 18,656
2009	10,741	5,009	190	1,310	620	17,869
2010	10,515	5,320	134	1,291	547	17,806
2011	11,519	5,208	141	1,255	621	18,745
2012	11,271	5,741	159	1,286	654	19,110
2013	11,371	5,367	204	1,374	652	18,969
2014	12,561	3,911	170	1,428	723	18,792
2015	13,214	1,316	159	1,506	748	16,945
2016	13,059	5,607	199	1,613	816	21,295
2017	13,557	5,547	223	1,717	698	21,742

Note: Other taxes include real estate transfer, intangible, occupational, alcoholic beverage, hotel/motel, and franchise taxes.

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

Fiscal Year Ended June 30	Gross Digest Assessed Value	Residential Property	Commercial Property	Industrial Property	All Other
2008	$ 1,422,526	$ 833,444	$ 155,015	$ 67,932	$ 366,135
2009	1,622,208	957,865	167,012	65,117	432,213
2010	1,630,836	958,263	168,017	60,625	443,931
2011	1,611,371	954,594	163,198	58,981	434,598
2012	1,485,186	861,843	151,764	59,840	411,740
2013	1,375,791	772,676	151,287	62,221	389,606
2014	1,326,305	734,826	151,675	59,053	380,752
2015	1,315,053	728,355	155,477	65,387	365,834
2016	1,312,392	745,121	154,255	63,616	349,400
2017	1,318,913	750,900	159,120	67,604	341,289

Source: Tax Commissioner's Office

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

Less Exempt Property	Total Net Assessed Value	Total Direct Tax	Total Net Fair Market Value	Percentage Assessed Value To Fair Market Value
$ (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 Tax Year	2008 2007	2009 2008	2010 2009	2011 2010
Habersham County Rates:				
County Operations:	8.429	7.76	7.76	8.40
Board of Education :	13.60	13.35	13.35	13.35
Hospital Bond:	0.568	0.510	0.510	0.510
State of Georgia:	0.250	0.250	0.250	0.250
Totals	22.847	21.870	21.870	22.510

Source: Georgia Department of Revenue

2012 2011	2013 2012	2014 2013	2015 2014	2016 2015	2017 2016
8.974	9.635	10.785	10.785	10.639	10.626
13.35	14.41	14.75	14.77	14.490	14.451
0.545	0.585	0.598	0.598	0.590	0.998
0.250	0.200	0.150	0.100	0.050	0.000
23.119	24.830	26.283	26.253	25.769	26.075

HABERSHAM COUNTY, GEORGIA
PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS PRIOR

	2017			2008		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Ethicon Inc.	$ 32,048,575	1	2.91 %	$ 17,877,765	1	1.28
Georgia Power	25,568,251	2	2.32	16,063,458	2	1.15
Habersham EMC	15,836,014	3	1.44	15,148,631	3	1.09
Nicolon Corporation	9,525,490	4	0.87	10,979,801	4	0.79
Fieldale Corp.	9,234,993	5	0.84	6,413,208	7	0.46
Windstream Standard	7,833,701	6	0.71	9,609,373	5	
D. Aubry Higgins	6,227,788	7	0.57	7,266,992	6	0.52
Fieldale Farms Inc.	5,669,969	8	0.52	5,211,934	10	0.37
Norflok Sourthern Corp.	5,556,134	9	0.50			
Lowe's Home Centers Inc	4,590,351	10	0.42	5,698,717	8	0.41
Silverleaf Resorts				5,556,700	9	0.40
	$ 122,091,266		**11.09** %	**$ 99,826,579**		**6.07**

Source: Habersham County Tax Commissioner

HABERSHAM COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year	Tax Year	Total Tax Levy	Adjustments	Total Adjusted Tax Levy	Collections Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
					Amount	Percentage of Original Levy	Amount	Amount	Percentage of Adjusted Levy
2008	2007	$9,122,098	$ 90,760	$9,439,189	$8,739,522	95.81%	$ 585,740	$9,325,262	98.79%
2009	2008	9,072,604	10,254	9,082,858	8,569,320	94.45%	513,469	9,082,789	100.00%
2010	2009	9,620,490	132,605	9,753,095	9,260,431	96.26%	492,483	9,752,914	100.00%
2011	2010	10,329,795	119,876	10,449,671	10,101,795	97.79%	347,444	10,449,239	100.00%
2012	2011	10,193,550	17,295	10,210,845	9,966,006	97.77%	244,172	10,210,178	99.99%
2013	2012	10,080,813	74,117	10,154,930	9,904,987	98.26%	249,003	10,153,991	99.99%
2014	2013	10,981,347	5,108	10,986,455	10,721,034	97.63%	263,070	10,984,105	99.98%
2015	2014	10,982,306	(15,094)	10,967,212	10,899,929	99.25%	64,223	10,964,151	99.97%
2016	2015	10,943,000	72,337	11,015,337	10,919,392	99.78%	87,082	11,006,474	99.92%
2017	2016	11,051,879	9,772	11,061,651	11,021,775	99.73%	N/A	11,021,775	99.64%

Source: Habersham County Tax Commissioner

HABERSHAM COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

	Governmental Activities							
Fiscal Year	Capital Leases	Guarantee Obligation	Bonds Payable	Notes Payable	Contracts Payable	Total	Percentage of Personal Income (1)	Per Capita
2008	$ 1,560,695	$ 0	$ 0	$ 0	$ 0	$ 1,560,695	0.13%	42.68
2009	756,042	0	0	0	0	756,042	0.10%	27.13
2010	743,558	0	0	0	0	743,558	0.09%	23.76
2011	1,779,027	0	9,455,000	0	0	11,234,027	0.95%	264.28
2012	2,091,690	0	7,230,000	0	0	9,321,690	0.79%	220.49
2013	2,021,346	1,873,051	4,915,000	0	0	8,809,397	0.71%	208.60
2014	70,122	274,961	2,505,000	0	1,963,027	4,813,110	0.39%	114.12
2015	54,782	0	0	0	39,983,922	40,038,704	3.08%	913.06
2016	38,752	0	0	1,976,076	39,938,304	41,953,132		
2017	22,001	0	0	1,016,245	39,127,686	40,165,932		

	Business-Type Activities	Primary Government		
Fiscal Year	Capital Leases	Total	Percentage of Personal Income (1)	Per Capita
2008	$ 255,382	$ 1,816,077	0.15%	42.68
2009	409,129	1,165,171	0.10%	27.13
2010	280,502	1,024,060	0.09%	23.76
2011	151,327	11,385,354	0.95%	264.28
2012	264,084	9,585,774	0.79%	220.49
2013	222,870	9,032,267	0.71%	208.60
2014	179,755	4,992,865	0.39%	114.12
2015	132,158	40,170,862	3.08%	913.06
2016	353,576	42,306,708		
2017	303,151	40,469,083		

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

Note (1): See the Schedule of Demographic and Economic Statistics within this section for personal income and population data. This data is not currently available past 2015.

HABERSHAM COUNTY, GEORGIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2017

Governmental Unit	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Overlapping:			
City of Alto (4): Intergovernmental Contracts (2)(5)	$ 218,152	100%	$ 218,152
City of Baldwin (4)	0	100%	0
City of Clarkesville: Ingergovernmental Contracts (2)(5)	1,639,210	100%	1,639,210
City of Clarkesville: Capital Leases (3)	98,219	100%	98,219
City of Cornelia: Intergovernmental Contracts (2)(5)	31,674,570	100%	31,674,570
City of Cornelia: Capital Leases (3)	989,771	100%	989,771
City of Demorest:Intergovernmental Contracts (2)(5)	3,962,736	100%	3,962,736
City of Demorest: Capital Leases (3)	141,743	100%	141,743
Habersham County School District (1)	37,240,000	100%	37,240,000
Total overlapping debt	75,964,401		75,964,401
Habersham County Direct Debt			
General Obligation Bonds (1)	0	100%	0
Intergovernmental Contracts (2)	40,995,271	100%	40,995,271
Capital Leases (3)	22,654	100%	22,654
	41,017,925		41,017,925
Total direct and overlapping debt	$ 116,982,326		$ 116,982,326

Source: Official Statement Habersham County COPs 2017 Appendix A Total Direct and Overlapping Debt

Note: (1) Represents general obligations of the Issuer to which its full faith and credit and taxing power are pledged. Constitutes debt for purposes of the constitutional debt limit described herein under the heading "COUNTY DEBT STRUCTURE – Limitations on County Debt."
(2) Represents general obligations of the governmental entity to which its full faith and credit and taxing power are pledged. Does not constitute debt for purposes of the constitutional debt limit.
(3) Represents contractual obligations of the governmental entity that are subject to annual appropriation and do not constitute general obligations of the governmental entity to which its full faith and credit or taxing power are pledged. Does not constitute debt for purposes of the constitutional debt limit.
(4) The City of Alto and the City of Baldwin each lie in both the County and Banks County. The portion of Alto and Baldwin that lie within the County's limits (as a percentage of the total assessed value of each municipality that is located within the limits of the County) is 67.69% and 74.20%, respectively. Accordingly, the amounts shown in the above table for the overlapping debt of Alto and Baldwin constitute 67.69% and 74.20%, respectively, of the total outstanding obligations of each municipality.
(5) These amounts include indebtedness related to the water and sewerage system of each of the indicated Cities. Each City expects to pay the debt service from the City's water and sewer enterprise fund; however the debt is backed by the City's full faith and credit and the City has historically made all or a portion of the payments on such obligations from its general funds; therefore, these amounts are reflected as general obligation debt for purposes of this table.

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

	Fiscal Year			
	2008	**2009**	**2010**	**2011**
Taxable assessed value of property	$ 1,234,242	$ 1,355,783	$ 1,357,531	$ 1,332,540
Add back: exemptions	188,284	266,425	273,305	278,830
Total assessed value	1,422,526	1,622,208	1,630,836	1,611,370
Debt limit (10% total assessed value)	142,253	162,221	163,084	161,137
Amount of debt applicable to limit	0	0	0	9,455
Legal debt margin	$ 142,253	$ 162,221	$ 163,084	$ 151,682
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.

2012	2013	2014	2015	2016	2017
$ 1,236,703	$ 1,151,622	$ 1,126,378	$ 1,110,947	$ 1,100,950	$ 1,097,879
248,484	224,169	199,927	204,107	211,442	221,034
1,485,187	1,375,791	1,326,305	1,315,054	1,312,392	1,318,913
148,519	137,579	132,631	131,505	131,239	131,891
7,230	4,915	2,505	0	0	0
$ 141,289	$ 132,664	$ 130,126	$ 131,505	$ 131,239	$ 131,891
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

HABERSHAM COUNTY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population	(1) Personal Income (in thousands)	(1) Per Capita Personal Income	Unemployment Rate (2)	(3) School Enrollment (PK-12)
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
2015	43,996	1,302,414	29,603	5.90%	6,883

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
(3) - Habersham County Board of Education

Note: Data for 2016 and 2017 is unavailable, therefore 10 years prior to 2016 are reported.

HABERSHAM COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS PRIOR

	2017			2007		
Employer	Number of Employees	Rank	Percentage of Labor Force	Number of Employees	Rank	Percentage of Labor Force
Fielddale Farms	1,897	1	10.05 %	2,000	1	9.98 %
Habersham County BOE	1,045	2	5.54	800	2	3.99
Ethicon	866	3	4.59	500	5	2.50
Mt. Vernon Mills	730	4	3.87	600	3	2.99
Piedmont College	266	11	1.41			
Habersham County Medical Center	700	5	3.71	600	4	2.99
Lee Arrendale Correctional Institute	475	6	2.52	500	6	2.50
North Georgia Technical College	392	7	2.08			
Habersham County BOC	335	8	1.77			
Global Tech	305	9	1.62			
Scovill Mfg.				300	7	1.50
TC Baycor				275	8	1.37
Regency Thermographers				265	9	1.32
Wal-Mart	251	12	1.33	200	10	1.00
Windstream	272	10	1.44			
	7,262		37.14 %	6,040		29.15 %
Total County Labor Force	19,368			20,035		

Source: Habersham County Chamber of Commerce

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

	Full-time Equivalent Employees as of June 30			
	2008	**2009**	**2010**	**2011**
Function				
General Government	*	*	26.10	34.15
Public Safety				
Sheriff			31.42	45.50
Officers	*	*	*	*
Civilians	*	*	*	*
Jail			28.94	40.50
Officers	*	*	*	*
Civilians	*	*	*	*
Fire Protection			20.88	29.88
Firefighters	*	*	*	*
Civilians	*	*	*	*
Other public safety	*	*	20.35	28.43
Judicial	*	*	20.03	27.63
Public Works	*	*	22.25	31.21
Recreation and culture	*	*	8.90	9.81
Housing and Development	*	*	6.58	8.72
Total employees	**-**	**-**	**185.45**	**255.83**

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					
2012	**2013**	**2014**	**2015**	**2016**	**2017**
33.83	34.45	35.26	38.14	37.93	37.35
46.16	46.58	0	0	0	0
*	*	48.87	48.28	50.21	50.68
*	*	2.99	3.10	3.11	3.06
40.50	39.63	0	0	0	0
*	*	37.85	35.37	36.94	40.63
*	*	2.08	2.39	2.77	0.93
29.92	29.38	0	0	0	0
*	*	27.83	27.21	29.36	35.85
*	*	1.27	1.55	1.61	1.61
27.40	27.71	26.47	26.94	25.81	29.59
28.35	28.47	29.79	28.69	26.90	26.36
31.91	31.00	30.33	29.40	29.75	29.87
12.82	12.21	14.77	14.68	13.56	14.96
6.31	6.82	6.66	6.77	12.05	13.14
257.20	**256.25**	**264.17**	**262.52**	**270.00**	**284.03**

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

	Fiscal Year			
Function	**2008**	**2009**	**2010**	**2011**
Sheriff				
Traffic citations	*	*	*	2,044
Fire				
Number of calls answered	599	642	674	739
Inspections conducted	10	6	12	7
E911				
Emergency Calls	62,113	65,495	65,879	65,697
Non-Emergency Calls	63,376	72,356	68,726	72,333
Emergency Medical Service				
Calls	*	*	*	*
Highways and streets				
Paved or resurfaced (LMIG)	*	*	*	*
Building, Planning & GIS				
New Residential Buildings	264	137	54	26
New Other Buildings	39	46	23	2

Source: Various County Departments

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

* indicates information is unavailable

Fiscal Year					
2012	**2013**	**2014**	**2015**	**2016**	**2017**
2,136	1,400	1,120	738	2,721	3,421
894	862	1,056	1,026	2,407	3,592
2	3	1	3	4	6
74,026	101,732	119,658	124,204	126,146	134,569
75,933	109,408	144,353	154,620	156,396	159,723
*	*	6,032	6,104	6,808	7,012
*	*	13.81	12.04	16.36	16.36
31	31	28	28	92	74
0	7	0	0	0	1

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

	Fiscal Year				
	2008	**2009**	**2010**	**2011**	**2012**
Function					
General Government					
Buildings	21	21	21	21	21
Vehicles	9	11	12	12	12
Judicial					
Vehicles	1	1	2	2	2
Public Safety					
Sheriff					
Buildings	1	1	1	1	1
Vehicles	18	24	26	27	39
Other Equipment	7	11	13	15	16
Fire Department					
Fire stations	8	8	8	8	8
Fire Trucks (1)	27	27	30	29	29
Fire Engine	*	*	*	*	*
Ladder Truck	-	-	-	-	-
Tankers	*	*	*	*	*
Rescue Unit	*	*	*	*	*
Light and Air Unit	*	*	*	*	*
Other vehicles	1	1	1	1	1
Other Equipment	5	6	6	6	6
Animal Shelter					
Buildings	1	1	1	1	1
Vehicles	3	3	3	3	3
Other Equipment	1	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	1	1	1	1	1
Other Equipment	6	6	7	9	9
EMS					
Ambulance	6	8	7	7	7
Other vehicles	0	1	1	1	2
Other Equipment	1	1	1	1	1
Coroner					
Vehicles	1	2	2	1	1

Fiscal Year				
2013	**2014**	**2015**	**2016**	**2017**
22	23	23	23	26
13	13	13	9	8
2	2	4	3	2
1	1	1	1	1
46	50	58	58	61
23	23	23	20	24
8	8	8	8	9
30	25	*	*	*
*	*	13	13	13
-	-	-	-	1
*	*	6	6	6
*	*	7	7	6
*	*	1	1	1
2	2	3	5	7
8	8	9	10	10
1	1	1	1	1
3	3	4	4	4
1	1	1	1	1
2	2	2	2	3
1	1	1	1	2
1	1	1	1	1
1	1	1	1	1
10	11	12	11	11
8	8	8	8	10
2	2	3	3	1
1	1	3	5	10
1	1	1	1	1

	Fiscal Year				
	2008	2009	2010	2011	2012
Public Works					
Fleet Department					
Buildings	0	0	0	0	0
Vehicles	0	0	1	1	2
Other Equipment	0	0	0	0	0
Roads & Bridges					
Buildings	1	1	1	1	1
Vehicles	28	28	34	35	35
Other Equipment	23	25	26	27	30
Health and Welfare					
Hospital					
Buildings	0	0	0	0	0
Senior Center					
Buildings	1	1	1	1	1
Vehicles	2	2	1	2	3
Habersham County Health Department					
Buildings	*	*	*	*	*
Vehicles	*	*	*	*	*
Culture & Recreation					
Recreation Department					
Buildings	9	9	9	10	10
Vehicles	0	0	1	1	1
Other Equipment	7	7	7	7	7
Housing & Development					
Economic Development					
Vehicles	0	0	0	0	0
Planning & Development					
Vehicles	5	5	6	4	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	2	2
Vehicles	4	4	3	4	4
Other Equipment	10	11	11	12	13
Transit					
Vehicles	1	1	1	1	1
Airport					
Buildings	*	*	*	*	*
Vehicles	-	-	-	-	-
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				
2013	**2014**	**2015**	**2016**	**2017**
0	0	1	1	1
2	2	3	5	6
1	1	2	2	2
2	2	2	2	2
35	35	41	35	35
34	39	45	42	44
0	0	4	4	4
1	1	1	1	1
3	3	3	4	3
*	*	1	1	1
*	*	*	2	2
10	10	10	10	10
1	1	1	1	1
8	9	10	11	16
1	1	1	**	**
4	4	4	5	5
1	1	1	**	**
1	1	1	1	1
2	2	2	2	2
2	2	2	2	2
4	4	10	10	10
13	13	16	13	15
1	1	1	1	2
*	*	*	12	12
-	-	-	-	1
*	*	*	2	2

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Part IV

Other Reporting Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

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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, 2017, 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 20, 2017. 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 deficiency described in the accompanying schedule of findings and questioned costs as comment 2017-001 to be a significant deficiency.

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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 20, 2017

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, 2017. 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, 2017.

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 20, 2017

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2017

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	FY2017	$ 2,482
U.S. Department of Interior			
Payments in Lieu of Taxes	15.226	N/A	69,171
U.S. Department of Justice			
Passed through the Criminal Justice Coordinating Council:			
Victims of Crime Act Assistance Grant Program	16.575	C14-8-109/C16-8-001	80,952
		C13-8-103/C14-8-108/C15-8-153	19,276
			100,228
Violence Against Women Formula Grants	16.588	W15-08-061	13,168
		W15-8-029E01	34,042
			47,210
Edward Byrne Memorial Justice Assistance Grant Program	16.738	B16-8-012	9,748
		B14-8-022	8,582
			18,330
Total U.S. Department of Justice			165,768
U.S. Department of Transportation			
Passed through the Georgia Department of Transportation			
Airport Improvement Program	20.106	AP016-9030-18(137)	2,701,086
Formula Grants for Rural Areas	20.509	GA-18-X033	42,988
		T005238	40,503
			83,491
Passed through the Georgia Office of Highway Safety		GA-2017-402PT-086/	
State and Community Highway Safety	20.600	GA-2016-0-00343	42,093
Total U.S. Department of Transportation			2,826,670

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2017

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	FY2017	$ 16,081
Title III, Part C, Nutrition Services	93.045	FY2017	54,214
Nutrition Services Incentive Program	93.053	FY2017	12,821
Total Aging Cluster of Programs			83,116
Passed through Legacy Link, Inc.:			
Social Services Block Grant	93.667	FY2017	10,896
Passed through T&T Transportation:			
Social Services Block Grant	93.667	FY2017	54,825
			65,721
Total Department of Health and Human Services			148,837
U.S. Department of Homeland Security			
Passed through the Georgia Emergency Management Agency			
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4165-DR-GA	6,545
Hazard Mitigation Grant	97.039	HMGP-4165-0026	52,879
		HMGP-4165-0006	19,427
			72,306
Emergency Management Performance Grants	97.042	OEM16-070S02	24,101
Homeland Security Grant Program	97.067	EMW-2015-SS-00065-S01	3,000
		EMW-2014-SS-00092-S01	43,000
			46,000
Total U.S. Department of Homeland Security			148,952
Total Federal Awards			$ 3,361,880

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

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of Habersham County, Georgia, under programs for the federal government for the fiscal year ended June 30, 2017. 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, 2017

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?	No

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?	Yes

2. Financial Statement Findings

A. Current Year Audit Findings

Comment 2017-001

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.

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.

B. Prior Year Audit Findings Follow-Ups

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.

Corrected

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.

Corrected

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.

Tax Commissioner's office did not reconcile ending cash to amounts paid out in July.

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.

Corrected

2. Financial Statement Findings (continued)

B. Prior Year Audit Findings Follow-ups, continued

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.

Corrected

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.

Corrected

3. Federal Award Findings and Questioned Costs

The audit of our basic financial statements and schedule of expenditures of federal awards disclosed no audit findings or questioned costs which are required to be reported under 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, 2017

Project	Estimated Cost * Original	Estimated Cost * Current	Expenditures Prior Years	Expenditures Current Year	Expenditures 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			1,362,876	0	1,362,876
Airport Facilities and Equipment			4,081,350	0	4,081,350
Economic Development Facilities and Equipment			81,198	0	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	$ 31,788,282	$ 0	$ 31,788,282

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2017

	Estimated Cost *		Expenditures		
			Prior	Current	
Project	Original	Current	Years	Year	Total
SPLOST #5					
Judicial	$ 17,965,000	$ 17,965,000	$ 17,441,381	$ 0	$ 17,441,381
Water	14,900,000	14,900,000	0	0	0
Roads, Streets, and Bridges	10,000,000	10,000,000	6,837,276	0	6,837,276
Economic Development	2,000,000	2,000,000	1,246,666	686,092	1,932,758
Public Safety	1,500,000	1,500,000	271,871	0	271,871
Recreation	1,200,000	1,200,000	617,609	0	617,609
Information Technology	500,000	500,000	634,245	907,161	1,541,406
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	$ 32,436,076	$ 1,593,253	$ 34,029,329

Total expenditures of the SPLOST #6 Capital Projects Fund	$ 1,734,789
Expenditures financed through intergovernmental revenues and transfers	(141,536)
	$ 1,593,253

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2017

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST #6					
Hospital	$ 7,500,000	$ 7,500,000	$ 1,384,576	$ 1,109,375	$ 2,493,951
Landfill	3,431,500	3,431,500	252,000	390,492	642,492
Roads, Streets, Bridges, and Airport	9,735,334	9,735,334	1,835,636	1,695,720	3,531,356
Public Safety	3,487,132	3,487,132	738,418	982,131	1,720,549
Capital Projects	2,000,000	2,000,000	12,094	27,182	39,276
City of Alto	442,878	442,878	81,695	65,461	147,156
City of Baldwin	1,754,438	1,754,438	324,037	259,661	583,698
City of Clarkesville	1,800,831	1,800,831	332,270	266,208	598,478
City of Cornelia	4,938,068	4,938,068	911,713	730,477	1,642,190
City of Demorest	1,256,853	1,256,853	231,908	185,808	417,716
City of Mount Airy	881,226	881,226	162,732	130,418	293,150
City of Tallulah Falls	271,740	271,740	50,509	40,451	90,960
	$ 37,500,000	$ 37,500,000	$ 6,317,588	$ 5,883,384	$ 12,200,972

Total expenditures of the SPLOST #6 Capital Projects Fund	$ 9,383,091
Expenditures financed through intergovernmental revenues	(3,499,707)
	$ 5,883,384

* 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.