HABERSHAM COUNTY, GEORGIA

Comprehensive Annual Financial Report

For the fiscal year ended June 30, 2018

Prepared by: Finance Department

This page intentionally left blank.

Part I

Introductory Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

HABERSHAM COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2018

TABLE OF CONTENTS

Exhibit		PAGE
	INTRODUCTORY SECTION	
	Table of Contents	I1-I4
	Certificate of Achievement for Excellence in Financial Reporting	I5
	Principal Officials	I6
	Habersham County Organizational Chart	I7
	Letter of Transmittal	I8-I13
	FINANCIAL SECTION	
	Independent Auditor's Report	1-3
	Management's Discussion and Analysis	4-16
	Basic Financial Statements:	
	Government-wide Financial Statements:	
A-1	Statement of Net Position	17-18
A-2	Statement of Activities	19
	Fund Financial Statements:	
	Governmental Funds:	
A-3	Balance Sheet	20-21
A-4	Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position	22
A-5	Statement of Revenues, Expenditures and Changes in Fund Balances	23-24
A-6	Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	25
A-7	General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	26-27
A-8	Emergency Medical Services Special Revenue Fund - Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	28
	Proprietary Funds:	
A-9	Statement of Net Position	29
A-10	Statement of Revenues, Expenses, and Changes in Net Position	30
A-11	Statement of Cash Flows	31-32
	Fiduciary Funds:	
A-12	Statement of Fiduciary Assets and Liabilities	33
	Component Units:	
A-13	Combining Statement of Net Position	34
A-14	Combining Statement of Activities	35
A-15	Notes to the Financial Statements	36-80
	Required Supplementary Information:	
B-1	Schedule of Changes in the Net Pension Liability (Assets) and Related Ratios	81
B-2	Schedule of Contributions	82
B-3	Notes to the Required Supplementary Information	83-84
	Combining and Individual Fund Statements and Schedules:	
C-1	Combining Balance Sheet - Nonmajor Governmental Funds	85-86
C-2	Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	87-88

TABLE OF CONTENTS

Exhibit		PAGE
	FINANCIAL SECTION (continued)	
	Combining and Individual Fund Statements and Schedules (continued)	
D-1	Comparative Balance Sheets - General Fund	89
D-2	Comparative Statement of Revenues, Expenditures and Changes in Fund Balances - General Fund	90
D-3	Schedule of Revenues - Budget and Actual - General Fund	91
D-4	Schedule of Expenditures - Budget and Actual - General Fund	92-97
E-1	Comparative Balance Sheets - Jail Special Revenue Fund	98
E-2	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Jail Special Revenue Fund	99
E-3	Comparative Balance Sheets - Emergency 911 Special Revenue Fund	100
E-4	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Emergency 911 Special Revenue Fund	101
E-5	Comparative Balance Sheets - Hotel/Motel Special Revenue Fund	102
E-6	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Hotel/Motel Special Revenue Fund	103
E-7	Comparative Balance Sheets - Law Library Special Revenue Fund	104
E-8	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Law Library Special Revenue Fund	105
E-9	Balance Sheet - Emergency Medical Services Special Revenue Fund	106
E-10	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Emergency Medical Services Special Revenue Fund	107
E-11	Comparative Balance Sheets - Drug Abuse Treatment Special Revenue Fund	108
E-12	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Drug Abuse Treatment Special Revenue Fund	109
E-13	Comparative Balance Sheets - Inmate Welfare Special Revenue Fund	110
E-14	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Inmate Welfare Special Revenue Fund	111
E-15	Comparative Balance Sheets - Confiscated Assets Special Revenue Fund	112
E-16	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Confiscated Assets Special Revenue Fund	113
E-17	Comparative Balance Sheets - Senior Center Special Revenue Fund	114
E-18	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Senior Center Special Revenue Fund	115
E-19	Comparative Balance Sheets - Family Dependency Treatment Court Special Revenue Fund	116
E-20	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Family Dependency Treatment Court Special Revenue Fund	117
F-1	Comparative Balance Sheets - Hospital Debt Service Fund	118
F-2	Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - Hospital Debt Service Fund	119

TABLE OF CONTENTS

Exhibit		PAGE
	FINANCIAL SECTION (continued)	
	Combining and Individual Fund Statements and Schedules (continued)	
G-1	Comparative Balance Sheets - Special Purpose Local Option Sales Tax #5 Capital Projects Fund	120
G-2	Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Special Purpose Local Option Sales Tax #5 Capital Projects Fund	121
G-3	Comparative Balance Sheets - Special Purpose Local Option Sales Tax #6 Capital Projects Fund	122
G-4	Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Special Purpose Local Option Sales Tax #6 Capital Projects Fund	123
G-5	Comparative Balance Sheets - Capital Improvements Capital Projects Fund	124
G-6	Comparative Statements of Revenues, Expenditures, and Changes in Fund Balances - Capital Improvements Capital Projects Fund	125
G-7	Balance Sheet - Senior Center CDBG Capital Projects Fund	126
G-8	Statement of Revenues, Expenditures, and Changes in Fund Balances - Senior Center CDBG Capital Projects Fund	127
H-1	Comparative Statements of Net Position - Landfill Enterprise Fund	128-129
H-2	Comparative Statements of Revenues, Expenses, and Changes in Net Position - Landfill Enterprise Fund	130
H-3	Comparative Statements of Cash Flows - Landfill Enterprise Fund	131-132
H-4	Comparative Statements of Net Position - Transit Enterprise Fund	133
H-5	Comparative Statements of Revenues, Expenses, and Changes in Net Position - Transit Enterprise Fund	134
H-6	Comparative Statements of Cash Flows - Transit Enterprise Fund	135
H-7	Comparative Statements of Net Position - Airport Enterprise Fund	136
H-8	Comparative Statements of Revenues, Expenses, and Changes in Net Position - Airport Enterprise Fund	137
H-9	Comparative Statements of Cash Flows - Airport Enterprise Fund	138
I-1	Combining Balance Sheet - Agency Funds	139-140
I-2	Statement of Changes in Assets and Liabilities - Agency Funds	141
J-1	Comparative Balance Sheets - Development Authority (A Component Unit)	142
J-2	Comparative Schedules of Revenues, Expenditures, and Changes in Fund Balances - Development Authority (A Component Unit)	143

HABERSHAM COUNTY, GEORGIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the fiscal year ended June 30, 2018

TABLE OF CONTENTS

Exhibit		PAGE
	STATISTICAL SECTION	
	Introduction to the Statistical Section	144
	Financial Trends	
K-1	Net Position by Component	145-146
K-2	Changes in Net Position	147-150
K-3	Governmental Activities Tax Revenues by Source	151
K-4	Fund Balances of Governmental Funds	152-153
K-5	Changes in Fund Balances of Governmental Funds	154-155
K-6	General Government Tax Revenues by Source	156
	Revenue Capacity	
K-7	Assessed Value and Estimated Actual Value of Taxable Property	157-158
K-8	Property Tax Rates - Direct and Overlapping Governments	159-160
K-9	Principal Taxpayers	161
K-10	Property Tax Levies and Collections	162
	Debt Capacity	
K-11	Ratios of Outstanding Debt by Type	163
K-12	Direct and Overlapping Governmental Activities Debt	164
K-13	Legal Debt Margin Information	165-166
	Demographic and Economic Information	
K-14	Demographic and Economic Statistics	167
K-15	Principal Employers	168
	Operating Information	
K-16	Full-time Equivalent County Government Employees by Function	169-170
K-17	Operating Indicators by Function	171-172
K-18	Capital Asset Statistics by Function	173-176
	OTHER REPORTING SECTION	
	Single Audit Section	
	Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*	177-178
	Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance	179-180
L-1	Schedule of Expenditures of Federal Awards	181-182
L-2	Notes to the Schedule of Expenditures of Federal Awards	183
L-3	Schedule of Findings and Questioned Costs	184-185
	State Reporting Section	
M-1	Schedule of Projects Financed with Special Purpose Local Option Sales Tax	186-187



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Habersham County

Georgia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO



Chairman Victor Anderson
District 3



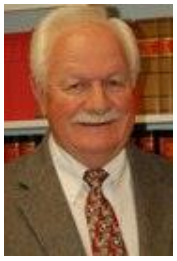
Vice-Chairman Natalie Crawford
District 4



Stacy Hall
District 1



Andrea Harper
District 2



Ed Nichols
District 5

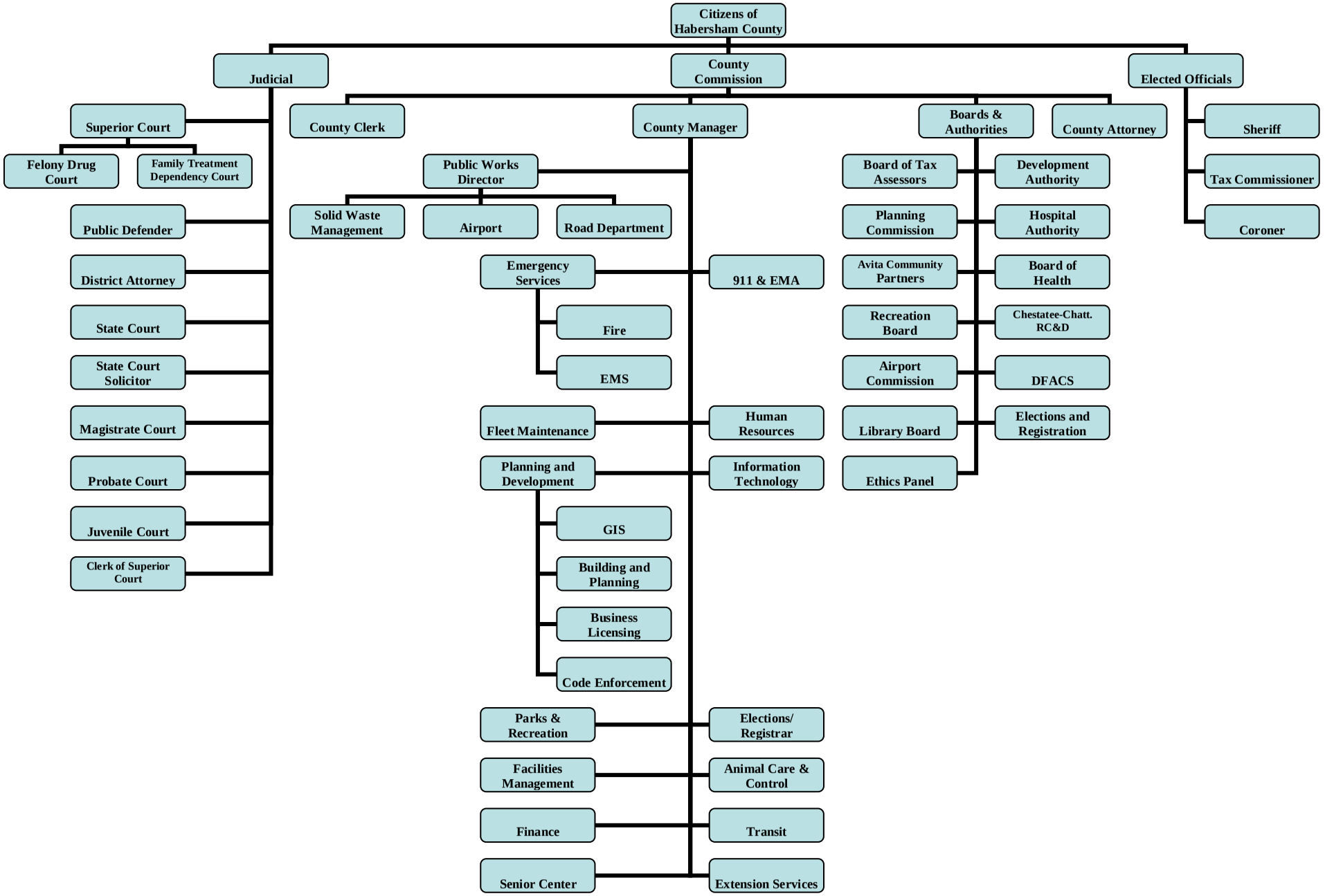
Elected Officials

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

Administration

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

Habersham County Organizational Chart



HABERSHAM COUNTY
GEORGIA | Est. 1818

Office of County Commissioners
555 Monroe Street, Unit 20
Clarkesville, GA 30523
706-839-0200 Fax: 706-839-0219
www.habershamga.com

Transmittal Letter

The Honorable Chairman and
Members of the Board of Commissioners:

November 8, 2018

Introduction

I am pleased to present the Annual Financial Report for fiscal year ending June 30, 2018 for Habersham County, Georgia. 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; then submit the annual audit report to the Georgia Department of Audits and Accounts within 180 days of the local government's fiscal year end. The accuracy of 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 County has established and maintains internal controls to protect the government's assets from loss, theft, misuse, or misrepresentation. These internal controls provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement as the cost of internal controls should not outweigh their benefits.

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 are normally supported by tax and intergovernmental revenues, and other non-exchange transactions, are reported separate from business-type activities which 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 its component units.

Rushton & Company, LLC, has issued an unmodified opinion on the Habersham County, Georgia Annual Financial Report for the fiscal year ended June 30, 2018. That opinion is located at the beginning of the financial section of this report. Management's Discussion and Analysis immediately follows the independent auditor's opinion 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.

This report audit has been performed in compliance with the *Government Auditing Standards*. Reports included in the Compliance/Single Audit Section are:

- 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;
- Schedule of Expenditures of Federal Awards;

- Schedule of Findings and Questioned Costs for the current and prior year;
- Schedule of Management's Corrective Action.

The State of Georgia also requires additional reports related to Schedule of Projects Financed with Special Purpose Local Options Sales Tax, they are located at the end.

Reporting Entity

Habersham County's governing authority is the Habersham County Board of Commissioners. Habersham County is divided into five districts; 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, fire and emergency medical service, 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 Budget Officer for the County.

Economic Condition & Outlook

Habersham County is well positioned for economic growth and prosperity, we have experienced moderate recovery since the 2008 recession. Housing and commercial construction have risen throughout this year. Retail sales have increased by 7% over the prior year. 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 a heavy reliance on residential property taxes and the Special Purpose Local Option Sales Tax (SPLOST) for infrastructure and facility improvements.

Habersham County continues to take steps to improve in the future, thereby improving our 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 business and industry. Efforts to foster a pro-business environment continue with the recent creation of a Technical Review Committee to streamline the development review process and update 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 and new terminal building are currently under construction.

The total General Fund balance as of June 30, 2018 was $5,687,891 vs. $5,248,767 in FY2017, an increase of $439,124. The unrestricted fund balance is $5,179,863 vs. $4,757,363, an increase of $422,500. The unassigned fund balance was $3,986,931. The unrestricted fund balance represents 25.7% of the FY2018 original budget, which exceeds the Habersham County Fund Balance Policy minimum of 17%. The Unrestricted Fund balances includes $623,924 which has been assigned to future Employee Health Benefit payments. Also, $569,008 has been assigned to the subsequent year's budget. As in the past, a 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 FY2018, many challenges faced in prior years remained, while new challenges arose. As in previous years, there was need for additional positions and market-comparable salaries for numerous departments. Excess spending in overtime throughout FY2018 within numerous public safety departments became a budgetary challenge for FY2019. Additionally, full capacity of the Jail in FY2018 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 FY2019 budget; increasing the millage rate to 11.176. In March 2018, to form a new Emergency Services Department, we merged the Fire Department with the Hospital's Emergency Medical Services Department. This greatly strengthened the County's ability to respond to both Emergency Medical and Fire Service calls. Ambulance billings now exceed expenses, making this merger financially beneficial.

While financial resources continue to present challenges in providing critical and desired services within Habersham County, there are many accomplishments made throughout the County that should be celebrated.

During FY2018, Habersham County:

Roads & Bridges: Habersham County has 508 miles of roads, of which 404 are paved miles and 104 are graveled miles. 10.32 miles of roads were paved and/or resurfaced in FY2018. Furthermore, ten bridges were repaired, resurfaced, or replaced during FY2018 utilizing SPLOST VI funds. The County funds the road-paving program utilizing a combination of State-aid and SPLOST funds as allowed by funding specifications.

Sheriff's Office/Jail/HEAT: The Detention Center HVAC system was replaced in April 2018. Thirty mobile computers were installed in patrol vehicles during FY2018 so that reports and citations can be completed in the car, enabling the Sheriff's Office to keep patrol officers in the field. The Sheriff's Office also began a four-year plan to replace in-car camera systems. In conjunction with the annual vehicle replacement plan, a HEAT vehicle was purchased through grant funding, and a second vehicle was received from a donation from the State of Georgia during FY2018.

E-911 & Emergency Management: An E-911 telephone system replacement project began in May of 2018 with the new AT&T Viper phone system. This will allow Habersham County E-911 to be Next Generation with text to 911 compatible phones and devices, meeting current and future communication needs. Additionally, through a Georgia Emergency Management Agency Hazard Mitigation Grant, Habersham County received $112,955 toward the purchase of six generators installed at fire stations throughout the County. Though hurricane IRMA hit us in fall of 2017, the County has been reimbursed by FEMA and GEMA with a $270,000 grant received during the summer of 2018.

Emergency Services: Effective March 5, 2018 the management of the Emergency Medical Services Department of Habersham County was transitioned from Habersham Medical Center to Habersham County. Historically, the County had provided funding to Emergency Medical Services through various operating expenditures and a subsidy to Habersham Medical Center. Habersham County is now directly responsible for the management and operation of EMS which is comprised of approximately 30 Full-Time and 17 Part-Time employees. The Fire Department has merged with EMS to create the new Habersham County Emergency Services Department. We converted a house owned by Habersham Medical Center at 125 Robertson Loop Rd. in Clarkesville to serve as the central base station for the Emergency Services Department.

Animal Care and Control: In March 2018, Animal Care and Control office renovations were completed with funding provided from the estate of Edward Taylor Murray. The new office, located west of the shelter, provides Animal Care and Control with a secure and professional location to accomplish administrative duties without constant interruption, making the department more efficient. Additionally, Habersham County Animal Care and Control was the recipient of the Best Friends Animal Society's "Lifesaving Luminary Award" for the southeast.

Senior Center: In November 2017, Habersham County was awarded a Community Development Block Grant in the amount of $750,000. CDBG funds are being used to construct a 5,214 sq. ft. Senior Wellness Center adjacent to the Senior Center. Additionally, the Senior Center saw a 17% increase in congregate meal clients during FY2018.

Recreation Department: In April 2018, the 2nd annual Swing into Spring Golf Tournament was held with 72 participants. Tournament proceeds will cover 31 scholarships for children participating in Habersham County Parks and Recreation programs such as basketball, football, cheerleading, volleyball, and gymnastics. The Parks and Recreation Department recovers approximately 50% of their costs from user fees. The Parks and Recreation Department has received two state recognized awards from the Georgia Recreation and Parks Association (GRPA). Mr. Anthony Rabern, coach of the Rapids Youth Swim Club, received the award for State Volunteer of the Year. The Special Event of the Year was awarded to the Parks and Recreation Department for their "Swing into Spring Scholarship Golf Tournament" held in April 2018.

Transit: Habersham County Transit operates two vehicles that provide transportation throughout the work week. Approximately 8,490 annual trips were taken by citizens utilizing this service to travel 65,985 miles within Habersham County. Transit is close to becoming self-funding. Revenue from fees and grants totaled $96,592 v. operating expenses of $109,565.

Habersham County Landfill: During FY2018, the Landfill completed its scrap tire abatement project; additionally, the Landfill submitted a reimbursement package to EPD for Hazardous Waste Trust Fund and received a $44,070 grant to monitor the Pea Ridge Landfill. The access road to the future borrow area, in which mitigation credits were required, was completed. This road was designed to allow multiple off-road trucks and other construction equipment to pass at the same time and will also provide necessary access to future dirt coverage material. Preliminary planning, market studying, and cost estimates were done to determine the feasibility of expanding the recycling center and level of service. Five new groundwater monitoring wells were installed at the inactive Pea Ridge Landfill. These wells were required due to exceeding parameter limits of various elements in groundwater; this corrective action plan and study is ongoing. The Landfill procured a new compactor (CAT 826K) through a lease/purchase agreement replacing a 26-year-old compactor.

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 expand the Airport Industrial Park, and Foothills Land Design has provided schematic drawings of potential layouts for industrial development pads.

Habersham County Airport: The County purchased the Runway Fish House property which includes a 6.5-acre tract of land adjacent to the county airport. This property will provide capacity for future expansion of the airport for additional hangars, or airport related businesses. The acquisition was funded 90% with Federal FAA funds, 5% from GDOT funding, and 5% from local funds.

1. Parallel Taxiway Phase 3: The notice to proceed for the west end taxiway construction project was issued April 5, 2018. It is now likely to be completed in late spring 2019.
2. Taxiway Relocation Phase 4: The notice to proceed was issued May 3, 2018 to relocate the east end taxiway. C.W. Matthews has opened a borrow pit on future pad 10 of the Industrial Development Park to extract dirt for this portion of the project.
3. Terminal Building: Notice to proceed was issued October 2, 2017 and construction started on June 4, 2018. We expect completion at the end of November 2018.

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. Construction began in November 2017 and will be completed in early 2019.

Classification & Compensation: Phase II of the Classification and Compensation Study was implemented in FY2018 at a cost of $91,042. The purpose of this study was to determine the extent of the disparity between County employee wages and entry-level wage market rates.

Service Delivery Strategy: Habersham County and all of the municipalities have passed resolutions to approve the adoption of the Service Delivery Strategy. We received a letter from the Georgia Department of Community Affairs stating they have successfully completed their review and have verified that the Service Delivery Strategy meets all applicable requirements.

Initiatives and Foresight: An examination of these financial statements compared to the prior year shows 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, Landfill, and Development Authority have become self-supporting programs from an operating expense standpoint. Due to an increase in their self-generated income, Transit, Parks & Recreation Department's Gymnastics Program, and Animal Control have seen a significant decrease in the amount of support required from the General Fund.

In the future, we need to focus on:

1. Emergency Services Merger: Revenue will continue to be closely monitored. The current billing for ambulance services is exceeding expenses and, if this translates into higher collections, we may be able to discontinue the subsidy to the Ambulance Service and/or improve service levels in the future.

2. Economic Development: Habersham County's commitment to the Economic Development Council and industrial development efforts continues to be a high priority.

3. Work Force Stabilization: A strategic goal of the FY2019 budget is to become more competitive in wage provisions to slow down the rate of turnover in County departments. Economic pressures require us to invest more to recruit and retain public safety and public works personnel with valuable training and experience. As of November 2018, we have reduced the turnover rate for fulltime workers from 27% to 9%.

4. Employee Benefit Cost Stabilization: The costs of employee health benefits and pension benefits continue to rise. We will continue to monitor the results of implementing the self-insured health benefit program, which has greatly reduced growth in the rising costs of health benefit expenses for the County.

5. Equipment Investment: Funding of new capital equipment and building maintenance will continue to be a budgeting challenge in future years.

6. Bicentennial Celebration: A Bicentennial Sub-Committee has worked on events, activities, and a commemorative book related to the Bicentennial Celebration throughout the 2018 calendar year. The Habersham County Bicentennial is December 15, 2018. On December 17, 2018 the County will dedicate the new Administration Building to the County's bicentennial year.

7. Construction of a New Jail: Preliminary design, cost estimates, and potential financing options are under review.

Financial management of Habersham County's government is a group effort encompassing each department director 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.

Awards and Acknowledgements

Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Habersham County for its comprehensive annual financial report for the fiscal year ended June 30, 2017. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

Sincerely,



Heidi Hook, Finance Director



Phil Sutton, County Manager

Part II

Financial Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

This page intentionally left blank.

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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Habersham County Health Department, a component unit of Habersham County, Georgia, which represent 24.2 percent, 3.8 percent, and 63.0 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, 2018, and the respective changes in the financial position and, where applicable, cash flows, and the budgetary comparison of the General Fund and Emergency Medical Services Special Revenue 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 16 and 81 through 84, 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, 2017, which are not presented with the accompanying financial statements. In our report dated November 20, 2017, 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, Georgia's basic financial statements as a whole. The combining and individual fund financial statements and schedules related to the 2017 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 2017 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 2017 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 2017 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 8, 2018, 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 8, 2018

This page intentionally left blank.

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, 2018. 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, 2018 by $75,542,030 (*net position*). Of this amount, $3,520,784 is reported as unrestricted net position. This is an increase of $3,150,409 from the previous fiscal year for unrestricted. Total net position increased by $4,571,888 from the previous fiscal year.

- As of June 30, 2018, Habersham County's governmental funds reported combined ending fund balances of $14,225,368. Approximately 28% of this total amount, or $3,947,841, is reported as unassigned and available for spending at the Board's discretion. Approximately 43% or $6,049,975, 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 48.

More detailed information regarding these activities and funds begins on page 17.

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 17-18) is to report all of the assets held and liabilities owed by the County as well as the deferred outflows and inflows of resources. 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, deferred outflows of resources, total liabilities, and deferred inflows of resources 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 19) 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 17-19.

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 85. 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 fifteen 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, Emergency Medical Services, Hospital Debt Service, SPLOST #6, and 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 85-88 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 20-28 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 29-32.

  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 33.

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 36-80 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 22 and 25) 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 2018 and 2017

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current assets	$ 18,100,536	$ 11,244,796	$ 2,503,089	$ 1,804,016	$ 20,603,625	$ 13,048,812
Capital assets	83,106,434	82,799,911	29,076,296	24,341,877	112,182,730	107,141,788
Other noncurrent assets	333,333	533,333	0	0	333,333	533,333
Total assets	101,540,303	94,578,040	31,579,385	26,145,893	133,119,688	120,723,933
Deferred Outflows of Resources						
Pension investment return differences	0	334,394	0	9,243	0	343,637
Pension experience differences	25,521	37,175	841	1,169	26,362	38,344
Pension assumption changes	266,658	380,610	8,076	11,290	274,734	391,900
Total Deferred Outflow of Resources	292,179	752,179	8,917	21,702	301,096	773,881
Current liabilities	6,639,488	5,216,356	238,293	102,140	6,877,781	5,318,496
Noncurrent liabilities	45,822,400	41,211,250	4,556,916	3,938,194	50,379,316	45,149,444
Total liabilities	52,461,888	46,427,606	4,795,209	4,040,334	57,257,097	50,467,940
Deferred Inflows of Resources						
Pension investment return differ	243,464	0	7,061	1,585	250,525	1,585
Pension experience differences	361,002	58,147	10,130	0	371,132	58,147
Total Deferred Inflows of Resources	604,466	58,147	17,191	1,585	621,657	59,732
Net position:						
Net investment in capital assets	40,808,258	43,253,157	28,162,078	24,036,985	68,970,336	67,290,142
Restricted	3,050,910	3,309,625	0	0	3,050,910	3,309,625
Unrestricted	4,906,960	2,281,684	(1,386,176)	(1,911,309)	3,520,784	370,375
Total net position	$ 48,766,128	$ 48,844,466	$ 26,775,902	$ 22,125,676	$ 75,542,030	$ 70,970,142

Net position may serve over time as a useful indicator of a government's financial position. Assets for Habersham County exceeded liabilities by $75,542,030 at the close of fiscal year 2018. Approximately 91% 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 4% of total net position. This amount represents resources that are subject to external restrictions or enabling legislation on how they may be used.

This area intentionally left blank.

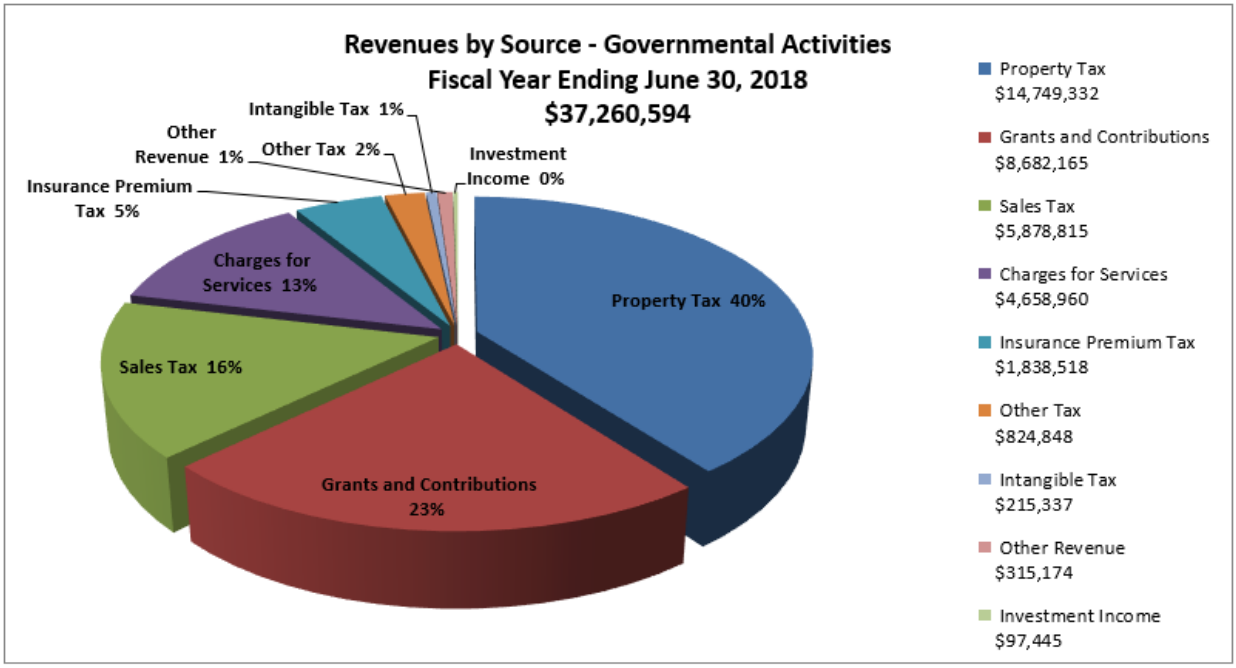
The following condensed financial information was derived from the government-wide Statement of Activities and reflects how Habersham County's net position changed during the fiscal year.

Habersham County
Changes in Net Position
Fiscal Years 2018 and 2017

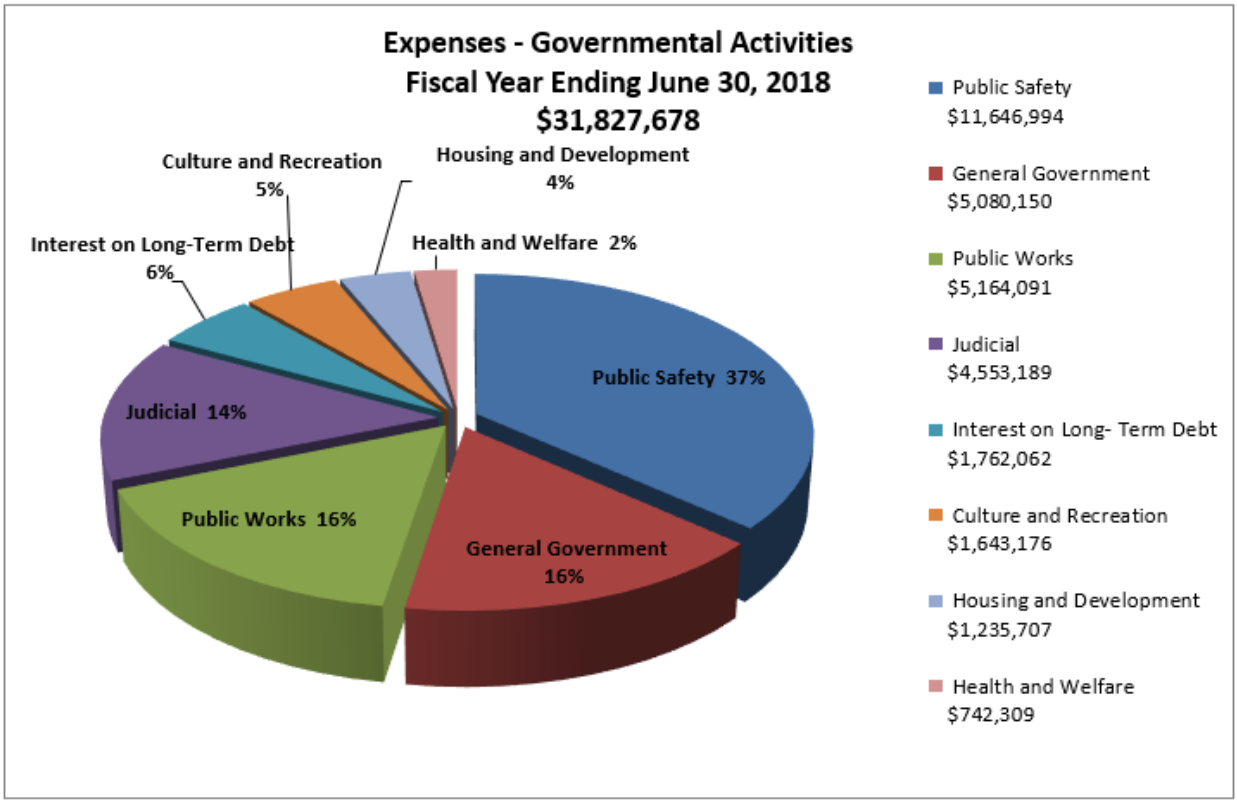
	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues:						
Charges for services	$ 4,658,960	$ 3,707,082	$ 1,701,326	$ 1,274,642	$ 6,360,286	$ 4,981,724
Operating grants and contributions	2,378,335	1,859,479	94,958	42,988	2,473,293	1,902,467
Capital grants and contributions	6,303,830	3,782,648	0	40,503	6,303,830	3,823,151
General revenues:						
Property tax	14,749,332	13,542,228	-	-	14,749,332	13,542,228
Sales tax	5,878,815	5,546,874	-	-	5,878,815	5,546,874
Intangible tax	215,337	222,624	-	-	215,337	222,624
Insurance premium tax	1,838,518	1,716,692	-	-	1,838,518	1,716,692
Other taxes	824,848	698,398	-	-	824,848	698,398
Interest & investment earnings	97,445	50,219	14,477	(5,858)	111,922	44,361
Other revenue	315,174	171,694	52,177	43,980	367,351	215,674
Total revenues	37,260,594	31,297,938	1,862,938	1,396,255	39,123,532	32,694,193
Expenses						
General government	5,080,150	4,889,062	-	-	5,080,150	4,889,062
Judicial	4,553,189	3,750,194	-	-	4,553,189	3,750,194
Public Safety	11,646,994	10,138,251	-	-	11,646,994	10,138,251
Public Works	5,164,091	4,336,405	-	-	5,164,091	4,336,405
Health and Welfare	742,309	716,946	-	-	742,309	716,946
Culture and Recreation	1,643,176	1,621,239	-	-	1,643,176	1,621,239
Housing and Development	1,235,707	1,602,039	-	-	1,235,707	1,602,039
Interest on long-term debt	1,762,062	1,639,941	-	-	1,762,062	1,639,941
Landfill		-	1,324,927	1,164,269	1,324,927	1,164,269
Transit	-	-	126,479	108,962	126,479	108,962
Airport	-	-	1,272,560	530,972	1,272,560	530,972
Total expenses	31,827,678	28,694,077	2,723,966	1,804,203	34,551,644	30,498,280
Increase (decrease) in net position before special items and transfers	5,432,916	2,603,861	(861,028)	(407,948)	4,571,888	2,195,913
Transfers	(5,511,254)	(20,486,978)	5,511,254	20,486,978	-	-
Increase (decrease) in net position	(78,338)	(17,883,117)	4,650,226	20,079,030	4,571,888	2,195,913
Net position - beginning	48,844,466	66,727,583	22,125,676	2,046,646	70,970,142	68,774,229
Net position - ending	$ 48,766,128	$ 48,844,466	$ 26,775,902	$ 22,125,676	$ 75,542,030	$ 70,970,142

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 $861,028 or 4%, excluding transfers. This decrease is due in large part to an operating loss in the Airport Enterprise Fund related to depreciation. As of June 30, 2017, Airport Capital Assets were being reported in the Airport Enterprise Fund whereas in previous years they were reported in Governmental Activities. The amount of the transfers from the Governmental Activates to the Proprietary Funds was $5,511,254.

Financial Analysis of the County's Funds

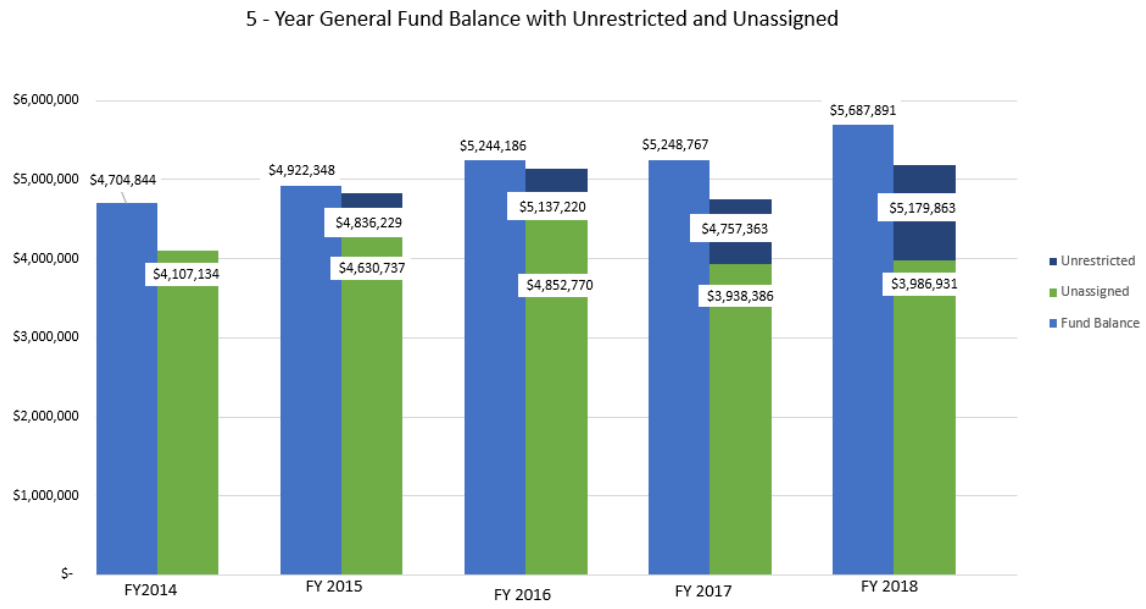
Habersham County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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, unrestricted and unassigned fund balance may serve as a useful measures of a government's net resources available for spending at the end of the fiscal year.

As the County completed this fiscal year, its governmental funds reported a combined ending fund balance of $14,225,368. Of this amount, $3,947,841 constitutes unassigned fund balance whereas unrestricted fund balance was $5,617,579.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the General Fund balance was $5,687,891, unrestricted fund balance was $5,179,863, and unassigned fund was $3,986,931. 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 70% of total fund balance in the General Fund. Unassigned fund balance represents 20% of total General Fund expenditures of $20,149,405, while total fund balance represents approximately 28% of that same amount. The County ended the fiscal year realizing an increase in the overall fund balance in the General Fund by $439,124, or approximately 8%. The County increased unassigned fund balance in the General Fund by $48,545 or 1%. Fund balances now includes an assignment to future employee health in the amount of $623,924. These are the funds set aside but not utilized for health insurance coverage in FY17 and FY18. Additionally, $569,008 has been assigned to the FY19 budget to support one-time expenditures that do not increase recurring operating costs. The Habersham County Policy on fund balance defines the allowable uses of unreserved, undesignated fund balance in excess of 17% of the General Fund operating expenditures. Habersham County has maintained a percentage in excess of 17%, the minimum, for the last fifteen fiscal years. The unrestricted fund balance represents 25.7% of the FY18 operating expenditures. After assignments of future heath care and subsequent year's budget amounts, the unassigned fund balance represents 19.8% of the FY18 operating expenditures.

The following chart illustrates the 5-Year history of the General Fund Balance with Unrestricted and Unassigned Fund Balance.



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.

Other Major Funds

In addition to the General Fund, Habersham County presents four other major governmental funds; Emergency Medical Services, Hospital Debt Service, SPLOST #6, and the Capital Improvements Fund. The Emergency Medical Services (EMS) fund is reported for the first time in FY18 and ended the year with a fund balance of $(39,090). The Hospital Debt Service ended FY18 with a fund balance of $1,689,370 a decrease of $759,421 from FY17. The SPLOST #6 ended FY18 with a fund balance of $1,366,353 an increase of $869,517 from FY17. Whereas, the Capital Improvements Fund increased by $4,643,874 which is related to the ongoing construction of the Administration Building.

Nonmajor Governmental Funds

In addition to the General Fund and Other Major Funds listed in above, Habersham County has 9 additional Special Revenue funds and 1 additional Capital Projects fund.

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 are listed below with the prior year for comparison:

Fund	FY2018 Unrestricted Net Position	FY2017 Unrestricted Net Position
Landfill	$(1,454,009)	$(1,954,005)
Transit	$(21,233)	$(8,260)
Airport	$89,066	$50,956

The Landfill Fund increased unrestricted net position by approximately $499,966. Post-closure care liability as of June 30, 2018 is 3,750,996 versus $3,625,680 as of the end of fiscal year 2017. This is an increase of $125,316, or 3%.

Capital Assets and Debt Administration

Capital Assets. Habersham County has invested $112,182,730 in capital assets (net of accumulated depreciation) compared to $107,141,788 in the previous fiscal year. This represents an increase of 5%. Approximately 74% 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 2018 and 2017

	Governmental Activities		Business-Type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Land	$ 5,230,578	$ 6,433,499	$ 3,244,978	$ 2,871,675	$ 8,475,556	$ 9,305,174
Construction in progress	2,933,413	502,734	8,773,363	3,657,502	11,706,776	4,160,236
Buildings	73,010,275	73,010,275	1,156,047	1,156,047	74,166,322	74,166,322
Land improvements	3,527,559	3,241,355	9,782,963	9,771,863	13,310,522	13,013,218
Machinery and equipment	3,461,776	3,071,387	2,334,062	1,862,099	5,795,838	4,933,486
Furniture and fixtures	3,785,247	3,616,141	-	-	3,785,247	3,616,141
Vehicles	7,456,136	7,220,655	426,423	426,423	7,882,559	7,647,078
Infrastructure	64,440,928	63,193,588	15,397,879	15,397,879	79,838,807	78,591,467
Total	163,845,912	160,289,634	41,115,715	35,143,488	204,961,627	195,433,122
Accumulated Depreciation	(80,739,478)	(77,489,723)	(12,039,419)	(10,801,611)	(92,778,897)	(88,291,334)
Net Capital Assets	$ 83,106,434	$ 82,799,911	$ 29,076,296	$ 24,341,877	$ 112,182,730	$ 107,141,788

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

- Purchase of vehicles and heavy equipment for various departments
- Purchase of Emergency Management and Emergency Medical equipment
- Continuing road construction, road improvements, culvert repairs and bridge repairs
- Construction of the Administration Building
- 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, 2018, Habersham County had a total debt balance outstanding for governmental activities in the amount of $46,769,913 as compared to $40,931,687 the previous fiscal year. Habersham County's outstanding debt for governmental activities has increased by $5,838,226 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, 2018 is $735,315. Additionally, during fiscal year 2018 the County issued $6,380,000 Certificates of Participation, Series 2018, for the purpose of constructing an Administration Building. At June 30, 2018 the balance was $6,632,546.

Additional information on the County's long-term debt can be found in Note 12 on pages 62-66 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. This slow economic growth has resulted in ongoing struggles in providing citizen services resulting in a heavy reliance on residential property taxes and Special Purpose Local Option Sales Tax (SPLOST) for infrastructure and facility improvements.

The following key issues and factors are considered in preparation of the budget:

- Housing and commercial construction has risen in the last year
- Retail Sales have increased by 7% over the prior year
- Rising costs related to more competitive labor market.

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

- Improvements in the 120 Acre Industrial Park have us well positioned with ten pads ready for development. Additionally, water and sewer will be available on all sites in January of 2019.
- Continuous support and increasing activity of the Economic Development Council and Development Authority.
- The Joint Comprehensive Plan was compiled throughout FY18. Establishing the vision of the County and the work steps necessary to attain that vision.
- The Service Delivery Strategy was adopted in FY18. Defining service areas for each local government service to avoid duplication for citizens' tax saving purposes.
- Partnering with federal and state governments in order to extend the taxiway the full length of the 5,500 runway is still under construction. Additional airport improvements include construction of a new terminal building and new terminal apron.

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

This page intentionally left blank.

BASIC FINANCIAL STATEMENTS

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2018

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 8,103,124	$ 1,620,356	$ 9,723,480	$ 1,592,159
Certificates of deposit	105,927	0	105,927	0
Investments	780,160	648,889	1,429,049	0
Restricted assets				
Cash and cash equivalents	5,306,288	0	5,306,288	43,165
Receivables (net)				
Accounts	691,275	114,581	805,856	70,159
Intergovernmental	1,883,156	0	1,883,156	5,290
Taxes	649,006	0	649,006	0
Notes	200,000	0	200,000	0
Inventory	0	44,843	44,843	0
Prepaid items	456,020	0	456,020	0
Internal balances	(74,420)	74,420	0	0
Total current assets	18,100,536	2,503,089	20,603,625	1,710,773
Noncurrent assets				
Notes receivable	333,333	0	333,333	0
Capital assets				
Non-depreciable	8,163,991	12,018,341	20,182,332	2,513,404
Depreciable (net)	74,942,443	17,057,955	92,000,398	332,432
Total noncurrent assets	83,439,767	29,076,296	112,516,063	2,845,836
Total assets	101,540,303	31,579,385	133,119,688	4,556,609
DEFERRED OUTFLOWS OF RESOURCES				
Pension deferred outflows of resources (net)	292,179	8,917	301,096	102,637
OPEB deferred outflows of resources (net)	0	0	0	84,132
Total deferred outflows of resources	292,179	8,917	301,096	186,769
LIABILITIES				
Current liabilities				
Payables				
Accounts	2,809,015	34,574	2,843,589	8,089
Intergovernmental	532,097	0	532,097	0
Retainage	452,507	0	452,507	0
Interest	659,232	25,382	684,614	0
Accrued salaries and expenses	269,924	6,970	276,894	0
Compensated absences	634,865	25,848	660,713	29,000
Unearned revenue	550	3,000	3,550	2,500
Due to other agencies	36,756	0	36,756	0
Claims reserve	66,624	0	66,624	0
Capital leases payable	63,959	142,519	206,478	0
Contracts payable	1,100,502	0	1,100,502	0
Certificates of participation	13,457	0	13,457	0
Total current liabilities	6,639,488	238,293	6,877,781	39,589

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2018

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	$ 211,622	$ 8,616	$ 220,238	$ 12,892
Net pension liability	865,270	25,605	890,875	0
Proportionate share of net pension liability	0	0	0	565,419
Proportionate share of OPEB liability	0	0	0	488,476
Capital leases payable	189,538	771,699	961,237	0
Contracts payable	37,936,881	0	37,936,881	0
Certificates of participation	6,619,089	0	6,619,089	0
Post-closure care costs	0	3,750,996	3,750,996	0
Total noncurrent liabilities	45,822,400	4,556,916	50,379,316	1,066,787
Total liabilities	52,461,888	4,795,209	57,257,097	1,106,376
DEFERRED INFLOWS OF RESOURCES				
Pension deferred inflows of resources (net)	604,466	17,191	621,657	9,650
OPEB deferred inflows of resources (net)	0	0	0	42,942
Total deferred inflows of resources	604,466	17,191	621,657	52,592
NET POSITION				
Net investment in capital assets	40,808,258	28,162,078	68,970,336	2,845,836
Restricted for:				
Judicial	342,801	0	342,801	0
Public safety	69,623	0	69,623	0
Health and welfare	0	0	0	137,322
Capital outlay	949,116	0	949,116	43,165
Debt service	1,689,370	0	1,689,370	0
Unrestricted	4,906,960	(1,386,176)	3,520,784	558,087
Total net position	$ 48,766,128	$ 26,775,902	$ 75,542,030	$ 3,584,410

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

This page intentionally left blank.

HABERSHAM COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2018

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	$ 5,080,150	$ 654,239	$ 10,000	$ 0	$ (4,415,911)
Judicial	4,553,189	574,884	1,355,457	0	(2,622,848)
Public Safety	11,646,994	2,451,483	446,250	190,004	(8,559,257)
Public Works	5,164,091	335,580	271,190	6,111,263	1,553,942
Health and Welfare	742,309	0	238,949	2,563	(500,797)
Culture and Recreation	1,643,176	506,721	5,757	0	(1,130,698)
Housing and Development	1,235,707	136,053	50,732	0	(1,048,922)
Interest on long-term debt	1,762,062	0	0	0	(1,762,062)
Total governmental activities	31,827,678	4,658,960	2,378,335	6,303,830	(18,486,553)
Business-type activities					
Landfill	1,324,927	1,386,798	44,070	0	105,941
Transit	126,479	45,704	50,888	0	(29,887)
Airport	1,272,560	268,824	0	0	(1,003,736)
Total business-type activities	2,723,966	1,701,326	94,958	0	(927,682)
Total primary government	34,551,644	6,360,286	2,473,293	6,303,830	(19,414,235)
Component Units					
Habersham County Development Authority					
Housing and Development	160,311	0	675,639	0	515,328
Habersham County Health Department					
Health and Welfare	860,915	507,821	515,705	0	162,611
Total component units	1,021,226	507,821	1,191,344	0	677,939

	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Change in net position				
Net (expense) revenue	$ (18,486,553)	$ (927,682)	$ (19,414,235)	$ 677,939
General revenues				
Taxes				
Property	14,749,332	0	14,749,332	0
Sales	5,878,815	0	5,878,815	0
Intangible	215,337	0	215,337	0
Insurance premium	1,838,518	0	1,838,518	0
Other	824,848	0	824,848	0
Interest and investment earnings	97,445	14,477	111,922	46
Rental income	61,601	45,048	106,649	30,000
Payments from Habersham County	0	0	0	198,788
Miscellaneous	253,573	7,129	260,702	11,674
Transfers	(5,511,254)	5,511,254	0	0
Total general revenues and transfers	18,408,215	5,577,908	23,986,123	240,508
Change in net position	(78,338)	4,650,226	4,571,888	918,447
Net position - beginning (original)	48,844,466	22,125,676	70,970,142	3,143,815
Prior period adjustments	0	0	0	(477,852)
Net position - beginning (restated)	48,844,466	22,125,676	70,970,142	2,665,963
Net position - ending	$ 48,766,128	$ 26,775,902	$ 75,542,030	$ 3,584,410

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

HABERSHAM COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	General	Emergency Medical Services	Hospital Debt Service
ASSETS			
Cash and cash equivalents	$ 4,215,683	$ 0	$ 940,571
Certificates of deposit	0	0	0
Investments	780,160	0	0
Restricted assets			
Cash and cash equivalents	52,008	153,421	0
Receivables (net)			
Accounts	26,460	500,991	0
Intergovernmental	330,320	3,901	0
Taxes	109,348	3,865	10,839
Notes receivable	0	0	533,333
Prepaid items	456,020	0	0
Due from other funds	932,301	0	204,627
Total assets	$ 6,902,300	$ 662,178	$ 1,689,370
LIABILITIES AND FUND BALANCES			
Liabilities			
Payables			
Accounts	$ 354,068	$ 35,161	$ 0
Intergovernmental	222,497	0	0
Retainage	0	0	0
Accrued salaries and expenses	220,157	29,250	0
Unearned revenue	550	0	0
Due to other agencies	0	0	0
Due to other funds	310,807	635,535	0
Claims reserve	66,624	0	0
Total liabilities	1,174,703	699,946	0
Deferred Inflows of Resources			
Unavailable revenue - property taxes	39,706	1,322	0
Fund balances			
Nonspendable:			
Prepaid items	456,020	0	0
Restricted for:			
Judicial	36,143	0	0
Public safety	15,865	0	0
Capital outlay	0	0	0
Debt service	0	0	1,689,370
Assigned to:			
General government	623,924	0	0
Public safety	0	0	0
Health and welfare	0	0	0
Subsequent year's budget	569,008	0	0
Unassigned	3,986,931	(39,090)	0
Total fund balances	5,687,891	(39,090)	1,689,370
Total liabilities, deferred inflows, and fund balances	$ 6,902,300	$ 662,178	$ 1,689,370

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

SPLOST #6	Capital Improvements	Nonmajor Governmental Funds	Totals
$ 2,300,467	$ 0	$ 646,403	$ 8,103,124
0	0	105,927	105,927
0	0	0	780,160
0	5,100,859	0	5,306,288
0	0	163,824	691,275
1,387,143	0	161,792	1,883,156
524,954	0	0	649,006
0	0	0	533,333
0	0	0	456,020
0	282,078	28,729	1,447,735
$ 4,212,564	$ 5,382,937	$ 1,106,675	$ 19,956,024

$ 1,797,389	$ 540,885	$ 81,512	$ 2,809,015
309,600	0	0	532,097
294,077	158,430	0	452,507
0	0	20,517	269,924
0	0	0	550
0	0	36,756	36,756
445,145	0	130,668	1,522,155
0	0	0	66,624
2,846,211	699,315	269,453	5,689,628
0	0	0	41,028
0	0	0	456,020
0	0	306,658	342,801
0	0	53,758	69,623
1,366,353	4,683,622	0	6,049,975
0	0	0	1,689,370
0	0	0	623,924
0	0	459,808	459,808
0	0	16,998	16,998
0	0	0	569,008
0	0	0	3,947,841
1,366,353	4,683,622	837,222	14,225,368
$ 4,212,564	$ 5,382,937	$ 1,106,675	$ 19,956,024

This page intentionally left blank.

HABERSHAM COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2018

Total fund balance - total governmental funds	$	14,225,368
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets of $163,845,913, net of accumulated depreciation of ($80,739,479) are not financial resources and, therefore, are not reported in the funds.		83,106,434
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.		41,028
Deferred outflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		292,179
Deferred inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.		(604,466)
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are interest payable of ($659,232), capital leases payable of ($253,497), contracts payable of ($39,037,383), certificates of participation of ($6,632,546), compensated absences of ($846,487), and net pension liability of ($865,270).		(48,294,415)
Net position of governmental activities	$	48,766,128

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, 2018

	General	Emergency Medical Services	Hospital Debt Service
REVENUES			
Taxes	$ 15,981,037	$ 401,615	$ 1,152,728
Licenses and permits	185,001	0	0
Fines, fees and forfeitures	1,098,411	0	0
Charges for services	1,598,896	628,570	0
Intergovernmental	1,078,786	24,496	0
Investment income	31,091	0	0
Contributions	63,305	0	0
Other	275,172	0	56
Total revenues	20,311,699	1,054,681	1,152,784
EXPENDITURES			
Current			
General government	4,262,628	0	0
Judicial	2,923,906	0	0
Public safety	8,624,045	1,093,771	0
Public works	1,993,063	0	0
Health and welfare	306,960	0	0
Culture and recreation	1,238,940	0	0
Housing and development	593,359	0	0
Capital outlay	0	0	0
Intergovernmental	0	0	0
Debt service			
Principal	34,209	0	1,699,113
Interest	172,295	0	1,643,898
Total expenditures	20,149,405	1,093,771	3,343,011
Excess (deficiency) of revenues over (under) expenditures	162,294	(39,090)	(2,190,227)
Other financing sources (uses)			
Transfers in	627,486	0	1,175,763
Transfers out	(1,003,794)	0	(500,000)
Proceeds from sale of assets	653,138	0	0
Proceeds from the issuance of:			
Notes payable	0	0	755,043
Certificates of participation	0	0	0
Total other financing sources (uses)	276,830	0	1,430,806
Net change in fund balance	439,124	(39,090)	(759,421)
Fund balances, July 1	5,248,767	0	2,448,791
Fund balances, June 30	$ 5,687,891	$ (39,090)	$ 1,689,370

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

Exhibit A-5

SPLOST #6	Capital Improvements	Nonmajor Governmental Funds	Totals
$ 5,878,815	$ 0	$ 73,005	$ 23,487,200
0	0	0	185,001
0	0	176,539	1,274,950
0	0	888,793	3,116,259
6,087,657	0	831,563	8,022,502
17,347	47,927	1,426	97,791
0	0	9,375	72,680
0	4,559	35,392	315,179
11,983,819	52,486	2,016,093	36,571,562
0	2,122,874	0	6,385,502
0	0	605,500	3,529,406
0	294,340	1,159,557	11,171,713
0	0	0	1,993,063
0	36,394	470,270	813,624
0	11,012	0	1,249,952
0	0	29,202	622,561
2,905,188	0	0	2,905,188
1,778,930	0	0	1,778,930
0	0	0	1,733,322
0	0	0	1,816,193
4,684,118	2,464,620	2,264,529	33,999,454
7,299,701	(2,412,134)	(248,436)	2,572,108
0	379,314	632,981	2,815,544
(6,679,184)	(7,833)	(135,987)	(8,326,798)
249,000	0	0	902,138
0	0	0	755,043
0	6,724,275	0	6,724,275
(6,430,184)	7,095,756	496,994	2,870,202
869,517	4,683,622	248,558	5,442,310
496,836	0	588,664	8,783,058
$ 1,366,353	$ 4,683,622	$ 837,222	$ 14,225,368

This page intentionally left blank.

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, 2018

Net change in fund balances - total governmental funds	$	5,442,310
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 $5,090,551 exceeded depreciation of ($3,295,347) in the current period.		1,795,204
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 ($1,534,273) exceeded accumulated depreciation of $45,592 in the current period.		(1,488,681)
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.		19,650
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 ($7,728,318) exceeded repayments of $1,918,477 and amortization of contracts payable and certificates of participation premiums $52,347.		(5,757,494)
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 ($1,006,319) exceeded pension contributions $993,765.		(12,554)
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 ($80,732) and the net decrease in interest payable $3,959.		(76,773)
Change in net position of governmental activities	$	(78,338)

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, 2018

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 15,807,227	$ 16,348,127	$ 15,981,037	$ (367,090)
Licenses and permits	160,200	182,700	185,001	2,301
Fines, fees and forfeitures	1,029,700	1,118,700	1,098,411	(20,289)
Charges for services	1,340,550	1,570,650	1,598,896	28,246
Intergovernmental	1,385,278	1,742,429	1,078,786	(663,643)
Investment income	5,000	33,600	31,091	(2,509)
Contributions	17,000	53,500	63,305	9,805
Other	95,150	306,561	275,172	(31,389)
Total revenues	19,840,105	21,356,267	20,311,699	(1,044,568)
EXPENDITURES				
Current				
General Government				
County-Wide	744,550	780,550	777,114	3,436
Commissioners	600,921	590,921	586,511	4,410
County Manager	195,162	203,662	202,381	1,281
County Finance	258,399	270,162	267,419	2,743
County Human Resources	157,234	174,182	171,186	2,996
Tax Commissioner	385,168	390,595	385,040	5,555
Tax Assessor	543,628	546,670	537,929	8,741
Board of Equalization	4,350	4,350	1,903	2,447
County Clerk	65,076	68,076	66,582	1,494
Registrar	140,294	142,108	139,108	3,000
Buildings and Grounds	835,577	870,358	864,068	6,290
Information Technology	273,298	269,960	263,387	6,573
Judicial				
Probate Court	208,082	199,082	196,531	2,551
Magistrate Court	173,185	169,185	165,302	3,883
Clerk of Superior Court	703,270	681,058	660,150	20,908
Superior Court	246,206	250,706	248,324	2,382
District Attorney	265,943	291,823	290,793	1,030
Public Defender	610,017	608,017	604,822	3,195
State Court Judge	272,054	271,054	265,667	5,387
Juvenile Court	309,053	340,053	334,560	5,493
Juvenile Supervision	8,000	8,000	1,500	6,500
State Court Solicitor	156,023	157,273	156,257	1,016
Public Safety				
Sheriff	3,263,645	3,404,135	3,365,355	38,780
Jail	2,331,579	2,921,108	2,903,227	17,881
Heat Unit	86,735	129,185	126,016	3,169
Animal Control	325,607	421,955	417,837	4,118
Coroner	27,880	22,880	20,057	2,823
Fire	1,430,623	1,527,355	1,505,589	21,766
Emergency Management Agency	218,414	289,214	285,964	3,250
Public Works				
Fleet	430,057	605,547	585,647	19,900
Road Department	1,321,138	1,437,011	1,407,416	29,595

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, 2018

	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	10,450	10,450	10,450	0
Habersham County Health Department	198,788	198,788	198,788	0
Child Welfare	63,200	71,422	71,422	0
Culture and Recreation				
Libraries	297,896	297,896	297,896	0
Recreation	918,549	944,518	941,044	3,474
Housing and Development				
Extension Service	109,002	109,102	107,140	1,962
Forestry	8,400	8,400	7,832	568
Building	518,142	479,184	469,630	9,554
Conservation	5,000	5,000	5,000	0
Planning Commission	7,900	7,900	3,757	4,143
Debt service	0	207,000	206,504	496
Total expenditures	18,754,795	20,412,195	20,149,405	262,790
Excess (deficiency) of revenues over (under) expenditures	1,085,310	944,072	162,294	(781,778)
Other financing sources (uses)				
Transfers in	46,464	622,683	627,486	4,803
Transfers out	(988,848)	(1,039,362)	(1,003,794)	35,568
Sale of capital assets	1,000	1,000	653,138	652,138
Contingency	(244,690)	0	0	0
Total other financing sources (uses)	(1,186,074)	(415,679)	276,830	692,509
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(100,764)	528,393	439,124	(89,269)
Fund balances, July 1	100,764	(528,393)	5,248,767	5,777,160
Fund balances, June 30	$ 0	$ 0	$ 5,687,891	$ 5,687,891

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

Exhibit A-7, continued

HABERSHAM COUNTY, GEORGIA
EMERGENCY MEDICAL SERVICES SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2018

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 397,853	$ 397,853	$ 401,615	$ 3,762
Charges for services	0	719,778	628,570	(91,208)
Intergovernmental	0	100,000	24,496	(75,504)
Total revenues	397,853	1,217,631	1,054,681	(162,950)
EXPENDITURES				
Current				
Public Safety				
Ambulance	397,853	1,217,631	1,093,771	123,860
Total expenditures	397,853	1,217,631	1,093,771	123,860
Excess (deficiency) of revenues over (under) expenditures	0	0	(39,090)	(39,090)
Fund balances, July 1	0	0	0	0
Fund balances, June 30	$ 0	$ 0	$ (39,090)	$ (39,090)

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

Exhibit A-8

HABERSHAM COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

	Business-Type Activities			
	Landfill	Transit	Airport	Totals
ASSETS				
Current assets				
Cash and cash equivalents	$ 1,568,877	$ 0	$ 51,479	$ 1,620,356
Investments	648,889	0	0	648,889
Accounts receivable (net)	97,505	15,795	1,281	114,581
Inventory	0	0	44,843	44,843
Due from other funds	147,200	0	0	147,200
Total current assets	2,462,471	15,795	97,603	2,575,869
Noncurrent assets				
Capital assets				
Non-depreciable	986,996	0	11,031,345	12,018,341
Depreciable (net)	3,743,509	55,084	13,259,362	17,057,955
Total noncurrent assets	4,730,505	55,084	24,290,707	29,076,296
Total assets	7,192,976	70,879	24,388,310	31,652,165
DEFERRED OUTFLOWS OF RESOURCES				
Pension experience differences	730	111	0	841
Pension assumption changes	6,893	1,183	0	8,076
Total deferred outflows of resources	7,623	1,294	0	8,917
LIABILITIES				
Current liabilities				
Payables				
Accounts	29,349	1,445	3,780	34,574
Interest	25,382	0	0	25,382
Accrued salaries	5,877	1,093	0	6,970
Compensated absences	20,115	5,733	0	25,848
Unearned revenue	0	0	3,000	3,000
Due to other funds	48,285	22,738	1,757	72,780
Capital leases	142,519	0	0	142,519
Total current liabilities	271,527	31,009	8,537	311,073
Noncurrent liabilities				
Compensated absences	6,705	1,911	0	8,616
Net pension liability	21,850	3,755	0	25,605
Capital leases payable	771,699	0	0	771,699
Postclosure care	3,750,996	0	0	3,750,996
Total noncurrent liabilities	4,551,250	5,666	0	4,556,916
Total liabilities	4,822,777	36,675	8,537	4,867,989
DEFERRED INFLOWS OF RESOURCES				
Pension investment return differences	6,605	456	0	7,061
Pension experience differences	8,939	1,191	0	10,130
Total deferred inflows of resources	15,544	1,647	0	17,191
NET POSITION				
Net investment in capital assets	3,816,287	55,084	24,290,707	28,162,078
Unrestricted	(1,454,009)	(21,233)	89,066	(1,386,176)
Total net position	$ 2,362,278	$ 33,851	$ 24,379,773	$ 26,775,902

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, 2018

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
OPERATING REVENUES				
Charges for sales and services	$ 1,386,798	$ 45,704	$ 268,824	$ 1,701,326
Rental income	0	0	45,048	45,048
Miscellaneous	220	0	6,909	7,129
Total operating revenues	1,387,018	45,704	320,781	1,753,503
OPERATING EXPENSES				
Costs of sales and services	501,913	34,810	279,432	816,155
Personal services	374,459	74,755	0	449,214
Depreciation	411,862	16,914	993,128	1,421,904
Total operating expenses	1,288,234	126,479	1,272,560	2,687,273
Operating income (loss)	98,784	(80,775)	(951,779)	(933,770)
Non-operating revenues (expenses)				
Investment income	14,451	0	26	14,477
Interest expense	(29,798)	0	0	(29,798)
Intergovernmental revenue	44,070	50,888	0	94,958
Gain (loss) on sale of assets	(6,895)	0	0	(6,895)
Total non-operating revenues (expenses)	21,828	50,888	26	72,742
Net income (loss) before transfers	120,612	(29,887)	(951,753)	(861,028)
Transfers				
Transfers in	14,785	0	5,496,469	5,511,254
Change in net position	135,397	(29,887)	4,544,716	4,650,226
Net position, July 1	2,226,881	63,738	19,835,057	22,125,676
Net position, June 30	$ 2,362,278	$ 33,851	$ 24,379,773	$ 26,775,902

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

Exhibit A-10

HABERSHAM COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
Cash flows from operating activities:				
Receipts from customers	$ 1,344,830	$ 29,961	$ 319,319	$ 1,694,110
Payments to suppliers	(352,753)	(34,157)	(286,396)	(673,306)
Payments to employees	(371,088)	(72,868)	0	(443,956)
Other receipts	220	0	0	220
Net cash provided (used) by operating activities	621,209	(77,064)	32,923	577,068
Cash flows from non-capital financing activities:				
Receipts from other governments	44,070	56,973	8,450	109,493
Receipts from other funds	0	20,091	1,757	21,848
Payments to other funds	(7,359)	0	0	(7,359)
Net cash provided (used) by non-capital financing activities	36,711	77,064	10,207	123,982
Cash flows from capital and related financing activities:				
Receipts from other funds	367,270	0	5,496,469	5,863,739
Acquisition of capital assets	(15,770)	0	(5,499,734)	(5,515,504)
Sale of capital assets	15,240	0	0	15,240
Payment of prior year accounts payable for the purchase of capital assets	(1,741)	0	0	(1,741)
Principal payments - capital leases	(51,887)	0	0	(51,887)
Interest paid	(8,791)	0	0	(8,791)
Net cash provided (used) by capital and related financing activities	304,321	0	(3,265)	301,056
Cash flows from investing activities:				
Interest received	14,451	0	26	14,477
Purchase of investments	(6,400)	0	0	(6,400)
Net cash provided (used) by investing activities	8,051	0	26	8,077
Net increase (decrease) in cash and cash equivalents	970,292	0	39,891	1,010,183
Cash and cash equivalents, July 1	598,585	0	11,588	610,173
Cash and cash equivalents, June 30	$ 1,568,877	$ 0	$ 51,479	$ 1,620,356

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

Exhibit A-11, continued

HABERSHAM COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2018

	Business-Type Activities			
	Landfill	**Transit**	**Airport**	**Totals**
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ 98,784	$ (80,775)	$ (951,779)	$ (933,770)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	411,862	16,914	993,128	1,421,904
Closure/postclosure costs	125,316	0	0	125,316
(Increase) decrease in accounts receivable	(41,968)	(15,743)	(862)	(58,573)
(Increase) decrease in inventories	0	0	(5,426)	(5,426)
(Increase) decrease in pension investment return differences	7,890	1,353	0	9,243
(Increase) decrease in pension experience differences	292	36	0	328
(Increase) decrease in pension assumption changes	2,858	356	0	3,214
Increase (decrease) in accounts payable	23,844	653	(1,538)	22,959
Increase (decrease) in unearned revenue	0	0	(600)	(600)
Increase (decrease) in accrued payroll liabilities	3,057	1,849	0	4,906
Increase (decrease) in pension investment return differences	6,605	(3,111)	0	3,494
Increase (decrease) in pension experience differences	7,597	456	0	8,053
Increase (decrease) in net pension liability	(24,928)	948	0	(23,980)
Total adjustments	522,425	3,711	984,702	1,510,838
Net cash provided (used) by operating activities	$ 621,209	$ (77,064)	$ 32,923	$ 577,068

Noncash capital and related financing activities:

Acquisition of capital assets through capital leases payable totaled $662,954.

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

HABERSHAM COUNTY, GEORGIA
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
June 30, 2018

	Agency Funds
ASSETS	
Cash	$ 929,501
LIABILITIES	
Due to other agencies	$ 929,501

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

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2018

	Habersham County Development Authority	Habersham County Health Department	Totals
ASSETS			
Current assets			
Cash and cash equivalents	$ 562,368	$ 1,029,791	$ 1,592,159
Restricted cash and cash equivalents	43,165	0	43,165
Accounts receivable (net)	908	69,251	70,159
Intergovernmental receivables	0	5,290	5,290
Total current assets	606,441	1,104,332	1,710,773
Noncurrent assets			
Capital assets			
Non-depreciable	2,513,404	0	2,513,404
Depreciable (net)	332,432	0	332,432
Total noncurrent assets	2,845,836	0	2,845,836
Total assets	3,452,277	1,104,332	4,556,609
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferred outflows of resources (net)	0	102,637	102,637
OPEB deferred outflows of resources (net)	0	84,132	84,132
Total deferred outflows of resources	0	186,769	186,769
LIABILITIES			
Current liabilities			
Accounts payable	2,689	5,400	8,089
Compensated absences	0	29,000	29,000
Unearned revenue	2,500	0	2,500
Total current liabilities	5,189	34,400	39,589
Noncurrent liabilities			
Compensated absences	0	12,892	12,892
Proportionate share of net pension liability	0	565,419	565,419
Proportionate share of net OPEB liability	0	488,476	488,476
Total noncurrent liabilities	0	1,066,787	1,066,787
Total liabilities	5,189	1,101,187	1,106,376
DEFERRED INFLOWS OF RESOURCES			
Pension deferred inflows of resources (net)	0	9,650	9,650
OPEB deferred inflows of resources (net)	0	42,942	42,942
Total deferred inflows of resources	0	52,592	52,592
NET POSITION			
Investment in capital assets	2,845,836	0	2,845,836
Restricted for capital outlay	43,165	0	43,165
Restricted for health and welfare	0	137,322	137,322
Unrestricted	558,087	0	558,087
Total net position	$ 3,447,088	$ 137,322	$ 3,584,410

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, 2018

	Habersham County Development Authority	Habersham County Health Department	Totals
Expenses			
Health and Welfare	$ 0	$ 860,915	$ 860,915
Housing and Development	160,311	0	160,311
Total expenses	160,311	860,915	1,021,226
Program revenues			
Charges for services	0	507,821	507,821
Operating grants and contributions	675,639	515,705	1,191,344
Total program revenues	675,639	1,023,526	1,699,165
Net (expense) revenue	515,328	162,611	677,939
General revenues			
Investment income	46	0	46
Rental income	30,000	0	30,000
Payments from Habersham County	0	198,788	198,788
Miscellaneous	11,674	0	11,674
Total general revenues	41,720	198,788	240,508
Change in net position	557,048	361,399	918,447
Net position - beginning (original)	2,890,040	253,775	3,143,815
Prior period adjustments	0	(477,852)	(477,852)
Net position - beginning (restated)	2,890,040	(224,077)	2,665,963
Net position, June 30	$ 3,447,088	$ 137,322	$ 3,584,410

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

1. Description of Government Unit

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

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

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

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

The 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.

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.

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 Board of Health (Board) governs the Health Department. The County appoints the voting majority of the Board. 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.

2. Summary of Significant Accounting Policies (continued)

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.

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. Exceptions to this general rule are charges from interfund services provided. These services are not eliminated in the process of consolidation.

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.

Emergency Medical Services Special Revenue Fund - This fund is used to account for activities of the County's emergency medical services, available to any County resident.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

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

Capital Improvements Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed through various revenue sources.

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.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Governmental Fund Types, continued

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.

Component Units

The Habersham County Development 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.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

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.

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.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

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.

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.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

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.

G. Budgets and Budgetary Accounting

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

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

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting, continued

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

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.

2. Summary of Significant Accounting Policies (continued)

H. Cash and Investments, continued

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.

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. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2018 are recorded as prepaids. Prepaid items in the governmental funds are recorded as expenditures when consumed.

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

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 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 2017 amounts have been reclassified to conform to the 2018 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, 2018 was 10 days. At June 30, 2018, the County's balance in Georgia Fund 1 was $2,221,008.

3. Deposit and Investment Risk (continued)

Credit Risk (continued)

At June 30, 2018, 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	$ 118,484	190	AA
Mainstay Tax Free Bd Fd	1,037,986	216	A
Thornburg Investment Trust	239,566	42	A
Goldman Sachs	33,013	1	AAA
	$ 1,429,049		

(1) - Standard and Poor's

4. Accounts Receivable

Net accounts receivable at June 30, 2018 consist of the following:

Primary Government:	
Major Funds	
General Fund	$ 26,460
Emergency Medical Services Special Revenue Fund	500,991
Enterprise Funds	
Landfill	97,505
Transit	15,795
Airport	1,281
Nonmajor Funds	
Emergency 911 Special Revenue Fund	127,949
Drug Abuse Treatment Special Revenue Fund	3,425
Senior Center Special Revenue Fund	31,065
Family Dependency Treatment Special Revenue Fund	1,385
Total primary government	$ 805,856
Component Units:	
Habersham County Health Department	$ 69,251
Habersham County Development Authority	908
Total component units	$ 70,159

5. Intergovernmental Receivables

Intergovernmental receivables at June 30, 2018 consist of the following:

Primary Government:	
Major Funds	
General Fund	$ 330,320
Emergency Medical Services Special Revenue Fund	3,901
SPLOST #6 Capital Projects Fund	1,387,143
Nonmajor Funds	
Emergency 911 Special Revenue Fund	16,766
Drug Abuse Treatment Special Revenue Fund	121,691
Senior Center Special Revenue Fund	5,224
Family Dependency Treatment Special Revenue Fund	18,111
Total primary government	$ 1,883,156
Component Units:	
Habersham County Health Department	$ 5,290

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, 2018, the balance of this note is $533,333.

Year Ending June 30,	Principal	Interest	Total
2019	$ 200,000	$ 0	$ 200,000
2020	200,000	0	200,000
2021	133,333	0	133,333
	$ 533,333	$ 0	$ 533,333

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 2017, based upon the assessments of January 1, 2017, were levied on July 17, 2017, billed on August 14, 2017, and due on December 20, 2017. 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, 2018 is as follows:

Receivable Fund	Payable Fund	Amount
General	Landfill	$ 48,285
General	Transit	22,738
General	Airport	1,757
General	SPLOST #6	93,318
General	Emergency Medical Services	635,535
General	Nonmajor Governmental	130,668
Hospital Debt service	SPLOST #6	204,627
Capital Improvements	General	282,078
Landfill	SPLOST #6	147,200
Nonmajor Governmental	General	28,729
		$ 1,594,935

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, 2018 is as follows:

Transfer Out Fund	Transfer In Fund	Amount
General	Capital Improvements	$ 379,314
	Nonmajor Governmental	624,480
Hospital Debt Service	General	500,000
SPLOST #6	Hospital Debt Service	1,175,763
	Landfill	14,785
	Airport	5,488,636
Capital Improvements	Airport	7,833
Nonmajor Governmental	General	127,486
	Nonmajor Governmental	8,501
		$ 8,326,798

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 Hospital Debt Service Fund was to reimburse the General Fund for amounts loaned to the Habersham Medical Center in prior years. The County adopted a resolution enacting a tax levy to make debt service payments on the Hospital Bonds and any excess to reimburse the General Fund for previous amounts owed. 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 and Airport Fund.

10. Capital Assets

Capital asset activity for the primary government for the year ended June 30, 2018 was as follows:

	Balance 6/30/17	Increases	Decreases	Balance 6/30/18
Governmental activities				
Non-depreciable assets				
Land	$ 6,433,499	$ 0	$ (1,202,921)	$ 5,230,578
Construction in progress	502,734	4,192,350	(1,761,671)	2,933,413
Total non-depreciable assets	6,936,233	4,192,350	(2,964,592)	8,163,991
Depreciable assets				
Buildings	73,010,275	0	0	73,010,275
Land improvements	3,241,355	286,204	0	3,527,559
Machinery and equipment	3,071,387	390,389	0	3,461,776
Furniture and fixtures	3,616,141	172,082	(2,976)	3,785,247
Vehicles	7,220,655	291,876	(56,395)	7,456,136
Infrastructure	63,193,588	1,247,340	0	64,440,928
Total depreciable assets	153,353,401	2,387,891	(59,371)	155,681,921
Less accumulated depreciation				
Buildings	(13,030,262)	(1,590,878)	0	(14,621,140)
Land improvements	(1,870,625)	(208,339)	0	(2,078,964)
Machinery and equipment	(2,174,765)	(212,429)	0	(2,387,194)
Furniture and fixtures	(2,001,400)	(281,506)	2,976	(2,279,930)
Vehicles	(6,230,950)	(356,034)	42,616	(6,544,368)
Infrastructure	(52,181,721)	(646,161)	0	(52,827,882)
Total accumulated depreciation	(77,489,723)	(3,295,347)	45,592	(80,739,478)
Total depreciable assets, net	75,863,678	(907,456)	(13,779)	74,942,443
Governmental activities capital assets, net	$ 82,799,911	$ 3,284,894	$ (2,978,371)	$ 83,106,434
Business-type activities				
Non-depreciable assets				
Land	$ 2,871,675	$ 373,303	$ 0	$ 3,244,978
Construction in progress	3,657,502	5,117,602	(1,741)	8,773,363
Total non-depreciable assets	6,529,177	5,490,905	(1,741)	12,018,341
Depreciable assets				
Buildings	1,156,047	0	0	1,156,047
Land improvements	9,771,863	11,100	0	9,782,963
Machinery and equipment	1,862,099	676,453	(204,490)	2,334,062
Vehicles	426,423	0	0	426,423
Infastructure	15,397,879	0	0	15,397,879
Total depreciable assets	28,614,311	687,553	(204,490)	29,097,374
Less accumulated depreciation				
Buildings	(660,537)	(29,341)	0	(689,878)
Land improvements	(6,215,201)	(345,303)	0	(6,560,504)
Machinery and equipment	(1,119,950)	(182,093)	184,096	(1,117,947)
Vehicles	(335,904)	(21,874)	0	(357,778)
Infastructure	(2,470,019)	(843,293)	0	(3,313,312)
Total accumulated depreciation	(10,801,611)	(1,421,904)	184,096	(12,039,419)
Total depreciable assets, net	17,812,700	(734,351)	(20,394)	17,057,955
Business-type activities capital assets, net	$ 24,341,877	$ 4,756,554	$ (22,135)	$ 29,076,296

10. Capital Assets (continued)

Decrease in construction in progress for governmental activities consists of projects placed in service in the amount of $1,489,690 and projects abandoned in the amount of $271,981. Decrease in construction in progress for business-type activities consist of projects abandoned in the amount of $1,741.

Capital asset activity for the discretely presented component units for the year ended June 30, 2018 was as follows:

	Balance 6/30/17	Increases	Decreases	Balance 6/30/18
Habersham County Development Authority				
Non-depreciable assets				
Land	$ 2,172,793	$ 0	0	$ 2,172,793
Construction in progress	166,958	175,241	(1,588)	340,611
Total non-depreciable assets	2,339,751	175,241	(1,588)	2,513,404
Depreciable assets				
Buildings	49,998	0	0	49,998
Land improvements	467,092	0	0	467,092
Machinery and equipment	38,418	0	0	38,418
Vehicles	24,036	0	0	24,036
Total depreciable assets	579,544	0	0	579,544
Less accumulated depreciation				
Buildings	(21,259)	(1,250)	0	(22,509)
Land improvements	(175,317)	(15,548)	0	(190,865)
Machinery and equipment	(5,739)	(3,964)	0	(9,703)
Vehicles	(19,518)	(4,517)	0	(24,035)
Total accumulated depreciation	(221,833)	(25,279)	0	(247,112)
Total depreciable assets, net	357,711	(25,279)	0	332,432
Habersham County Development Authority capital assets, net	$ 2,697,462	$ 149,962	$ (1,588)	$ 2,845,836
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	$ 786,422
Judicial	352,351
Public Safety	850,334
Public Works	788,229
Health and Welfare	82,789
Culture and Recreation	396,948
Housing and Development	38,274
Total depreciation expense for governmental activities	$ 3,295,347
Business-type activities	
Landfill	$ 411,862
Transit	16,914
Airport	993,128
Total depreciation expense for business-type activities	$ 1,421,904
Discretely presented component units	
Habersham County Development Authority	$ 25,279

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, 2018 are $253,497 and $914,218 for governmental and business-type activities, respectively.

Total assets leased under capital leases are $330,302 and $1,050,984 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	$ 330,302	$ 72,251	$ 1,050,984	$ 124,685

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, 2018:

Year Ending June 30,	Governmental activities	Business-type activities
2019	$ 70,876	$ 177,649
2020	66,345	335,167
2021	66,345	131,558
2022	66,345	369,284
Total minimum lease payments	269,911	1,013,658
Less amounts representing interest	(16,414)	(99,440)
Present value of minimum lease payments	$ 253,497	$ 914,218

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, 2018, the balance of this contract payable is $38,302,068.

Based on total advances to date at June 30, 2018, annual debt service requirements for contracts payable are as follows:

Year Ending June 30,	Principal	Interest	Total
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	980,618	1,436,769	2,417,387
2027-2028	5,628,091	6,454,706	12,082,797
2029-2033	6,983,091	5,108,625	12,091,716
2034-2038	8,493,091	3,588,650	12,081,741
2039-2043	10,378,091	1,705,600	12,083,691
2044	2,306,614	91,200	2,397,814
	$ 38,302,068	$ 24,522,013	$ 62,824,081

12. Long-Term Debt (continued)

Contracts Payable, continued

Hospital Authority of Habersham County Taxable Revenue Anticipation Bond, Series 2018

The County entered into an intergovernmental contract dated April 1, 2018 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 2018 Bonds. The proceeds are used by the County to (a) payoff the Hospital Authority of Habersham County Note Payable, and (b) pay the costs of issuing the Series 2018 Bonds. The bond calls for monthly principal and interest payments commencing June 1, 2018 through March 1, 2021. The interest rate on the bond is 3%. At June 30, 2018, the balance of this contract payable is $735,315.

Based on total advances to date at June 30, 2018, annual debt service requirements for contracts payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	$ 259,884	$ 18,732	$ 278,616
2020	267,875	10,741	278,616
2021	207,556	2,632	210,188
	$ 735,315	$ 32,105	$ 767,420

12. Long-Term Debt (continued)

Certificates of Participation

During the year ended June 30, 2018, the County issued $6,380,000 Certificates of Participation, Series 2018, for the purpose of constructing an Administration Building. The certificates have a stated maturity of July 1, 2043 and are subject to mandatory sinking fund redemption, in order of maturity, in part by lot on July 1, beginning July 1, 2018, at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of redemption. Interest on the Certificates is to be paid semi-annually on July 1 and January 1 of each year at rates of 2.00% to 4.00%. At June 30, 2018, the balance is $6,632,546.

Annual debt service requirements for certificates of participation payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2019	$ 13,457	$ 113,656	$ 127,113
2020	103,457	226,413	329,870
2021	183,457	223,813	407,270
2022	183,457	219,563	403,020
2023	188,457	214,388	402,845
2024-2028	1,042,285	975,688	2,017,973
2029-2033	1,242,285	774,400	2,016,685
2034-2038	1,497,285	514,838	2,012,123
2039-2043	1,797,285	211,344	2,008,629
2044	381,121	6,175	387,296
	$ 6,632,546	$ 3,480,278	$ 10,112,824

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. The taxable revenue anticipation certificate, Series 2018 requires equal monthly payments beginning June 1, 2018 through March 1, 2021; interest at 3.00%. This note was paid in full on May 2, 2018.

Habersham County Development Authority

The Authority entered into a lending agreement with a bank for the purchase of land in the original amount of $656,823. The note requires monthly payments of $2,005 with all unpaid principal and interest due on August 20, 2018; interest at 3.25%. This note was paid in full on April 26, 2018.

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, 2018:

	Balance 6/30/2017	Additions	Deductions	Balance 6/30/2018	Due Within One Year
Governmental activities					
Capital leases payable	$ 22,001	$ 249,000	$ 17,504	$ 253,497	$ 63,959
Notes payable	1,016,245	0	1,016,245	0	0
Contracts payable	39,127,686	755,043	845,346	39,037,383	1,100,502
Certificates of participation	0	6,724,275	91,729	6,632,546	13,457
Compensated absences	765,755	846,487	765,755	846,487	634,865
Total governmental activities	$ 40,931,687	$ 8,574,805	$ 2,736,579	$ 46,769,913	$ 1,812,783
Business-type activities					
Capital leases payable	$ 303,151	$ 662,954	$ 51,887	$ 914,218	$ 142,519
Landfill post-closure care costs	3,625,680	125,316	0	3,750,996	0
Compensated absences	30,427	34,464	30,427	34,464	25,848
	$ 3,959,258	$ 822,734	$ 82,314	$ 4,699,678	$ 168,367
Habersham County Health Department Component Unit					
Compensated absences	$ 48,888	$ 32,703	$ 39,699	$ 41,892	$ 29,000

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, 2018 was $1,762,062 for governmental activities and $29,798 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 $3,750,996 as of June 30, 2018, which is based on 52.7% usage (filled) of the landfill. It is estimated that an additional $4,172,956 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 ($7,923,952) 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, 2018. 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, 2017, the date of the most recent actuarial valuation, there were 454 participants consisting of the following:

Retirees, beneficiaries and disables currently receiving benefits	49
Terminated vested participants entitled to but not yet receiving benefits	237
Active participants	168
Total number of participants	454

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 4.80% 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, 2018, the County reported a net pension liability of $890,875. The net pension liability was measured as of December 31, 2017, and the total pension asset used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. For the fiscal year ended June 30, 2018, the County recognized pension expense of $418,021. For governmental activities, the net pension liability is liquidated in the General Fund.

14. Pension Plan (continued)

At June 30, 2018, 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	$ 26,362	$ (371,132)
Net difference between projected and actual earnings on pension plan investments	0	(250,525)
Changes of assumptions	274,734	0
	$ 301,096	$ (621,657)

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

Year Ending June 30	
2019	$ (18,127)
2020	(45,124)
2021	(137,743)
2022	(119,567)
Totals	$ (320,561)

Actuarial Assumptions. The total pension liability in the December 31, 2017 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, 2017 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, 2017 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 12/31/16	$ 9,340,315	$ 7,427,636	$ 1,912,679
Changes for the year:			
Service cost	249,076	0	249,076
Interest	668,457	0	668,457
Differences between expected and actual experience	(479,754)	0	(479,754)
Changes of assumptions	24,759	0	24,759
Contributions—employer	0	405,114	(405,114)
Net investment income	0	1,163,292	(1,163,292)
Benefit payments, including refunds of employee contributions	(240,436)	(240,436)	0
Administrative expense	0	(33,299)	33,299
Other changes	0	(50,765)	50,765
Net changes	222,102	1,243,906	(1,021,804)
Balances at 12/31/17	$ 9,562,417	$ 8,671,542	$ 890,875

Plan's fiduciary net position as a percentage of the total pension liability	90.68%
Covered payroll	$ 6,423,152
Net pension liability as a percentage of covered payroll	13.87%

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%	$ 2,164,741
Current discount rate	7.25%	890,875
1% increase	8.25%	(163,251)

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. These plans are immaterial to the financial statements.

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, 2018, the Department contributed $85,310. As of June 30, 2018, the Department reported a liability in the amount of $565,419 for its proportionate share (0.02%) of the net pension liability. The Department recognized pension expense of $85,310 for the fiscal year ended June 30, 2018. 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, 2018, the County contributed $11,380 to the Plans. The County Manager made voluntary contributions of $13,492.

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, 2018, the County contributed $39,403 to the Plan. Plan members made voluntary contributions of $175,500.

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. Other Post-Employment Benefits

Habersham County Health Department

Eligible employees of the Habersham County Health Department are provided OPEB through the State of Georgia OPEB Fund, a cost-sharing multiple-employer defined benefit post-employment healthcare plan and life insurance through the SEAD-OPEB Fund, a cost-sharing multiple-employer defined benefit other post-employment benefit plan. During the current fiscal year, the Department contributed $57,526. At the end of the current fiscal year, the Department reported a net liability in the amount of $488,476 for its proportionate share (0.012814% for the State of Georgia OPEB Fund and 0.012925% for the SEAD-OPEB Fund) of the net OPEB liability. The Department recognized OPEB expense of $57,526 for the current fiscal year. Further information regarding the plans can be obtained from Department's annual audit report by contacting District 2 Public Health, 1280 Athens Street, Gainesville, Georgia 30507.

17. 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, 2018 follows:

Lodging tax receipts	$	73,005	
Disbursements for tourism and trade	$	29,202	40%

18. 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, 2018, the County paid $34,524 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.

19. 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, 2018:

	General	Hospital Debt Service	SPLOST #6	Capital Improvements	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:						
Judicial						
Juvenile supervision	$ 24,281	$ 0	$ 0	$ 0	$ 0	$ 24,281
Indigent defense	11,862	0	0	0	0	11,862
Law library operations	0	0	0	0	218,531	218,531
Drug programs	0	0	0	0	88,127	88,127
Public Safety						
Sheriff facilities and equipment	15,865	0	0	0	53,758	69,623
Debt service	0	1,689,370	0	0	0	1,689,370
Capital projects	0	0	1,366,353	4,683,622	0	6,049,975
	$ 52,008	$ 1,689,370	$ 1,366,353	$ 4,683,622	$ 360,416	$ 8,151,769
Assigned to:						
General Government						
Future healthcare costs	$ 623,924	$ 0	$ 0	$ 0	$ 0	$ 623,924
Public Safety						
Emergency 911 operations	0	0	0	0	459,808	459,808
Health and Welfare						
Senior Center operations	0	0	0	0	16,998	16,998
Subsequent budget	569,008	0	0	0	0	569,008
	$ 1,192,932	$ 0	$ 0	$ 0	$ 476,806	$ 1,669,738

At June 30, 2018, the Habersham County Development Authority fund balance consists of $43,165 restricted for capital projects and $558,087 assigned to housing and development.

20. Deficit Fund Balance

The County had a deficit fund balance in the amount of $39,090 in the Emergency Medical Services Special Revenue Fund for expenditures in excess of taxes and charges for services. The County will replenish this deficit with future taxes and charges for services.

21. 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.

21. Risk Financing Activities (continued)

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, 2018, the County has no losses that are probable or estimable and accordingly has not recognized any liability.

22. Self-Insurance

Group Health Insurance

During the fiscal year 2018, 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 7/1/2017	$	33,671
Current year claims and changes in estimates		1,450,434
Claim payments		(1,417,481)
Balance at 6/30/2018	$	66,624

23. 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	30%	$ 21,977

24. 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.

REQUIRED SUPPLEMENTARY INFORMATION

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2018
(Unaudited)

	Fiscal Year End			
	2018	**2017**	**2016**	**2015**
Total pension liability				
Service cost	$ 249,076	$ 269,607	$ 259,833	$ 228,980
Interest	668,457	617,110	559,503	519,221
Differences between expected and actual experience	(479,754)	50,327	(105,680)	0
Changes of assumptions	24,759	296,824	293,250	0
Benefit payments, including refunds of employee contributions	(240,436)	(243,346)	(234,279)	(187,990)
Net change in total pension liability	222,102	990,522	772,627	560,211
Total pension liability - beginning	9,340,315	8,349,793	7,577,166	7,016,955
Total pension liability - ending (a)	$ 9,562,417	$ 9,340,315	$ 8,349,793	$ 7,577,166
Plan fiduciary net position				
Contributions - employer	$ 405,114	$ 450,711	$ 408,205	$ 399,462
Net investment income	1,163,292	501,317	45,158	443,332
Benefit payments, including refunds of employee contributions	(240,436)	(243,346)	(234,279)	(187,990)
Administrative expense	(33,299)	(39,054)	(37,197)	(33,173)
Other	(50,765)	(76,795)	(51,296)	(52,449)
Net change in total pension liability	1,243,906	592,833	130,591	569,182
Plan fiduciary net position - beginning	7,427,636	6,834,803	6,704,212	6,135,030
Plan fiduciary net position - ending (b)	$ 8,671,542	$ 7,427,636	$ 6,834,803	$ 6,704,212
Net pension liability (asset) - ending : (a) - (b)	$ 890,875	$ 1,912,679	$ 1,514,990	$ 872,954
Plan's fiduciary net position as a percentage of the total pension liability	90.68%	79.52%	81.86%	88.48%
Covered payroll	$ 6,423,152	$ 6,905,412	$ 7,165,355	$ 6,482,782
Net pension liability as a percentage of covered payroll	13.87%	27.70%	21.14%	13.47%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only four 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, 2018
(Unaudited)

	Fiscal Year End			
	2018	**2017**	**2016**	**2015**
Actuarially determined contribution	$ 405,114	$ 450,711	$ 408,205	$ 399,462
Contributions in relation to the actuarially determined contribution	(405,114)	(450,711)	(408,205)	(399,462)
Contribution deficiency (excess)	$ 0	$ 0	$ 0	$ 0
Covered payroll	$ 8,444,632	$ 6,826,030	$ 6,722,017	$ 7,138,973
Contributions as a percentage of covered payroll	4.80%	6.60%	6.07%	5.60%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only four 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, 2017, 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, 2018.

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 = 4.50% plus service based merit increases

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.

This page intentionally left blank.

COMBINING STATEMENTS

Nonmajor Governmental Funds

HABERSHAM COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

	Special Revenue				
	Jail	Emergency 911	Hotel/Motel Tax	Law Library	Drug Abuse Treatment
ASSETS					
Cash and cash equivalents	$ 8,491	$ 439,884	$ 0	$ 112,604	$ 0
Certificates of deposit	0	0	0	105,927	0
Receivables					
Accounts (net)	0	127,949	0	0	3,425
Intergovernmental	0	16,766	0	0	121,691
Due from other funds	7,799	0	0	0	20,930
Total assets	$ 16,290	$ 584,599	$ 0	$ 218,531	$ 146,046
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 0	$ 27,943	$ 0	$ 0	$ 20,930
Accrued salaries and expenses	0	13,788	0	0	2,151
Due to other agencies	0	0	0	0	0
Due to other funds	0	83,060	0	0	38,656
Total liabilities	0	124,791	0	0	61,737
Fund balances					
Restricted for:					
Judicial	0	0	0	218,531	84,309
Public safety	16,290	0	0	0	0
Assigned to:					
Public safety	0	459,808	0	0	0
Health and welfare	0	0	0	0	0
Total fund balances	16,290	459,808	0	218,531	84,309
Total liabilities and fund balances	$ 16,290	$ 584,599	$ 0	$ 218,531	$ 146,046

Special Revenue				Capital Projects	Total
Inmate Welfare	Confiscated Assets	Senior Center	Family Dependency Treatment	Senior Center CDBG	Nonmajor Governmental Funds
$ 26,081	$ 48,143	$ 11,197	$ 0	$ 3	$ 646,403
0	0	0	0	0	105,927
0	0	31,065	1,385	0	163,824
0	0	5,224	18,111	0	161,792
0	0	0	0	0	28,729
$ 26,081	$ 48,143	$ 47,486	$ 19,496	$ 3	$ 1,106,675
$ 0	$ 0	$ 26,677	$ 5,962	$ 0	$ 81,512
0	0	3,814	764	0	20,517
0	36,756	0	0	0	36,756
0	0	0	8,952	0	130,668
0	36,756	30,491	15,678	0	269,453
0	0	0	3,818	0	306,658
26,081	11,387	0	0	0	53,758
0	0	0	0	0	459,808
0	0	16,995	0	3	16,998
26,081	11,387	16,995	3,818	3	837,222
$ 26,081	$ 48,143	$ 47,486	$ 19,496	$ 3	$ 1,106,675

HABERSHAM COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2018

	Special Revenue				
	Jail	Emergency 911	Hotel/Motel Tax	Law Library	Drug Abuse Treatment
REVENUES					
Taxes	$ 0	$ 0	$ 73,005	$ 0	$ 0
Fines, fees, and forfeitures	88,778	0	0	30,235	37,274
Charges for services	0	710,946	0	0	135,131
Intergovernmental	0	39,920	0	0	482,054
Investment income	0	297	0	1,129	0
Contributions	0	0	0	0	0
Other	0	6,238	0	0	0
Total revenues	88,778	757,401	73,005	31,364	654,459
EXPENDITURES					
Current					
Judicial	0	0	0	16,792	588,708
Public safety	0	1,126,366	0	0	0
Health and welfare	0	0	0	0	0
Housing and development	0	0	29,202	0	0
Total expenditures	0	1,126,366	29,202	16,792	588,708
Excess (deficiency) of revenues over (under) expenditures	88,778	(368,965)	43,803	14,572	65,751
Other financing sources (uses)					
Transfers in		522,327	0	0	0
Transfers out	(78,000)	0	(43,803)	0	(14,184)
Total other financing sources (uses)	(78,000)	522,327	(43,803)	0	(14,184)
Net change in fund balance	10,778	153,362	0	14,572	51,567
Fund balances, July 1	5,512	306,446	0	203,959	32,742
Fund balances, June 30	$ 16,290	$ 459,808	$ 0	$ 218,531	$ 84,309

Special Revenue				Capital Projects	Total
Inmate Welfare	Confiscated Assets	Senior Center	Family Dependency Treatment	Senior Center CDBG	Nonmajor Governmental Funds
$ 0	$ 0	$ 0	$ 0	$ 0	$ 73,005
0	0	0	20,252	0	176,539
42,716	0	0	0	0	888,793
0	0	226,574	80,452	2,563	831,563
0	0	0	0	0	1,426
0	0	9,375	0	0	9,375
0	0	29,129	0	25	35,392
42,716	0	265,078	100,704	2,588	2,016,093
0	0	0	0	0	605,500
33,186	5	0	0	0	1,159,557
0	0	353,430	114,255	2,585	470,270
0	0	0	0	0	29,202
33,186	5	353,430	114,255	2,585	2,264,529
9,530	(5)	(88,352)	(13,551)	3	(248,436)
0	0	102,153	8,501	0	632,981
0	0	0	0	0	(135,987)
0	0	102,153	8,501	0	496,994
9,530	(5)	13,801	(5,050)	3	248,558
16,551	11,392	3,194	8,868	0	588,664
$ 26,081	$ 11,387	$ 16,995	$ 3,818	$ 3	$ 837,222

This page intentionally left blank.

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, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 4,215,683	$ 3,918,666
Investments	780,160	779,485
Receivables (net)		
Accounts	26,460	55,111
Intergovernmental	330,320	186,224
Taxes	109,348	115,735
Prepaid items	456,020	406,430
Due from other funds	932,301	263,185
Restricted Assets		
Cash and cash equivalents	52,008	48,367
Investments	0	36,607
Total assets	$ 6,902,300	$ 5,809,810
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 354,068	$ 243,245
Intergovernmental	222,497	21,412
Accrued salaries and expenses	220,157	179,874
Unearned revenue	550	0
Due to other funds	310,807	61,463
Claims reserve	66,624	33,671
Total liabilities	1,174,703	539,665
Deferred Inflows of Resources		
Unavailable revenue - property taxes	39,706	21,378
Fund balances		
Nonspendable:		
Prepaid items	456,020	406,430
Restricted for:		
Judicial	36,143	31,590
Public Safety	15,865	53,384
Assigned for:		
General Government	623,924	513,212
Public Safety	0	5,001
Subsequent year's budget	569,008	300,764
Unassigned	3,986,931	3,938,386
Total fund balances	5,687,891	5,248,767
Total liabilities, deferred inflows, and fund balances	$ 6,902,300	$ 5,809,810

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
REVENUES		
Taxes	$ 15,981,037	15,042,349
Licenses and permits	185,001	161,715
Fines, fees and forfeitures	1,098,411	1,045,695
Charges for services	1,598,896	1,406,053
Intergovernmental	1,078,786	1,316,699
Investment income	31,091	(5,080)
Contributions	63,305	74,844
Other	275,172	127,477
Total revenues	20,311,699	19,169,752
EXPENDITURES		
Current		
General Government	4,262,628	3,953,167
Judicial	2,923,906	2,690,785
Public Safety	8,624,045	7,963,784
Public Works	1,993,063	1,553,824
Health and Welfare	306,960	274,874
Culture and Recreation	1,238,940	1,220,973
Housing and Development	593,359	590,633
Debt Service		
General Government	206,504	37,980
Total expenditures	20,149,405	18,286,020
Excess (deficiency) of revenues over (under) expenditures	162,294	883,732
Other financing sources (uses)		
Transfers in (out)		
Jail Fund	78,000	133,000
Hotel/Motel Tax Fund	43,803	40,070
E911 Fund	(522,327)	(506,337)
Confiscated Assets Fund	0	(5,788)
Drug Abuse Treatment Fund	5,683	6,000
SPLOST 5	0	(40,536)
Capital Improvements Fund	(379,314)	(483,950)
Senior Center Fund	(102,153)	(22,401)
Hospital Debt Service Fund	500,000	0
Transit Fund	0	(21,808)
Proceeds from the sale of assets	653,138	22,599
Total other financing sources (uses)	276,830	(879,151)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	439,124	4,581
Fund balances, July 1	5,248,767	5,244,186
Fund balances, June 30	$ 5,687,891	$ 5,248,767

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Current and prior year levies	$ 12,067,235	$ 11,855,850	$ (211,385)	$ 11,091,709
Motor vehicle tax	1,346,336	1,187,011	(159,325)	1,249,817
Mobile home tax	94,525	90,956	(3,569)	76,171
Timber tax	2,568	3,131	563	1,661
Cost, penalties, and interest	85,000	65,588	(19,412)	72,715
Total general property taxes	13,595,664	13,202,536	(393,128)	12,492,073
Intangibles tax	200,000	195,453	(4,547)	206,927
Real estate transfer tax	50,000	69,826	19,826	59,156
Franchise tax	87,998	78,484	(9,514)	79,941
Insurance premium tax	1,838,426	1,838,518	92	1,716,692
Alcohol excise tax	443,000	457,502	14,502	371,853
Occupational tax	123,039	132,414	9,375	110,815
Other	10,000	6,304	(3,696)	4,892
Total taxes	16,348,127	15,981,037	(367,090)	15,042,349
Licenses and permits				
Building permits	182,700	184,601	1,901	161,699
Other	0	400	400	16
Total licenses and permits	182,700	185,001	2,301	161,715
Fines, fees and forfeitures	1,118,700	1,098,411	(20,289)	1,045,695
Charges for Services				
Sheriff services	48,000	48,757	757	38,306
Prisoner board	20,000	20,460	460	21,900
Ambulance charges	9,600	9,600	0	4,800
Recreation fees	567,500	506,721	(60,779)	560,354
Collection commissions	590,000	630,794	40,794	578,832
Other charges for services	335,550	382,564	47,014	201,861
Total charges for services	1,570,650	1,598,896	28,246	1,406,053
Intergovernmental	1,742,429	1,078,786	(663,643)	1,316,699
Investment income	33,600	31,091	(2,509)	(5,080)
Contributions	53,500	63,305	9,805	74,844
Other				
Rental Income	79,300	61,601	(17,699)	82,559
Miscellaneous	227,261	213,571	(13,690)	44,918
Total other	306,561	275,172	(31,389)	127,477
Total revenues	$ 21,356,267	$ 20,311,699	$ (1,044,568)	$ 19,169,752

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
County-Wide				
Personal services	$ 63,700	$ 63,500	$ 200	$ 54,224
Contract services	716,850	712,667	4,183	720,043
Materials and supplies	0	947	(947)	91
Total County-Wide	780,550	777,114	3,436	774,358
Commissioners				
Personal services	97,421	95,401	2,020	79,599
Contract services	114,000	106,996	7,004	71,105
Materials and supplies	13,000	18,641	(5,641)	10,842
Payments to other agencies	366,500	365,473	1,027	330,901
Total Commissioners	590,921	586,511	4,410	492,447
County Manager				
Personal services	193,962	192,746	1,216	183,758
Contract services	7,200	6,963	237	7,238
Materials and supplies	2,500	2,672	(172)	3,023
Total County Manager	203,662	202,381	1,281	194,019
County Finance				
Personal services	260,462	257,748	2,714	234,249
Contract services	6,000	5,081	919	3,167
Materials and supplies	3,700	4,590	(890)	4,120
Total County Finance	270,162	267,419	2,743	241,536
County Human Resources				
Personal services	151,632	150,307	1,325	111,076
Contract services	20,981	19,294	1,687	40,174
Materials and supplies	1,569	1,585	(16)	1,119
Total County Human Resources	174,182	171,186	2,996	152,369
Tax Commissioner				
Personal services	330,735	326,432	4,303	280,569
Contract services	55,360	54,641	719	55,242
Materials and supplies	4,500	3,967	533	7,412
Total Tax Commissioner	390,595	385,040	5,555	343,223
Tax Assessor				
Personal services	470,262	464,087	6,175	425,340
Contract services	71,393	70,406	987	71,232
Materials and supplies	5,015	3,436	1,579	4,220
Total Tax Assessor	546,670	537,929	8,741	500,792
Board of Equalization				
Contract services	4,050	1,903	2,147	1,624
Materials and supplies	300	0	300	0
Total Board of Equalization	4,350	1,903	2,447	1,624

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
General Government (continued)				
County Clerk				
Personal services	$ 64,001	$ 62,872	$ 1,129	$ 58,309
Contract services	3,775	3,660	115	576
Materials and supplies	300	50	250	223
Total County Clerk	68,076	66,582	1,494	59,108
Registrar				
Personal services	113,758	112,229	1,529	107,073
Contract services	17,350	18,073	(723)	12,857
Materials and supplies	11,000	8,806	2,194	13,812
Total Registrar	142,108	139,108	3,000	133,742
Buildings and Grounds				
Personal services	420,285	414,660	5,625	370,968
Contract services	226,827	223,767	3,060	215,887
Materials and supplies	223,246	225,641	(2,395)	220,918
Total Buildings and Grounds	870,358	864,068	6,290	807,773
Information Technology				
Personal services	147,495	145,895	1,600	130,261
Contract services	106,815	103,132	3,683	107,976
Materials and supplies	15,650	14,360	1,290	13,939
Total Information Technology	269,960	263,387	6,573	252,176
Total General Government	4,311,594	4,262,628	48,966	3,953,167
Judicial				
Probate Court				
Personal services	183,982	181,437	2,545	165,233
Contract services	10,100	8,797	1,303	9,017
Materials and supplies	5,000	6,297	(1,297)	5,598
Total Probate Court	199,082	196,531	2,551	179,848
Magistrate Court				
Personal services	160,335	158,968	1,367	143,721
Contract services	7,250	5,272	1,978	7,254
Materials and supplies	1,600	1,062	538	763
Total Magistrate Court	169,185	165,302	3,883	151,738
Clerk of Superior Court				
Personal services	618,358	604,062	14,296	544,477
Contract services	46,000	41,415	4,585	62,003
Materials and supplies	16,700	14,673	2,027	13,871
Total Clerk of Superior Court	681,058	660,150	20,908	620,351

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Judicial (continued)				
Superior Court				
Personal services	$ 156,956	$ 154,793	$ 2,163	$ 153,229
Contract services	91,750	92,009	(259)	73,303
Materials and supplies	2,000	1,522	478	2,615
Total Superior Court	250,706	248,324	2,382	229,147
District Attorney				
Personal services	13,708	13,527	181	22,891
Contract services	196,115	203,191	(7,076)	108,132
Materials and supplies	9,000	8,064	936	6,311
Payments to other agencies	73,000	66,011	6,989	70,337
Total District Attorney	291,823	290,793	1,030	207,671
Public Defender				
Personal services	56,866	54,756	2,110	52,097
Contract services	530,151	528,557	1,594	527,126
Materials and supplies	21,000	21,509	(509)	17,277
Total Public Defender	608,017	604,822	3,195	596,500
State Court Judge				
Personal services	177,374	174,595	2,779	162,502
Contract services	84,280	81,072	3,208	81,046
Materials and supplies	9,400	10,000	(600)	10,000
Total State Court Judge	271,054	265,667	5,387	253,548
Juvenile Court				
Personnel services	222,403	217,528	4,875	202,361
Contract services	115,650	115,132	518	90,995
Materials and supplies	2,000	1,900	100	2,929
Total Juvenile Court	340,053	334,560	5,493	296,285
Juvenile Supervision				
Contract services	8,000	1,500	6,500	3,150
State Court Solicitor				
Personal services	147,673	146,757	916	143,047
Materials and supplies	9,600	9,500	100	9,500
Total State Court Solicitor	157,273	156,257	1,016	152,547
Total Judicial	2,976,251	2,923,906	52,345	2,690,785
Public Safety				
Sheriff				
Personal services	2,702,820	2,671,315	31,505	2,526,222
Contract services	267,315	258,785	8,530	290,552
Materials and supplies	421,000	422,480	(1,480)	401,097
Capital outlay	13,000	12,775	225	51,820
Total Sheriff	3,404,135	3,365,355	38,780	3,269,691

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Public Safety (continued)				
Jail				
Personal services	$ 1,639,718	$ 1,624,840	$ 14,878	$ 1,607,892
Contract services	883,890	879,677	4,213	675,272
Materials and supplies	379,828	381,038	(1,210)	162,616
Capital outlay	17,672	17,672	0	0
Total Jail	2,921,108	2,903,227	17,881	2,445,780
Heat Unit				
Personal services	58,685	58,032	653	53,364
Materials and supplies	15,500	14,724	776	11,183
Capital outlay	55,000	53,260	1,740	0
Total Heat Unit	129,185	126,016	3,169	64,547
Animal Control				
Personal services	235,198	232,918	2,280	205,883
Contract services	100,475	100,215	260	86,261
Materials and supplies	58,000	57,810	190	47,741
Capital outlay	28,282	26,894	1,388	9,999
Total Animal Control	421,955	417,837	4,118	349,884
Coroner				
Personal services	11,955	10,921	1,034	9,429
Contract services	8,325	7,870	455	13,187
Materials and supplies	2,600	1,266	1,334	1,964
Total Coroner	22,880	20,057	2,823	24,580
Fire				
Personal services	1,290,053	1,269,177	20,876	1,115,441
Contract services	92,830	92,454	376	68,843
Materials and supplies	144,472	143,958	514	121,936
Total Fire	1,527,355	1,505,589	21,766	1,306,220
Emergency Management Agency				
Personal services	94,599	92,405	2,194	75,474
Contract services	50,665	48,513	2,152	11,158
Materials and supplies	12,600	13,696	(1,096)	10,524
Capital outlay	131,350	131,350	0	22,856
Total Emergency Management Agency	289,214	285,964	3,250	120,012
Ambulance				
Contract services	0	0	0	56,847
Materials and supplies	0	0	0	89,262
Payments to other agencies	0	0	0	236,961
Total Ambulance	0	0	0	383,070
Total Public Safety	8,715,832	8,624,045	91,787	7,963,784

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Public Works				
Fleet				
Personal services	$ 272,587	$ 264,189	$ 8,398	$ 254,030
Contract services	90,310	90,398	(88)	19,120
Materials and supplies	242,650	231,060	11,590	132,261
Total Fleet	605,547	585,647	19,900	405,411
Road Department				
Personal services	1,091,181	1,062,157	29,024	815,212
Contract services	190,360	198,082	(7,722)	187,687
Materials and supplies	155,470	147,177	8,293	126,251
Capital outlay	0	0	0	19,263
Total Road Department	1,437,011	1,407,416	29,595	1,148,413
Total Public Works	2,042,558	1,993,063	49,495	1,553,824
Health and Welfare				
Georgia Mountains Community Mental Health				
Payments to other agencies	26,300	26,300	0	26,300
Senior Center				
Payments to other agencies	10,450	10,450	0	9,450
Habersham County Health Department				
Payments to other agencies	198,788	198,788	0	185,607
Child Welfare				
Payments to other agencies	71,422	71,422	0	53,517
Total Health and Welfare	306,960	306,960	0	274,874
Culture and Recreation				
Libraries				
Payments to other agencies	297,896	297,896	0	283,463
Recreation				
Personal services	472,198	468,974	3,224	456,186
Contract services	161,410	159,607	1,803	174,251
Materials and supplies	304,750	306,230	(1,480)	306,036
Payments to other agencies	6,160	6,233	(73)	1,037
Total Recreation	944,518	941,044	3,474	937,510
Total Culture and Recreation	1,242,414	1,238,940	3,474	1,220,973

HABERSHAM COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
Housing and Development				
Extension Service				
Personal services	$ 22,865	$ 22,862	$ 3	$ 21,642
Contract services	70,737	69,025	1,712	68,494
Materials and supplies	12,000	11,753	247	11,543
Payments to other agencies	3,500	3,500	0	3,250
Total Extension Service	109,102	107,140	1,962	104,929
Forestry				
Payments to other agencies	8,400	7,832	568	7,832
Building				
Personal services	429,719	423,927	5,792	429,595
Contract services	36,721	34,228	2,493	28,138
Materials and supplies	12,744	11,475	1,269	11,191
Total Building	479,184	469,630	9,554	468,924
Conservation				
Contract services	5,000	5,000	0	5,000
Planning Commission				
Contract services	7,800	3,757	4,043	3,848
Materials and supplies	100	0	100	100
Total Planning	7,900	3,757	4,143	3,948
Total Housing and Development	609,586	593,359	16,227	590,633
Total Current	20,205,195	19,942,901	262,294	18,248,040
Debt Service				
General Government				
County-Wide				
Principal	34,209	34,209	0	80,409
Interest	172,791	172,295	496	(42,429)
Total Debt Service	207,000	206,504	496	37,980
Total Expenditures	$ 20,412,195	$ 20,149,405	$ 262,790	$ 18,286,020

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.

Emergency Medical Services Fund – This fund is used to account for activities of the County's emergency medical services, available to any County resident.

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, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 8,491	$ 5,900
Due from other funds	7,799	0
Total assets	$ 16,290	$ 5,900
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other funds	$ 0	$ 388
Fund balances		
Restricted for public safety	16,290	5,512
Total liabilities and fund balances	$ 16,290	$ 5,900

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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 78,000	$ 88,778	$ 10,778	$ 64,623
Total revenues	78,000	88,778	10,778	64,623
EXPENDITURES				
Current				
Public Safety				
Contract services	0	0	0	0
Total expenditures	0	0	0	0
Excess (deficiency) of revenues over (under) expenditures	78,000	88,778	10,778	64,623
Other financing sources (uses)				
Transfers in (out)				
General fund	(78,000)	(78,000)	0	(133,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	10,778	10,778	(68,377)
Fund balances, July 1	0	5,512	5,512	73,889
Fund balances, June 30	$ 0	$ 16,290	$ 16,290	$ 5,512

HABERSHAM COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 439,884	$ 347,064
Accounts receivable (net)	127,949	134,404
Intergovernmental receivable	16,766	18,164
Total assets	$ 584,599	$ 499,632
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 27,943	$ 5,920
Accrued salaries and other payroll liabilities	13,788	13,697
Due to other funds	83,060	173,569
Total liabilities	124,791	193,186
Fund balances		
Assigned to public safety	459,808	306,446
Total liabilities and fund balances	$ 584,599	$ 499,632

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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 596,000	$ 710,946	$ 114,946	$ 741,374
Intergovernmental	37,630	39,920	2,290	9,755
Investment income	0	297	297	32
Other	1,800	6,238	4,438	2,114
Total revenues	635,430	757,401	121,971	753,275
EXPENDITURES				
Current				
Public Safety				
Personal Services	926,533	871,864	54,669	852,502
Contract services	291,100	204,156	86,944	299,887
Materials and supplies	32,000	32,223	(223)	31,184
Debt service	18,124	18,123	1	18,123
Total expenditures	1,267,757	1,126,366	141,391	1,201,696
Excess (deficiency) of revenues over (under) expenditures	(632,327)	(368,965)	263,362	(448,421)
Other financing sources (uses)				
Transfers in (out)				
General Fund	522,327	522,327	0	506,337
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(110,000)	153,362	263,362	57,916
Fund balances, July 1	110,000	306,446	196,446	248,530
Fund balances, June 30	$ 0	$ 459,808	$ 459,808	$ 306,446

HABERSHAM COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

	2018	2017
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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 75,000	$ 73,005	$ (1,995)	$ 66,783
Total revenues	75,000	73,005	(1,995)	66,783
EXPENDITURES				
Current				
Housing and Development				
Payments to other agencies	30,000	29,202	798	26,713
Total expenditures	30,000	29,202	798	26,713
Excess (deficiency) of revenues over (under) expenditures	45,000	43,803	(1,197)	40,070
Other financing sources (uses)				
Transfers in (out)				
General Fund	(45,000)	(43,803)	1,197	(40,070)
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, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 112,604	$ 98,403
Certificates of deposit	105,927	105,909
Total assets	$ 218,531	$ 204,312
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 0	$ 353
Fund balances		
Restricted for judicial	218,531	203,959
Total liabilities and fund balances	$ 218,531	$ 204,312

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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 25,200	$ 30,235	$ 5,035	$ 32,001
Investment income	0	1,129	1,129	416
Total revenues	25,200	31,364	6,164	32,417
EXPENDITURES				
Current				
Judicial				
Personal services	2,000	2,000	0	2,600
Contact services	7,500	2,386	5,114	2,604
Materials and supplies	15,700	12,406	3,294	22,702
Total expenditures	25,200	16,792	8,408	27,906
Excess (deficiency) of revenues over (under) expenditures	0	14,572	14,572	4,511
Fund balances, July 1	0	203,959	203,959	199,448
Fund balances, June 30	$ 0	$ 218,531	$ 218,531	$ 203,959

HABERSHAM COUNTY, GEORGIA
EMERGENCY MEDICAL SERVICES SPECIAL REVENUE FUND
BALANCE SHEET
June 30, 2018

ASSETS		
Restricted cash and cash equivalents	$	153,421
Receivables (net)		
Accounts		500,991
Taxes		3,865
Intergovernmental		3,901
Total assets	$	662,178
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$	35,161
Accrued salaries and other payroll liabilities		29,250
Due to other funds		635,535
Total liabilities		699,946
Deferred Inflows of Resources		
Unavailable revenue - property taxes		1,322
Fund balances		
Unassigned		(39,090)
Total liabilities, deferred inflows, and fund balances	$	662,178

HABERSHAM COUNTY, GEORGIA
EMERGENCY MEDICAL SERVICES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2018

	Final Budget	Actual	Variance
REVENUES			
Taxes	$ 397,853	$ 401,615	$ 3,762
Charges for services	719,778	628,570	(91,208)
Intergovernmental	100,000	24,496	(75,504)
Total revenues	1,217,631	1,054,681	(162,950)
EXPENDITURES			
Current			
Public Safety			
Personal Services	665,234	639,653	25,581
Contract services	276,010	274,266	1,744
Materials and supplies	271,887	172,218	99,669
Capital outlay	4,500	7,634	(3,134)
Total expenditures	1,217,631	1,093,771	123,860
Excess (deficiency) of revenues over (under) expenditures	0	(39,090)	(39,090)
Fund balances, July 1	0	0	0
Fund balances, June 30	$ 0	$ (39,090)	$ (39,090)

HABERSHAM COUNTY, GEORGIA
DRUG ABUSE TREATMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Accounts receivable	$ 3,425	$ 7,853
Intergovernmental receivable	121,691	71,671
Due from other funds	20,930	0
Total assets	$ 146,046	$ 79,524
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 20,930	$ 42,526
Accrued salaries and other payroll liabilities	2,151	2,165
Due to other funds	38,656	2,091
Total liabilities	61,737	46,782
Fund balances		
Restricted for judicial	84,309	32,742
Total liabilities and fund balances	$ 146,046	$ 79,524

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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 35,000	$ 37,274	$ 2,274	$ 32,539
Charges for services	131,803	135,131	3,328	120,405
Intergovernmental	455,529	482,054	26,525	387,095
Total revenues	622,332	654,459	32,127	540,039
EXPENDITURES				
Current				
Judicial				
Personal services	111,447	111,033	414	103,693
Contract services	388,000	402,222	(14,222)	389,798
Supplies	23,300	8,328	14,972	16,056
Payments to others	85,401	67,125	18,276	43,888
Total expenditures	608,148	588,708	19,440	553,435
Excess (deficiency) of revenues over (under) expenditures	14,184	65,751	51,567	(13,396)
Other financing sources (uses)				
Transfers in (out)				
General Fund	(14,184)	(14,184)	0	(6,000)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and and other financing uses	0	51,567	51,567	(19,396)
Fund balances, July 1	0	32,742	32,742	52,138
Fund balances, June 30	$ 0	$ 84,309	$ 84,309	$ 32,742

HABERSHAM COUNTY, GEORGIA
INMATE WELFARE SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 26,081	$ 16,551
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for public safety	$ 26,081	$ 16,551

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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 145,000	$ 42,716	$ (102,284)	$ 33,505
Total revenues	145,000	42,716	(102,284)	33,505
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	135,000	25,691	109,309	13,766
Capital outlay	10,000	7,495	2,505	14,066
Total expenditures	145,000	33,186	111,814	27,832
Excess (deficiency) of revenues over (under) expenditures	0	9,530	9,530	5,673
Fund balances, July 1	0	16,551	16,551	10,878
Fund balances, June 30	$ 0	$ 26,081	$ 26,081	$ 16,551

HABERSHAM COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 48,143	$ 48,148
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 36,756	$ 36,756
Fund balances		
Restricted for public safety	11,387	11,392
Total liabilities and fund balances	$ 48,143	$ 48,148

HABERSHAM COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Other	$ 0	$ 0	$ 0	$ 85
Total revenues	0	0	0	85
EXPENDITURES				
Current				
Public Safety				
Supplies and materials	5	5	0	0
Total expenditures	5	5	0	0
Excess (deficiency) of revenues over (under) expenditures	(5)	(5)	0	85
Other financing sources (uses)				
Transfers in (out)				
General Fund	0	0	0	5,788
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(5)	(5)	0	5,873
Fund balances, July 1	5	11,392	11,387	5,519
Fund balances, June 30	$ 0	$ 11,387	$ 11,387	$ 11,392

HABERSHAM COUNTY, GEORGIA
SENIOR CENTER SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 11,197	$ 10,376
Receivables		
Accounts	31,065	19,254
Intergovernmental	5,224	14,101
Total assets	$ 47,486	$ 43,731
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 26,677	$ 37,063
Accrued salaries and other payroll liabilities	3,814	3,474
Total liabilities	30,491	40,537
Fund balances		
Assigned for Health and Welfare	16,995	3,194
Total liabilities and fund balances	$ 47,486	$ 43,731

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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 285,678	$ 226,574	$ (59,104)	$ 205,837
Contributions	8,500	9,375	875	10,913
Other	23,585	29,129	5,544	23,823
Total revenues	317,763	265,078	(52,685)	240,573
EXPENDITURES				
Current				
Health and Welfare				
Personal services	252,812	252,489	323	236,124
Contract services	218,948	71,350	147,598	92,864
Materials and supplies	23,156	29,591	(6,435)	28,364
Total expenditures	494,916	353,430	141,486	357,352
Excess (deficiency) of revenues over (under) expenditures	(177,153)	(88,352)	88,801	(116,779)
Other financing sources (uses)				
Transfers in				
General Fund	102,153	102,153	0	22,401
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(75,000)	13,801	88,801	(94,378)
Fund balances, July 1	75,000	3,194	(71,806)	97,572
Fund balances, June 30	$ 0	$ 16,995	$ 16,995	$ 3,194

HABERSHAM COUNTY, GEORGIA
FAMILY DEPENDENCY TREATMENT COURT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Receivables		
Accounts	$ 1,385	$ 0
Intergovernmental	18,111	20,248
Total assets	$ 19,496	$ 20,248
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 5,962	$ 5,575
Accrued salaries and other payroll liabilities	764	406
Due to other funds	8,952	5,399
Total liabilities	15,678	11,380
Fund balances		
Restricted for Judicial	3,818	8,868
Total liabilities and fund balances	$ 19,496	$ 20,248

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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 10,085	$ 20,252	$ 10,167	$ 9,923
Intergovernmental	143,367	80,452	(62,915)	79,540
Contributions	0	0	0	1,100
Total revenues	153,452	100,704	(52,748)	90,563
EXPENDITURES				
Current				
Health and Welfare				
Personal services	92,513	47,678	44,835	37,840
Contract services	66,940	60,707	6,233	43,655
Materials and supplies	2,500	5,870	(3,370)	200
Total expenditures	161,953	114,255	47,698	81,695
Excess (deficiency) of revenues over (under) expenditures	(8,501)	(13,551)	(5,050)	8,868
Other financing sources (uses)				
Transfers in				
General Fund	8,501	8,501	0	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(5,050)	(5,050)	8,868
Fund balances, July 1	0	8,868	8,868	0
Fund balances, June 30	$ 0	$ 3,818	$ 3,818	$ 8,868

This page intentionally left blank.

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, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 940,571	$ 1,510,612
Receivables		
Accounts	0	10,018
Taxes	10,839	0
Notes	533,333	733,333
Due from other funds	204,627	194,828
Total assets	$ 1,689,370	$ 2,448,791
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for debt service	$ 1,689,370	$ 2,448,791

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, 2018
(With comparative actual amounts for the fiscal year ended June 30, 2017)

	2018			2017
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 1,125,683	$ 1,152,728	$ 27,045	$ 1,056,030
Intergovernmental	0	0	0	899
Other	0	56	56	0
Total revenues	1,125,683	1,152,784	27,101	1,056,929
EXPENDITURES				
Debt Service				
Principal	1,731,390	1,699,113	32,277	859,762
Interest	1,645,656	1,643,898	1,758	1,633,123
Total expenditures	3,377,046	3,343,011	34,035	2,492,885
Excess (deficiency) of revenues over (under) expenditures	(2,251,363)	(2,190,227)	61,136	(1,435,956)
Other financing sources (uses)				
Transfers in (out)				
General Fund	(500,000)	(500,000)	0	0
SPLOST #6 Fund	1,153,239	1,175,763	22,524	1,109,375
Issuance of notes payable	760,000	755,043	(4,957)	0
Total other financing sources (uses)	1,413,239	1,430,806	17,567	1,109,375
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(838,124)	(759,421)	78,703	(326,581)
Fund balances, July 1	838,124	2,448,791	1,610,667	2,775,372
Fund balances, June 30	$ 0	$ 1,689,370	$ 1,689,370	$ 2,448,791

This page intentionally left blank.

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 #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.

Senior Center CDBG Fund – This fund is used to account for the senior center project financed by the CDBG grant.

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #5
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 0	$ 0
Total assets	$ 0	$ 0
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 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 #5
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
For the fiscal years ended June 30, 2018 and 2017

REVENUES	**2018**	**2017**
Intergovernmental	$ 0	$ 101,000
Investment income	0	(3,703)
Total revenues	0	97,297
EXPENDITURES		
Capital outlay		
General Government		
County-Wide	0	907,161
Debt service		
Housing and Development		
Economic Development	0	827,628
Total expenditures	0	1,734,789
Excess (deficiency) of revenues over (under) expenditures	0	(1,637,492)
Other financing sources (uses)		
Transfers in (out)		
General Fund	0	40,536
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	(1,596,956)
Fund balances, July 1	0	1,596,956
Fund balances, June 30	$ 0	$ 0

HABERSHAM COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 2,300,467	$ 1,466,414
Receivables		
Intergovernmental	1,387,143	1,542,227
Taxes	524,954	492,248
Total assets	$ 4,212,564	$ 3,500,889
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 1,797,389	$ 1,655,714
Intergovernmental	309,600	294,775
Retainages	294,077	335,604
Due to other funds	445,145	717,960
Total liabilities	2,846,211	3,004,053
Fund balances		
Restricted for capital outlay	1,366,353	496,836
Total liabilities and fund balances	$ 4,212,564	$ 3,500,889

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, 2018 and 2017

REVENUES	**2018**	**2017**
Taxes	$ 5,878,815	$ 5,546,874
Intergovernmental	6,087,657	3,499,707
Investment income	17,347	2,262
Total revenues	11,983,819	9,048,843
EXPENDITURES		
Capital outlay		
General Government		
County Wide	1,845	101
Public Safety		
Sheriff	153,594	32,927
Fire	162,393	891,561
Ambulance	41,870	57,643
Public Works		
Roads and Bridges	1,921,184	1,730,977
Airport	0	3,464,450
Housing and Development		
Economic Development	624,302	27,081
Intergovernmental	1,778,930	1,678,484
Total expenditures	4,684,118	7,883,224
Excess (deficiency) of revenues over (under) expenditures	7,299,701	1,165,619
Other financing sources (uses)		
Transfers in (out)		
Hospital Debt Service Fund	(1,175,763)	(1,109,375)
Landfill Enterprise Fund	(14,785)	(390,492)
Airport Enterprise Fund	(5,488,636)	0
Issuance of capital leases	249,000	0
Total other financing sources (uses)	(6,430,184)	(1,499,867)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	869,517	(334,248)
Fund balances, July 1	496,836	831,084
Fund balances, June 30	$ 1,366,353	$ 496,836

HABERSHAM COUNTY, GEORGIA
CAPITAL IMPROVEMENTS
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Restricted cash and cash equivalents	$ 5,100,859	$ 0
Due from other funds	282,078	61,463
Total assets	$ 5,382,937	$ 61,463
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 540,885	$ 61,463
Retainages	158,430	0
Total liabilities	699,315	61,463
Fund balances		
Restricted for capital outlay	4,683,622	0
Total liabilities and fund balances	$ 5,382,937	$ 61,463

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, 2018 and 2017

REVENUES	**2018**	**2017**
Investment income	$ 47,927	$ 0
Other	4,559	0
Total revenues	52,486	0
EXPENDITURES		
Capital outlay		
General Government		
County-Wide	2,088,581	47,799
Information Technology	20,000	29,972
County Buildings & Grounds	14,293	135,753
Health and Welfare		
Health Department	0	13,181
Senior Center	36,394	9,607
Public Safety		
Sheriff	49,736	102,136
Jail	215,142	32,557
Animal Control	29,462	0
Culture and Recreation		
Recreation	11,012	121,850
Housing and Development		
Building	0	30,843
Total expenditures	2,464,620	523,698
Excess (deficiency) of revenues over (under) expenditures	(2,412,134)	(523,698)
Other financing sources (uses)		
Transfers in (out)		
General Fund	379,314	483,950
Airport Enterprise Fund	(7,833)	0
Issuance of certificates of participation	6,724,275	0
Total other financing sources (uses)	7,095,756	483,950
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	4,683,622	(39,748)
Fund balances, July 1	0	39,748
Fund balances, June 30	$ 4,683,622	$ 0

HABERSHAM COUNTY, GEORGIA
SENIOR CENTER CDBG
CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2018

ASSETS

Cash and cash equivalents	$ 3
Total assets	$ 3

LIABILITIES AND FUND BALANCES

Fund balances	
Assigned for Health and Welfare	$ 3

HABERSHAM COUNTY, GEORGIA
SENIOR CENTER CDBG
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2018

REVENUES	
Intergovernmental	$ 2,563
Other	25
Total revenues	2,588
EXPENDITURES	
Current	
Health and Welfare	
Materials and supplies	22
Capital outlay	2,563
Total expenditures	2,585
Excess (deficiency) of revenues over (under) expenditures	3
Fund balances, July 1	0
Fund balances, June 30	$ 3

This page intentionally left blank.

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, 2018 and 2017

	2018	2017
ASSETS		
Current assets		
Cash and cash equivalents	$ 1,568,877	$ 598,585
Investments	648,889	642,489
Accounts receivable (net)	97,505	55,537
Due from other funds	147,200	499,685
Total current assets	2,462,471	1,796,296
Capital assets		
Land	872,059	872,059
Construction in progress	114,937	114,408
Land improvements	7,816,939	7,816,939
Buildings	33,365	33,365
Machinery and equipment	2,810,447	2,338,483
Vehicles	321,056	321,056
Accumulated depreciation	(7,238,298)	(7,010,532)
Total capital assets (net of accumulated depreciation)	4,730,505	4,485,778
Total assets	7,192,976	6,282,074
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	0	7,890
Pension experience differences	730	1,022
Pension assumption changes	6,893	9,751
Total deferred outflows of resources	7,623	18,663
LIABILITIES		
Current liabilities		
Payables		
Accounts	29,349	7,246
Interest	25,382	4,375
Accrued salaries	5,877	5,163
Compensated absences	20,115	18,358
Due to other funds	48,285	55,644
Capital leases payable	142,519	51,888
Total current liabilities	271,527	142,674
Noncurrent liabilities		
Compensated absences	6,705	6,119
Net pension liability	21,850	46,778
Capital leases payable	771,699	251,263
Post-closure care	3,750,996	3,625,680
Total noncurrent liabilities	4,551,250	3,929,840
Total liabilities	4,822,777	4,072,514

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2018 and 2017

	2018	2017
DEFERRED INFLOWS OF RESOURCES		
Pension investment return differences	$ 6,605	$ 0
Pension experience differences	8,939	1,342
Total deferred inflows of resources	15,544	1,342
NET POSITION		
Net investment in capital assets	3,816,287	4,180,886
Unrestricted	(1,454,009)	(1,954,005)
Total net position	$ 2,362,278	$ 2,226,881

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

OPERATING REVENUES	**2018**	**2017**
Charges for sales and services	$ 1,386,798	$ 1,007,961
Miscellaneous revenues	220	767
Total operating revenues	1,387,018	1,008,728
OPERATING EXPENSES		
Costs of sales and services	501,913	483,953
Personal services	374,459	357,780
Depreciation	411,862	313,889
Total operating expenses	1,288,234	1,155,622
Operating income (loss)	98,784	(146,894)
Non-operating revenues (expenses)		
Investment income	14,451	(5,861)
Intergovernmental revenue	44,070	0
Interest expense	(29,798)	(8,647)
Gain (loss) on sale of assets	(6,895)	0
Total non-operating revenues (expenses)	21,828	(14,508)
Net income (loss) before transfers	120,612	(161,402)
Transfers in (out)		
SPLOST #6 Fund	14,785	390,492
Change in net position	135,397	229,090
Net position, July 1	2,226,881	1,997,791
Net position, June 30	$ 2,362,278	$ 2,226,881

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Receipts from customers	$ 1,344,830	$ 1,051,194
Payments to suppliers	(352,753)	(356,054)
Payments to employees	(371,088)	(357,971)
Other receipts	220	767
Net cash provided (used) by operating activities	621,209	337,936
Cash flows from non-capital financing activities:		
Receipts from other funds	0	12,831
Payments to other funds	(7,359)	0
Receipts from other governments	44,070	168
Net cash provided (used) by non-capital financing activities	36,711	12,999
Cash flows from capital and related financing activities:		
Receipts from other funds	367,270	142,807
Acquisition of capital assets	(15,770)	(597,850)
Sale of capital assets	15,240	0
Payment of prior year accounts payable for the purchase of capital assets	(1,741)	0
Principal payments - capital leases	(51,887)	(50,425)
Interest paid	(8,791)	(10,253)
Net cash provided (used) by capital and related financing activities	304,321	(515,721)
Cash flows from investing activities:		
Interest received	14,451	0
Purchase of investments	(6,400)	(239,934)
Net cash provided (used) by investing activities	8,051	(239,934)
Net increase (decrease) in cash and cash equivalents	970,292	(404,720)
Cash and cash equivalents, July 1	598,585	1,003,305
Cash and cash equivalents, June 30	$ 1,568,877	$ 598,585

HABERSHAM COUNTY, GEORGIA
LANDFILL ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ 98,784	$ (146,894)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	411,862	313,889
Closure/postclosure costs	125,316	145,690
(Increase) decrease in accounts receivable	(41,968)	43,233
(Increase) decrease in pension investment return differences	7,890	2,201
(Increase) decrease in pension experience differences	292	(1,022)
(Increase) decrease in pension assumption changes	2,858	(4,328)
Increase (decrease) in accounts payable	23,844	(17,735)
Increase (decrease) in intergovernmental payable	0	(56)
Increase (decrease) in accrued payroll liabilities	3,057	(7,029)
Increase (decrease) in pension investment return differences	6,605	(612)
Increase (decrease) in pension experience differences	7,597	0
Increase (decrease) in net pension liability	(24,928)	10,599
Total adjustments	522,425	484,830
Net cash provided (used) by operating activities	$ 621,209	$ 337,936

Noncash capital and related financing activities:

Acquisition of capital assets through capital leases payable totaled $662,954 for the fiscal year ended June 30, 2018.

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, 2018 and 2017

	2018	2017
ASSETS		
Current assets		
Accounts receivable	$ 15,795	$ 52
Intergovernmental receivable	0	6,085
Total current assets	15,795	6,137
Capital assets		
Vehicles	84,569	84,569
Accumulated depreciation	(29,485)	(12,571)
Total capital assets (net of accumulated depreciation)	55,084	71,998
Total assets	70,879	78,135
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	0	1,353
Pension experience differences	111	147
Pension assumption changes	1,183	1,539
Total deferred outflows of resources	1,294	3,039
LIABILITIES		
Current liabilities		
Accounts payable	1,445	792
Accrued salaries and other payroll liabilities	1,093	938
Compensated absences	5,733	4,462
Due to other funds	22,738	2,647
Total current liabilities	31,009	8,839
Noncurrent liabilities		
Compensated absences	1,911	1,488
Net pension liability	3,755	6,866
Total noncurrent liabilities	5,666	8,354
Total liabilities	36,675	17,193
DEFERRED INFLOWS OF RESOURCES		
Pension investment return differences	456	0
Pension experience differences	1,191	243
Total deferred inflows of resources	1,647	243
NET POSITION		
Investment in capital assets	55,084	71,998
Unrestricted	(21,233)	(8,260)
Total net position	$ 33,851	$ 63,738

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

OPERATING REVENUES	**2018**	**2017**
Charges for sales and services	$ 45,704	$ 38,232
Total operating revenues	45,704	38,232
OPERATING EXPENSES		
Costs of sales and services	34,810	28,673
Personal services	74,755	69,713
Depreciation	16,914	10,576
Total operating expenses	126,479	108,962
Operating income (loss)	(80,775)	(70,730)
Non-operating revenues (expenses)		
Intergovernmental revenue	50,888	42,988
Net income (loss) before capital contributions and transfers	(29,887)	(27,742)
Capital contributions		
Intergovernmental	0	40,503
Net income (loss) before transfers	(29,887)	12,761
Transfers in (out)		
General Fund	0	21,808
Change in net position	(29,887)	34,569
Net position, July 1	63,738	29,169
Net position, June 30	$ 33,851	$ 63,738

HABERSHAM COUNTY, GEORGIA
TRANSIT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Receipts from customers	$ 29,961	$ 38,180
Payments to suppliers	(34,157)	(28,694)
Payments to employees	(72,868)	(70,544)
Net cash provided (used) by operating activities	(77,064)	(61,058)
Cash flows from non-capital financing activities:		
Receipts from other governments	56,973	44,765
Receipts from other funds	20,091	16,374
Net cash provided (used) by non-capital financing activities	77,064	61,139
Cash flows from capital and related financing activities:		
Purchase of capital assets	0	(81)
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)	$ (80,775)	$ (70,730)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	16,914	10,576
(Increase) decrease in accounts receivable	(15,743)	(52)
(Increase) decrease in pension investment return differences	1,353	316
(Increase) decrease in pension experience differences	36	(147)
(Increase) decrease in pension assumption changes	356	(622)
Increase (decrease) in accounts payable	653	165
Increase (decrease) in intergovernmental payable	0	(186)
Increase (decrease) in accrued payroll liabilities	1,849	(1,814)
Increase (decrease) in net pension liability	(3,111)	1,524
Increase (decrease) in net pension investment return differences	456	(88)
Increase (decrease) in net pension experience differences	948	0
Total adjustments	3,711	9,672
Net cash provided (used) by operating activities	$ (77,064)	$ (61,058)

Noncash capital and related financing activities:

Contributions of capital assets from other governments totaled $0 and $40,503 for the fiscal years ended June 30, 2018 and 2017, respectively.

HABERSHAM COUNTY, GEORGIA
AIRPORT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2018 and 2017

	2018	2017
ASSETS		
Current assets		
Cash and cash equivalents	$ 51,479	$ 11,588
Accounts receivable	1,281	419
Intergovernmental receivable	0	8,450
Inventories	44,843	39,417
Total current assets	97,603	59,874
Capital assets		
Land	2,372,918	1,999,616
Construction in progress	8,658,427	3,543,094
Building	1,122,682	1,122,682
Land improvements	1,388,349	1,377,249
Infrastructure	15,397,879	15,397,879
Vehicles and equipment	20,800	20,800
Machinery and equipment	8,000	8,000
Furniture and equipment	93,290	93,290
Accumulated depreciation	(4,771,638)	(3,778,509)
Total capital assets (net of accumulated depreciation)	24,290,707	19,784,101
Total assets	24,388,310	19,843,975
LIABILITIES		
Current liabilities		
Accounts payable	3,780	5,318
Unearned revenue	3,000	3,600
Due to other funds	1,757	0
Total liabilities	8,537	8,918
NET POSITION		
Investment in capital assets	24,290,707	19,784,101
Unrestricted	89,066	50,956
Total net position	$ 24,379,773	$ 19,835,057

HABERSHAM COUNTY, GEORGIA
AIRPORT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2018 and 2017

OPERATING REVENUES	**2018**	**2017**
Charges for sales and services	$ 268,824	$ 228,449
Rental income	45,048	40,800
Other	6,909	2,413
Total operating revenues	320,781	271,662
OPERATING EXPENSES		
Costs of sales and services	279,432	219,593
Depreciation	993,128	311,379
Total operating expenses	1,272,560	530,972
Operating income (loss)	(951,779)	(259,310)
Non-operating revenues (expenses)		
Investment income	26	3
Net income (loss) before capital contributions and transfers	(951,753)	(259,307)
Capital contributions		
Contribution of capital assets from Governmental Activities	0	16,531,584
Net income (loss) before transfers	(951,753)	16,272,277
Transfers in (out)		
SPLOST #6 Fund	5,488,636	3,543,094
Capital Improvements Fund	7,833	0
Total transfers in (out)	5,496,469	3,543,094
Change in net position	4,544,716	19,815,371
Net position, July 1	19,835,057	19,686
Net position, June 30	$ 24,379,773	$ 19,835,057

HABERSHAM COUNTY, GEORGIA
AIRPORT ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2018 and 2017

	2018	2017
Cash flows from operating activities:		
Receipts from customers	$ 319,319	$ 273,443
Payments to suppliers	(286,396)	(233,827)
Net cash provided (used) by operating activities	32,923	39,616
Cash flows from non-capital financing activities:		
Receipts from other governments	8,450	0
Receipts from other funds	1,757	0
Payments to other funds	0	(42,954)
Net cash provided (used) by non-capital financing activities	10,207	(42,954)
Cash flows from capital and related financing activities:		
Receipts from other funds	5,496,469	3,543,094
Acquisition of capital assets	(5,499,734)	(3,563,896)
Net cash provided (used) by capital and related financing activities	(3,265)	(20,802)
Cash flows from investing activities:		
Interest received	26	3
Net increase (decrease) in cash and cash equivalents	39,891	(24,137)
Cash and cash equivalents, July 1	11,588	35,725
Cash and cash equivalents, June 30	$ 51,479	$ 11,588
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (951,779)	$ (259,310)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	993,128	311,379
(Increase) decrease in accounts receivable	(862)	(419)
(Increase) decrease in inventories	(5,426)	(18,994)
Increase (decrease) in accounts payable	(1,538)	4,760
Increase (decrease) in unearned revenue	(600)	2,200
Total adjustments	984,702	298,926
Net cash provided (used) by operating activities	$ 32,923	$ 39,616

Noncash capital and related financing activities:

Contributions of capital assets from government totaled $16,531,584 ($20,072,481 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.

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, 2018

	Tax Commissioner	Probate Court	Juvenile Court
ASSETS			
Cash	$ 81,549	$ 5,008	$ (441)
LIABILITIES AND FUND BALANCES			
Liabilities			
Due to other agencies	$ 81,549	$ 5,008	$ (441)

Clerk of Court	Sheriff Department	Totals
$ 480,251	$ 363,134	$ 929,501
$ 480,251	$ 363,134	$ 929,501

HABERSHAM COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2018

	Balance July 1	Additions	Deletions	Balance June 30
TAX COMMISSIONER				
ASSETS				
Cash	$ 759,435	$ 37,931,169	$ 38,609,055	$ 81,549
LIABILITIES				
Due to other agencies	$ 759,435	$ 37,931,169	$ 38,609,055	$ 81,549
PROBATE COURT				
ASSETS				
Cash	$ 15,649	$ 212,436	$ 223,077	$ 5,008
LIABILITIES				
Due to other agencies	$ 15,649	$ 212,436	$ 223,077	$ 5,008
JUVENILE COURT				
ASSETS				
Cash	$ 88	$ 5,557	$ 6,086	$ (441)
LIABILITIES				
Due to other agencies	$ 88	$ 5,557	$ 6,086	$ (441)
CLERK OF COURT				
ASSETS				
Cash	$ 456,642	$ 2,493,944	$ 2,470,335	$ 480,251
LIABILITIES				
Due to other agencies	$ 456,642	$ 2,493,944	$ 2,470,335	$ 480,251
SHERIFF DEPARTMENT				
ASSETS				
Cash	$ 270,985	$ 662,898	$ 570,749	$ 363,134
LIABILITIES				
Due to other agencies	$ 270,985	$ 662,898	$ 570,749	$ 363,134
TOTALS				
ASSETS				
Cash	$ 1,502,799	$ 41,306,004	$ 41,879,302	$ 929,501
LIABILITIES				
Due to other agencies	$ 1,502,799	$ 41,306,004	$ 41,879,302	$ 929,501

COMPONENT UNITS

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, GEORGIA
DEVELOPMENT AUTHORITY (A COMPONENT UNIT)
COMPARATIVE BALANCE SHEETS
June 30, 2018 and 2017

ASSETS	**2018**	**2017**
Cash and cash equivalents	$ 562,368	$ 8,093
Restricted cash and cash equivalents	43,165	195,370
Accounts receivable	908	249
Total assets	$ 606,441	$ 203,712
LIABILITIES AND FUND BALANCES		
Current liabilities		
Payables		
Accounts	$ 2,689	$ 184
Intergovernmental	0	8,450
Unearned revenue	2,500	2,500
Total liabilities	5,189	11,134
Fund balances		
Restricted for capital outlay	43,165	195,370
Assigned to housing and development	558,087	0
Unassigned	0	(2,792)
Total fund balances	601,252	192,578
Total liabilities and fund balances	$ 606,441	$ 203,712

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, 2018 and 2017

REVENUES	**2018**	**2017**
Intergovernmental	$ 675,639	$ 21,291
Investment income	46	24
Rents	30,000	20,000
Miscellaneous	11,673	1,129
Total revenues	717,358	42,444
EXPENDITURES		
Current		
Housing and Development		
Contract services	11,701	12,990
Materials and supplies	3,320	3,355
Capital outlay	175,240	51,298
Intergovernmental	118,423	16,040
Total expenditures	308,684	83,683
Excess (deficiency) of revenues over (under) expenditures	408,674	(41,239)
Fund balances, July 1	192,578	233,817
Fund balances, June 30	$ 601,252	$ 192,578

This page intentionally left blank.

Part III

Statistical Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

This page intentionally left blank.

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			
	2009	**2010**	**2011**	**2012**
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 34,794	$ 33,665	$ 32,226	$ 33,648
Restricted	10,252	14,514	24,062	22,153
Unrestricted	5,479	5,008	(1,254)	988
Total governmental activities net position	$ 50,525	$ 53,187	$ 55,033	$ 56,789
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	$ 14,887	$ 14,501	$ 13,993	$ 13,300
Restricted	4,439	1,128	1,035	0
Unrestricted	(1,932)	(1,818)	(1,211)	(1,277)
Total business-type activities net position	$ 17,394	$ 13,811	$ 13,817	$ 12,022
PRIMARY GOVERNMENT				
Net investment in capital assets	$ 49,682	$ 48,166	$ 46,219	$ 46,948
Restricted	14,691	15,642	25,096	22,153
Unrestricted	3,547	3,190	(2,466)	(289)
Total primary government net position	$ 67,919	$ 66,998	$ 68,850	$ 68,811

Fiscal Year						
2013	2014	2015	2016	2017	2018
$ 39,095	$ 48,923	$ 52,787	$ 57,830	$ 43,253	$ 40,808
11,086	6,801	4,650	5,729	3,310	3,051
7,491	2,259	5,458	3,168	2,282	4,907
$ 57,672	$ 57,982	$ 62,894	$ 66,728	$ 48,844	$ 48,766
$ 4,309	$ 3,898	$ 4,019	$ 3,888	$ 24,037	$ 28,162
0	0	0	0	0	0
(1,543)	(1,572)	(1,802)	(1,842)	(1,911)	(1,386)
$ 2,765	$ 2,326	$ 2,217	$ 2,047	$ 22,126	$ 26,776
$ 43,404	$ 52,821	$ 56,806	$ 61,719	$ 67,290	$ 68,970
11,086	6,801	4,650	5,729	3,310	3,051
5,948	687	3,655	1,327	370	3,521
$ 60,438	$ 60,309	$ 65,111	$ 68,774	$ 70,970	$ 75,542

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

	Fiscal Year		
Expenses	**2009**	**2010**	**2011**
Governmental activities:			
General Government	$ 4,239	$ 4,487	$ 4,767
Judicial	2,367	2,278	2,444
Public Safety	8,674	8,097	8,272
Public Works	4,089	5,219	3,951
Health and Welfare	500	482	468
Culture and Recreation	1,544	1,513	1,356
Housing and Development	1,119	864	851
Nondepartmental	0	0	0
Interest on long-term debt	48	33	126
Total governmental activities expenses	22,581	22,973	22,235
Business-type activities:			
Water and Sewer	509	584	533
Landfill	1,527	1,484	1,353
Transit	51	53	55
Airport	0	0	0
Total business-type activities expenses	2,087	2,120	1,941
Total primary government expenses	$ 24,668	$ 25,093	$ 24,176
Program revenues			
Governmental activities:			
Charges for services:			
General Government	$ 529	$ 567	$ 561
Judicial	510	522	565
Public Safety	1,824	1,835	1,677
Public Works	0	0	0
Culture and Recreation	255	198	227
Housing and Development	161	101	91
Operating grants and contributions	559	607	660
Capital grants and contributions	394	333	877
Total governmental activities program revenues	4,233	4,163	4,657
Business-type activities:			
Charges for services:			
Water and Sewer	243	247	241
Landfill	1,209	1,377	1,033
Transit	6	6	7
Airport	-	-	-
Operating grants and contributions	34	26	53
Capital grants and contributions	0	0	45
Total business-type activities program revenues	1,492	1,655	1,379
Total primary government program revenues	$ 5,725	$ 5,818	$ 6,036

Fiscal Year							
2012	2013	2014	2015	2016	2017	2018
$ 4,698	$ 3,855	$ 4,157	$ 4,153	$ 4,353	$ 4,889	$ 5,080
2,620	2,802	3,001	3,387	3,437	3,750	4,553
8,417	8,541	8,894	8,845	9,851	10,138	11,647
4,390	4,639	3,037	2,947	4,334	4,336	5,164
465	526	522	497	1,332	717	742
1,442	1,498	1,481	1,470	1,507	1,621	1,643
718	837	763	806	1,046	1,602	1,236
0	0	0	0	0	0	0
184	148	135	1,430	1,651	1,640	1,762
22,934	22,846	21,991	23,536	27,511	28,694	31,828
599	527	16	0	0	0	0
1,370	1,261	1,206	1,132	1,467	1,164	1,325
72	72	70	88	91	109	126
0	0	0	0	101	531	1,273
2,041	1,861	1,291	1,220	1,659	1,804	2,724
$ 24,975	$ 24,707	$ 23,282	$ 24,756	$ 29,170	$ 30,498	$ 34,552
$ 545	$ 490	$ 563	$ 568	$ 584	$ 592	$ 654
520	595	656	660	641	593	575
1,475	1,441	1,548	1,649	1,653	1,683	2,451
0	0	0	158	146	159	336
273	266	388	489	482	560	507
62	63	67	73	126	120	136
891	976	1,127	1,307	1,441	1,859	2,378
583	660	764	6,431	5,842	3,783	6,304
4,349	4,491	5,113	11,334	10,914	9,349	13,341
238	247	0	0	0	0	0
1,021	814	839	929	982	1,008	1,387
8	7	5	26	33	38	46
-	-	-	-	92	228	269
30	27	26	110	56	43	95
0	0	0	0	36	41	0
1,297	1,095	870	1,066	1,198	1,358	1,796
$ 5,646	$ 5,586	$ 5,983	$ 12,400	$ 12,112	$ 10,707	$ 15,137

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

	Fiscal Year		
	2009	**2010**	**2011**
Net (expense)/revenue			
Governmental activities	$ (18,348)	$ (18,810)	$ (17,578)
Business-type activities	(595)	(465)	(562)
Total primary government net expense	(18,943)	(19,276)	(18,140)
General revenues and other changes in net position			
Governmental activities:			
Property taxes	$ 10,834	$ 10,722	$ 11,628
Sales taxes	5,009	5,320	5,208
Intangible	190	134	141
Insurance premium taxes	1,310	1,291	1,255
Other taxes	620	547	621
Investment earnings	254	162	59
Rental income	57	51	60
Gain on sale of capital assets	12	29	6
Miscellaneous	11	51	76
Special items	0	0	0
Transfers	77	3,167	55
Total governmental activities	18,373	21,473	19,109
Business-type activities:			
Investment earnings	36	6	12
Rental Income	0	0	0
Gain on sale of capital assets	0	0	0
Miscellaneous	1	43	14
Special items	0	0	0
Transfers	(77)	(3167)	(55)
Total business-type activites	(39)	(3,118)	(29)
Total primary government	18,334	18,354	19,080
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	25	2,662	1,531
Business-type activities	(634)	(3,584)	(591)
Total primary government	$ (609)	$ (921)	$ 940

Fiscal Year							
2012	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
$ (18,585)	$ (18,356)	$ (16,878)	$ (12,201)	$ (16,597)	$ (19,345)	$ (18,487)
(745)	(765)	(421)	(155)	(460)	(446)	(928)
(19,330)	(19,121)	(17,299)	(12,356)	(17,057)	(19,791)	(19,414)
$ 11,276	$ 11,467	$ 12,555	$ 13,208	$ 13,084	$ 13,542	$ 14,749
5,741	5,367	3,911	1,316	5,607	5,547	5,879
159	204	170	159	199	223	215
1,286	1,374	1,428	1,506	1,613	1,717	1,839
654	652	723	748	816	698	825
60	24	49	85	151	50	97
29	44	66	53	69	83	62
9	9	4	8	202	18	0
119	89	111	112	364	71	254
0	0	0	0	0	0	0
1,007	80	45	(33)	(267)	(20,487)	(5,511)
20,340	19,312	19,061	17,163	21,839	1,462	18,408
21	2	2	14	37	(6)	14
0	0	0	0	9	41	45
(66)	0	25	0	0	0	0
2	0	0	0	0	3	7
0	(8413)	0	0	0	0	0
(1007)	(80)	(45)	33	267	20,487	5,511
(1,050)	(8,491)	(18)	47	313	20,525	5,578
19,291	10,820	19,043	17,211	22,152	21,987	23,986
0	0	(1,873)	(983)	(477)	0	0
0	0	0	(24)	0	0	0
0	0	(1,873)	(1,007)	(477)	0	0
1,756	956	2,183	4,962	5,243	(17,883)	(78)
(1,795)	(9,257)	(439)	(108)	(148)	20,079	4,650
$ (39)	$ (8,301)	$ 1,744	$ 4,854	$ 5,095	$ 2,196	$ 4,572

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
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
2018	14,749	5,879	215	1,839	825	23,507

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

This page intentionally left blank.

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

	Fiscal Year			
	2009	**2010**	**2011 (1)**	**2012**
General fund				
Reserved	$ 169	$ 43	$ 0	$ 0
Unreserved	5,417	5,232	0	0
Nonspendable	0	0	420	230
Restricted	0	0	20	36
Assigned	0	0	425	428
Unassigned	0	0	4,790	4,674
Total general fund	5,586	5,276	5,655	5,368
All other governmental funds:				
Unreserved	9,244	13,430	0	0
Special revenue funds	819	750	0	0
Capital projects funds	182	345	0	0
Nonspendable	0	0	421	202
Restricted	0	0	26,018	24,094
Assigned	0	0	243	154
Unassigned	0	0	0	(82)
Total all other governmental funds	10,246	14,525	26,682	24,368
Total governmental funds	$ 15,832	$ 19,800	$ 32,337	$ 29,736

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

Fiscal Year					
2013	2014	2015	2016	2017	2018
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
0	0	0	0	0	0
376	559	466	61	406	456
22	38	24	46	85	52
486	0	205	284	819	1,193
3,367	4,107	4,703	4,853	3,938	3,987
4,250	4,705	5,399	5,244	5,249	5,688
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
238	0	0	0	0	0
11,195	6,762	4,626	5,683	3,225	8,100
38	230	275	249	310	477
(88)	(39)	34	0	0	(39)
11,383	6,953	4,934	5,931	3,534	8,537
$ 15,633	$ 11,658	$ 10,333	$ 11,175	$ 8,783	$ 14,225

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		
	2009	**2010**	**2011**
Revenues			
Taxes	$ 18,056	$ 18,220	$ 18,963
Licenses and permits	161	101	91
Fines, fees and forfeitures	1,313	1,284	1,186
Charges for services	1,800	1,824	1,833
Interest	948	162	134
Intergovernmental	254	942	1,433
Contributions	11	11	20
Other	68	103	135
Total Revenues	22,611	22,647	23,795
Expenditures			
General government	3,180	3,349	3,391
Judicial	2,360	2,292	2,436
Public safety	7,804	7,458	7,848
Public works	1,679	1,637	1,719
Health and welfare	439	423	409
Culture and recreation	1,203	1,141	1,025
Housing and development	831	668	668
Capital outlay	4,703	3,458	4,253
Intergovernmental	0	2,069	875
Debt service:			
Principal	0	0	545
Interest	0	0	89
Total expenditures	22,199	22,494	23,257
Excess (deficiency) of revenues over (under) expenditures	412	152	538
Other financing sources (uses)			
Transfers in	1,133	4,082	954
Transfers out	(1,057)	(916)	(899)
Issuance of capital leases	0	620	1,600
Issuance of bonds	0	0	10,000
Issuance of contracts payable	0	0	0
Issuance of notes payable	0	0	0
Issuance of certificates of participation	0	0	0
Gain on sale of assets	36	29	29
Total other financing sources (uses)	112	3,816	11,684
Net change in fund balance	524	3,969	12,222
Fund balances, July 1 (original)	15,948	15,833	19,800
Prior period adjustments	44	0	315
Fund balances, June 30	$ 16,516	$ 19,802	$ 32,337
Debt service as a percentage of non-capital expenditures	0%	0%	3%

Fiscal Year						
2012	2013	2014	2015	2016	2017	2018
$ 19,120	$ 19,161	$ 18,780	$ 16,932	$ 21,345	$ 21,712	$ 23,487
62	63	67	104	167	162	185
1,071	1,085	1,154	1,260	1,214	1,185	1,275
1,736	1,706	2,001	2,233	2,179	2,301	3,116
110	62	68	114	111	5,601	8,023
992	1,581	1,844	7,653	6,808	(6)	98
15	18	28	13	10	87	73
148	133	177	165	433	153	315
23,254	23,809	24,119	28,475	32,267	31,195	36,572
3,489	3,600	3,571	3,958	4,170	3,953	6,386
2,575	2,789	3,031	3,048	3,004	3,272	3,529
8,590	8,538	8,387	8,243	9,034	9,193	11,172
1,669	1,695	1,886	1,910	1,539	1,554	1,993
406	457	2,415	700	618	714	814
1,098	1,058	1,125	1,137	1,119	1,221	1,250
508	560	559	570	630	617	623
5,857	16,235	6,039	46,872	8,638	8,463	2,905
1,151	1,267	675	398	1,697	1,678	1,779
2,225	2,315	2,410	2,505	80	34	1,733
139	106	88	752	1,655	2,497	1,816
27,706	38,622	30,187	70,095	32,184	33,197	33,999
(4,453)	(14,812)	(6,068)	(41,619)	83	(2,003)	2,572
2,076	1,783	2,148	5,154	2,161	2,347	2,816
(1,069)	(1,703)	(2,104)	(5,183)	(2,427)	(2,760)	(8,327)
829	620	81	0	0	0	0
0	0	0	0	0	0	0
0	0	1,963	40,301	0	0	0
0	0	0	0	1,000	0	755
0	0	0	0	0	0	6,724
15	9	4	23	502	23	902
1,851	709	2,093	40,294	1,236	(390)	2,870
(2,601)	(14,103)	(3,975)	(1,325)	1,319	(2,392)	5,442
32,337	29,736	15,633	11,658	10,333	11,175	8,783
0	0	0	0	(477)	0	0
$ 29,736	$ 15,633	$ 11,658	$ 10,333	$ 11,175	$ 8,783	$ 14,225
11%	11%	10%	14%	7%	10%	11%

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
2009	$ 10,741	$ 5,009	$ 190	$ 1,310	$ 620	$ 17,870
2010	10,515	5,320	134	1,291	547	17,806
2010	11,519	5,208	141	1,255	621	18,745
2011	11,271	5,741	159	1,286	654	19,110
2012	11,371	5,367	204	1,374	652	18,969
2013	12,561	3,911	170	1,428	723	18,792
2014	13,214	1,316	159	1,506	748	16,945
2015	13,059	5,607	199	1,613	816	21,295
2016	13,557	5,547	223	1,717	698	21,742
2018	14,757	5,879	195	1,839	818	23,487

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

This page intentionally left blank.

HABERSHAM COUNTY, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended June 30	Gross Digest Assessed Value	Residential Property	Commercial Property	Industrial Property	All Other
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
2018	1,473,432	845,408	189,059	87,392	351,573

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
$ (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
(270,531)	1,202,901	11.54	3,007,253	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**	**2009** / **2008**	**2010** / **2009**	**2011** / **2010**	**2012** / **2011**
Habersham County Rates:				
County Operations:	7.76	7.76	8.40	8.974
Board of Education :	13.35	13.35	13.35	13.35
Hospital Bond:	0.510	0.510	0.510	0.545
Hospital Services:	*	*	*	*
State of Georgia:	0.250	0.250	0.250	0.250
Totals	21.870	21.870	22.510	23.119

Source: Georgia Department of Revenue

2013 2012	2014 2013	2015 2014	2016 2015	2017 2016	2018 2017
9.635	10.785	10.785	10.639	10.626	11.176
14.41	14.75	14.77	14.490	14.451	14.290
0.585	0.598	0.598	0.590	0.998	0.998
*	*	*	*	*	0.390
0.200	0.150	0.100	0.050	0.000	0.000
24.830	26.283	26.253	25.769	26.075	27.244

HABERSHAM COUNTY, GEORGIA
PRINCIPAL TAXPAYERS
CURRENT AND NINE YEARS PRIOR

	2018			2009		
Taxpayer	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Ethicon Inc.	$ 57,317,076	1	5.21 %	$ 18,110,600	2	1.33
Georgia Power	27,878,926	2	2.53	18,760,872	1	1.38
Habersham EMC	16,065,120	3	1.46	15,221,703	3	1.12
Nicoln	8,807,630	4	0.80	10,084,882	5	0.74
Fieldale Corp.	15,497,893	5	1.41	6,899,218	8	0.51
Windstream Standard	7,364,255	6	0.67	10,290,868	4	0.76
D. Aubry Higgins	6,698,884	7	0.61	7,327,672	7	0.54
Fieldale Farms Inc.	7,762,589	8	0.71	5,211,934	10	0.38
Norflok Sourthern Corp.	5,395,415	9	0.49			
Lowe's Home Centers Inc	4,851,793	10	0.44			
Calvin R. Wilbanks SR.				9,473,098	6	0.70
Silverleaf Resorts				5,556,700	9	0.41
	$ 157,639,581		**14.32** %	**$ 106,937,547**		**7.88**

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
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%
2018	2017	11,935,620	74,473	12,010,093	11,935,620	100.00%	N/A	11,935,620	99.38%

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	Certificates of Participation	Total	Percentage of Personal Income (1)	Per Capita
2009	$ 756,042	$ 0	$ 0	$ 0	$ 0	$ 0	$ 756,042	0.06%	17.60
2010	743,558	0	0	0	0	0	743,558	0.06%	17.25
2011	1,779,027	0	9,455,000	0	0	0	11,234,027	0.93%	260.77
2012	2,091,690	0	7,230,000	0	0	0	9,321,690	0.77%	214.41
2013	2,021,346	1,873,051	4,915,000	0	0	0	8,809,397	0.70%	203.45
2014	70,122	274,961	2,505,000	0	1,963,027	0	4,813,110	0.38%	110.01
2015	54,782	0	0	0	39,983,922	0	40,038,704	3.07%	910.05
2016	38,752	0	0	1,976,076	39,938,304	0	41,953,132	3.10%	941.35
2017	22,001	0	0	1,016,245	39,127,686	0	40,165,932		
2018	253,497	0	0	0	39,037,383	6,632,546	45,923,426		

	Business-Type Activities	Primary Government		
Fiscal Year	Capital Leases	Total	Percentage of Personal Income (1)	Per Capita
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	3.13%	949.28
2017	303,151	40,469,083		
2018	914,218	46,837,644		

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, 2018

Governmental Unit	Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Overlapping:			
City of Alto: Intergovernmental Contracts	$ 313,120	100%	$ 313,120
City of Baldwin (2)	0		0
City of Clarkesville: Intergovernmental Contracts	1,559,441	100%	1,559,441
City of Cornelia: Notes Payable (1)	12,161,694	100%	12,161,694
City of Cornelia: Capital Leases (1)	804,074	100%	804,074
City of Demorest: Notes Payable	3,968,674	100%	3,968,674
City of Demorest: Bonds Payble	6,602,642	100%	6,602,642
City of Demorest: Line of Credit	5,149	100%	5,149
Habersham County School District: Bonds Payable	34,555,000	100%	34,555,000
Town of Mount Airy	0		0
Town of Tallulah Falls	0		0
Total overlapping debt	59,969,794		59,969,794
Habrsham County Direct Debt			
General Obligation Bonds	0	100%	0
Intergovernmental Contracts	39,037,383	100%	39,037,383
Certificates of participation	6,632,546	100%	6,632,546
Capital Leases Governmental activities	253,497	100%	253,497
	45,923,426		45,923,426
Total direct and overlapping debt	$ 105,893,220		$ 105,893,220

Source: Information provided by each municipality

(1) Information is as of April 3, 2018
(2) Information was not available

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

	Fiscal Year			
	2009	**2010**	**2011**	**2012**
Taxable assessed value of property	$ 1,630,836	$ 1,611,371	$ 1,485,186	$ 1,375,791
Add back: exemptions	273,305	278,830	248,484	224,169
Total assessed value	1,904,141	1,890,201	1,733,670	1,599,959
Debt limit (10% total assessed value)	190,414	189,020	173,367	159,996
Amount of debt applicable to limit	0	0	9,455	7,230
Legal debt margin	$ 190,414	$ 189,020	$ 163,912	$ 152,766
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%

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

Fiscal Year					
2013	2014	2015	2016	2017	2018
$ 1,326,305	$ 1,315,053	$ 1,312,392	$ 1,318,913	$ 1,342,672	$ 1,473,433
199,927	204,107	211,423	221,034	227,763	270,532
1,526,233	1,519,160	1,523,815	1,539,947	1,570,435	1,743,964
152,623	151,916	152,381	153,995	157,043	174,396
4,915	2,505	0	0	0	0
$ 147,708	$ 149,411	$ 152,381	$ 153,995	$ 157,043	$ 174,396
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	41,865	$ 1,147,631	$ 27,413	4.10%	6,617
2007	42,550	1,206,029	28,344	5.70%	6,841
2008	42,947	1,167,714	27,190	9.80%	6,833
2009	43,102	1,151,519	26,716	9.80%	6,837
2010	43,081	1,202,508	27,913	9.60%	6,809
2011	43,475	1,216,705	27,986	8.80%	6,844
2012	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	5.60%	6,883
2016	44,567	1,351,717	30,330	5.30%	6,911

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 2017 and 2018 is unavailable, therefore 10 years prior to 2017 are reported.

HABERSHAM COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS PRIOR

	2018			2007		
Employer	Number of Employees	Rank	Percentage of Labor Force	Number of Employees	Rank	Percentage of Labor Force
Fielddale Farms	1,808	1	9.58 %	2,000	1	9.98 %
Habersham County BOE	1,070	2	5.67	800	2	3.99
Ethicon	700	4	3.71	500	5	2.50
Mt. Vernon Mills	725	3	3.84	600	3	2.99
Piedmont College	580	6	3.07			
Habersham County Medical Center	582	5	3.08	600	4	2.99
Lee Arrendale Correctional Institute	425	7	2.25	500	6	2.50
North Georgia Technical College	391	9	2.07			
Habersham County BOC	413	8	2.19			
Global Tech	305	10	1.62			
Scovill Mfg.				300	7	1.50
TC Baycor				275	8	1.37
Regency Thermographers				265	9	1.32
Wal-Mart	280	11	1.48	200	10	1.00
Windstream	272	10	1.44			
	7,551		40.00 %	6,040		30.15 %
Total County Labor Force	19,372			20,035		

Source: Habersham County Chamber of Commerce

Note: 2008 (9 years prior) data was unavailable, therefore data for 2007 (10 years prior) is reported.

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

	Full-time Equivalent Employees as of June 30			
	2009	**2010**	**2011**	**2012**
Function				
General Government	*	26.10	34.15	33.83
Public Safety				
Sheriff		31.42	45.50	46.16
Officers	*	*	*	*
Civilians	*	*	*	*
Jail		28.94	40.50	40.50
Officers	*	*	*	*
Civilians	*	*	*	*
Fire Protection		20.88	29.88	29.92
Firefighters	*	*	*	*
Civilians	*	*	*	*
Other public safety				
EMA/E-911	*	15.95	22.56	22.30
EMS	*	0	0	0
ANIMAL CONTROL	*	3.86	5.24	5.71
Judicial	*	20.03	27.63	28.35
Public Works	*	22.25	31.21	31.91
Recreation and culture	*	8.90	9.81	12.82
Health and Welfare	*	0	0	0
Housing and Development	*	6.58	8.72	6.31
Total employees	**-**	**184.91**	**255.20**	**257.81**

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					
2013	**2014**	**2015**	**2016**	**2017**	**2018**
34.45	35.26	38.14	37.93	37.35	38.10
46.58	0	0	0	0	0
*	48.87	48.28	50.21	50.68	50.14
*	2.99	3.10	3.11	3.06	3.05
39.63	0	0	0	0	0
*	37.85	35.37	36.94	40.63	38.06
*	2.08	2.39	2.77	0.93	1.00
29.38	0	0	0	0	0
*	27.83	27.21	29.36	35.85	37.01
*	1.27	1.55	1.61	1.61	1.59
22.68	23.32	22.64	22.08	25.29	23.39
0	0	0	0	0	13.23
4.48	4.49	4.64	5.05	7.02	6.88
28.47	29.79	28.69	26.90	26.36	23.40
31.00	30.33	29.40	29.75	29.87	25.26
12.21	14.77	14.68	13.56	14.96	12.46
0	0	0	4.61	5.64	5.03
6.82	6.66	6.77	7.44	7.50	7.52
255.70	**265.51**	**262.86**	**271.32**	**286.75**	**286.12**

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

	Fiscal Year			
Function	**2009**	**2010**	**2011**	**2012**
Sheriff				
Traffic citations	*	*	2,044	2,136
Fire				
Number of calls answered	642	674	739	894
Inspections conducted	6	12	7	2
E911				
Emergency Calls	65,495	65,879	65,697	74,026
Non-Emergency Calls	72,356	68,726	72,333	75,933
Emergency Medical Service				
Calls	*	*	*	*
Highways and streets				
Paved or resurfaced (LMIG)	*	*	*	*
Building, Planning & GIS				
New Residential Buildings	137	54	26	31
New Other Buildings	46	23	2	0

Source: Various County Departments

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

* indicates information is unavailable

Fiscal Year					
2013	2014	2015	2016	2017	2018
1,400	1,120	738	2,721	3,421	4,354
862	1,056	1,026	2,407	3,592	2,856
3	1	3	4	6	12
101,732	119,658	124,204	126,146	134,569	184,749
109,408	144,353	154,620	156,396	159,723	189,323
*	6,032	6,104	6,808	7,012	8,929
*	13.81	12.04	16.36	16.36	9.20
31	28	28	92	74	62
7	0	0	0	1	0

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

	Fiscal Year				
	2009	**2010**	**2011**	**2012**	**2013**
Function					
General Government					
Buildings	21	21	21	21	22
Vehicles	11	12	12	12	13
Judicial					
Vehicles	1	2	2	2	2
Public Safety					
Sheriff					
Buildings	1	1	1	1	1
Vehicles	24	26	27	39	46
Other Equipment	11	13	15	16	23
Fire Department					
Fire stations	8	8	8	8	8
Fire Trucks (1)	27	30	29	29	30
Fire Engine	*	*	*	*	*
Ladder Truck	-	-	-	-	-
Tankers	*	*	*	*	*
Rescue Unit	*	*	*	*	*
Light and Air Unit	*	*	*	*	*
Other vehicles	1	1	1	1	2
Other Equipment	6	6	6	6	8
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	2
Other Equipment	1	1	1	1	1
E911					
Buildings	1	1	1	1	1
Vehicles	1	1	1	1	1
Other Equipment	6	7	9	9	10
EMS					
Ambulance	8	7	7	7	8
Other vehicles	1	1	1	2	2
Other Equipment	1	1	1	1	1
Coroner					
Vehicles	2	2	1	1	1

Fiscal Year				
2014	**2015**	**2016**	**2017**	**2018**
23	23	23	25	25
13	13	9	8	8
2	4	3	2	2
1	1	1	1	1
50	58	58	61	66
23	23	20	24	27
8	8	8	9	9
25	*	*	*	*
*	13	13	13	14
-	-	-	1	1
*	6	6	6	6
*	7	7	6	7
*	1	1	1	1
2	3	5	7	7
8	9	10	10	14
1	1	1	1	2
3	4	4	4	5
1	1	1	1	1
2	2	2	3	3
1	1	1	2	5
1	1	1	1	1
1	1	1	1	1
11	12	11	11	12
8	8	8	10	9
2	3	3	1	3
1	3	5	10	30
1	1	1	1	1

	2009	2010	2011	2012	2013
Public Works					
Fleet Department					
Buildings	0	0	0	0	0
Vehicles	0	1	1	2	2
Other Equipment	0	0	0	0	1
Roads & Bridges					
Buildings	1	1	1	1	2
Vehicles	28	34	35	35	35
Other Equipment	25	26	27	30	34
Health and Welfare					
Hospital					
Buildings	0	0	0	0	0
Senior Center					
Buildings	1	1	1	1	1
Vehicles	2	1	2	3	3
Habersham County Health Department					
Buildings	*	*	*	*	*
Vehicles	*	*	*	*	*
Culture & Recreation					
Recreation Department					
Buildings	9	9	10	10	10
Vehicles	0	1	1	1	1
Other Equipment	7	7	7	7	8
Housing & Development					
Economic Development					
Vehicles	0	0	0	0	1
Planning & Development					
Vehicles	5	6	4	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	2	2	2
Vehicles	4	3	4	4	4
Other Equipment	11	11	12	13	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				
2014	2015	2016	2017	2018
0	1	1	1	1
2	3	5	6	6
1	2	2	2	2
2	2	2	2	2
35	41	35	35	37
39	45	42	44	46
0	4	4	4	4
1	1	1	1	1
3	3	4	3	3
*	1	1	1	1
*	*	2	2	2
10	10	10	10	10
1	1	1	1	1
9	10	11	16	16
1	1	**	**	**
4	4	5	5	4
1	1	**	**	**
1	1	1	1	1
2	2	2	2	2
2	2	2	2	2
4	10	10	10	10
13	16	13	15	14
1	1	1	2	2
*	*	12	12	12
-	-	-	1	1
*	*	2	2	2

This page intentionally left blank.

Part IV

Other Reporting Section

HABERSHAM COUNTY
GEORGIA | Est. 1818

This page intentionally left blank.

SINGLE AUDIT SECTION

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

This page intentionally left blank.

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, 2018, 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 8, 2018. 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, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Habersham County, Georgia'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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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 an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as comment 2018-001.

Habersham County, Georgia's Response to Finding

Habersham County, Georgia's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Habersham County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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 8, 2018

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, 2018. 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, Georgia'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, 2018.

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, Georgia'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, Georgia'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 8, 2018

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2018

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Forest Service Schools and Roads Cluster				
Passed through the Georgia Office of the State Treasury:				
Schools and Roads - Grants to States	10.665	FY2018	$ 34,279	$ 0
U.S. Department of Housing and Urban Development				
Passed through the Georgia Department of Community Affairs:				
Community Development Block Grants/ State's program and Non-Entitlement Grants in Hawaii	14.228	17p-y-068-1-5939	2,563	0
U.S. Department of Interior				
Payments in Lieu of Taxes	15.226	N/A	103,003	0
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	124,475	0
		C15-8-374	30,290	0
			154,765	0
Violence Against Women Formula Grants	16.588	W15-08-061	45,105	0
		W17-8-013	29,682	0
			74,787	0
Edward Byrne Memorial Justice Assistance Grant Program	16.738	B16-8-012	13,798	0
		B15-8-023	2,580	0
			16,378	0
Total U.S. Department of Justice			245,930	0
U.S. Department of Transportation				
Passed through the Georgia Department of Transportation				
Airport Improvement Program	20.106	AP016-9030-18(137)	3,354,673	0
		AP017-9032-19(137)	857,238	0
		AP018-9034-19(137)	254,947	0
		AP018-9034-20(137)	332,820	0
			4,799,678	0
Formula Grants for Rural Areas	20.509	GA2016-006-1	50,888	0
Highway Safety Cluster				
Passed through the Georgia Office of Highway Safety				
State and Community Highway Safety	20.600	GA-2017-402PT-086	4,784	0
		GA-2018-402PT-006-C9	60,447	0
			65,231	0
Total U.S. Department of Transportation			4,915,797	0

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the fiscal year ended June 30, 2018

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Total Federal Expenditures	Passed Through to Subrecipients
U.S. 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	FY2018	$ 16,081	$ 0
Title III, Part C, Nutrition Services	93.045	FY2018	56,226	0
Nutrition Services Incentive Program	93.053	FY2018	13,882	0
Total Aging Cluster of Programs			86,189	0
Passed through Legacy Link, Inc.:				
Social Services Block Grant	93.667	FY2018	10,266	0
Passed through T&T Transportation:				
Social Services Block Grant	93.667	FY2018	79,051	0
			89,317	0
Total Department of Health and Human Services			175,506	0
U.S. Department of Homeland Security				
Passed through the Georgia Emergency Management Agency:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-4338-DR-GA	253,846	0
Hazard Mitigation Grant	97.039	HMGP-4215-0010	112,955	0
Emergency Management Performance Grants	97.042	OEM17-070S01	9,718	0
Homeland Security Grant Program	97.067	EMW-2016-SS-00007-S01	2,914	0
Total U.S. Department of Homeland Security			379,433	0
Total Federal Awards			$ 5,856,511	$ 0

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

HABERSHAM COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
June 30, 2018

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, 2018. 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 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.

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?	No
Noncompliance material to financial statements noted?	Yes

B. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant Deficiencie(s) identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?	None reported

Identification of major programs:

20.106	Airport Improvement Program
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)

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 2018-001

Condition: While performing audit procedures at the Tax Commissioner's office, we noted the monthly payouts of title ad valorem tax were incorrectly calculated.

Criteria: State of Georgia Code provides guidelines regarding the calculation of title ad valorem tax payouts.

Effect: Incorrect payouts of title ad valorem tax will place the County in violation of state law.

Recommendation: The Tax Commissioner's office should review and correct the calculation of title ad valorem tax payouts.

Management Response: Management has provided a copy of this finding to the appropriate Elected Official and they concur with this finding. This action was taken immediately upon receipt of the comment from our auditors.

B. Prior Year Audit Findings Follow-Ups

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.

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*.

This page intentionally left blank.

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, 2018

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current 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	1,932,758	0	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	1,541,406	0	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	$ 34,029,329	$ 0	$ 34,029,329

HABERSHAM COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2018

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST #6					
Hospital	$ 7,500,000	$ 7,500,000	$ 2,493,951	$ 1,175,763	$ 3,669,714
Landfill	3,431,500	3,431,500	642,492	14,785	657,277
Roads, Streets, and Bridges	9,735,334	9,735,334	3,531,356	1,672,184	5,203,540
Public Safety	3,487,132	3,487,132	1,720,549	357,857	2,078,406
Capital Projects	2,000,000	2,000,000	39,276	27,126	66,402
City of Alto	442,878	442,878	147,156	69,378	216,534
City of Baldwin	1,754,438	1,754,438	583,698	275,200	858,898
City of Clarkesville	1,800,831	1,800,831	598,478	282,139	880,617
City of Cornelia	4,938,068	4,938,068	1,642,190	774,191	2,416,381
City of Demorest	1,256,853	1,256,853	417,716	196,927	614,643
City of Mount Airy	881,226	881,226	293,150	138,223	431,373
City of Tallulah Falls	271,740	271,740	90,960	42,872	133,832
	$ 37,500,000	$ 37,500,000	$ 12,200,972	$ 5,026,645	$ 17,227,617

Total expenditures and transfers out of the SPLOST #6 Capital Projects Fund	$ 11,363,302
Expenditures financed through other revenue sources	(6,336,657)
	$ 5,026,645

* 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.

This page intentionally left blank.