OGLETHORPE COUNTY, GEORGIA



ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2014

OGLETHORPE COUNTY, GEORGIA

AUDIT REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2014

OGLETHORPE COUNTY, GEORGIA

TABLE OF CONTENTS
DECEMBER 31, 2014

Page

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT 1-3

MANAGEMENT'S DISCUSSION AND ANALYSIS 4-10

FINANCIAL STATEMENTS

Government-wide Financial Statements:
- Statement of Net Position 11
- Statement of Activities 12

Fund Financial Statements:
- Balance Sheet – Governmental Funds 13
- Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position 14
- Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds 15
- and Changes in Fund Balances of Governmental Funds to the Statement of Activities 16
- Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund 17-18
- Statement of Net Position – Proprietary Funds 19
- Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds 20
- Statement of Cash Flows – Proprietary Funds 21-22
- Statement of Fiduciary Assets and Liabilities – Fiduciary Funds 23

Notes to the Financial Statements 24-45

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress 46

OGLETHORPE COUNTY, GEORGIA

TABLE OF CONTENTS
DECEMBER 31, 2014

Page

SUPPLEMENTARY INFORMATION

Combining and Individual Fund Statements and Schedules

Combining Balance Sheet – Nonmajor Governmental Funds 47

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds 48

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Funds 49-53

Agency Funds

Combining Statement of Changes in Assets and Liabilities 54

Schedule of Changes in Assets and Liabilities by Departments 55-57

Schedule of Projects Constructed with Special Sales Tax Proceeds 58

GOVERNMENTAL REPORTS

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* 59-60

Schedule of Findings and Responses 61

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Oglethorpe County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oglethorpe County, Georgia, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Oglethorpe County Board of Health, which represents 100 percent of the assets, net position, and revenues of the component unit of Oglethorpe County, Georgia. Those financial 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 the Oglethorpe County Board of Health, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Oglethorpe County, Georgia, as of , and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison information for the General Fund for the year then ended in conformity 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 schedule of funding progress on pages 4-10 and 46 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 Oglethorpe County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules and schedule of projects constructed with special sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the budgetary comparison schedules and schedule of projects constructed with special sales tax proceeds are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements, the budgetary comparison schedules and schedule of projects constructed with special sales tax proceeds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2015 on our consideration of Oglethorpe County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oglethorpe County, Georgia's internal control over financial reporting and compliance.



Macon, Georgia
June 29, 2015

MANAGEMENT'S DISCUSSION & ANALYSIS

As management of the County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2014.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities as of December 31, 2014, by $29,709,810 (net position).
- As of December 31, 2014, total net position consisted of $14,243,806 investment in capital assets, $1,372,158 restricted, and $14,093,846 unrestricted.
- As of December 31, 2014, the County's governmental funds reported ending fund balance of $14,216,988 an increase of $702,077 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods, such as earned but unused vacation leave.

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through administrative fees and charges (business-type activities). The governmental activities of the County include general government, public safety, public works, health and welfare, culture and recreation and conservation of natural resources. The landfill is the sole business-type activity of the County.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of a government can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

For the year ended December 31, 2014, the County had the following governmental funds, the General Fund, five Special Revenue Funds and four Capital Projects Funds.

The County adopts an annual appropriated budget for the General Fund and Special Revenue Funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

Proprietary Funds

The County maintains one proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County used the enterprise fund to account for the activities of the Landfill Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds

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. The accounting used for fiduciary funds is much like that used for proprietary funds. Individual fund data for the fiduciary funds is provided in the form of both combining statements and individual fund statements elsewhere in this report.

The basic fiduciary fund financial statement can be found on page 23 of this report.

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $29,709,810 at the close of the most recent year.

A significant portion of the County's net position reflects its investment in capital assets. As of December 31, 2014, the investment consists of $22,228,279 in assets and accumulated depreciation of $7,984,473.

An additional portion of the County's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations.

For the year ended December 31, 2014, capital assets decreased $330,836 net. Noncurrent liabilities increased 80,409 as of December 31, 2014, compared to 2013. The increase in the noncurrent liabilities is due primarily to an increase in the landfill closure and post-closure costs.

	Governmental Activities		Business-type Activities		Total	
	Net Position	Net Position	Net Position	Net Position	Net Position	Net Position
	2014	2013	2014	2013	2014	2013
Assets						
Current and other assets	$ 14,613,263	$ 14,390,684	$ 2,563,625	$ 2,463,418	$ 17,176,888	$ 16,854,102
Capital assets	13,991,642	14,298,172	252,164	276,470	14,243,806	14,574,642
Noncurrent assets	672,598	676,977	-	-	672,598	676,977
Total assets	29,277,503	29,365,833	2,815,789	2,739,888	32,093,292	32,105,721
Liabilities						
Current and other liabilities	226,465	712,803	12,620	6,812	239,085	719,615
Noncurrent liabilities	5,619	5,749	2,138,778	2,058,239	2,144,397	2,063,988
Total liabilities	232,084	718,552	2,151,398	2,065,051	2,383,482	2,783,603
Net position						
Investment in capital assets	13,991,642	14,298,172	252,164	276,470	14,243,806	14,574,642
Restricted	1,372,158	1,087,868	-	-	1,372,158	1,087,868
Unrestricted	13,681,619	13,261,241	412,227	398,367	14,093,846	13,659,608
Total net position	$ 29,045,419	$ 28,647,281	$ 664,391	$ 674,837	$ 29,709,810	$ 29,322,118

	Governmental Activities		Business-type Activities		Total	
	Changes in Net Position	Changes in Net Position	Changes in Net Position	Changes in Net Position	Changes in Net Position	Changes in Net Position
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues						
Charges for services	$ 1,842,376	$ 1,825,370	$ 315,104	$ 295,143	$ 2,157,480	$ 2,120,513
Operating grants and contribution	1,105,483	32,003	-	-	1,105,483	32,003
Capital grants and contributions	50,000	400,272	-	-	50,000	400,272
General revenues						
Property taxes	2,737,593	2,932,850	-	-	2,737,593	2,932,850
Other taxes	2,827,042	2,633,025	-	-	2,827,042	2,633,025
Interest revenue	28,282	45,082	9,416	13,160	37,698	58,242
Other	14,156	78,901	4,258	-	18,414	78,901
Total Revenues	8,604,932	7,947,503	328,778	308,303	8,933,710	8,255,806
Expenses						
General government	896,419	1,122,140	-	-	896,419	1,122,140
Public safety	2,644,773	2,959,606	-	-	2,644,773	2,959,606
Public works	2,360,893	2,013,598	-	-	2,360,893	2,013,598
Judicial	712,743	719,928	-	-	712,743	719,928
Health and welfare	1,250,013	1,227,546	-	-	1,250,013	1,227,546
Culture and recreation	304,293	345,334	-	-	304,293	345,334
Housing and development	72,284	-	-	-	72,284	-
Landfill	-	-	304,600	295,453	304,600	295,453
Total Expenses	8,241,418	8,388,152	304,600	295,453	8,546,018	8,683,605
Increase (decrease) in net position before transfers	363,514	(440,649)	24,178	12,850	387,692	(427,799)
Transfers	34,624	34,624	(34,624)	(34,624)	-	-
Increase (decrease) in net position	398,138	(406,025)	(10,446)	(21,774)	387,692	(427,799)
Net position beginning of year	28,647,281	29,053,306	674,837	696,611	29,322,118	29,749,917
Net position ending	$ 29,045,419	$ 28,647,281	$ 664,391	$ 674,837	$ 29,709,810	$29,322,118

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

As of December 31, 2014, the County's governmental funds reported ending fund balance of $14,216,988. Of this balance, $12,356,461 constitutes unassigned fund balance, which is available for spending at the government's discretion. $53,242 is nonspendable fund balance related to inventory. $1,372,158 is restricted fund balance and the remainder of fund balance of $435,127 is assigned to indicate that it is not available for new spending because $434,643 is assigned to the 2015 budget and $484 is assigned for recreational purposes.

The general fund is the operating fund of the County. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 156 percent of total governmental fund expenditures.

The fund balance of the County's governmental funds increased $702,077 during the current year. The County adopts a budget for the general fund and special revenue funds each year and works diligently to stay within the annual budget.

Proprietary Funds

The activities of the County that render services to the general public on a user charge basis are accounted for in the proprietary funds. The Proprietary Fund statements provide the same type of information found in the government-wide statements, but in more detail.

The Landfill fund accounts for the operation of the County's Landfill. The net position for the proprietary funds decreased by $10,446, primarily due to an increase in transfers out to other funds.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County continues to conservatively budget revenues and FY 2014 actual revenues exceeded the budgetary estimates by approximately $281,172 while total expenditures for FY 2014 were less than budget by over $500,000. The improvement was a result of efforts by County departments and constitutional officers to remain within their budgetary limits.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of December 31, 2014 amounts to $14,243,806, net of accumulated depreciation. The investment in capital assets consists primarily of land, buildings, and machinery and equipment, and infrastructure. For the current year, the investment in capital assets decreased $330,836. The net change is primarily the result of capital acquisitions of $574,130, disposals of $259,412, and depreciation expense of $904,966. See Note 8 in the Notes to the Financial Statements for more detail on capital assets.

	Governmental Activities	Business-Type Activities	Total
Land	$ 1,090,167	$ 231,160	$ 1,321,327
Construction in progress	75,499	-	75,499
Building	9,441,536	-	9,441,536
Furniture and Fixtures	439,849	17,293	457,142
Machinery and equipment	2,990,359	243,056	3,233,415
Infrastructure	6,404,836	-	6,404,836
Vehicles	1,236,971	-	1,236,971
Land Improvements	57,553	-	57,553
Accumulated depreciation	(7,745,128)	(239,345)	(7,984,473)
Total	$ 13,991,642	$ 252,164	$ 14,243,806

Noncurrent Debt

As of December 31, 2014, the County's noncurrent debt consisted of compensated absences and landfill closure. See Note 9 in the Notes to the Financial Statements for more detail on noncurrent liabilities.

ECONOMIC FACTORS –

During the year 2014, notable events were as follows:

Property values in Oglethorpe County are in recovery. While, the net digest county-wide decreased by 0.32% from 2013 to 2014, the real property digest in the unincorporated area increased by 0.74% for the first time in 5 years. An emphasis on reappraisal will capture the reversing trend and rising values in the next year. Additionally, landowners with land currently enrolled in CUVA but eligible for FLPA are choosing to enroll in FLPA. The trend toward FLPA increased reimbursement value from $6.8m in 2013 to $8.5m in 2014. The County expects a slight increase in future countywide adjusted net digest.

The County continues to experience sales tax revenue leakage to neighboring Counties. Only an estimated 42% of the total sales taxes paid by County residents remain within the County. Management continues to pursue an effort to generate point-of-sale transactions inside the jurisdiction. As a part of that effort, in 2014, the County finalized a branding study that articulates the desires of the community and provides clear direction for the future of the County. Local citizens are taking action in the local economy by funding new construction designed to attract appropriate retail and service-based business. The County is more aggressively pursuing those industries that fit the community's desire.

Transition from a defined benefit plan to a defined contribution plan for new employees continues to aid in the reduction of volatility associated with a defined benefit plan. The defined benefit plan is well-funded and the introduction of pension plan long term obligations to the basic financial statements for 2015 is expected to have little effect on the net position of the County. The County also remains committed to avoiding other forms of debt and long term obligations.

External factors continue to drive competitive wages and benefits. The Athens area is a highly competitive employment market and employees are highly mobile. Educational institutions, private manufacturers, and medical care institutions in the region drive market wages and competition for employees.

Volatility in the health care industry reduces the disposable income of County employees and their families and increases health insurance premium costs to the County. Rising health care costs also affect the county ambulance service through increased wages for medical professionals, increased cost of pharmaceuticals, increased cost to operate diagnostic and treatment equipment, and reduced insurance reimbursement rates.

Population estimates have held steady or slightly decreased since the 2010 census (Census Bureau). Local unemployment rates remain near 6%, below the state average and even with the regional average (BLS).

For the 6th consecutive year, the millage rate remained stable. Since 2009, the millage rate has fluctuated by less than 0.02 mills. This stability, in a period of volatile economic conditions on a national level, demonstrates a sustainable and durable local balance between taxpayer willingness to pay for services and the level of service provided.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for anyone with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Ms. Amy Forrester, County Clerk, P.O. Box 261, Lexington, Georgia 30648.

FINANCIAL STATEMENTS

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2014

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
ASSETS				
Current Assets:				
Cash and cash equivalents	$ 10,872,016	$ 781,577	$ 11,653,593	$ 200,625
Certificates of deposit	3,015,146	1,753,018	4,768,164	-
Receivables, net of allowance				
Taxes	431,743	-	431,743	-
Accounts	116,052	22,882	138,934	2,021
Accrued interest	5,386	4,303	9,689	-
Due from other governments	121,523	-	121,523	21,177
Interfund	(1,845)	1,845	-	-
Inventory	53,242	-	53,242	-
Total current assets	14,613,263	2,563,625	17,176,888	223,823
Noncurrent assets:				
Other assets	672,598	-	672,598	-
Nondepreciable assets	1,165,666	231,160	1,396,826	8,340
Depreciable assets, net	12,825,976	21,004	12,846,980	-
Total noncurrent assets	14,664,240	252,164	14,916,404	8,340
Total Assets	29,277,503	2,815,789	32,093,292	232,163
LIABILITIES				
Accounts payable	103,091	7,030	110,121	5,181
Accrued salaries and benefits	37,887	4,094	41,981	-
Due to other governments	49,050	-	49,050	-
Unearned revenue	3,859	-	3,859	-
Noncurrent liabilities:				
Due within one year	32,578	1,496	34,074	4,838
Due in more than one year	5,619	2,138,778	2,144,397	12,370
Total Liabilities	232,084	2,151,398	2,383,482	22,389
NET POSITION				
Investment in capital assets	13,991,642	252,164	14,243,806	8,340
Restricted for				
Capital outlay	524,458	-	524,458	-
Road improvements	460,962	-	460,962	-
Law enforcement	386,738	-	386,738	-
Unrestricted	13,681,619	412,227	14,093,846	201,434
Total Net Position	$ 29,045,419	$ 664,391	$ 29,709,810	$ 209,774

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

OGLETHORPE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: Board of Health
Primary Government:								
Governmental Activities								
General government	$ 896,419	$ 644,834	$ 7,693	$ -	$ (243,892)	$ -	$ (243,892)	
Public safety	2,644,773	1,040,010	52,867	-	(1,551,896)	-	(1,551,896)	
Public works	2,360,893	49,237	905,700	-	(1,405,956)	-	(1,405,956)	
Judicial	712,743	-	-	-	(712,743)	-	(712,743)	
Health and welfare	1,250,013	-	139,223	-	(1,110,790)	-	(1,110,790)	
Culture and recreation	304,293	108,295	-	50,000	(145,998)	-	(145,998)	
Housing and development	72,284	-	-	-	(72,284)	-	(72,284)	
Total governmental activities	8,241,418	1,842,376	1,105,483	50,000	(5,243,559)	-	(5,243,559)	
Business-type Activities								
Landfill	304,600	315,104	-	-	-	10,504	10,504	
Total business-type activities	304,600	315,104	-	-	-	10,504	10,504	
Total Primary Government	$ 8,546,018	$ 2,157,480	$ 1,105,483	$ 50,000	(5,243,559)	10,504	(5,233,055)	
Component Units:								
Board of Health	$ 417,629	$ 109,261	$ 304,429	$ -				$ (3,939)
Total Component Units	$ 417,629	$ 109,261	$ 304,429	$ -				(3,939)
			General Revenues					
			Property tax		2,737,593	-	2,737,593	-
			Sales tax		1,277,543	-	1,277,543	-
			Other tax		1,549,499	-	1,549,499	-
			Interest revenue		28,282	9,416	37,698	28
			Miscellaneous		14,156	4,258	18,414	-
			Total General Revenues		5,607,073	13,674	5,620,747	28
			Transfers		34,624	(34,624)	-	-
			Total General Revenues and Transfers		5,641,697	(20,950)	5,620,747	28
			Change in Net Position		398,138	(10,446)	387,692	(3,911)
			Net Position - Beginning of Year		28,647,281	674,837	29,322,118	213,685
			Net Position - End of Year		$ 29,045,419	$ 664,391	$ 29,709,810	$ 209,774

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

OGLETHORPE COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	General Fund	LMIG	2012 SPLOST	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 9,605,754	$ 461,000	$ 446,255	$ 359,007	$10,872,016
Certificates of deposit	3,000,000	-	-	15,146	3,015,146
Receivables, net of allowance					
Taxes	374,914	-	56,829	-	431,743
Accounts	74,498	-	-	41,554	116,052
Accrued interest	5,386	-	-	-	5,386
Due from other governments	71,523	-	-	50,000	121,523
Inventory	53,242	-	-	-	53,242
Total Assets	$13,185,317	$ 461,000	$ 503,084	$ 465,707	$14,615,108
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 84,383	$ 38	$ 3,292	$ 15,378	$ 103,091
Accrued payroll deductions	35,512	-	-	2,375	37,887
Due to other governments	-			49,050	49,050
Due to other funds	1,845	-	-	-	1,845
Unearned revenues	3,859	-	-	-	3,859
Total Liabilities	125,599	38	3,292	66,803	195,732
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	202,388	-	-	-	202,388
Total Deferred Inflows of Resources	202,388	-	-	-	202,388
Fund Balances:					
Nonspendable	53,242	-	-	-	53,242
Restricted	-	460,962	499,792	411,404	1,372,158
Assigned	435,127	-	-	-	435,127
Unassigned (Deficit)	12,368,961	-	-	(12,500)	12,356,461
Total Fund Balances	12,857,330	460,962	499,792	398,904	14,216,988
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$13,185,317	$ 461,000	$ 503,084	$ 465,707	$14,615,108

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

OGLETHORPE COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
DECEMBER 31, 2014

Amounts reported for governmental activities in the Statement of Net Position are different because:

Total Fund Balances - Governmental Funds	$ 14,216,988
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	13,991,642
The net pension asset is not an available resource and, therefore, is not reported in the funds.	672,598
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	202,388
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.	(38,197)
Net Position of Governmental Activities	$ 29,045,419

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Fund	LMIG	2012 SPLOST	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 4,881,878	$ -	$ 675,917	$ -	$ 5,557,795
License and permits	48,670	-	-	-	48,670
Intergovernmental revenue	194,887	876,072	29,032	50,000	1,149,991
Charges for services	1,141,617	-	-	226,200	1,367,817
Fines and forfeitures	373,609	-	-	57,176	430,785
Interest income	27,654	328	576	320	28,878
Other revenues	14,096	-	-	60	14,156
Total Revenues	6,682,411	876,400	705,525	333,756	8,598,092
Expenditures:					
Current:					
General government	1,089,155	-	20,199	5,015	1,114,369
Judicial	712,743	-	-	-	712,743
Public safety	2,154,519	-	-	361,807	2,516,326
Public works	647,610	345,820	528,831	-	1,522,261
Health and welfare	1,223,196	-	-	-	1,223,196
Culture and recreation	330,619	-	39,152	1,871	371,642
Housing and development	72,284	-	-	-	72,284
Capital Outlay	-	69,918	239,573	88,327	397,818
Total Expenditures	6,230,126	415,738	827,755	457,020	7,930,639
Excess (Deficiency) of Revenues Over (Under) Expenditures	452,285	460,662	(122,230)	(123,264)	667,453
Other Financing Sources (Uses):					
Transfers from other funds	34,624	-	-	56,322	90,946
Transfers to other funds	(56,322)	-	-	-	(56,322)
Total other financing sources (uses)	(21,698)	-	-	56,322	34,624
Net change in fund balances	430,587	460,662	(122,230)	(66,942)	702,077
Fund Balance, beginning of year	12,426,743	300	622,022	465,846	13,514,911
Fund Balance, end of year	$ 12,857,330	$ 460,962	$ 499,792	$ 398,904	$ 14,216,988

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

OGLETHORPE COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

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

Net Change in Fund Balances - Total Governmental Funds	$	702,077
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.		(306,530)
Net pension asset is not available during the current period and therefore, is not reported in the funds.		(4,379)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		130
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		6,840
Change in Net Position of Governmental Activities	$	398,138

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes				
Property taxes	$ 2,626,564	$ 2,626,564	$ 2,730,753	$ 104,189
Sales tax	692,252	692,252	601,626	(90,626)
Motor vehicle taxes	455,000	455,000	568,539	113,539
Insurance premium taxes	592,421	592,421	650,088	57,667
Alcoholic beverage taxes	89,000	89,000	58,895	(30,105)
Recording intangibles	42,000	42,000	46,256	4,256
Penalties and interest	-	-	123,242	123,242
Other taxes	80,500	80,500	102,479	21,979
Licenses and permits	50,150	50,150	48,670	(1,480)
Intergovernmental revenues	160,000	160,000	194,887	34,887
Charges for services	1,134,352	1,134,352	1,141,617	7,265
Fines and forfeitures	371,000	371,000	373,609	2,609
Investment earnings	90,000	90,000	27,654	(62,346)
Miscellaneous	18,000	18,000	14,096	(3,904)
Total Revenues	6,401,239	6,401,239	6,682,411	281,172
Expenditures:				
Current:				
General government				
General administration	250,000	250,000	115,447	134,553
Board of commissioners	353,381	353,381	326,348	27,033
Tax commissioner	235,316	239,678	239,678	-
Tax assessor	58,228	58,228	48,553	9,675
Tax equalization	3,825	3,825	2,819	1,006
Tax appraiser	96,405	96,405	85,993	10,412
Coroner	20,270	20,270	18,908	1,362
Elections	25,000	25,000	10,637	14,363
Voter registrar	60,161	60,161	51,053	9,108
Cooperative extension service	38,980	38,980	38,418	562
Planning and zoning	171,434	171,434	151,301	20,133
Total general government	1,313,000	1,317,362	1,089,155	228,207
Judicial				
Superior court	181,135	184,314	184,314	-
Probate court	193,363	193,363	171,561	21,802
Magistrate court	196,186	196,186	192,077	4,109
Courthouse security	29,204	29,204	25,307	3,897
Other judicial	159,153	159,153	139,484	19,669
Total judicial	759,041	762,220	712,743	49,477

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2014
(CONTINUED)

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Public safety				
Sheriff's office	1,131,165	1,131,165	1,061,583	69,582
Jail	995,844	995,844	867,189	128,655
Rescue unit/civil defense	30,760	30,760	19,404	11,356
Local fire departments	168,343	168,343	168,343	-
Animal shelter	38,000	38,000	38,000	-
Total public safety	2,364,112	2,364,112	2,154,519	209,593
Public works				
Public works camp	563,191	598,510	598,510	-
Recycling	61,726	61,726	49,100	12,626
Total public works	624,917	660,236	647,610	12,626
Health and welfare				
Ambulance service	863,253	877,573	877,573	-
Senior center	258,077	258,077	242,364	15,713
Child Development Center	5,224	8,561	8,561	-
Board of Health	95,293	95,293	94,698	595
Total health and welfare	1,221,847	1,239,504	1,223,196	16,308
Culture and recreation				
Library	75,721	75,721	72,259	3,462
Recreation	258,062	258,360	258,360	-
Total culture and recreation	333,783	334,081	330,619	3,462
Housing and development				
Forestry	23,062	23,659	23,659	-
Development Authority	76,408	76,408	48,625	27,783
Total housing and development	99,470	100,067	72,284	27,783
Total Expenditures	6,716,170	6,777,582	6,230,126	547,456
Excess of Revenue Over (Under) Expenditures	(314,931)	(376,343)	452,285	828,628
Other Financing Sources (Uses):				
Transfer from other funds	34,624	34,624	34,624	-
Transfer to other funds	(153,836)	(153,836)	(56,322)	97,514
Total Other Financing Sources (Uses)	(119,212)	(119,212)	(21,698)	97,514
Net change in fund balance	(434,143)	(495,555)	430,587	926,142
Fund balance, beginning of year	12,426,743	12,426,743	12,426,743	-
Fund balance, end of year	$ 11,992,600	$ 11,931,188	$ 12,857,330	$ 926,142

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2014

	Business-type Activities - Enterprise Funds
	Landfill Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 781,577
Certificates of deposit	1,753,018
Accounts receivable (net of allowance for uncollectibles)	22,882
Accrued interest	4,303
Due from other funds	1,845
Total current assets	2,563,625
Noncurrent assets:	
Capital assets:	
Nondepreciable	231,160
Depreciable, net	21,004
Total capital assets	252,164
Total noncurrent assets	252,164
Total assets	2,815,789
LIABILITIES	
Current liabilities:	
Accounts payable	7,030
Accrued liabilities	4,094
Compensated absences	1,496
Total current liabilities	12,620
Noncurrent liabilities	
Post-closure costs	2,138,778
Total noncurrent liabilities	2,138,778
Total liabilities	2,151,398
NET POSITION	
Investment in capital assets	252,164
Unrestricted	412,227
Total net position	$ 664,391

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Business-type Activities - Enterprise Funds
	Landfill Fund
Operating Revenues:	
Charges for services	$ 315,104
Other revenue	4,258
Total operating revenues	319,362
Operating Expenses:	
Personal services	103,965
Purchased services	29,901
Landfill closure and postclosure	80,539
Materials and supplies	65,889
Depreciation	24,306
Total Operating Expenses	304,600
Operating Income (Loss)	14,762
Non-Operating Revenues (Expenses):	
Interest revenue	9,416
Total Non-Operating Revenues (Expenses)	9,416
Net Income (Loss) before Transfers	24,178
Transfers out	(34,624)
Change in net position	(10,446)
Net position - beginning of year	674,837
Net position - end of year	$ 664,391

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Business-type Activities - Enterprise Funds
	Landfill Fund
Cash Flows from Operating Activities:	
Cash received from customers	$ 327,117
Cash paid to suppliers for good and services	(89,543)
Cash paid to employees	(104,404)
Net Cash Provided by (Used for) Operating Activities	133,170
Cash Flows from Noncapital Financing Activities:	
Transfer from General Fund	(34,624)
Net Cash Provided by (Used for) Noncapital Financing Activities	(34,624)
Cash Flows from Investing Activities:	
Interest received	8,878
Net Cash Provided by (Used for) Investing Activities	8,878
Net Increase (Decrease) in Cash and Cash Equivalents	107,424
Cash and Cash Equivalents - Beginning of Year	674,153
Cash and Cash Equivalents - End of Year	$ 781,577

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014
(CONTINUED)

	Business-type Activities - Enterprise Funds Landfill Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Operating Income (Loss)	$ 14,762
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Depreciation	24,306
Changes in Assets and Liabilities:	
(Increase) decrease in accounts receivables	3,107
(Increase) decrease in due from other funds	4,648
Increase (decrease) in accounts payable	6,247
Increase (decrease) in accrued liabilities	374
Increase (decrease) in compensated absences	(813)
Increase (decrease) in postclosure costs	80,539
Total adjustments	118,408
Net Cash Provided by (Used for) Operating Activities	$ 133,170

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2014

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 814,306
Total Assets	$ 814,306
LIABILITIES	
Due to other governments	$ 566,737
Funds held in escrow	210,069
Due to others	37,500
Total Liabilities	$ 814,306

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

Oglethorpe County was established under the provisions of an Act of the General Assembly of Georgia. The County operates under a county commissioner form of government, and provides the following services as authorized by state law, general administrative services, public safety, roads and bridges, courts and health and welfare.

The accounting policies of Oglethorpe County, Georgia conform to generally accepted accounting principles as applicable to governments. The following is a summary of the County's more significant policies applied in the preparation of the accompanying financial statements.

A. Reporting Entity

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

The component unit discussed below is included in the County's reporting entity because of the significance of its operational and financial relationships with the County. In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 14, *The Financial Reporting Entity*, which was adopted by the County as of October 1, 1995, the financial statements of the component unit have been included as discretely presented component unit. The component unit column in the combined financial statements includes the financial data for the County's component unit, as reflected in their most recent audited financial statements for June 30, 2014. This audit is reported in a column separate from the County's financial information to emphasize that it is legally separate from the County.

Oglethorpe County Board of Health

The governing board of the Board of Health consists of members appointed by the County Commissioners. The County, by virtue of its appointments, controls a majority of the governing body positions. The Board submits all operating budgets to the County each year. The County provides significant funding to the Board, based upon the approved budgets. The Board operates on a fiscal year ending June 30th.

Complete financial statements of the individual component unit can be obtained from the Oglethorpe County clerk.

Oglethorpe County, Georgia
P.O. Box 261
Lexington, Georgia 30648

Development Authority of Oglethorpe County

The Authority exists for the purpose of promoting and developing for the public good and general welfare, industry and trade, trade commerce and employment opportunity in the County. The County makes all appointments to the Board. The board was re-established during 2014. The Development Authority had no financial activity during 2014. The Development Authority does not issue a separate financial statement.

A joint venture has the following characteristics:

- It is a legal entity that results from a contractual agreement
- It is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control
- Participants retain an ongoing financial interest or an ongoing financial responsibility

The following agency is a joint venture with four other counties: Elbert, Franklin, Hart, and Madison.

Office of the Public Defender – Northern Judicial Circuit – The office is responsible for providing legal representation to indigent citizens. Oglethorpe County provides 12% of the budget; each of the other four counties provides 22%. The office submits annual budget requests to the counties. Total equity interest in the net position of the joint venture as of June 30, 2014, was $0.

Complete financial statements can be obtained from the Franklin County Clerk:

Franklin County, Georgia
P.O. Box 151
Carnesville, Georgia 30521

Under Georgia law, the County, in conjunction with other cities and counties in the eight county west central Georgia area, is a member of the Northeast Georgia Regional Commission (RC) and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Council membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from:

Northeast Georgia Regional Commission
305 Research Drive
Athens, Georgia 30605-2795

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (Statement of Net Position and Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. 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.

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services or privileges provided; 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues.

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, local option sales taxes, other taxes, intergovernmental revenues, interest, and charges for services associated with the current fiscal period are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenues are considered to be measurable and available only when cash is received by the government.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the County's enterprise funds is charges to customers for sales and services. Operating expenses for enterprise funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The fund financial statements provide more detailed information about the government's most significant funds, not the government as a whole. The activities of the government are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The government reports the following major governmental funds:

General Fund – The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

2012 Special Purpose Local Option Sales Tax - – is used to account for the various budgeted roads, streets and bridges projects, public safety projects and infrastructure projects.

LMIG Fund – is used to account for grant monies received for street improvements.

The government reports the following major proprietary fund:

Landfill Fund – is used to account for the revenues and expenses associated with operating the County landfill.

Additionally, the government reports the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Capital Project Funds – Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.

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

D. Deposits and Investments

The government's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates, and investments that do not have an established market are reported at estimated fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

E. Receivables

Receivables and Due from Other Governments represent funds to be received from other local governments, state grant-in-aid, state contracts, or federal funds. No allowance is deemed necessary for these receivables.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds." All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

All trade and property tax receivables, have been reduced to their estimated net realizable value, and are shown net of an allowance for doubtful accounts. Estimated uncollectible amounts are based upon historical experience rates.

F. Inventories

Inventories of expendable supplies held for consumption are not considered material and are recorded as expenditures, or expenses, as appropriate, when purchased. Inventory in the General Fund consists of fuel, which is priced at cost using the First-In-First-Out method.

G. Prepaid Items

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

H. Capital Assets

Capital assets, which include property, plant; equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items acquired subsequent to January 1, 2003) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than $5,000, and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

The total interest expense incurred by the County during the current fiscal year was $0. Of this amount, none was applicable to construction of capital assets.

Property, plant and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

Building	39 years
Equipment	5-25 years
Infrastructure	50 years
Furniture	5 years
Vehicles	5 years

I. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. Deferred Inflows / Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources (expense / expenditures) until then.

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 only one type of item, which 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 property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

K. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position.

L. Net Position Flow Assumption

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

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

M. Fund Equity

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

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

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

The County does not have a formal minimum fund balance policy. The following is a summary of the fund balance classifications as of December 31, 2014:

Fund Balances	General Fund	2012 SPLOST	LMIG	Nonmajor Governmental	Total
Nonspendable:					
Inventory	$ 53,242	$ -	$ -	$ -	$ 53,242
Restricted for:					
Law enforcement	-	-	-	386,738	386,738
Road improvements	-	-	460,962	-	460,962
Capital outlay	-	499,792	-	24,666	524,458
Assigned for:					
Fund balance appropriation	434,643	-	-	-	434,643
Recreation	484	-	-	-	484
Unassigned	12,368,961	-	-	(12,500)	12,356,461
Total fund balances	$ 12,857,330	$ 499,792	$ 460,962	$ 398,904	$ 14,216,988

M. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; and errors or omissions. The County purchases commercial insurance for most types of risk. For these risks, settlements have not exceeded coverage's for each of the past three fiscal years. The County had no significant reduction in insurance coverage from coverage in the prior year.

The County has joined together with other municipalities in the state as part of the ACCG Group Self Insurance Workers' Compensation Self Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments. The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings, which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. For the year ending December 31, 2014, the County's total contribution was $0 for the Workers Compensation Fund.

The County is a member of the ACCG Interlocal Risk Management Agency (ACCG-IRMA). This agency functions as a risk sharing arrangement among Georgia County governments and is administered by the Association of County Commissioners of Georgia (ACCG). The purpose of ACCG-IRMA is to establish and administer one or more group self-insurance funds; to establish and administer a risk management service; and to prevent or lessen the incidence or severity of casualty and property losses. Each member pays an annual contribution established by the Board of ACCG-IRMA. For the period December 1, 2013 - December 1, 2014, the County's total contribution was $109,640. ACCG-IRMA may develop and issue such self-insurance coverage descriptions, as it deems necessary. The current coverage provides a $3,000,000 general liability limit with a $1,000 per occurrence deductible.

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 pools' 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 pools' agents and attorneys to represent the Government in investigation, settlement discussions and all levels of litigation arising out of any claim made against the Government within the scope of loss protection furnished by the funds.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

The annual budget document is the financial plan for the operation of Oglethorpe County. The budget process exists for the purpose of providing a professional management approach to the establishment of priorities and the implementation of work programs while providing an orderly means for control and evaluation of the financial posture of the County.

The County prepares a separately issued budget report. An annual operating budget is prepared for the General and Special Revenue funds. Prior to year end the Clerk of the County Commissioners submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. The Board of Commissioners holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Oglethorpe County. The budget is then revised and adopted or amended by the Board of Commissioners at a regular meeting before the year to which it applies. The budget so adopted may be revised during the year only by formal action of the Board of Commissioners in a regular meeting and no increase shall be made therein without provision also being made for financing same. The legal level of control is at the department level.

Formal budgetary integration is employed as a management control device during the year. The budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The General Fund is subject to budgetary control on a departmental basis, while the Special Revenue funds are subject to budgetary control on an individual fund basis. Budgets are prepared for the

Capital Projects Funds on a project basis, which usually covers two or more fiscal years. Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. Individual amendments are not material in relation to the original appropriations.

NOTE 3 – DEPOSITS AND INVESTMENTS

Custodial Credit Risk - Deposits

The custodial credit risk of deposits is the risk that in the event of the failure of a bank, the government will not be able to recover deposits. The County's bank balances of deposits as of December 31, 2014 are entirely insured or collateralized with securities held by the County's agent in the County's name. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

At December 31, 2014, the County's investments in certificates of deposit were as follows:

Investment	Maturity	Amount
Certificates of deposit – General Fund	12 months	$ 3,000,000
Certificates of deposit – Nonmajor Governmental	12 months	15,146
Certificates of deposit – Landfill Fund	12 months	1,753,018
		$ 4,768,164

At June 30, 2014, the carrying amount of deposits for the Oglethorpe County Board of Health, a discretely presented component unit, was $200,625, and the bank balance was $200,525. All of the bank balance was covered by federal depository insurance or by collateral held.

NOTE 4 – PROPERTY TAXES

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

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

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

The Oglethorpe County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes are due based upon the birthday of the owner. The 2014 property taxes were mailed (levied) as of July 25th with a due date of December 20.

Property taxes receivable have been reduced to their estimated net realizable value. Estimated uncollectible amounts are based upon historical experience rates and result in a direct reduction of the related revenue amount at the end of the period.

The tax billing cycle for 2014 is as follows:

Assessment Date	January 1, 2014
Levy Date	July 25, 2014
Due Date and Collection Date	December 20, 2014
Tax Execution Date/Lien Date	December 21, 2014

NOTE 5 – OTHER RECEIVABLES

Receivables at December 31, 2014, consist of the following:

	General Fund	2012 SPLOST	Nonmajor Governmental	Landfill Fund	Total
Receivables:					
Taxes	$ 448,095	$ 56,829	$ -	$ -	$ 504,924
Landfill	-	-	-	45,539	45,539
Accounts	639,507	-	41,554	-	681,061
Other	51,416	-	-	4,304	55,720
Gross Receivables	1,139,018	56,829	41,554	49,843	1,287,244
Less: Allowance for uncollectibles	(684,220)	-	-	(22,658)	(706,878)
Net Total Receivables	$ 454,798	$ 56,829	$ 41,554	$ 27,185	$ 580,366

The accounts receivable balance in the General Fund is made up of the uncollected billings for EMS charges as of December 31, 2014. The County has estimated an allowance for uncollectibles against these receivables based on the historical collection rates of the EMS charges.

NOTE 6 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at December 31, 2014, are as follows:

	Federal	State	Other	Total
Fund:				
General	$ 19,126	$ 50,567	$ 1,830	$ 71,523
Nonmajor	-	50,000	-	50,000
Total	$ 19,126	$ 100,567	$ 1,830	$ 121,523

The amounts due from other government are primarily for grant funds.

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of December 31, 2014, were as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
Landfill Fund	General Fund	$ 1,845
Total		$ 1,845

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

Interfund transfers:

	E911 Fund	General Fund	Total
Transfer out:			
General Fund	$ 56,322	$ -	$ 56,322
Landfill Fund	-	34,624	34,624
Total	$ 56,322	$ 34,624	$ 90,946

Transfers are used to move unrestricted revenue to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

NOTE 8 – CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2014, was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 1,090,167	$ -	$ -	$ 1,090,167
Construction in progress	-	75,499	-	75,499
Total capital assets, not being depreciated	1,090,167	75,499	-	1,165,666
Capital assets being depreciated:				
Buildings	9,242,743	198,793	-	9,441,536
Furniture and Fixtures	439,849	-	-	439,849
Machinery and Equipment	2,782,449	207,910	-	2,990,359
Infrastructure	6,626,596	-	(221,760)	6,404,836
Vehicles	1,182,695	91,928	(37,652)	1,236,971
Land Improvements	57,553	-	-	57,553
Total capital assets being depreciated	20,331,885	498,631	(259,412)	20,571,104
Less accumulated depreciation for:				
Buildings	(2,568,346)	(202,385)	-	(2,770,731)
Furniture and Fixtures	(408,297)	(10,244)	-	(418,541)
Machinery and Equipment	(2,211,042)	(184,045)	-	(2,395,087)
Infrastructure	(1,122,848)	(329,482)	221,760	(1,230,570)
Vehicles	(807,740)	(149,897)	37,652	(919,985)
Land Improvements	(5,607)	(4,607)	-	(10,214)
Total accumulated depreciation	(7,123,880)	(880,660)	259,412	(7,745,128)
Total capital assets, being depreciated, net	13,208,005	(382,029)	-	12,825,976
Governmental activities capital assets, net	$ 14,298,172	$ (306,530)	$ -	$ 13,991,642

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

Governmental activities:	
General government	$ 40,901
Public safety	217,341
Public works	587,451
Health and welfare	26,817
Recreation	8,150
Total depreciation expense - governmental activities	$ 880,660

	Beginning Balance	Increase	Decrease	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 231,160	$ -	$ -	$ 231,160
Total capital assets, not being depreciated	231,160	-	-	231,160
Capital assets, being depreciated:				
Furniture and Fixtures	17,293	-	-	17,293
Machinery and equipment	243,056	-	-	243,056
Total capital assets being depreciated	260,349	-	-	260,349
Less accumulated depreciation for:				
Furniture and Fixtures	(17,293)	-	-	(17,293)
Machinery and equipment	(197,746)	(24,306)	-	(222,052)
Total accumulated depreciation	(215,039)	(24,306)	-	(239,345)
Total capital assets, being depreciated, net	45,310	(24,306)	-	21,004
Business-type activities capital assets, net	$ 276,470	$ (24,306)	$ -	$ 252,164

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

Business-type activities:	
Landfill	$ 24,306
Total depreciation expense - business-type activities	$ 24,306

	Beginning Balance	Increase	Decrease	Ending Balance
Component Unit activities:				
Capital assets, being depreciated:				
Equipment	$ 14,851	$ 5,076	$ (10,576)	$ 9,351
Total capital assets being depreciated	14,851	5,076	(10,576)	9,351
Less accumulated depreciation for:				
Equipment	(10,647)	(940)	10,576	(1,011)
Total accumulated depreciation	(10,647)	(940)	10,576	(1,011)
Total capital assets, being depreciated, net	4,204	4,136	-	8,340
Component Unit activities capital assets, net	$ 4,204	$ 4,136	$ -	$ 8,340

NOTE 9 – LONG-TERM DEBT

Changes in Long-term Liability

Long-term liability activity for the year ended December 31, 2014, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Compensated absences	$ 38,327	$ 46,970	$ (47,100)	$ 38,197	$ 32,578
Governmental activity Long-term liabilities	$ 38,327	$ 46,970	$ (47,100)	$ 38,197	$ 32,578

For the governmental activities, compensated absences are generally liquidated by the general fund.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Compensated absences	$ 2,309	$ 2,095	$ (2,908)	$ 1,496	$ 1,496
Landfill closure	2,058,239	80,539	-	2,138,778	-
Business-type activity Long-term liabilities	$ 2,060,548	$ 82,634	$ (2,908)	$ 2,140,274	$ 1,496

For the governmental activities, compensated absences are generally liquidated by the General Fund. For the business-type activities, long-term liabilities are liquidated by the Landfill Fund.

NOTE 10 – COMMITMENTS

Landfill Closure Costs

Under state and federal laws and regulations, the County was required to place a final cover upon closing the landfill from receiving solid waste and to continue to perform various maintenance and monitoring functions at the landfill site for a period of 25 years after closure. This is in addition to the normal operating expenses related to the current activities of the landfill.

The current County landfill activities are to receive inert material and construction/demolition debris. The current operation of the landfill is to fulfill an agreement with Athens-Clarke County in which the County is allowed to transport solid waste materials from Oglethorpe County to the Athens-Clark County landfill. County management is of the opinion that the only additional costs to be associated with final landfill closure will be monitoring and maintenance of solid waste materials. The County has estimated the closure and post closure costs associated with the landfill to be $2,768,443. The County has no responsibility for closure costs associated with Athens-Clarke County landfill. The percentage of landfill capacity used as of December 31,

2014, is 56%, and the estimated remaining landfill life is 14 years. As of December 31, 2014, the County had recorded a liability for closure and post closure costs totaling $2,138,778.

The County is of the opinion that costs associated with the landfill closure can be provided from General Fund revenues without impairing County operations. Management estimates are based on the assumption that costs associated with solid waste closures have been incurred and that closure costs associated with solid operations are nominal. However, actual costs may vary due to inflation or deflation, changes in technology, or changes in landfill laws and regulations. These costs may have to be covered by increased landfill fees, additional taxes or both.

NOTE 11 – EMPLOYEE RETIREMENT PLANS

A. ACCG Defined Benefit Plan

Plan Description:

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia.

A copy of the plan's financial report may be obtained from:

Government Employee Benefits Corporation of Georgia
3625 Cumberland Boulevard, Suite 825
Atlanta, Georgia 30339

Participation:

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

Retirement Benefits:

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

Funded Status and Funding Progress:

The funded status of the plan as of December 31, 2013, the most recent actuarial valuation date, is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/13	$2,483,376	$2,538,017	$54,641	97.8%	$1,769,680	3.1%

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2013.

Actuarial Assumptions:

1. Rate of return on the investment of present and future assets of 7.75% per year.
2. Projected salary increases of 5.0% per year.
3. Life expectancies before and after retirement based on the 1983 Group Annuity Mortality Table, with a two-year age set back.
4. Postretirement benefit increases - none.
5. Inflation rate assumption of 3.0% per year.
6. Actuarial Value of assets – Market Value.

There were no current year changes in actuarial assumptions or benefit provisions.

Contributions Required and Contributions Made:

County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report. Contributions were made in accordance with actuarially determined contribution requirements. Contributions made during a particular year are attributable to the prior Plan year.

ACCG Plan funding policy provides for making required actuarially determined periodic contributions under the "Projected Unit Credit" actuarial cost method. This cost method determines plan liabilities consistent with the standardized measure of pension obligation described by Statement No. 5 of the Governmental Accounting Standards Board (GASB #5). In addition, this cost method determines contributions at rates that, for individual employees, increase gradually as an employee gets older, and enables sufficient assets to accumulate when benefits become due. The unfunded actuarial accrued liability is being amortized as a level dollar amount on a closed basis. The weighted average remaining amortization period as of January 1, 2014, was 20 years.

The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation.

Contributions totaling $101,268, ($101,268 employer and $-0- employee), were made in accordance with actuarially determined contribution requirements determined by an actuarial valuation performed as of January 1, 2014.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend from time to time, the contribution rates for the County and its plan participants.

Actuarial Reports:

The County's practice is to have an actuarial valuation performed every year on the pension plan, and to base the succeeding year's contributions on the result of the valuation. The actuarial valuation is performed as of January 1 every year. This recent valuation was performed as of January 1, 2014, based upon employee data as of January 1, 2014, and based upon available pension assets as of December 31, 2014.

Current Plan Membership and Payroll:

Employee membership data related to the plan membership as of January 1, 2014, is as follows:

Retirees and beneficiaries currently receiving benefits	28
Terminated employees entitled to benefits but not yet receiving them	41
Disabled in pay status	2
Current active employees	64
Total Membership in the plan	135

The County's covered payroll as of January 1, 2014, (the most recent actuarial valuation date) was $1,769,680. Total payroll was $3,428,069.

Summary of Plan Asset Matters and Accounting Policies:

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and increments in the cash value of death benefits.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 45% equities and 55% fixed income securities.

Plan assets do not include any loans, notes, bonds or other instruments or securities of the County or related parties.

Derivation of Annual Pension Cost:

Annual required contribution	$	104,390
Interest on Net Pension Obligation		(50,773)
Amortization of Net Pension Obligation		55,152
Annual Pension Cost	$	108,769

Derivation of Net Pension Obligation:

Annual Pension Cost for Current Year	$	108,769
Actual Contributions to Plan for Current Year		104,390
Decrease in Net Pension Obligation/(Asset)		4,379
Net Pension Obligation/(Asset), as of December 31, 2013		(676,977)
Net Pension Obligation/(Asset), as of December 31, 2014	$	(672,598)

The net pension asset is presented as other assets in the government-wide statement of net position.

Historical Trend Information:

Historical trend information is designed to provide information about a public employee retirement system's progress made in accumulating sufficient assets to pay benefits when due. More detailed information regarding the plan is available in Oglethorpe County, Georgia Retirement Plan's actuarial report for the plan year beginning January 1, 2009, which can be obtained from the plan administrator, the Association County Commissioners of Georgia.

Net Pension Obligation/(Asset):

Fiscal Year Ending	Annual Pension Cost (APC)	Annual County Contribution	Percentage of APC Contributed	Net Pension Obligation/ (Asset)
2014	$ 108,769	$ 104,390	96%	$ (672,598)
2013	111,921	108,230	97%	(676,977)
2012	99,156	95,444	96%	(680,668)

B. Other Retirement Plans

Other employees are covered under the following retirement plans that are not under the direct control of the County.

Probate Judges' Retirement Fund of Georgia:

The Probate Judge is covered under a pension plan, which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs of other claims.

Clerk of Superior Court Retirement Fund:

The Clerk of Superior Court is covered under a pension plan, which requires that certain sums of fees and fines or bond forfeitures be remitted to the pension plan before payment of any costs or other claims.

Sheriff's Retirement Fund/Peace Officer's Annuity and Benefit Fund:

The Sheriff and his deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Court, Magistrate Court or Clerk of Superior Court to the pension plan before the payment of any costs of other claims.

C. Extension Service Employee Retirement Fund

Employees of Oglethorpe County Agriculture Extension Service are covered under the Teachers Retirement System of Georgia. A contribution is made by the General Fund.

D. Defined Contribution Retirement Plan

The County is a participating member of the Georgia State Employees' Pension and Savings Plan defined contribution retirement plan. The plan is administered by the Employees' Retirement System of Georgia. As of December 31, 2014, there was one participant from the government. Plan members are allowed to make voluntary contributions to the plan. The County does not make contributions to the plan. Plan provisions and contribution requirements are established by County resolution and may be amended by the County. Total contributions for the year ended December 31, 2014 were $793 by the employees and $0 by the County.

NOTE 12 – CONTINGENT LIABILITIES

A. Litigation

During the course of normal operations of the County, various claims and lawsuits arise. The County attorney has advised that there are no potential liabilities that will impair the position as of the date of this audit report.

B. Federal Grants

The County participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives, and the audits of these programs for or including the year ended December 31, 2014, have not yet been conducted. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

C. GEFA Loan

The County has entered into an agreement with the City of Crawford whereby the County has guaranteed the payment of a $750,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City.

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REQUIRED SUPPLEMENTARY INFORMATION

OGLETHORPE COUNTY, GEORGIA

SCHEDULE OF FUNDING PROGRESS
DECEMBER 31, 2014
(UNAUDITED)

Measurement Date	Actuarial Value of Assets (a)		Actuarial Accrued Liability (b)	Funded/ (Assets in Excess of) AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded (Assets in Excess of) AAL as a Percentage of Covered Payroll {(b-a)/c}
12/31/2013	$ 2,483,376	*	$ 2,538,017	$ 54,641	97.8%	$ 1,769,680	3.1%
12/31/2012	2,269,784	*	2,399,945	130,161	94.6%	1,670,791	7.8%
12/31/2011	2,187,698	*	2,209,757	22,059	99.0%	1,591,738	1.4%
12/31/2010	2,027,713	*	2,055,283	27,570	98.7%	1,352,340	2.0%
12/31/2009	1,862,343	*	1,814,500	(47,843)	102.6%	1,221,649	-3.9%
12/31/2008	1,611,275	*	1,858,174	246,899	86.7%	1,395,117	17.7%
12/31/2007	1,321,172		1,778,422	457,250	74.3%	1,501,179	30.5%

* - Reflects change to asset smoothing adopted by the ACCG Pension Plan and Trust Board of Trustees.

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

Jail Fund – This fund accounts for fines collected as required by State Law for jail operations and construction.

E911 Fund – This fund accounts for fees collected as required by State Law for E911 operations and maintenance.

Law Library Fund – This fund accounts for the resources received from the various courts of Oglethorpe County and disbursements for the support of a centralized law library.

Drug Seizure Fund – This fund accounts for condemned funds received and disbursed for Law Enforcement expenditures.

CAPITAL PROJECTS FUNDS

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

2007 SPLOST Fund – This fund was established to account for the proceeds of sales taxes collected for the 2007 SPLOST to be used for the construction of various roads, streets and bridges, public safety projects and infrastructure projects.

Crawford Depot Fund – This fund was established to account for the grant funds received and the related expenditures for the renovations of the Crawford Depot.

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2014

	Special Revenue Funds					Capital Projects Fund		Total Nonmajor Governmental Funds
	Drug Abuse & Treatment	Jail	E911	Law Library	Drug Seizure	Crawford Depot	2007 SPLOST	
ASSETS								
Cash and cash equivalents	$ 93,085	$ 53,962	$ 162,836	$ 12,039	$ 12,419	$ -	$ 24,666	$ 359,007
Certificates of deposit	-	-	-	15,146	-	-	-	15,146
Receivables, net of allowance							-	
Accounts	-	-	41,554	-	-	-	-	41,554
Due from other governments	-	-	-	-	-	50,000	-	50,000
Total Assets	$ 93,085	$ 53,962	$ 204,390	$ 27,185	$ 12,419	$ 50,000	$ 24,666	$ 465,707
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ -	$ -	$ 1,928	$ -	$ -	$ 13,450	$ -	$ 15,378
Accrued expenses	-	-	2,375	-	-	-	-	2,375
Due to other governments	-	-	-	-	-	49,050	-	49,050
Total Liabilities	-	-	4,303	-	-	62,500	-	66,803
Fund Balances:								
Restricted	93,085	53,962	200,087	27,185	12,419	-	24,666	411,404
Unassigned (Deficit)	-	-	-	-	-	(12,500)	-	(12,500)
Total Fund Balances	93,085	53,962	200,087	27,185	12,419	(12,500)	24,666	398,904
Total Liabilities and Fund Balances	$ 93,085	$ 53,962	$ 204,390	$ 27,185	$ 12,419	$ 50,000	$ 24,666	$ 465,707

OGLETHORPE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Special Revenue Funds					Capital Projects Funds		Total Nonmajor Governmental Funds
	Drug Abuse & Treatment	Jail	E911	Law Library	Drug Seizure	Crawford Depot	2007 SPLOST	
Revenues:								
Intergovernmental	$ -	$ -		$ -	$ -	$ 50,000	$ -	$ 50,000
Charges for services	-	-	226,200	-	-	-	-	226,200
Fines	13,989	18,680	-	4,248	20,259	-	-	57,176
Investment earnings	100	37	146	17	-	-	20	320
Miscellaneous income	-	-	-	60	-	-	-	60
Total Revenues	14,089	18,717	226,346	4,325	20,259	50,000	20	333,756
Expenditures:								
Current:								
General government	-	-	-	5,015	-	-	-	5,015
Public safety	448	15,748	332,906	-	12,705	-	-	361,807
Culture and recreation	-	-		-	-	-	1,871	1,871
Capital Outlay	-	8,659	5,565	-	6,891	62,500	4,712	88,327
Total Expenditures	448	24,407	338,471	5,015	19,596	62,500	6,583	457,020
Excess (Deficiency) of Revenues Over (Under) Expenditures	13,641	(5,690)	(112,125)	(690)	663	(12,500)	(6,563)	(123,264)
Other Financing Sources (Uses):								
Transfer from other funds	-	-	56,322	-	-			56,322
Total other financing sources (uses)	-	-	56,322	-	-	-	-	56,322
Net change in fund balances	13,641	(5,690)	(55,803)	(690)	663	(12,500)	(6,563)	(66,942)
Fund Balance, beginning of year	79,444	59,652	255,890	27,875	11,756	-	31,229	465,846
Fund Balance (deficit), end of year	$ 93,085	$ 53,962	$ 200,087	$ 27,185	$ 12,419	$ (12,500)	$ 24,666	$ 398,904

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
DRUG ABUSE & TREATMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 6,500	$ 13,989	$ 7,489
Interest income	100	100	-
Total Revenues	6,600	14,089	7,489
Expenditures:			
Current:			
Public Safety	6,600	448	6,152
Total Expenditures	6,600	448	6,152
Net change in fund balance	-	13,641	13,641
Fund Balance - Beginning of Year	79,444	79,444	-
Fund Balance - End of Year	$ 79,444	$ 93,085	$ 13,641

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 46,663	$ 18,680	$ (27,983)
Interest income	37	37	-
Total Revenues	46,700	18,717	(27,983)
Expenditures:			
Current:			
Public Safety	38,041	15,748	22,293
Capital Outlay	8,659	8,659	-
Total Expenditures	46,700	24,407	22,293
Net change in fund balance	-	(5,690)	(5,690)
Fund Balance - Beginning of Year	59,652	59,652	-
Fund Balance - End of Year	$ 59,652	$ 53,962	$ (5,690)

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
E911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Charges for services	$ 336,630	$ 226,200	$ (110,430)
Interest income	146	146	-
Total Revenues	336,776	226,346	(110,430)
Expenditures:			
Current:			
Public Safety	387,533	332,906	54,627
Capital outlay	5,565	5,565	-
Total Expenditures	393,098	338,471	54,627
Excess (Deficiency) of Revenues Over (Under) Expenditures	(56,322)	(112,125)	(55,803)
Other Financing Sources (Uses):			
Transfer from other funds	56,322	56,322	-
Total other financing sources (uses)	56,322	56,322	-
Net change in fund balance	-	(55,803)	(55,803)
Fund Balance - Beginning of Year	255,890	255,890	-
Fund Balance - End of Year	$ 255,890	$ 200,087	$ (55,803)

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 6,973	$ 4,248	$ (2,725)
Interest income	17	17	-
Miscellaneous income	60	60	-
Total Revenues	7,050	4,325	(2,725)
Expenditures:			
Current:			
General government	7,050	5,015	2,035
Total Expenditures	7,050	5,015	2,035
Net change in fund balance	-	(690)	(690)
Fund Balance - Beginning of Year	27,875	27,875	-
Fund Balance - End of Year	$ 27,875	$ 27,185	$ (690)

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
DRUG SEIZURES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2014

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Confiscated funds	$ 15,000	$ 20,259	$ 5,259
Total Revenues	15,000	20,259	5,259
Expenditures:			
Current:			
Public Safety	12,705	12,705	-
Capital outlay	6,891	6,891	-
Total Expenditures	19,596	19,596	-
Net change in fund balance	(4,596)	663	5,259
Fund Balance - Beginning of Year	11,756	11,756	-
Fund Balance - End of Year	$ 7,160	$ 12,419	$ 5,259

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Total - All Agency Funds				
Assets				
Cash and cash equivalents	$ 473,980	$ 9,427,002	$ 9,086,676	$ 814,306
Total Assets	$ 473,980	$ 9,427,002	$ 9,086,676	$ 814,306
Liabilities				
Due to State of Georgia	$ 92,868	$ 958,264	$ 953,824	$ 97,308
Due to Board of Education	200,056	7,832,721	7,564,762	468,015
Due to Other Governments	1,170	17,695	17,451	1,414
Funds held in escrow	137,352	136,485	63,768	210,069
Due to others	42,534	481,837	486,871	37,500
Total Liabilities	$ 473,980	$ 9,427,002	$ 9,086,676	$ 814,306

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Superior Court				
Assets				
Cash and cash equivalents	$ 67,052	$ 228,452	$ 192,967	$ 102,537
Total Assets	$ 67,052	$ 228,452	$ 192,967	$ 102,537
Liabilities				
Funds held in escrow	$ 38,204	$ 54,910	$ 18,250	$ 74,864
Due to others	28,848	173,542	174,717	27,673
Total Liabilities	$ 67,052	$ 228,452	$ 192,967	$ 102,537
Magistrate Court				
Assets				
Cash and cash equivalents	$ 3,620	$ 82,483	$ 84,691	$ 1,412
Total Assets	$ 3,620	$ 82,483	$ 84,691	$ 1,412
Liabilities				
Due to others	$ 3,620	$ 82,483	$ 84,691	$ 1,412
Total Liabilities	$ 3,620	$ 82,483	$ 84,691	$ 1,412

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(CONTINUED)

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Probate Court				
Assets				
Cash and cash equivalents	$ 11,394	$ 115,377	$ 113,113	$ 13,658
Total Assets	$ 11,394	$ 115,377	$ 113,113	$ 13,658
Liabilities				
Funds held in escrow	$ 4,577	$ 22,030	$ 17,884	$ 8,723
Due to others	6,817	93,347	95,229	4,935
Total Liabilities	$ 11,394	$ 115,377	$ 113,113	$ 13,658
Sheriff's Department				
Assets				
Cash and cash equivalents	$ 2,985	$ 91,659	$ 91,876	$ 2,768
Total Assets	$ 2,985	$ 91,659	$ 91,876	$ 2,768
Liabilities				
Other	$ 2,985	$ 91,659	$ 91,876	$ 2,768
Total Liabilities	$ 2,985	$ 91,659	$ 91,876	$ 2,768

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OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014
(CONTINUED)

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Tax Commissioner's Office				
Assets				
Cash and cash equivalents	$ 388,929	$ 8,909,031	$ 8,604,029	$ 693,931
Total Assets	$ 388,929	$ 8,909,031	$ 8,604,029	$ 693,931
Liabilities				
Due to State of Georgia	$ 92,868	$ 958,264	$ 953,824	$ 97,308
Due to Board of Education	200,056	7,832,721	7,564,762	468,015
Due to Other Governments	1,170	17,695	17,451	1,414
Funds held in Escrow	94,571	59,545	27,634	126,482
Other	264	40,806	40,358	712
Total Liabilities	$ 388,929	$ 8,909,031	$ 8,604,029	$ 693,931

OGLETHORPE COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
YEAR ENDED DECEMBER 31, 2014

Project	Original Estimated Cost	Expenditures Prior Year(s)	Expenditures Current Year	Expenditures Total
2007 SPLOST				
Roads and bridges	$ 4,655,000	$ 2,037,298	$ -	$ 2,037,298
Public Safety:				
Sheriff Vehicles	330,000	287,577	4,712	292,289
Ambulance (see Note 1)	165,000	342,593	-	342,593
EMS Building	750,000	-	-	-
Emergency Services	600,000	102,607	-	102,607
911 Upgrade	200,000	-	-	-
Infrastructure:				
Water Reservoir	500,000	11,418	-	11,418
Facilities Improvement	250,000	848,173	-	848,173
Sewage startup	200,000	-	-	-
Computer update	100,000	149,872	-	149,872
Recreation	250,000	155,975	1,871	157,846
Totals	$ 8,000,000	$ 3,935,513	$ 6,583	$ 3,942,096

Note 1 > In 2009, the County received a grant in the amount of $71,329 from the Georgia Department of Human Resources to assist with the purchase of a new ambulance. Expenditures reimbursed by grant funds are included in the schedule above.

2012 SPLOST				
Roads and bridges	$ 3,904,000	$ 142,436	$ 605,550	$ 747,986
Public Safety:				
Sheriff Vehicles	464,000	-	67,779	67,779
Ambulance	224,000	-	-	-
Emergency Services	279,200	-	-	-
Infrastructure:				
Water Reservoir	344,000	-	-	-
Facilities Improvement	2,000,000	57,821	108,064	165,885
Sewage startup	128,800	-	-	-
Computer update	152,000	-	-	-
Recreation	504,000	43,868	46,362	90,230
Totals	$ 8,000,000	$ 244,125	$ 827,755	$ 1,071,880

GOVERNMENTAL REPORT

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

To The Board of Commissioners
of Oglethorpe County, Georgia

We have audited 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oglethorpe County, Georgia (the "County") as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 29, 2015. Our report includes a reference to other auditors who audited the financial statements of Oglethorpe County Board of Health, as described in our report on the County's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

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Our consideration of internal control was for the limited purposes described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses that we consider to be a material weakness. 2014-001

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Oglethorpe County, Georgia's Response to Findings

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

Purpose of this Report

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

Macon, Georgia
June 29, 2015

FINANCIAL STATEMENT FINDINGS

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

2014-001 Crawford Depot

CRITERIA
Accounting procedures should be designed to insure all project activity is recognized when revenue becomes both measurable and available and expenditures are recognized as soon as a liability is incurred.

CONDITION
The County had not properly posted all of the Crawford Depot project activity to the general ledger.

CONTEXT
Audit procedures identified that adjustments were necessary to correct year-end balances as follows:

- Material audit adjustment of $50,000 was needed to record a grant receivable from the Georgia Department of Transportation.
- Material audit adjustment of $49,050 was needed to record a liability due to the Chamber of Commerce for prefunded project expenditures.
- Audit adjustments of $7,200 and $6,250 were needed to record additional accounts payable and retainage payable.

EFFECT
Management was not provided with complete and accurate interim financial reports.

CAUSE
This project is being administered by the Oglethorpe County Chamber of Commerce. The County does not have adequate accounting procedures in place to insure that all project activity is being captured at year end.

RECOMMENDATION
We recommend that the County establish procedures to insure that all Crawford Depot project activity is recorded at year-end.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
Management agrees with the finding. The project was new for 2014 and was completed during 2015. All activity has been recorded. No further action is necessary.