

OGLETHORPE

COUNTY

GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2015

OGLETHORPE COUNTY, GEORGIA

AUDIT REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2015

OGLETHORPE COUNTY, GEORGIA

TABLE OF CONTENTS
DECEMBER 31, 2015

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 11-12
- Statement of Activities 13-14

Fund Financial Statements:
- Balance Sheet – Governmental Funds 15
- Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position 16
- Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds 17
- Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 18
- Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund 19-20
- Statement of Net Position – Proprietary Funds 21
- Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds 22
- Statement of Cash Flows – Proprietary Funds 23-24
- Statement of Fiduciary Assets and Liabilities – Fiduciary Funds 25

Notes to the Financial Statements 26-48

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the County's Net Pension Liability and Related Ratios 49

Schedule of County Contributions 50

Notes to the Required Supplementary Information 51

OGLETHORPE COUNTY, GEORGIA

TABLE OF CONTENTS
DECEMBER 31, 2015
(CONTINUED)

Page

SUPPLEMENTARY INFORMATION

Combining and Individual Fund Statements and Schedules

Combining Balance Sheet – Nonmajor Governmental Funds 52

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds 53

Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Funds 54-58

Agency Funds

Combining Statement of Changes in Assets and Liabilities 59

Schedule of Changes in Assets and Liabilities by Departments 60-62

Schedule of Projects Constructed with Special Sales Tax Proceeds 63

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* 64-65

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, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of 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 accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

1503 Bass Road
P.O. Box 6315 Macon, Georgia 31208-6315
Phone 478-742-3313 ▪ Fax 478-742-0316

Member of
American Institute of
Certified Public Accountants
www.clhp.com

468 South Houston Lake Road
Warner Robins, Georgia 31088
Phone 478-953-0125 ▪ Fax 478-953-0983

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 December 31, 2015, 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 accordance with accounting principles generally accepted in the United States of America.

Matter of Emphasis

As discussed in Note 15 to the financial statements, in 2015, the County implemented new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, as well as Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68,* as of January 1, 2015. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10, the schedule of changes in the County's net pension liability and related ratios on page 49, the schedule of County contributions on page 50, and the notes to the required supplementary information on page 51 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 23, 2016 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 23, 2016

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, 2015.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources as of December 31, 2015, by $28,819,067 (net position).
- As of December 31, 2015, total net position consisted of $14,236,360 investment in capital assets, $1,012,492 restricted, and $13,570,215 unrestricted.
- As of December 31, 2015, the County's governmental funds reported ending fund balance of $14,242,679 an increase of $25,691 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, judicial, health and welfare, culture and recreation, and economic development. The landfill for construction and demolition materials 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, 2015, 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 25 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 and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $28,819,067 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, 2015, the investment consists of $23,121,961 in assets and accumulated depreciation of $8,885,601.

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, 2015, capital assets decreased $7,446 net. Noncurrent liabilities increased $89,940 as of December 31, 2015, compared to 2014. The increase in the noncurrent liabilities is due primarily to the introduction of net pension liability in financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014
Assets						
Current	$ 14,587,057	$ 14,613,263	$ 2,486,922	$ 2,563,625	$ 17,073,979	$ 17,176,888
Capital	13,925,944	13,991,642	310,416	252,164	14,236,360	14,243,806
Total	28,513,001	28,604,905	2,797,338	2,815,789	31,310,339	31,420,694
Deferred Outflows of Resources						
Related to Pensions	112,819	120,271	2,302	2,455	115,121	122,726
Total	112,819	120,271	2,302	2,455	115,121	122,726
Liabilities						
Current	284,427	226,465	3,430	12,620	287,857	239,085
Noncurrent	105,756	88,134	2,212,780	2,140,462	2,318,536	2,228,596
Total	390,183	314,599	2,216,210	2,153,082	2,606,393	2,467,681
Net Position						
Investment in capital assets	13,925,944	13,991,642	310,416	252,164	14,236,360	14,243,806
Restricted	1,012,492	1,372,158	-	-	1,012,492	1,372,158
Unrestricted	13,297,201	13,046,777	273,014	412,998	13,570,215	13,459,775
Total	$ 28,235,637	$ 28,410,577	$ 583,430	$ 665,162	$ 28,819,067	$ 29,075,739

	Governmental Activities Change in Net Position		Business -Type Activities Change in Net Position		Total Change in Net Position	
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014
Revenues						
Program						
Charges for Services	$ 1,706,993	$ 1,842,376	$ 288,152	$ 315,104	$ 1,995,145	$ 2,157,480
Operating Grants	2,118,248	1,105,483	-	-	2,118,248	1,105,483
Capital Grants	-	50,000	-	-	-	50,000
General						
Property Tax	2,590,267	2,737,593	-	-	2,590,267	2,737,593
Other Tax	2,859,335	2,827,042	-	-	2,859,335	2,827,042
Interest	11,858	28,282	7,320	9,416	19,178	37,698
Other	68,964	14,156	4,114	4,258	73,078	18,414
Total	9,355,665	8,604,932	299,586	328,778	9,655,251	8,933,710
Expenses						
General Government	727,042	1,531,261	-	-	727,042	1,531,261
Public Safety	2,647,244	2,644,773	-	-	2,647,244	2,644,773
Public Works	3,490,619	2,360,893	-	-	3,490,619	2,360,893
Judicial	740,792	712,743	-	-	740,792	712,743
Health & Welfare	1,254,966	1,250,013	-	-	1,254,966	1,250,013
Culture & Recreation	647,262	304,293	-	-	647,262	304,293
Economic Develpoment	57,304	72,284	-	-	57,304	72,284
Landfill	-	-	346,694	303,829	346,694	303,829
Total	9,565,229	8,876,260	346,694	303,829	9,911,923	9,180,089
Change in Net Position	(209,564)	(271,328)	(47,108)	24,949	(256,672)	(246,379)
Transfers	34,624	34,624	(34,624)	(34,624)	-	-
Change in Net Position	(174,940)	(236,704)	(81,732)	(9,675)	(256,672)	(246,379)
Net Position - Beginning of year, restated	28,410,577	28,647,281	665,162	674,837	29,075,739	29,322,118
Net Position - End of year	$28,235,637	$28,410,577	$ 583,430	$ 665,162	$28,819,067	$29,075,739

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, 2015, the County's governmental funds reported ending fund balance of $14,242,679. Of this balance, $12,697,496 constitutes unassigned fund balance, which is available for spending at the government's discretion. $30,321 is nonspendable fund balance related to inventory. $1,012,492 is restricted fund balance and the remainder of fund balance is assigned to indicate that it is not available for new spending because $498,652 is assigned to the 2016 budget and $3,718 is designated for recreation.

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 139 percent of total governmental fund expenditures.

The fund balance of the County's governmental funds increased $25,691 during the current year. The County places emphasis on not spending more or less than revenue for the year. The change in fund balance of governmental funds represents 0.27 percent of total governmental expenditures for the 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 $81,731, due to reduced revenue and increased operating costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County continues to budget conservatively. FY 2015 actual revenues exceeded the budgetary estimates by approximately $183,883 while total expenditures for FY 2015 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, 2015 amounts to $14,236,360, 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 $7,446. The net change is primarily the result of capital acquisitions of $893,682, and depreciation expense of $901,128. See Note 8 in the Notes to the Financial Statements for more detail on capital assets.

	Governmental	Business	Total
Land	$ 1,090,167	$ 231,160	$ 1,321,327
Construction	462,472	-	462,472
Building	9,441,536	-	9,441,536
Furniture & Fixtures	501,980	17,293	519,273
Machinery & Equip	3,142,806	320,247	3,463,053
Infrastructure	6,404,836	-	6,404,836
Vehicles	1,451,911	-	1,451,911
Land Improvements	57,553	-	57,553
Accumulated Depreciation	(8,627,317)	(258,284)	(8,885,601)
Total	$ 13,925,944	$ 310,416	$ 14,236,360

Noncurrent Debt

As of December 31, 2015, the County's noncurrent debt consisted of net pension liability, 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 2015, notable events were as follows:

Population estimates remain below the 2010 census level (Census Bureau). Local unemployment rates decreased to below 5%, lower than the state average (5.5%) and the regional average (5.1%) (BLS). Property values in Oglethorpe County appear to have entered a phase of recovery. The net county-wide digest increased by 0.04% in 2015. This is a positive number for the first time in 10 years. The County expects modest increases in future countywide adjusted net digest. 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 (Kem) in 2015.

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 by encouraging growth and

economic activity along a corridor through the geographic center of the county. This location has sufficient infrastructure and is exposed to school and transient traffic.

Community engagement activities communicate a clear message that defines the rural quality of life that is expected. Community engagement helps to provide a 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 industries that fit the community's desire.

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, utility companies, private manufacturers, and medical care institutions in the region drive market wages and competition for employees. Federal and State legislation introduces new costs to the county budget. The United States Department of Labor changed the Fair Labor Standards Act overtime rule, affecting the county employees which were previously classified as exempt will be eligible for overtime. The State of Georgia is expected to set a 3% cost of living increase for local elected officials. Costs associated with prosecution of cases in juvenile court are being shifted to local governments. Transportation funding formulas have been adjusted so that more dollars remain under state control.

The cost of health care continues to reduce the disposable income of County employees and their families. Rising health care costs also increase the cost of employer contributions to employee premiums and inmate medical care. The county ambulance service is affected by trends in health care costs through increased wages for medical professionals, increased cost of pharmaceuticals, increased cost to operate diagnostic and treatment equipment, and reduced insurance reimbursement rates.

The defined benefit pension plan is 96% funded. The introduction of net pension long term obligations to the basic financial statements for 2015 did not impact the overall financial health of the county. The County also remains committed to avoiding other forms of debt and long term obligations.

The county continues to pursue new ways to generate revenue. In 2015, an agreement between Oglethorpe County and two neighboring counties for road resurfacing resulted in net savings for the neighboring counties and a net financial gain for Oglethorpe County. This service is expected to continue.

Over the past 8 years, county residents have experienced droughts and floods, gas prices have fluctuated from around $4.00/gal to $1.75/gal, and calf prices have fluctuated from $0.90/lb. to $2.50/lb. For the 7th consecutive year, the county 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, and P.O. Box 261, Lexington, Georgia 30648.

FINANCIAL STATEMENTS

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
ASSETS				
Cash and cash equivalents	$ 11,006,519	$ 705,016	$ 11,711,535	$ 211,110
Certificates of deposit	3,015,146	1,753,018	4,768,164	-
Receivables, net of allowance				
Taxes	352,827	-	352,827	-
Accounts	99,803	26,038	125,841	6,425
Accrued interest	5,866	3,228	9,094	-
Due from other governments	76,197	-	76,197	16,024
Interfund	378	(378)	-	-
Inventory	30,321	-	30,321	-
Nondepreciable assets	1,552,639	231,160	1,783,799	-
Depreciable assets, net	12,373,305	79,256	12,452,561	7,615
Total Assets	28,513,001	2,797,338	31,310,339	241,174
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	112,819	2,302	115,121	54,903
Total deferred outflows of resources	112,819	2,302	115,121	54,903

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2015
(CONTINUED)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
Accounts payable	196,374	453	196,827	3,903
Accrued salaries and benefits	52,648	1,455	54,103	-
Noncurrent liabilities:				
Due within one year				
Compensated absences	35,405	1,522	36,927	3,814
Due in more than one year				
Compensated absences	6,248	-	6,248	8,985
Landfill closure cost	-	2,210,749	2,210,749	-
Net pension liability	99,508	2,031	101,539	296,561
Total Liabilities	390,183	2,216,210	2,606,393	313,263
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	-	-	-	72,382
Total deferred inflows of resources	-	-	-	72,382
NET POSITION				
Investment in capital assets	13,925,944	310,416	14,236,360	7,615
Restricted for				
Capital outlay	157,822	-	157,822	-
Road improvements	543,946	-	543,946	-
Court programs	215,332	-	215,332	-
Law enforcement	95,392	-	95,392	-
Unrestricted (Deficit)	13,297,201	273,014	13,570,215	(97,183)
Total Net Position	$ 28,235,637	$ 583,430	$ 28,819,067	$ (89,568)

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, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Primary Government:			
Governmental Activities			
General government	$ 727,042	$ 691,082	$ 12,527
Public safety	2,647,244	857,184	23,180
Public works	3,490,619	47,906	1,605,930
Judicial	740,792	-	-
Health and welfare	1,254,966	-	149,651
Culture and recreation	647,262	110,821	326,960
Housing and development	57,304	-	-
Total governmental activities	9,565,229	1,706,993	2,118,248
Business-type Activities			
Landfill	346,694	288,152	-
Total business-type activities	346,694	288,152	-
Total Primary Government	$ 9,911,923	$ 1,995,145	$ 2,118,248
Component Units:			
Board of Health	$ 379,270	$ 120,392	$ 282,107
Total Component Units	$ 379,270	$ 120,392	$ 282,107

General Revenues
Property tax
Sales tax
Other tax
Interest revenue
Miscellaneous
Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position (Deficit) - Beginning of Year, restated

Net Position (Deficit) - End of Year

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, 2015
(CONTINUED)

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
	$ (23,433)	$ -	$ (23,433)	
	(1,766,880)	-	(1,766,880)	
	(1,836,783)	-	(1,836,783)	
	(740,792)	-	(740,792)	
	(1,105,315)	-	(1,105,315)	
	(209,481)	-	(209,481)	
	(57,304)	-	(57,304)	
	(5,739,988)	-	(5,739,988)	
	-	(58,542)	(58,542)	
	-	(58,542)	(58,542)	
	(5,739,988)	(58,542)	(5,798,530)	
				$ 23,229
				23,229
	2,590,267	-	2,590,267	-
	1,274,380	-	1,274,380	-
	1,584,955	-	1,584,955	-
	11,858	7,320	19,178	20
	68,964	4,114	73,078	-
	5,530,424	11,434	5,541,858	20
	34,624	(34,624)	-	-
	5,565,048	(23,190)	5,541,858	20
	(174,940)	(81,732)	(256,672)	23,249
	28,410,577	665,162	29,075,739	(112,817)
	$ 28,235,637	$ 583,430	$ 28,819,067	$ (89,568)

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

OGLETHORPE COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	General Fund	LMIG	2012 SPLOST	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 9,986,030	$ 545,077	$ 214,412	$ 261,000	$ 11,006,519
Certificates of deposit	3,000,000	-	-	15,146	3,015,146
Receivables, net of allowance					
Taxes	292,719	-	60,108	-	352,827
Accounts	58,429	-	-	41,374	99,803
Accrued interest	5,866	-	-	-	5,866
Due from other governments	76,197	-	-	-	76,197
Due from other funds	378	-	-	-	378
Inventory	30,321	-	-	-	30,321
Total Assets	$ 13,449,940	$ 545,077	$ 274,520	$ 317,520	$ 14,587,057
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ 74,707	$ 1,131	$ 116,698	$ 3,838	$ 196,374
Accrued payroll deductions	49,690	-	-	2,958	52,648
Total Liabilities	124,397	1,131	116,698	6,796	249,022
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	95,356	-	-	-	95,356
Total Deferred Inflows of Resources	95,356	-	-	-	95,356
Fund Balances:					
Nonspendable	30,321	-	-	-	30,321
Restricted	-	543,946	157,822	310,724	1,012,492
Assigned	502,370	-	-	-	502,370
Unassigned	12,697,496	-	-	-	12,697,496
Total Fund Balances	13,230,187	543,946	157,822	310,724	14,242,679
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 13,449,940	$ 545,077	$ 274,520	$ 317,520	$ 14,587,057

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

OGLETHOPE COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2015

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

Total Fund Balances - Governmental Funds	$ 14,242,679
Capital Assets	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Cost of the assets	22,553,261
Accumulated depreciation	(8,627,317)
Deferred outflows of resources	
Related to pensions	112,819
Long-term Liabilities	
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. All liabilities both current and long-term are reported in the Statement of Net Position. Long-term liabilities at year-end consist of the following:	
Compensated absences	(41,653)
Net pension liability	(99,508)
Revenues	
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	95,356
Net Position of Governmental Activities	$ 28,235,637

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, 2015

	General Fund	LMIG	2012 SPLOST	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	$ 4,882,314	$ -	$ 674,320	$ -	$ 5,556,634
License and permits	70,371	-	-	-	70,371
Intergovernmental revenue	180,503	1,605,797	-	326,960	2,113,260
Charges for services	974,431	-	-	225,874	1,200,305
Fines and forfeitures	378,460	-	-	62,712	441,172
Interest income	11,243	418	130	200	11,991
Other revenues	68,964	-	-	-	68,964
Total Revenues	6,566,286	1,606,215	674,450	615,746	9,462,697
Expenditures:					
Current:					
General government	975,328	-	38,555	5,248	1,019,131
Judicial	740,792	-	-	-	740,792
Public safety	2,229,894	-	902	397,493	2,628,289
Public works	622,161	1,490,629	178,291	-	2,291,081
Health and welfare	1,214,570	-	12,738	-	1,227,308
Culture and recreation	331,682	-	14,638	314,500	660,820
Housing and development	57,304	-	-	-	57,304
Capital Outlay	-	32,602	771,296	43,007	846,905
Total Expenditures	6,171,731	1,523,231	1,016,420	760,248	9,471,630
Excess (Deficiency) of Revenues Over (Under) Expenditures	394,555	82,984	(341,970)	(144,502)	(8,933)
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	372,857	82,984	(341,970)	(88,180)	25,691
Fund Balance, beginning of year	12,857,330	460,962	499,792	398,904	14,216,988
Fund Balance, end of year	$ 13,230,187	$ 543,946	$ 157,822	$ 310,724	$ 14,242,679

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, 2015

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

Net Change in Fund Balances - Total Governmental Funds	$	25,691
Capital Assets		
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.		
Total capital outlays		816,491
Total depreciations		(882,189)
Deferred outflows of resources related to pensions is not available during the current period and therefore is not reported in the funds		
Change in deferred outflows of resources related to pension		(7,452)
Long-term Debt		
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:		
Compensated absences		(3,456)
Net pension liability		(16,993)
Revenues		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(107,032)
Change in Net Position of Governmental Activities	$	(174,940)

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, 2015

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes				
Property taxes	$ 2,644,396	$ 2,644,396	$ 2,697,299	$ 52,903
Sales tax	607,429	607,429	600,060	(7,369)
Motor vehicle taxes	515,000	515,000	565,749	50,749
Insurance premium taxes	615,726	615,726	696,143	80,417
Alcoholic beverage taxes	64,000	64,000	60,445	(3,555)
Recording intangibles	52,000	52,000	65,140	13,140
Penalties and interest	-	-	98,751	98,751
Other taxes	73,500	73,500	98,727	25,227
Licenses and permits	30,850	30,850	70,371	39,521
Intergovernmental revenues	160,000	160,000	180,503	20,503
Charges for services	1,190,152	1,190,152	974,431	(215,721)
Fines and forfeitures	369,000	369,000	378,460	9,460
Investment earnings	55,000	55,000	11,243	(43,757)
Miscellaneous	5,350	5,350	68,964	63,614
Total Revenues	6,382,403	6,382,403	6,566,286	183,883
Expenditures:				
Current:				
General government				
General administration	250,000	250,000	-	250,000
Board of commissioners	387,429	387,429	377,379	10,050
Tax commissioner	248,625	248,625	238,345	10,280
Tax assessor	155,578	155,578	128,493	27,085
Tax equalization	3,825	3,825	1,369	2,456
Coroner	21,003	21,003	20,265	738
Elections	12,260	12,260	9,343	2,917
Voter registrar	61,130	61,130	49,600	11,530
Cooperative extension service	39,426	39,426	40,086	(660)
Planning and zoning	153,176	153,176	110,448	42,728
Total general government	1,332,452	1,332,452	975,328	357,124
Judicial				
Superior court	190,619	190,619	189,349	1,270
Probate court	193,363	193,363	196,052	(2,689)
Magistrate court	197,960	197,960	189,239	8,721
Other judicial	174,737	174,737	166,152	8,585
Total judicial	756,679	756,679	740,792	15,887

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, 2015
(CONTINUED)

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Public safety				
Sheriff's office	1,167,076	1,167,076	1,065,087	101,989
Jail	1,000,353	1,000,353	924,182	76,171
Rescue unit/civil defense	30,890	30,890	34,282	(3,392)
Local fire departments	168,343	168,343	168,343	-
Animal shelter	38,000	38,000	38,000	-
Total public safety	2,404,662	2,404,662	2,229,894	174,768
Public works				
Public works camp	565,269	565,269	563,398	1,871
Recycling	61,726	61,726	58,763	2,963
Total public works	626,995	626,995	622,161	4,834
Health and welfare				
Ambulance service	868,288	868,288	886,108	(17,820)
Senior center	259,159	229,159	228,386	773
Child Development Center	5,224	5,224	4,070	1,154
Board of Health	95,293	95,293	96,006	(713)
Total health and welfare	1,227,964	1,197,964	1,214,570	(16,606)
Culture and recreation				
Library	76,279	76,279	71,640	4,639
Recreation	208,360	258,360	260,042	(1,682)
Total culture and recreation	284,639	334,639	331,682	2,957
Housing and development				
Forestry	23,659	23,659	23,659	-
Development Authority	76,552	56,552	33,645	22,907
Total housing and development	100,211	80,211	57,304	22,907
Total Expenditures	6,733,602	6,733,602	6,171,731	561,871
Excess of Revenue Over (Under) Expenditures	(351,199)	(351,199)	394,555	745,754
Other Financing Sources (Uses):				
Transfer from other funds	40,000	40,000	34,624	5,376
Transfer to other funds	(153,836)	(153,836)	(56,322)	97,514
Total Other Financing Sources (Uses)	(113,836)	(113,836)	(21,698)	102,890
Net change in fund balance	(465,035)	(465,035)	372,857	848,644
Fund balance, beginning of year	12,857,330	12,857,330	12,857,330	-
Fund balance, end of year	$ 12,392,295	$ 12,392,295	$ 13,230,187	$ 837,892

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2015

	Business-type Activities - Enterprise Funds
	Landfill Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 705,016
Certificates of deposit	1,753,018
Accounts receivable (net of allowance for uncollectibles)	26,038
Accrued interest	3,228
Total current assets	2,487,300
Noncurrent assets:	
Capital assets:	
Nondepreciable	231,160
Depreciable, net	79,256
Total capital assets	310,416
Total noncurrent assets	310,416
Total assets	2,797,716
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	2,302
Total deferred outflows of resources	2,302
LIABILITIES	
Current liabilities:	
Accounts payable	453
Accrued liabilities	1,455
Due to other funds	378
Compensated absences	1,522
Total current liabilities	3,808
Noncurrent liabilities	
Net pension liability	2,031
Post-closure costs	2,210,749
Total noncurrent liabilities	2,212,780
Total liabilities	2,216,588
NET POSITION	
Investment in capital assets	310,416
Unrestricted	273,014
Total net position	$ 583,430

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, 2015

	Business-type Activities - Enterprise Funds
	Landfill Fund
Operating Revenues:	
Charges for services	$ 288,152
Other revenue	4,114
Total operating revenues	292,266
Operating Expenses:	
Personal services	128,374
Purchased services	29,529
Closure and postclosure	71,971
Materials and supplies	97,882
Depreciation	18,938
Total Operating Expenses	346,694
Operating Income (Loss)	(54,428)
Non-Operating Revenues (Expenses):	
Interest revenue	7,320
Total Non-Operating Revenues (Expenses)	7,320
Net Income (Loss) before Transfers	(47,108)
Transfers out	(34,624)
Change in net position	(81,732)
Net position - beginning of year, restated	665,162
Net position - end of year	$ 583,430

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, 2015

	Business-type Activities - Enterprise Funds
	Landfill Fund
Cash Flows from Operating Activities:	
Cash received from customers	$ 290,955
Cash paid to suppliers for good and services	(133,610)
Cash paid to employees	(130,487)
Net Cash Provided by (Used for) Operating Activities	26,858
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 Capital and Related Financing Activities:	
Purchases of capital assets	(77,190)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(77,190)
Cash Flows from Investing Activities:	
Interest received	8,395
Net Cash Provided by (Used for) Investing Activities	8,395
Net Increase (Decrease) in Cash and Cash Equivalents	(76,561)
Cash and Cash Equivalents - Beginning of Year	781,577
Cash and Cash Equivalents - End of Year	$ 705,016

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, 2015
(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)	$ (54,428)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Depreciation	18,938
Changes in Assets and Liabilities:	
(Increase) decrease in accounts receivables	(3,156)
(Increase) decrease in due from other funds	1,845
(Increase) decrease in deferred outflows of resources	153
Increase (decrease) in accounts payable	(6,577)
Increase (decrease) in accrued liabilities	(2,639)
Increase (decrease) in compensated absences	26
Increase (decrease) in net pension liability	347
Increase (decrease) in postclosure costs	71,971
Total adjustments	81,286
Net Cash Provided by (Used for) Operating Activities	$ 26,858

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2015

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 1,702,803
Total Assets	$ 1,702,803
LIABILITIES	
Due to other governments	$ 1,470,079
Funds held in escrow	165,670
Due to others	67,054
Total Liabilities	$ 1,702,803

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 units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards Board (GASB) No. 61 "The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and 34," the County's relationships with other governments and agencies have been examined. The financial statements of each component unit have been included as a 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, 2015. 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 2015. 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, 2015, 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.

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, 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
Land improvements	10-20 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. The County has one item that qualifies for reporting in this category. The deferred outflow of resources related to the pension plans. This amount is deferred and will be recognized as a reduction of the net pension liability in future years.

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, 2015:

Fund Balances	General Fund	2012 SPLOST	LMIG	Nonmajor Governmental	Total
Nonspendable:					
Inventory	$ 30,321	$ -	$ -	$ -	$ 30,321
Restricted for:					
Law enforcement	-	-	-	173,630	173,630
Law library	-	-	-	25,754	25,754
Drug awareness	-	-	-	111,340	111,340
Road improvements	-	-	543,946	-	543,946
Capital outlay	-	157,822	-	-	157,822
Assigned for:					
Fund balance appropriation	498,652	-	-	-	498,652
Recreation	3,718	-	-	-	3,718
Unassigned	12,697,496	-	-	-	12,697,496
Total fund balances	$ 13,230,187	$ 157,822	$ 543,946	$ 310,724	$ 14,242,679

N. 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, 2015, 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, 2014 - December 1, 2015, the County's total contribution was $106,303.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

A. Budget Process

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.

B. Excess of Expenditures Over Appropriations

The General Fund had expenditures in excess of appropriations for the following departments:

Cooperative extension service	$ 660
Probate court	2,689
Rescue unit / civil defense	3,392
Ambulance service	17,820
Board of health	713
Recreation	1,682

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, 2015 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, 2015, the County's investments in certificates of deposit were as follows:

Investment	Maturity	Amount
Certificates of deposit – General Fund	0-12 months	$ 3,000,000
Certificates of deposit – Nonmajor Governmental	0-12 months	15,146
Certificates of deposit – Landfill Fund	0-12 months	1,753,018
		$ 4,768,164

At June 30, 2015, the carrying amount of deposits for the Oglethorpe County Board of Health, a discretely presented component unit, was $211,110, and the bank balance was $217,580. 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 2015 property taxes were mailed (levied) as of July 28th with a due date of December 20th.

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 2015 is as follows:

Assessment Date	January 1, 2015
Levy Date	July 28, 2015
Due Date and Collection Date	December 20, 2015
Tax Execution Date/Lien Date	December 21, 2015

NOTE 5 – OTHER RECEIVABLES

Receivables at December 31, 2015, consist of the following:

	General Fund	2012 SPLOST	Nonmajor Governmental	Landfill Fund	Total
Receivables:					
Taxes	$ 351,661	$ 60,108	$ -	$ -	$ 411,769
Landfill	-	-	-	48,696	48,696
Accounts	801,084	-	41,374	-	842,458
Other	5,866	-	-	3,228	9,094
Gross Receivables	1,158,611	60,108	41,374	51,924	1,312,017
Less: Allowance for uncollectibles	(801,597)	-	-	(22,658)	(824,255)
Net Total Receivables	$ 357,014	$ 60,108	$ 41,374	$ 29,266	$ 487,762

The accounts receivable balance in the General Fund is made up of the uncollected billings for EMS charges as of December 31, 2015. 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, 2015, are as follows:

	Federal	State	Other	Total
Fund:				
General	$ 22,706	$ 53,491	$ -	$ 76,197
Nonmajor	-	-	-	-
Total	$ 22,706	$ 53,491	$ -	$ 76,197

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, 2015, were as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Landfill Fund	$ 378
Total		$ 378

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:

	General Fund	Nonmajor Governmental Fund	Total
Transfer out:			
General Fund	$ -	$ 56,322	$ 56,322
Landfill Fund	34,624	-	34,624
Total	$ 34,624	$ 56,322	$ 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, 2015, 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	386,973	-	462,472
Total capital assets, not being depreciated	1,165,666	386,973	-	1,552,639
Capital assets being depreciated:				
Buildings	9,441,536	-	-	9,441,536
Furniture and Fixtures	439,849	62,131	-	501,980
Machinery and Equipment	2,990,359	152,447	-	3,142,806
Infrastructure	6,404,836	-	-	6,404,836
Vehicles	1,236,971	214,940	-	1,451,911
Land Improvements	57,553	-	-	57,553
Total capital assets being depreciated	20,571,104	429,518	-	21,000,622
Less accumulated depreciation for:				
Buildings	(2,770,731)	(202,385)	-	(2,973,116)
Furniture and Fixtures	(418,541)	(22,160)	-	(440,701)
Machinery and Equipment	(2,395,087)	(159,377)	-	(2,554,464)
Infrastructure	(1,230,570)	(327,106)	-	(1,557,676)
Vehicles	(919,985)	(166,554)	-	(1,086,539)
Land Improvements	(10,214)	(4,607)	-	(14,821)
Total accumulated depreciation	(7,745,128)	(882,189)	-	(8,627,317)
Total capital assets, being depreciated, net	12,825,976	(452,671)	-	12,373,305
Governmental activities capital assets, net	$ 13,991,642	$ (65,698)	$ -	$ 13,925,944

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

Governmental activities:	
General government	$ 43,304
Public safety	264,737
Public works	542,215
Health and welfare	27,658
Recreation	4,275
Total depreciation expense - governmental activities	$ 882,189

	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	77,191	-	320,247
Total capital assets being depreciated	260,349	77,191	-	337,540
Less accumulated depreciation for:				
Furniture and Fixtures	(17,293)	-	-	(17,293)
Machinery and equipment	(222,052)	(18,939)	-	(240,991)
Total accumulated depreciation	(239,345)	(18,939)	-	(258,284)
Total capital assets, being depreciated, net	21,004	58,252	-	79,256
Business-type activities capital assets, net	$ 252,164	$ 58,252	$ -	$ 310,416

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

Business-type activities:	
Landfill	$ 18,939
Total depreciation expense - business-type activities	$ 18,939

Board of Health	Beginning Balance	Increase	Decrease	Ending Balance
Component Unit activities:				
Capital assets, being depreciated:				
Equipment	$ 9,351	$ 1,145	$ -	$ 10,496
Total capital assets being depreciated	9,351	1,145	-	10,496
Less accumulated depreciation for:				
Equipment	(1,011)	(1,870)	-	(2,881)
Total accumulated depreciation	(1,011)	(1,870)	-	(2,881)
Total capital assets, being depreciated, net	8,340	(725)	-	7,615
Component Unit activities capital assets, net	$ 8,340	$ (725)	$ -	$ 7,615

NOTE 9 – LONG-TERM DEBT

Changes in Long-term Liability

Long-term liability activity for the year ended December 31, 2015, was as follows:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Net pension liability	$ 82,515	$ 16,993	$ -	$ 99,508	$ -
Compensated absences	38,197	45,290	(41,834)	41,653	35,405
Governmental activity Long-term liabilities	$ 120,712	$ 62,283	$ (41,834)	$ 141,161	$ 35,405

For the governmental activities, net pension liability and compensated absences are generally liquidated by the general fund.

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Net pension liability	$ 1,684	$ 347	$ -	$ 2,031	$ -
Compensated absences	1,496	1,202	(1,176)	1,522	1,522
Landfill closure	2,138,778	71,971	-	2,210,749	-
Business-type activity Long-term liabilities	$2,141,958	$ 73,520	$ (1,176)	$2,214,302	$ 1,522

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 $2,809,969. The County has no responsibility for closure costs associated with Athens-Clarke County landfill. The percentage of landfill capacity used as of December 31, 2015, is 59%, and the estimated remaining landfill life is 13 years. As of December 31, 2015, the County had recorded a liability for closure and post closure costs totaling $2,210,749.

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. ACCG issues a publicly available financial report that includes financial statements and required supplementary information (RSI) for the Plan. That report may be obtained by writing to GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339 or by calling (800) 736-7166.

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.

Plan Membership

As of January 1, 2014, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retires and beneficiaries currently receiving benefits	30
Terminated employees entitled to benefits but not yet receiving them	41
Current active employees	64
Disabled in Pay Status	-
Total Membership in the plan	135

Contributions

The plan members are not required to contribute to the plan. The County is required to contribute at an actuarially determined rate; the current rate is 5.5% of annual covered payroll. The contribution requirements of the County are established and may be amended by the ACCG Board of Trustees.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the County reported a net pension liability. The net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2014. An expected total pension liability as of December 31, 2014 was determined using standard roll-forward techniques.

For the year ended December 31, 2015, the County recognized pension expense relative to ACCG in the amount of $3,667. At December 31, 2015, the County reported deferred outflows of resources related to the Pension from the following sources:

	Deferred Outflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 14,669
Employer contributions subsequent to the measurement date	100,452
	$ 115,121

County contributions subsequent to the measurement date of December 31, 2014 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred

outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

Year ended December 31:	
2016	$ 3,667
2017	3,667
2018	3,667
2019	3,668

Actuarial Assumptions: The total pension liability as of December 31, 2015 was determined by an actuarial valuation as of January 1, 2014 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increase	4.50%, per year with an age based scale
Investment rate of return	7.50%, On-going basis, based on long-term expected rate of return of pension plan investments

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

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

Net Pension Liability:

Changes in the Net Pension Liability:	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2014	$ 2,748,584	$ 2,664,385	$ 84,199
Changes for the year:			
Service cost	72,924	-	72,924
Interest	200,678	-	200,678
Employer Contributions	-	104,390	(104,390)
Net investment income	-	192,207	(192,207)
Benefit payments	(145,759)	(145,759)	-
Administrative expense	-	(12,092)	12,092
Other	-	(28,243)	28,243
Net changes	127,843	110,503	17,340
Balance at December 31, 2015	$ 2,876,427	$ 2,774,888	$ 101,539

The County's net pension liability is recorded in the Government-Wide Statement of Net Position in the amounts of $99,508, and in the Landfill Fund in the amount of $2,031. The discount rate is determined through a blend of using a building blocks approach based on

20-year benchmarks (25%) and 30-year benchmarks (25%), as well as the forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS.

20-year building blocks return (7.44% * .25)	1.86%
30-year building blocks return (9.49% * .25)	2.37%
UBS capital market assumption for a moderate asset allocation (6.30% * .50)	3.15%
Discount Rate	7.38%
Discount Rate (rounded to the nearest .25%)	7.50%

Benchmark	Asset Allocation	Average 20 Year Return	Weighted 20 Year Return	Average 30 Year Return	Weighted 30 Year Return
S&P 500	30%	8.80%	2.64%	10.74%	3.22%
Barlay's Agg.	30%	5.75%	1.73%	7.80%	2.34%
MSCI EAFE	15%	5.44%	0.82%	9.51%	1.43%
Citi Non US Webi	5%	5.48%	0.27%	5.48%	0.27%
NAREIT Equity	5%	9.91%	0.50%	11.35%	0.57%
Russell 2000	5%	8.96%	0.45%	9.37%	0.47%
Russell 3000	5%	8.89%	0.44%	10.58%	0.53%
S&P Mid Cap	5%	11.83%	0.59%	13.21%	0.66%
Weighted Return			7.43%		9.49%

Discount Rate: The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount rate: The following presents the County's net pension liability calculated using the discount rate of 7.50%, as well as what the County's net pension liability would be if it were calculated using discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current discount rate (7.50%)	1% Increase (8.50%)
Sensitivity of the Net Pension Liability to Changes in the Discount Rate	$ 474,684	$ 101,539	$ (209,622)

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued ACCG financial report which is publically available at www.gebcorp.com.

B. Defined Contribution Retirement Plan

The County has established the Oglethorpe County 401(a) Defined Contribution Plan through adoption of the ACCG 401(a) Defined Contribution Program. The plan was established to provide benefits at retirement to Oglethorpe County employees. The County contributes 5% on behalf of all full-time employees hired after January 1, 2012 with mandatory employee contribution of 5%. The County will additionally contribute half of the first 4% if the employee contributes to the 457(b) plan. Total contributions for the year ended December 31, 2015 were $235,593.

NOTE 12 – SPECIAL FUNDING DEFINED BENEFIT PENSION PLANS

A. Employees' Retirement System

The County's Tax Commissioner is eligible to participate in the Employees' Retirement System (ERS), a voluntary pension system. The County makes no contributions to this plan. Pursuant to O.C.G.A. 47-2-292(a) the Department of Revenue receives an annual appropriation from the Georgia General Assembly to be used to fund the employer contributions for local County Tax Commissioners. The plan is administered by the Employees' Retirement System who issues a publicly available financial report that can be obtained at www.ers.ga.gov/formspubs/formspubs. This plan is considered immaterial to Oglethorpe County's financial statements.

B. Sheriffs' Retirement Fund of Georgia

The County's Sheriff is covered by the Sheriffs' Retirement Fund of Georgia. The County makes no contribution to this plan. Contributions are collected by the County as the agent for this fund through its court systems. This plan is administered by the Georgia Sheriffs' Association (GSA) where separate financial statements may be obtained on their website. This plan is considered immaterial to Oglethorpe County's financial statements.

C. Judges of the Probate Courts Retirement Fund of Georgia

The County's Probate Judge is covered by the Judges of the Probate Courts Retirement Fund of Georgia. The County makes no contributions to this plan. The State of Georgia provides nonemployer contributions to the Fund through the collection of court fines and forfeitures. These nonemployer contributions are recognized as revenue by the Fund when collected from the courts. The Judges of the Probate Courts Retirement Fund of Georgia is a component unit of the State of Georgia. This plan is considered immaterial to Oglethorpe County's financial statements.

D. Magistrates Retirement Fund of Georgia

The County's Magistrate Judge is covered by the Magistrates Retirement Fund of Georgia. The County makes no contributions to this plan. The State of Georgia provides nonemployer contributions to the Fund through the collection of court filing fees. These nonemployer contributions are recognized as revenue by the Fund when collected from the courts. The Magistrates Retirement Fund of Georgia is a component unit of the State of Georgia. This plan is considered immaterial to Oglethorpe County's financial statements.

E. Georgia Firefighters' Pension Fund

The County's Volunteer Firemen are eligible to participate in the Georgia Firefighters' Pension Fund, a voluntary pension system. The County makes no contributions to this plan. Contributions are made through monthly dues by eligible firefighters electing to participate in the plan and non-employer contributions which consist of insurance premium taxes collected and remitted by insurers directly to the pension fund in accordance with the law. The plan is administered by the Georgia Firefighters' Pension Fund located at 2171 Eastview Parkway NE in Conyers, Georgia where separate financial statements may be obtained. This plan is considered immaterial to Oglethorpe County's financial statements.

F. Peace Officers' Annuity and Benefit Fund of Georgia

The County's Sheriff Deputies are covered by the State of Georgia Peace Officers' Annuity and Benefit Fund. The County makes no contribution to this plan. Contributions are collected by the County as the agent for this fund through its court systems. This plan is administered through the Peace Officers' Annuity and Benefit Fund of Georgia located at 1210 Greenbelt Parkway in Griffin, Georgia where separate financial statements may be obtained. This plan is considered immaterial to Oglethorpe County's financial statements.

NOTE 13 – 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, 2015, 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 Loans

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.

The County has entered into an agreement with the City of Arnoldsville whereby the County has guaranteed the payment of a $264,180 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City.

The County has entered into an agreement with the City of Lexington whereby the County has guaranteed the payment of a $759,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City.

The County has entered into an agreement with the City of Maxeys whereby the County has guaranteed the payment of a $576,300 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City.

NOTE 14 – EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through June 23, 2016 the date which the financial statements were available to be issued.

NOTE 15 – RESTATEMENT OF EQUITY BALANCES

New Accounting Standards

During 2015, the County implemented new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, as well as Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68,* as of January 1, 2015.

The effects of this adjustment are as follows:

	Governmental Activities	Business-type Activities	Total	Landfill Fund
Net position December 31, 2014, as previously reported	$ 29,045,419	$ 664,391	$ 29,709,810	$ 664,391
Implementation of GASB 68 / 71 for pensions:				
Record net pension liability	(634,842)	771	(634,071)	771
Net position December 31, 2014, restated	$ 28,410,577	$ 665,162	$ 29,075,739	$ 665,162

REQUIRED SUPPLEMENTARY INFORMATION

OGLETHORPE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS

Total pension liability		
Service cost	$	72,924
Interest on total pension liability		200,678
Benefit payments, including refunds of employee contributions		(145,759)
Net change in total pension liability		127,843
Total pension liability - beginning, January 1, 2014		2,748,584
Total pension liability - ending, December 31, 2015 (a)	$	2,876,427
Plan fiduciary net position		
Contributions - employer	$	104,390
Net investment income		192,207
Benefit payments, including refunds of member contributions		(145,759)
Administrative expenses		(12,092)
Other expenses		(28,243)
Net change in plan fiduciary net position		110,503
Plan fiduciary net position - beginning, January 1, 2014		2,664,385
Plan fiduciary net position - ending, December 31, 2015 (b)	$	2,774,888
County's net pension liability (asset) - December 31, 2015 (a) - (b)	$	101,539
Plan fiduciary net position as a percentage of the total pension liability		96.47%
Covered-employee payroll		1,834,855
Net pension liability as a percentage of covered-employee payroll		5.53%

Note: Schedule is intended to show information for 10 fiscal years. Additional years will be displayed as they become available.

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

OGLETHORPE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2015

SCHEDULE OF COUNTY CONTRIBUTIONS

	2015
Actuarially determined contributions	$ 100,452
Contributions in relation to the actuarially determined contribution	100,452
Contribution deficiency (excess)	$ -
County's covered-employee payroll	1,834,855
Contributions as a percentage of covered-employee payroll	5.47%

Note: Schedule is intended to show information for 10 fiscal years. Additional years will be displayed as they become available.

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

Changes of assumptions:

Amounts reported for the fiscal year ending in 2015, and later reflect the following assumption changes based on the results of an actuarial experience study covering the period January 1, 2010 to June 30, 2014:

- The investment return was changed from 7.75% to 7.50%
- Age banded salary increase rates were changed from 4.0% - 6.5% to 3.5% - 6.0%
- Age and service based employee termination rates were changed
- Mortality table was changed
- Retirement rates were revised
- Funding method was changed from Projected Unit Credit to Entry Age Normal

Valuation date	The actuarially determined contribution rate was determined as of January 1, 2014, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the year ending December 31, 2015.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Actuarial asset valuation method	Smoothed market value with a 5-year smoothing period
Net Investment Rate of Return	7.50%
Projected Salary Increases	4.50% per year with an age based scale
Cost of Living Adjustments	0.00%
Retirement Age	Ages 55-60 rate of 10%, age 61-64 rate of 20%, ages 65-69 rate of 30%, and age 70 and over rate of 100%
Mortality	RP-2000, Combined

SUPPLEMENTARY INFORMATION

(THIS PAGE INTENTIONALLY LEFT BLANK)

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.

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.

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.

OGLETHORPE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2015

	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	$ 111,340	$ 65,483	$ 60,814	$ 10,608	$ 12,755	$ -	$ -	$ 261,000
Certificates of deposit	-	-	-	15,146	-	-	-	15,146
Receivables, net of allowance								
Accounts	-	-	41,374	-	-	-	-	41,374
Total Assets	$ 111,340	$ 65,483	$ 102,188	$ 25,754	$ 12,755	$ -	$ -	$ 317,520
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	$ -	$ -	$ 3,838	$ -	$ -	$ -	$ -	$ 3,838
Accrued expenses	-	-	2,958	-	-	-	-	2,958
Total Liabilities	-	-	6,796	-	-	-	-	6,796
Fund Balances:								
Restricted	111,340	65,483	95,392	25,754	12,755	-	-	310,724
Total Fund Balances	111,340	65,483	95,392	25,754	12,755	-	-	310,724
Total Liabilities and Fund Balances	$ 111,340	$ 65,483	$ 102,188	$ 25,754	$ 12,755	$ -	$ -	$ 317,520

OGLETHORPE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2015

	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	$ -	$ -	$ -	$ -	$ -	$ 326,960	$ -	$ 326,960
Charges for services	-	-	225,874	-	-	-	-	225,874
Fines	18,140	18,990	-	3,817	21,765	-	-	62,712
Investment earnings	115	22	60	-	-	-	3	200
Total Revenues	18,255	19,012	225,934	3,817	21,765	326,960	3	615,746
Expenditures:								
Current:								
General government	-	-	-	5,248	-	-	-	5,248
Public safety	-	7,491	368,573	-	21,429	-	-	397,493
Culture and recreation	-	-	-	-	-	314,460	40	314,500
Capital Outlay	-	-	18,378	-	-	-	24,629	43,007
Total Expenditures	-	7,491	386,951	5,248	21,429	314,460	24,669	760,248
Excess (Deficiency) of Revenues Over (Under) Expenditures	18,255	11,521	(161,017)	(1,431)	336	12,500	(24,666)	(144,502)
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	18,255	11,521	(104,695)	(1,431)	336	12,500	(24,666)	(88,180)
Fund Balance (deficit), beginning of year	93,085	53,962	200,087	27,185	12,419	(12,500)	24,666	398,904
Fund Balance, end of year	$ 111,340	$ 65,483	$ 95,392	$ 25,754	$ 12,755	$ -	$ -	$ 310,724

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, 2015

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 10,000	$ 18,140	$ 8,140
Interest income	-	115	115
Total Revenues	10,000	18,255	8,255
Expenditures:			
Current:			
Public Safety	101,936	-	101,936
Total Expenditures	101,936	-	101,936
Net change in fund balance	(91,936)	18,255	110,191
Fund Balance - Beginning of Year	93,085	93,085	-
Fund Balance - End of Year	$ 1,149	$ 111,340	$ 110,191

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, 2015

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 18,000	$ 18,990	$ 990
Interest income	-	22	22
Total Revenues	18,000	19,012	1,012
Expenditures:			
Current:			
Public Safety	70,806	7,491	63,315
Total Expenditures	70,806	7,491	63,315
Net change in fund balance	(52,806)	11,521	64,327
Fund Balance - Beginning of Year	53,962	53,962	-
Fund Balance - End of Year	$ 1,156	$ 65,483	$ 64,327

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, 2015

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Charges for services	$ 211,000	$ 225,874	$ 14,874
Interest income	700	60	(640)
Total Revenues	211,700	225,934	14,234
Expenditures:			
Current:			
Public Safety	374,720	368,573	6,147
Capital outlay	18,378	18,378	-
Total Expenditures	393,098	386,951	6,147
Excess (Deficiency) of Revenues Over (Under) Expenditures	(181,398)	(161,017)	20,381
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	(125,076)	(104,695)	20,381
Fund Balance - Beginning of Year	200,087	200,087	-
Fund Balance - End of Year	$ 75,011	$ 95,392	$ 20,381

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, 2015

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 4,500	$ 3,817	$ (683)
Total Revenues	4,500	3,817	(683)
Expenditures:			
Current:			
General government	16,314	5,248	11,066
Total Expenditures	16,314	5,248	11,066
Net change in fund balance	(11,814)	(1,431)	10,383
Fund Balance - Beginning of Year	27,185	27,185	-
Fund Balance - End of Year	$ 15,371	$ 25,754	$ 10,383

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, 2015

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Confiscated funds	$ 27,419	$ 21,765	$ (5,654)
Total Revenues	27,419	21,765	(5,654)
Expenditures:			
Current:			
Public Safety	27,419	21,429	5,990
Total Expenditures	27,419	21,429	-
Net change in fund balance	-	336	(5,654)
Fund Balance - Beginning of Year	12,419	12,419	-
Fund Balance - End of Year	$ 12,419	$ 12,755	$ (5,654)

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015
Total - All Agency Funds				
Assets				
Cash and cash equivalents	$ 814,306	$ 10,449,328	$ 9,560,831	$ 1,702,803
Total Assets	$ 814,306	$ 10,449,328	$ 9,560,831	$ 1,702,803
Liabilities				
Due to State of Georgia	$ 97,308	$ 1,091,782	$ 1,077,871	$ 111,219
Due to Board of Education	468,015	8,660,530	7,771,203	1,357,342
Due to other governments	1,414	18,807	18,703	1,518
Funds held in escrow	210,069	160,705	205,104	165,670
Due to others	37,500	517,504	487,950	67,054
Total Liabilities	$ 814,306	$ 10,449,328	$ 9,560,831	$ 1,702,803

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015
Superior Court				
Assets				
Cash and cash equivalents	$ 102,537	$ 264,806	$ 255,700	$ 111,643
Total Assets	$ 102,537	$ 264,806	$ 255,700	$ 111,643
Liabilities				
Funds held in escrow	$ 74,864	$ 72,326	$ 79,812	$ 67,378
Due to others	27,673	192,480	175,888	44,265
Total Liabilities	$ 102,537	$ 264,806	$ 255,700	$ 111,643
Magistrate Court				
Assets				
Cash and cash equivalents	$ 1,412	$ 94,223	$ 93,855	$ 1,780
Total Assets	$ 1,412	$ 94,223	$ 93,855	$ 1,780
Liabilities				
Due to others	$ 1,412	$ 94,223	$ 93,855	$ 1,780
Total Liabilities	$ 1,412	$ 94,223	$ 93,855	$ 1,780

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
(CONTINUED)

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015
Probate Court				
Assets				
Cash and cash equivalents	$ 13,658	$ 146,937	$ 110,554	$ 50,041
Total Assets	$ 13,658	$ 146,937	$ 110,554	$ 50,041
Liabilities				
Funds held in escrow	$ 8,723	$ 39,934	$ 18,665	$ 29,992
Due to others	4,935	107,003	91,889	20,049
Total Liabilities	$ 13,658	$ 146,937	$ 110,554	$ 50,041
Sheriff's Department				
Assets				
Cash and cash equivalents	$ 2,768	$ 58,305	$ 60,065	$ 1,008
Total Assets	$ 2,768	$ 58,305	$ 60,065	$ 1,008
Liabilities				
Other	$ 2,768	$ 58,305	$ 60,065	$ 1,008
Total Liabilities	$ 2,768	$ 58,305	$ 60,065	$ 1,008

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015
(CONTINUED)

	Balance January 1, 2015	Additions	Deletions	Balance December 31, 2015
Tax Commissioner's Office				
Assets				
Cash and cash equivalents	$ 693,931	$ 9,885,057	$ 9,040,657	$ 1,538,331
Total Assets	$ 693,931	$ 9,885,057	$ 9,040,657	$ 1,538,331
Liabilities				
Due to State of Georgia	$ 97,308	$ 1,091,782	$ 1,077,871	$ 111,219
Due to Board of Education	468,015	8,660,530	7,771,203	1,357,342
Due to other governments	1,414	18,807	18,703	1,518
Funds held in Escrow	126,482	48,445	106,627	68,300
Other	712	65,493	66,253	(48)
Total Liabilities	$ 693,931	$ 9,885,057	$ 9,040,657	$ 1,538,331

OGLETHORPE COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
YEAR ENDED DECEMBER 31, 2015

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	292,289	24,629	316,918
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	157,846	40	157,886
Totals	$ 8,000,000	$ 3,942,096	$ 24,669	$ 3,966,765

*The 2007 SPLOST was closed out during 2015.

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	$ 747,986	$ 313,470	$ 1,061,456
Public Safety:				
Sheriff Vehicles	464,000	67,779	71,852	139,631
Ambulance	224,000	-	134,990	134,990
Emergency Services	279,200	-	21,939	21,939
Infrastructure:				
Water Reservoir	344,000	-	-	-
Facilities Improvement	2,000,000	165,885	426,709	592,594
Sewage startup	128,800	-	-	-
Computer update	152,000	-	14,989	14,989
Recreation	504,000	90,230	32,471	122,701
Totals	$ 8,000,000	$ 1,071,880	$ 1,016,420	$ 2,088,300

(THIS PAGE INTENTIONALLY LEFT BLANK)

GOVERNMENTAL REPORTS

(THIS PAGE INTENTIONALLY LEFT BLANK)

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

To The Board of Commissioners
of Oglethorpe County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the 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, 2015, 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 23, 2016. 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 does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those 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.

1503 Bass Road
P.O. Box 6315 Macon, Georgia 31208-6315
Phone 478-742-3313 ▪ Fax 478-742-0316

Member of
American Institute of
Certified Public Accountants
www.clhp.com

468 South Houston Lake Road
Warner Robins, Georgia 31088
Phone 478-953-0125 ▪ Fax 478-953-0983

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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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*.

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 County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Macon, Georgia
June 23, 2016