

OGLETHORPE

COUNTY

GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2018

OGLETHORPE COUNTY, GEORGIA

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

OGLETHORPE COUNTY, GEORGIA

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Oglethorpe County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oglethorpe County, Georgia, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of 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 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.

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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, 2018, 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.

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 52, the schedule of County contributions on page 53, and the notes to the required supplementary information on page 54 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 and other auditors 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 10, 2019 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 effectiveness of Oglethorpe County, Georgia's 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 10, 2019

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, 2018.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources as of December 31, 2018, by $28,313,276 (net position).
- As of December 31, 2018, total net position consisted of $14,498,358 investment in capital assets, $1,135,469 restricted, and $12,679,449 unrestricted.
- As of December 31, 2018, the County's governmental funds reported ending fund balance of $14,472,117 an increase of $671,697 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, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position 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, 2018, 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 26 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 $28,313,276 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, 2018, the investment consists of $25,552,994 in assets and accumulated depreciation of $11,054,636.

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, 2018, capital assets decreased $239,654 net. The decrease in capital assets is due primarily to accumulated depreciation. Noncurrent liabilities decreased $43,979 as of December 31, 2018, compared to 2017. The decrease in the noncurrent liabilities is due primarily to decreased net pension liability in financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current	$ 14,913,234	$ 14,295,615	$ 2,090,614	$ 1,763,754	$ 17,003,848	$ 16,059,369
Capital	13,243,991	13,448,600	1,254,367	1,289,412	14,498,358	14,738,012
Total	28,157,225	27,744,215	3,344,981	3,053,166	31,502,206	30,797,381
Deferred Outflows of Resources						
Related to Pensions	221,725	342,136	4,525	6,983	226,250	349,119
Total	221,725	342,136	4,525	6,983	226,250	349,119
Liabilities						
Current	230,870	230,347	4,984	108,738	235,854	339,085
Noncurrent	203,680	530,927	2,656,452	2,373,184	2,860,132	2,904,111
Total	434,550	761,274	2,661,436	2,481,922	3,095,986	3,243,196
Deferred Inflows of Resources						
Related to Pensions	312,810	61,194	6,384	1,249	319,194	62,443
Total	312,810	61,194	6,384	1,249	319,194	62,443
Net Position						
Investment in capital assets	13,243,991	13,448,600	1,254,367	1,289,412	14,498,358	14,738,012
Restricted	1,135,469	924,210	-	-	1,135,469	924,210
Unrestricted (Deficit)	13,252,130	12,891,073	(572,681)	(712,434)	12,679,449	12,178,639
Total	$ 27,631,590	$ 27,263,883	$ 681,686	$ 576,978	$ 28,313,276	$ 27,840,861

	Governmental Activities Change in Net Position		Business -Type Activities Change in Net Position		Total Change in Net Position	
	2018	2017	2018	2017	2018	2017
Revenues						
Program						
Charges for Services	$ 2,633,603	$ 2,092,405	$ 518,619	$ 385,225	$ 3,152,222	$ 2,477,630
Operating Grants	871,064	581,401	-	-	871,064	581,401
Capital Grants	-	-	-	45,000	-	45,000
General						
Property Tax	2,986,101	3,160,724	-	-	2,986,101	3,160,724
Other Tax	3,167,448	2,933,017	-	-	3,167,448	2,933,017
Interest	112,765	31,467	25,839	685	138,604	32,152
Gain on sale of capital asset	178,786	-	-	-	178,786	-
Other	61,544	138,057	7,320	5,275	68,864	143,332
Total	10,011,311	8,937,071	551,778	436,185	10,563,089	9,373,256
Expenses						
General Government	1,257,165	1,353,760	-	-	1,257,165	1,353,760
Public Safety	3,530,607	3,510,293	-	-	3,530,607	3,510,293
Public Works	2,279,696	2,265,358	-	-	2,279,696	2,265,358
Judicial	857,359	756,718	-	-	857,359	756,718
Health & Welfare	1,279,340	1,286,543	-	-	1,279,340	1,286,543
Culture & Recreation	368,769	337,155	-	-	368,769	337,155
Housing and Develpoment	100,668	90,950	-	-	100,668	90,950
Landfill	-	-	417,070	341,641	417,070	341,641
Total	9,673,604	9,600,777	417,070	341,641	10,090,674	9,942,418
Change in Net Position	337,707	(663,706)	134,708	94,544	472,415	(569,162)
Transfers	30,000	30,000	(30,000)	(30,000)	-	-
Change in Net Position	367,707	(633,706)	104,708	64,544	472,415	(569,162)
Net Position - Beginning of year	27,263,883	27,897,589	576,978	512,434	27,840,861	28,410,023
Net Position - End of year	$ 27,631,590	$ 27,263,883	$ 681,686	$ 576,978	$ 28,313,276	$ 27,840,861

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, 2018, the County's governmental funds reported ending fund balance of $14,472,117. Of this balance, $10,594,497 constitutes unassigned fund balance, which is available for spending at the government's discretion. $61,200 is nonspendable fund balance related to inventory. $1,135,469 is restricted fund balance and the remainder of fund balance $2,680,951 is assigned for the long-term capital replacement plan or to the 2019 operating budget and is not available for new spending.

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 112 percent of total governmental fund expenditures.

The fund balance of the County's governmental funds increased $671,697 during the current year. The change in fund balance of governmental funds represents 7 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 Construction and Demolition Landfill. The net position for the proprietary funds increased by $104,708 due to increased tipping volume.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County continues to budget conservatively. FY 2018 actual revenues exceeded original budgetary estimates by $1,023,389 while total expenditures for FY 2018 were less than budget by $237,291. Total actual revenues exceeded total actual expenditures by $1,095,387. The net decrease in fund balance for FY 2018 of $2,104,613 is due primarily to the creation and initial funding of the Capital Replacement Fund.

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, 2018 amounts to $14,498,358, 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 $239,654. The net change is primarily the result of accumulated depreciation. See Note 8 in the Notes to the Financial Statements for more detail on capital assets.

	Governmental	Business	Total
Land	$ 1,093,167	$ 1,190,716	$ 2,283,883
Building	10,293,618	-	10,293,618
Furniture & Fixtures	522,838	17,293	540,131
Machinery & Equip	3,770,489	400,776	4,171,265
Infrastructure	6,432,971	-	6,432,971
Vehicles	1,714,717	-	1,714,717
Land Improvements	116,409	-	116,409
Accumulated Depreciation	(10,700,218)	(354,418)	(11,054,636)
Total	$ 13,243,991	$ 1,254,367	$ 14,498,358

Noncurrent Debt

As of December 31, 2018, 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 2018, notable events were as follows:

Population estimates for 2018 are above the 2010 census level (Census Bureau) for the first time since then. Local unemployment rates remained low over the year at 3.7%, level with state (3.7%) and regional averages (3.7%) (BLS). Property values in Oglethorpe County have entered a phase of solid recovery. The net county-wide digest is expected to increase significantly. A recent county-wide reappraisal captured the trending market value of real estate transactions. Digest increases are tempered by a variety of voluntary property tax exemptions and conservation programs. 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 to $14.5M in the past 5 years.

The County continues to experience sales tax revenue and 9-1-1 wireless fee leakage to neighboring Counties. Only an estimated 42% of the total sales taxes paid by County residents remain within the County. Leakage of sales tax and other revenue is partly a consequence of geography. With the help of legislators, management expects to adjust the geography of postal codes in a way that will help capture existing transactions in the proper jurisdiction. Management continues to pursue an effort to generate new and more point-of-sale transactions inside the jurisdiction by encouraging growth and economic activity along a corridor through the geographic center of the county. This corridor has adequate 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 starting businesses to fill market gaps themselves or 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, banks, private manufacturers, and medical care institutions in the region drive market wages and competition for employees. In order to remain competitive for a quality workforce, the County will emphasize and build on our professional and supportive work environment.

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, measured at 12/31/2018, is 86% funded. The County remains committed to avoiding other forms of debt and long-term obligations.

After being increased in 2017 for the first time in 9 years, the 2018 millage rate was reduced again. Over the past 10 years, the millage rate has remained stable. 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, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
ASSETS				
Cash and cash equivalents	$ 10,824,343	$ 826,447	$ 11,650,790	$ 330,382
Certificates of deposit	3,237,236	1,225,000	4,462,236	-
Receivables, net of allowance				
Taxes	384,294	-	384,294	-
Accounts	180,779	34,094	214,873	430
Accrued interest	15,703	21,059	36,762	-
Due from other governments	193,693	-	193,693	14,474
Interfund	15,986	(15,986)	-	-
Inventory	61,200	-	61,200	-
Nondepreciable assets	1,093,167	1,190,716	2,283,883	-
Depreciable assets, net	12,150,824	63,651	12,214,475	3,536
Total Assets	28,157,225	3,344,981	31,502,206	348,822
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related				
to pensions	221,725	4,525	226,250	54,501
to OPEB	-	-	-	63,901
Total deferred outflows of resources	221,725	4,525	226,250	118,402

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2018
(CONTINUED)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
LIABILITIES				
Accounts payable	131,074	3,449	134,523	31,083
Accrued salaries and benefits	96,005	1,535	97,540	-
Due to other governments	3,791	-	3,791	-
Noncurrent liabilities:				
Due within one year				
Compensated absences	57,586	1,313	58,899	-
Landfill closure cost	-	184,241	184,241	-
Due in more than one year				
Compensated absences	30,427	-	30,427	11,552
Landfill closure cost	-	2,468,537	2,468,537	-
Net pension liability	115,667	2,361	118,028	238,197
Net OPEB liability	-	-	-	211,750
Total Liabilities	434,550	2,661,436	3,095,986	492,582
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related				
to pensions	312,810	6,384	319,194	13,929
to OPEB	-	-	-	17,562
Total deferred inflows of resources	312,810	6,384	319,194	31,491
NET POSITION				
Investment in capital assets	13,243,991	1,254,367	14,498,358	3,536
Restricted for				
Capital outlay	851,486	-	851,486	-
Road improvements	20,920	-	20,920	-
Court programs	178,757	-	178,757	-
Law enforcement	84,306	-	84,306	-
Unrestricted (Deficit)	13,252,130	(572,681)	12,679,449	(60,385)
Total Net Position	$ 27,631,590	$ 681,686	$ 28,313,276	$ (56,849)

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, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Primary Government:			
Governmental Activities			
General government	$ 1,257,165	$ 1,140,416	$ 6,103
Public safety	3,530,607	1,335,676	36,229
Public works	2,279,696	42,637	644,932
Judicial	857,359	-	-
Health and welfare	1,279,340	-	183,800
Culture and recreation	368,769	114,874	-
Housing and development	100,668	-	-
Total governmental activities	9,673,604	2,633,603	871,064
Business-type Activities			
Landfill	417,070	518,619	-
Total business-type activities	417,070	518,619	-
Total Primary Government	$ 10,090,674	$ 3,152,222	$ 871,064
Component Units:			
Board of Health	$ 335,558	$ 150,202	$ 297,604
Total Component Units	$ 335,558	$ 150,202	$ 297,604

General Revenues
Property tax
Sales tax
Other tax
Interest revenue
Gain on sale of capital assets
Miscellaneous
Total General Revenues

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year, restated

Net Position - End of Year

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

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
	$ (110,646)	$ -	$ (110,646)	
	(2,158,702)	-	(2,158,702)	
	(1,592,127)	-	(1,592,127)	
	(857,359)	-	(857,359)	
	(1,095,540)	-	(1,095,540)	
	(253,895)	-	(253,895)	
	(100,668)	-	(100,668)	
	(6,168,937)	-	(6,168,937)	
	-	101,549	101,549	
	-	101,549	101,549	
	(6,168,937)	101,549	(6,067,388)	
				$ 112,248
				112,248
	2,986,101	-	2,986,101	-
	1,398,735	-	1,398,735	-
	1,768,713	-	1,768,713	-
	112,765	25,839	138,604	27
	178,786	-	178,786	-
	61,544	7,320	68,864	-
	6,506,644	33,159	6,539,803	27
	30,000	(30,000)	-	-
	6,536,644	3,159	6,539,803	27
	367,707	104,708	472,415	112,275
	27,263,883	576,978	27,840,861	(169,124)
	$ 27,631,590	$ 681,686	$ 28,313,276	$ (56,849)

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, 2018

	General Fund	Capital Replacement Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 7,201,695	$ 2,565,051	$ 1,057,597	$ 10,824,343
Certificates of deposit	3,222,000	-	15,236	3,237,236
Receivables, net of allowance				
Taxes	384,294	-	-	384,294
Accounts	139,129	-	41,650	180,779
Accrued interest	15,703	-	-	15,703
Due from other governments	123,903	-	69,790	193,693
Due from other funds	15,177	-	809	15,986
Inventory	61,200	-	-	61,200
Total Assets	$11,163,101	$ 2,565,051	$ 1,185,082	$ 14,913,234
LIABILITIES				
Accounts payable	$ 88,521	$ -	$ 42,553	$ 131,074
Accrued payroll deductions	88,945	-	7,060	96,005
Due to other governments	3,791	-	-	3,791
Total Liabilities	181,257	-	49,613	230,870
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	210,247	-	-	210,247
Total Deferred Inflows of Resources	210,247	-	-	210,247
FUND BALANCE				
Nonspendable	61,200	-	-	61,200
Restricted	-	-	1,135,469	1,135,469
Assigned	115,900	2,565,051	-	2,680,951
Unassigned	10,594,497	-	-	10,594,497
Total Fund Balances	10,771,597	2,565,051	1,135,469	14,472,117
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$11,163,101	$ 2,565,051	$ 1,185,082	$ 14,913,234

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, 2018

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

Total Fund Balances - Governmental Funds	$ 14,472,117
Capital Assets	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Cost of the assets	23,944,209
Accumulated depreciation	(10,700,218)
Deferred outflows of resources	
Related to pensions	221,725
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	(88,013)
Net pension liability	(115,667)
Deferred inflows of resources	
Related to pensions	(312,810)
Revenues	
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	210,247
Net Position of Governmental Activities	$ 27,631,590

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, 2018

	General Fund	Capital Replacement Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	$ 5,511,137	$ -	$ 740,107	$ 6,251,244
License and permits	84,300	-	-	84,300
Intergovernmental revenue	261,950	-	602,861	864,811
Charges for services	1,403,414	-	232,826	1,636,240
Fines and forfeitures	805,396	-	113,270	918,666
Interest income	87,360	24,465	1,590	113,415
Other revenues	17,691	-	16,186	33,877
Total Revenues	8,171,248	24,465	1,706,840	9,902,553
Expenditures:				
Current:				
General government	1,170,949	356	17,161	1,188,466
Judicial	857,359	-	-	857,359
Public safety	2,722,129	-	498,686	3,220,815
Public works	607,427	-	1,027,026	1,634,453
Health and welfare	1,273,104	-	-	1,273,104
Culture and recreation	344,225	-	6,966	351,191
Housing and development	100,668	-	-	100,668
Capital Outlay	-	493,001	348,252	841,253
Total Expenditures	7,075,861	493,357	1,898,091	9,467,309
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,095,387	(468,892)	(191,251)	435,244
Other Financing Sources (Uses):				
Insurance proceeds	-	27,667	-	27,667
Sale of capital assets	-	6,276	172,510	178,786
Transfers from other funds	30,000	3,000,000	230,000	3,260,000
Transfers to other funds	(3,230,000)	-	-	(3,230,000)
Total other financing sources (uses)	(3,200,000)	3,033,943	402,510	236,453
Net change in fund balances	(2,104,613)	2,565,051	211,259	671,697
Fund Balance, beginning of year	12,876,210	-	924,210	13,800,420
Fund Balance, end of year	$ 10,771,597	$ 2,565,051	$ 1,135,469	$ 14,472,117

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, 2018

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

Net Change in Fund Balances - Total Governmental Funds	$	671,697
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		862,223
Total depreciations		(942,497)
The net effect of various miscellaneous transactions involving capital assets (i.e. donations, annexing) is to increase net position		(124,335)
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		(120,411)
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		(27,503)
Net pension liability		397,844
Deferred inflows of resources related to pensions is not available during the current period and therefore is not reported in the funds		
Change in deferred inflows of resources related to pension		(251,616)
Revenues		
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(97,695)
Change in Net Position of Governmental Activities	$	367,707

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

OGLETHORPE COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues:				
Taxes				
Property taxes	$ 3,037,845	$ 3,037,845	$ 3,083,796	$ 45,951
Sales tax	620,617	620,617	658,628	38,011
Motor vehicle taxes	535,000	535,000	591,123	56,123
Insurance premium taxes	740,807	740,807	854,057	113,250
Alcoholic beverage taxes	60,000	60,000	60,072	72
Recording intangibles	50,000	50,000	68,600	18,600
Penalties and interest	-	-	84,611	84,611
Other taxes	102,000	102,000	110,250	8,250
Licenses and permits	79,000	79,000	84,300	5,300
Intergovernmental revenues	155,000	155,000	261,950	106,950
Charges for services	1,027,590	1,027,590	1,403,414	375,824
Fines and forfeitures	490,000	490,000	805,396	315,396
Investment earnings	10,000	10,000	87,360	77,360
Miscellaneous	240,000	240,000	17,691	(222,309)
Total Revenues	7,147,859	7,147,859	8,171,248	1,023,389
Expenditures:				
Current:				
General government				
General administration	-	11,385	11,385	-
Board of commissioners	435,000	635,000	491,272	143,728
Tax commissioner	264,375	264,375	261,128	3,247
Tax assessor	216,000	216,000	184,878	31,122
Tax equalization	3,825	3,825	224	3,601
Coroner	15,000	20,900	12,187	8,713
Voter registrar	101,000	101,000	82,020	18,980
Cooperative extension service	49,270	49,270	47,224	2,046
Planning and zoning	95,000	95,000	80,631	14,369
Total general government	1,179,470	1,396,755	1,170,949	225,806
Judicial				
Superior court	200,867	209,243	208,346	897
Probate court	189,000	204,367	204,367	-
Magistrate court	209,092	213,949	213,949	-
Other judicial	212,230	230,697	230,697	-
Total judicial	811,189	858,256	857,359	897

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

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Public safety				
Sheriff's office	1,281,261	1,289,266	1,318,568	(29,302)
Jail	1,085,450	1,163,763	1,163,763	-
Emergency management agency	33,000	33,398	33,398	-
Local fire departments	168,400	168,400	168,400	-
Animal shelter	38,000	38,000	38,000	-
Total public safety	2,606,111	2,692,827	2,722,129	(29,302)
Public works				
Public works camp	564,000	564,000	549,836	14,164
Recycling	60,000	60,000	57,591	2,409
Total public works	624,000	624,000	607,427	16,573
Health and welfare				
Ambulance service	899,000	912,228	912,228	-
Senior center	256,000	261,020	261,020	-
Board of Health	94,000	99,856	99,856	-
Total health and welfare	1,249,000	1,273,104	1,273,104	-
Culture and recreation				
Library	76,740	76,740	74,639	2,101
Recreation	259,998	269,586	269,586	-
Total culture and recreation	336,738	346,326	344,225	2,101
Housing and development				
Forestry	24,000	24,000	23,450	550
Development Authority	97,884	97,884	77,218	20,666
Total housing and development	121,884	121,884	100,668	21,216
Total Expenditures	6,928,392	7,313,152	7,075,861	237,291
Excess of Revenue Over (Under) Expenditures	219,467	(165,293)	1,095,387	1,260,680
Other Financing Sources (Uses):				
Transfer from other funds	30,000	30,000	30,000	-
Transfer to other funds	(230,000)	(3,340,000)	(3,230,000)	110,000
Total Other Financing Sources (Uses)	(200,000)	(3,310,000)	(3,200,000)	110,000
Net change in fund balance	19,467	(3,475,293)	(2,104,613)	1,370,680
Fund balance, beginning of year	12,876,210	12,876,210	12,876,210	-
Fund balance, end of year	$ 12,895,677	$ 9,400,917	$ 10,771,597	$ 1,370,680

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2018

	Business-type Activities - Enterprise Funds
	Landfill Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 826,447
Certificates of deposit	1,225,000
Accounts receivable (net of allowance for uncollectibles)	34,094
Accrued interest	21,059
Total current assets	2,106,600
Noncurrent assets:	
Capital assets:	
Nondepreciable	1,190,716
Depreciable, net	63,651
Total capital assets	1,254,367
Total noncurrent assets	1,254,367
Total assets	3,360,967
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	4,525
Total deferred outflows of resources	4,525

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2018
(CONTINUED)

	Business-type Activities - Enterprise Funds
	Landfill Fund
LIABILITIES	
Current liabilities:	
Accounts payable	$ 3,449
Accrued liabilities	1,535
Due to other funds	15,986
Compensated absences	1,313
Post-closure costs	184,241
Total current liabilities	206,524
Noncurrent liabilities	
Net pension liability	2,361
Post-closure costs	2,468,537
Total noncurrent liabilities	2,470,898
Total liabilities	2,677,422
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	6,384
Total deferred outflows of resources	6,384
NET POSITION	
Investment in capital assets	1,254,367
Unrestricted	(572,681)
Total net position	$ 681,686

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, 2018

	Business-type Activities - Enterprise Funds
	Landfill Fund
Operating Revenues:	
Charges for services	$ 518,619
Other revenue	7,320
Total operating revenues	525,939
Operating Expenses:	
Personal services	108,732
Purchased services	31,614
Closure and postclosure	184,241
Materials and supplies	57,438
Depreciation	35,045
Total Operating Expenses	417,070
Operating Income	108,869
Non-Operating Revenues:	
Interest revenue	25,839
Total Non-Operating Revenues	25,839
Net Income before Transfers	134,708
Transfers out	(30,000)
Change in net position	104,708
Net position - beginning of year	576,978
Net position - end of year	$ 681,686

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, 2018

	Business-type Activities - Enterprise Funds
	Landfill Fund
Cash Flows from Operating Activities:	
Cash received from customers	$ 532,170
Cash paid to suppliers for good and services	(70,494)
Cash paid to employees	(108,438)
Net Cash Provided by (Used for) Operating Activities	353,238
Cash Flows from Noncapital Financing Activities:	
Transfer from General Fund	(30,000)
Net Cash Provided by (Used for) Noncapital Financing Activities	(30,000)
Cash Flows from Investing Activities:	
Purchases of certifcate of deposit	(1,225,000)
Interest received	4,780
Net Cash Provided by (Used for) Investing Activities	(1,220,220)
Net Increase (Decrease) in Cash and Cash Equivalents	(896,982)
Cash and Cash Equivalents - Beginning of Year	1,723,429
Cash and Cash Equivalents - End of Year	$ 826,447

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, 2018
(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)	$ 108,869
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Depreciation	35,045
Changes in Assets and Liabilities:	
(Increase) decrease in accounts receivables	6,231
(Increase) decrease in deferred outflows of resources	2,458
Increase (decrease) in accounts payable	2,572
Increase (decrease) in accrued liabilities	154
Increase (decrease) in due to other funds	15,986
Increase (decrease) in compensated absences	666
Increase (decrease) in net pension liability	(8,119)
Increase (decrease) in postclosure costs	184,241
Increase (decrease) in deferred inflows of resources	5,135
Total adjustments	244,369
Net Cash Provided by (Used for) Operating Activities	$ 353,238

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2018

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 2,684,564
Total Assets	$ 2,684,564
LIABILITIES	
Due to other governments	$ 2,340,857
Funds held in escrow	208,812
Due to others	134,895
Total Liabilities	$ 2,684,564

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, 2018. 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 2018. 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

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 is 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.
>
> Capital Replacement Fund – is used to account for the acquisition of replacement vehicles, heavy equipment, or other physical capital items.

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 acquisition 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.

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 one type of deferred inflows, which arises 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. The government has one type of deferred inflows, which arises only under the accrual basis of accounting for the deferred inflows of resources related to pensions that is reported on the government-wide statement of net position.

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. The General Fund is the only fund that reports a positive unassigned fund balance.

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, 2018:

Fund Balances	General Fund	Capital Replacement Fund	Nonmajor Governmental	Total
Nonspendable:				
Inventory	$ 61,200	$ -	$ -	$ 61,200
Restricted for:				
Law enforcement	-	-	84,306	84,306
Drug awareness	-	-	73,510	73,510
Jail operations	-	-	63,476	63,476
Law library	-	-	41,771	41,771
Road improvements	-	-	20,920	20,920
Capital outlay	-	-	851,486	851,486
Assigned for:				
Capital outlay	115,900	2,565,051	-	2,680,951
Unassigned	10,594,497	-	-	10,594,497
Total fund balances	$ 10,771,597	$ 2,565,051	$ 1,135,469	$ 14,472,117

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, 2018, 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;

period December 1, 2017 - December 1, 2018, the County's total contribution was $123,105 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 department:

Sheriff's Office	$ 29,302

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, 2018 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, 2018, the County's certificates of deposit were as follows:

Investment	Maturity	Amount
Certificates of deposit - General Fund	00 - 06 Months	$ 1,000,000
Certificates of deposit - General Fund	07 - 12 Months	1,977,000
Certificates of deposit - General Fund	13 - 24 Months	245,000
Certificates of deposit - Landfill Fund	07 - 12 Months	245,000
Certificates of deposit - Landfill Fund	13 - 24 Months	245,000
Certificates of deposit - Landfill Fund	25 - 36 Months	490,000
Certificates of deposit - Landfill Fund	37 - 60 Months	245,000
Certificates of deposit - Nonmajor Governmental	00 - 06 Months	15,236
		$ 4,462,236

At June 30, 2018, the carrying amount of deposits for the Oglethorpe County Board of Health, a discretely presented component unit, was $330,382, and the bank balance was $335,165. 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 2018 property taxes were mailed (levied) as of August 7th 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 2018 is as follows:

Assessment Date	January 1, 2018
Levy Date	August 7, 2018
Due Date and Collection Date	December 20, 2018
Tax Execution Date/Lien Date	December 21, 2018

NOTE 5 – OTHER RECEIVABLES

Receivables at December 31, 2018, consist of the following:

	General Fund	Nonmajor Governmental	Landfill Fund	Total
Receivables:				
Taxes	$ 475,739	$ -	$ -	$ 475,739
Accounts	1,540,793	41,650	56,752	1,639,195
Other	15,703	-	21,059	36,762
Gross Receivables	2,032,235	41,650	77,811	2,151,696
Less: Allowance for uncollectibles	(1,493,109)	-	(22,658)	(1,515,767)
Net Total Receivables	$ 539,126	$ 41,650	$ 55,153	$ 635,929

The accounts receivable balance in the General Fund is made up of the uncollected billings for EMS charges as of December 31, 2018. 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, 2018, are as follows:

	Federal	State	Other	Total
Fund:				
General	$ 39,684	$ 62,107	$ 22,112	$ 123,903
Nonmajor	-	69,790	-	69,790
Total	$ 39,684	$ 131,897	$ 22,112	$ 193,693

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, 2018, is as follows:

Due to / from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Landfill Fund	$ 15,177
Nonmajor Governmental Fund	Landfill Fund	809
Total		$ 15,986

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.

Interfund transfers:

	General Fund	Capital Replacement Fund	Nonmajor Governmental Fund	Total
Transfer out:				
General Fund	$ -	$ 3,000,000	$ 230,000	$ 3,230,000
Landfill Fund	30,000	-	-	30,000
Total	$ 30,000	$ 3,000,000	$ 230,000	$ 3,260,000

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, 2018, was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 1,093,167	$ -	$ -	$ -	$ 1,093,167
Construction in progress	28,135	-	-	(28,135)	-
Total capital assets, not being depreciated	1,121,302	-	-	(28,135)	1,093,167
Capital assets being depreciated:					
Buildings	10,275,902	17,716	-	-	10,293,618
Furniture and Fixtures	522,838	-	-	-	522,838
Machinery and Equipment	3,480,746	550,094	(260,351)	-	3,770,489
Infrastructure	6,404,836	-	-	28,135	6,432,971
Vehicles	1,694,711	279,839	(259,833)	-	1,714,717
Land Improvements	101,835	14,574	-	-	116,409
Total capital assets being depreciated	22,480,868	862,223	(520,184)	28,135	22,851,042
Less accumulated depreciation for:					
Buildings	(3,409,221)	(234,174)	-	-	(3,643,395)
Furniture and Fixtures	(480,728)	(17,397)	-	-	(498,125)
Machinery and Equipment	(2,794,103)	(138,179)	140,551	-	(2,791,731)
Infrastructure	(2,211,888)	(328,512)	-	-	(2,540,400)
Vehicles	(1,229,167)	(215,956)	255,298	-	(1,189,825)
Land Improvements	(28,463)	(8,279)	-	-	(36,742)
Total accumulated depreciation	(10,153,570)	(942,497)	395,849	-	(10,700,218)
Total capital assets, being depreciated, net	12,327,298	(80,274)	(124,335)	28,135	12,150,824
Governmental activities capital assets, net	$ 13,448,600	$ (80,274)	$ (124,335)	$ -	$ 13,243,991

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

Governmental activities:	
General government	$ 81,587
Public safety	348,737
Public works	463,523
Health and welfare	46,036
Recreation	2,614
Total depreciation expense - governmental activities	$ 942,497

	Beginning Balance	Increase	Decrease	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 1,190,716	$ -	$ -	$ 1,190,716
Total capital assets, not being depreciated	1,190,716	-	-	1,190,716
Capital assets, being depreciated:				
Furniture and Fixtures	17,293	-	-	17,293
Machinery and equipment	400,776	-	-	400,776
Total capital assets being depreciated	418,069	-	-	418,069
Less accumulated depreciation for:				
Furniture and Fixtures	(17,293)	-	-	(17,293)
Machinery and equipment	(302,080)	(35,045)	-	(337,125)
Total accumulated depreciation	(319,373)	(35,045)	-	(354,418)
Total capital assets, being depreciated, net	98,696	(35,045)	-	63,651
Business-type activities capital assets, net	$ 1,289,412	$ (35,045)	$ -	$ 1,254,367

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

Business-type activities:	
Landfill	$ 35,045
Total depreciation expense - business-type activities	$ 35,045

Board of Health	Beginning Balance	Increase	Decrease	Ending Balance
Component Unit activities:				
Capital assets, being depreciated:				
Equipment	$ 14,180	$ -	$ -	$ 14,180
Total capital assets being depreciated	14,180	-	-	14,180
Less accumulated depreciation for:				
Equipment	(7,878)	(2,766)	-	(10,644)
Total accumulated depreciation	(7,878)	(2,766)	-	(10,644)
Total capital assets, being depreciated, net	6,302	(2,766)	-	3,536
Component Unit activities capital assets, net	$ 6,302	$ (2,766)	$ -	$ 3,536

NOTE 9 – LONG-TERM DEBT

Changes in Long-term Liability

Long-term liability activity for the year ended December 31, 2018, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Net pension liability	$ 513,511	$ -	$ (397,844)	$ 115,667	$ -
Compensated absences	60,510	85,089	(57,586)	88,013	57,586
Governmental activity Long-term liabilities	$ 574,021	$ 85,089	$ (455,430)	$ 203,680	$ 57,586

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Net pension liability	$ 10,480	$ -	$ (8,119)	$ 2,361	$ -
Compensated absences	647	2,441	(1,775)	1,313	1,313
Landfill closure	2,468,537	184,241	-	2,652,778	184,241
Business-type activity Long-term liabilities	$ 2,479,664	$ 186,682	$ (9,894)	$ 2,656,452	$ 185,554

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 $2,926,713. The County has no responsibility for closure costs associated with Athens-Clarke County landfill. The percentage of landfill capacity used as of December 31, 2018, is

82%, and the estimated remaining landfill life is 10 years. As of December 31, 2018, the County had recorded a liability for closure and post closure costs totaling $2,652,778.

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

NOTE 11 – EMPLOYEE RETIREMENT PLANS

A. ACCG Defined Benefit Plan

Plan Description

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating Counties in Georgia. 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, 2018, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retires and beneficiaries currently receiving benefits	38
Terminated employees entitled to benefits but not yet receiving them	59
Current active employees	28
Total Membership in the plan	125

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 4.0% 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, 2018, the County reported a net pension liability. The net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2018. An expected total pension liability as of December 31, 2018 was determined using standard roll-forward techniques.

For the year ended December 31, 2018, the County recognized pension expense relative to ACCG in the amount of $12,018. At December 31, 2018, the County reported deferred outflows of resources related to the Pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Asset (Gain) / Loss	$ 95,450	$ 184,138
Liability (Gain) / Loss	16,300	135,056
Changes of assumptions	76,138	
Employer contributions subsequent to the measurement date	38,362	-
	$ 226,250	$ 319,194

County contributions subsequent to the measurement date of December 31, 2017 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, 2018. 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:	
2019	$ (56,474)
2020	12,584
2021	(41,383)
2022	(46,033)

Actuarial Assumptions: The total pension liability as of December 31, 2018 was determined by an actuarial valuation as of January 1, 2018 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	7.25%, 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, 2018 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, 2017	$ 3,299,065	$ 2,775,074	$ 523,991
Changes for the year:			
Service cost	42,304	-	42,304
Interest	232,888	-	232,888
Liability experience (gain)/loss	(234,673)	-	(234,673)
Assumption change	5,786	-	5,786
Employer Contributions	-	55,787	(55,787)
Net investment income	-	440,230	(440,230)
Benefit payments	(173,616)	(173,616)	-
Administrative expense	-	(7,312)	7,312
Other	-	(36,437)	36,437
Net changes	(127,311)	278,652	(405,963)
Balance at December 31, 2018	$ 3,171,754	$ 3,053,726	$ 118,028

The County's net pension liability is recorded in the Government-Wide Statement of Net Position in the amounts of $115,667, and in the Landfill Fund in the amount of $2,361. The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (33.33%) and 30-year benchmarks (33.33%), as well as the forward-looking capital market assumptions for a moderate asset allocation (33.34%), as determined by UBS.

20-year building blocks return (6.82% * .3333)	2.27%
30-year building blocks return (8.28% * .3333)	2.76%
UBS capital market assumption for a moderate asset allocation (6.40% * .3334)	2.13%
Discount Rate	7.16%
Discount Rate (rounded to the nearest .25%)	7.25%

Benchmark	Asset Allocation	Average 20 Year Return	Weighted 20 Year Return	Average 30 Year Return	Weighted 30 Year Return
S&P 500	30%	7.91%	2.37%	10.22%	3.07%
Barlay's Agg.	30%	5.60%	1.68%	6.56%	1.97%
MSCI EAFE	15%	4.29%	0.64%	5.73%	0.86%
Citi Non US Webi	5%	4.66%	0.23%	5.98%	0.30%
NAREIT Equity	5%	10.79%	0.54%	10.44%	0.52%
Russell 2000	5%	8.06%	0.40%	9.33%	0.47%
Russell 3000	5%	8.03%	0.40%	10.14%	0.51%
S&P Mid Cap	5%	11.22%	0.56%	11.53%	0.58%
Weighted Return			6.83%		8.26%

Discount Rate: The discount rate used to measure the total pension liability was 7.25%. 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 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Current discount rate (7.25%)	1% Increase (8.25%)
Sensitivity of the Net Pension Liability to Changes in the Discount Rate	$ 485,434	$ 118,028	$ (188,493)

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%. Total contributions for the year ended December 31, 2018 to the ACCG 401(a) Defined Contribution Program were $111,092 employer and $111,092 employee. 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, 2018 to the ACCG 457(b) plan were $31,028 employer and $87,483 employee.

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, 2018, 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 $259,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City. As of December 31, 2018 the outstanding loan balance was $87,438.

The County has entered into an agreement with the City of Arnoldsville whereby the County has guaranteed the payment of a $259,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City. As of December 31, 2018 the outstanding loan balance was $79,692.

The County has entered into an agreement with the City of Lexington whereby the County has guaranteed the payment of a $259,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City. As of December 31, 2018 the outstanding loan balance was $86,333.

The County has entered into an agreement with the City of Maxeys whereby the County has guaranteed the payment of a $565,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City. As of December 31, 2018 the outstanding loan balance was $217,307.

NOTE 14 – RESTATEMENT OF EQUITY BALANCES – OGLETHORPE COUNTY BOARD OF HEALTH (COMPONENT UNIT OF OGLETHORPE COUNTY, GEORGIA)

New Accounting Standards

During 2018, the Oglethorpe County Board of Health adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.*

The effects of this adjustment are as follows:

	Oglethorpe County Board of Health
Net position December 31, 2017, as previously reported	$ 482
Implementation of GASB 75 for OPEB:	
Record Net OPEB Liability	(196,708)
Record OPEB Deferred Outflows / Inflows of Resources	27,102
Net position December 31, 2017, restated	$ (169,124)

NOTE 15 – EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through June 10, 2019 the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

OGLETHORPE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2018

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

	2018	2017	2016	2015
Total pension liability				
Service cost	$ 42,304	$ 59,040	$ 69,199	$ 72,924
Interest on total pension liability	232,888	230,974	210,118	200,678
Difference between expected and actual experience	- (234,673)	(86,460)	51,226	-
Changes of assumptions	5,786	93,996	100,506	-
Benefit payments, including refunds of employee contributions	(173,616)	(156,267)	(149,694)	(145,759)
Net change in total pension liability	(127,311)	141,283	281,355	127,843
Total pension liability - beginning of year	3,299,065	3,157,782	2,876,427	2,748,584
Total pension liability - end of year	$ 3,171,754	$ 3,299,065	$ 3,157,782	$ 2,876,427
Plan fiduciary net position				
Contributions - employer	$ 55,787	$ 90,314	$ 100,452	$ 104,390
Net investment income	440,230	187,455	23,472	192,207
Benefit payments, including refunds of member contributions	(173,616)	(156,267)	(149,694)	(145,759)
Administrative expenses	(7,312)	(13,538)	(11,946)	(12,092)
Other expenses	(36,437)	(42,345)	(27,717)	(28,243)
Net change in plan fiduciary net position	278,652	65,619	(65,433)	110,503
Plan fiduciary net position - beginning of year	2,775,074	2,709,455	2,774,888	2,664,385
Plan fiduciary net position - end of year	$ 3,053,726	$ 2,775,074	$ 2,709,455	$ 2,774,888
County's net pension liability (asset)	$ 118,028	$ 523,991	$ 448,327	$ 101,539
Plan fiduciary net position as a percentage of the total pension liability	96.28%	84.12%	85.80%	96.47%
Covered-employee payroll	938,873	1,427,449	1,735,758	1,834,855
Net pension liability as a percentage of covered-employee payroll	12.57%	36.71%	25.83%	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, 2018

SCHEDULE OF COUNTY CONTRIBUTIONS

	2018	2017	2016	2015
Actuarially determined contributions	$ 48,016	$ 55,787	$ 90,314	$ 100,452
Contributions in relation to the actuarially determined contribution	38,362	55,787	90,314	100,452
Contribution deficiency (excess)	$ 9,654	$ -	$ -	$ -
County's covered-employee payroll	959,050	945,542	1,433,555	1,836,417
Contributions as a percentage of covered-employee payroll	4.00%	5.90%	6.30%	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:

There have been no substantive changes since the last actuarial valuation.

Valuation date	The actuarially determined contribution rate was determined as of January 1, 2018, 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, 2018.

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	7.25%
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 projected with Scale AA

SUPPLEMENTARY INFORMATION

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 FUND

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.

2012 SPLOST – This fund was established to account for the proceeds and various projects associated with the 2012 SPLOST.

2017 SPLOST – This fund was established to account for the proceeds and various projects associated with the 2017 SPLOST.

Transportation Fund – This fund was established to account for the proceeds of the Georgia Department of Transportation Local Maintenance & Improvement Grant proceeds collected and the capital projects approved for those funds.

OGLETHORPE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018

	Special Revenue Funds					Capital Projects Fund			Total Nonmajor Governmental Funds
	Drug Abuse & Treatment	Jail	E911	Law Library	Drug Seizure	Transportation Fund	2012 SPLOST	2017 SPLOST	
ASSETS									
Cash and cash equivalents	$ 73,510	$ 63,476	$ 44,367	$ 26,535	$ 4,712	$ 43,001	$155,889	$ 646,107	$ 1,057,597
Certificates of deposit	-	-	-	15,236	-	-	-	-	15,236
Receivables, net of allowance									
Accounts	-	-	41,650	-	-	-	-	-	41,650
Due from other funds	-	-	809	-	-	-	-	-	809
Due from other governments	-	-	-	-	-	-	-	69,790	69,790
Total Assets	$ 73,510	$ 63,476	$ 86,826	$ 41,771	$ 4,712	$ 43,001	$155,889	$ 715,897	$ 1,185,082
LIABILITIES AND FUND BALANCES									
Liabilities:									
Accounts payable	$ -	$ -	$ 172	$ -	$ -	$ 22,081	$ 11,757	$ 8,543	$ 42,553
Accrued expenses	-	-	7,060	-	-	-	-	-	7,060
Total Liabilities	-	-	7,232	-	-	22,081	11,757	8,543	49,613
Fund Balances:									
Restricted	73,510	63,476	79,594	41,771	4,712	20,920	144,132	707,354	1,135,469
Total Fund Balances	73,510	63,476	79,594	41,771	4,712	20,920	144,132	707,354	1,135,469
Total Liabilities and Fund Balances	$ 73,510	$ 63,476	$ 86,826	$ 41,771	$ 4,712	$ 43,001	$155,889	$ 715,897	$ 1,185,082

OGLETHORPE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Revenue Funds					Capital Projects Fund			Total Nonmajor
	Drug Abuse & Treatment	Jail	E911	Law Library	Drug Seizure	Transportation Fund	2012 SPLOST	2017 SPLOST	Governmental Funds
Revenues:									
Taxes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 740,107	$ 740,107
Intergovernmental revenue	-	-	-	-	-	602,261	600	-	602,861
Charges for services	-	-	232,826	-	-	-	-	-	232,826
Fines	22,549	63,432	-	16,212	11,077	-	-	-	113,270
Investment earnings	113	79	262	39	-	447	157	493	1,590
Miscellaneous income	-	-	-	-	15,296	890	-	-	16,186
Total Revenues	22,662	63,511	233,088	16,251	26,373	603,598	757	740,600	1,706,840
Expenditures:									
Current:									
General government	-	-	-	3,729	-	-	4,000	9,432	17,161
Public safety	2,541	13,002	446,521	-	28,398	-	7,248	976	498,686
Public works	-	-	-	-	-	844,921	96,229	85,876	1,027,026
Culture and recreation	-	-	-	-	-	-	1,644	5,322	6,966
Capital Outlay	32,650	21,590	-	-	-	-	176,413	117,599	348,252
Total Expenditures	35,191	34,592	446,521	3,729	28,398	844,921	285,534	219,205	1,898,091
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,529)	28,919	(213,433)	12,522	(2,025)	(241,323)	(284,777)	521,395	(191,251)
Other Financing Sources (Uses):									
Sale of capital assets	-	-	-	-	-	172,510	-	-	172,510
Transfer from other funds	-	-	230,000	-	-	-	-	-	230,000
Total other financing sources (uses)	-	-	230,000	-	-	172,510	-	-	402,510
Net change in fund balances	(12,529)	28,919	16,567	12,522	(2,025)	(68,813)	(284,777)	521,395	211,259
Fund Balance, beginning of year	86,039	34,557	63,027	29,249	6,737	89,733	428,909	185,959	924,210
Fund Balance, end of year	$ 73,510	$ 63,476	$ 79,594	$ 41,771	$ 4,712	$ 20,920	$ 144,132	$ 707,354	$ 1,135,469

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, 2018

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 18,000	$ 22,549	$ 4,549
Interest income	-	113	113
Total Revenues	18,000	22,662	4,662
Expenditures:			
Current:			
Public Safety	69,350	2,541	66,809
Capital Outlay	32,650	32,650	-
Total Expenditures	102,000	35,191	66,809
Net change in fund balance	(84,000)	(12,529)	71,471
Fund Balance - Beginning of Year	86,039	86,039	-
Fund Balance - End of Year	$ 2,039	$ 73,510	$ 71,471

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, 2018

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 20,000	$ 63,432	$ 43,432
Interest income	-	79	79
Total Revenues	20,000	63,511	43,511
Expenditures:			
Current:			
Public Safety	20,000	13,002	6,998
Capital Outlay	50,000	21,590	28,410
Total Expenditures	70,000	34,592	35,408
Net change in fund balance	(50,000)	28,919	78,919
Fund Balance - Beginning of Year	34,557	34,557	-
Fund Balance - End of Year	$ (15,443)	$ 63,476	$ 78,919

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
E-911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Charges for services	$ 225,000	$ 232,826	$ 7,826
Interest income	-	262	262
Total Revenues	225,000	233,088	8,088
Expenditures:			
Current:			
Public Safety	455,220	446,521	8,699
Capital Outlay	110,000	-	110,000
Total Expenditures	565,220	446,521	118,699
Excess of Revenue Over (Under) Expenditures	(340,220)	(213,433)	126,787
Other Financing Sources (Uses)			
Transfer from other funds	230,000	230,000	-
Total Other Financing Sources (Uses)	230,000	230,000	-
Net change in fund balance	(110,220)	16,567	126,787
Fund Balance - Beginning of Year	63,027	63,027	-
Fund Balance - End of Year	$ (47,193)	$ 79,594	$ 126,787

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, 2018

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 4,000	$ 16,212	$ 12,212
Interest income	-	39	39
Total Revenues	4,000	16,251	12,251
Expenditures:			
Current:			
General government	14,000	3,729	10,271
Total Expenditures	14,000	3,729	10,271
Net change in fund balance	(10,000)	12,522	22,522
Fund Balance - Beginning of Year	29,249	29,249	-
Fund Balance - End of Year	$ 19,249	$ 41,771	$ 22,522

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, 2018

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Confiscated funds	$ 20,000	$ 11,077	$ (8,923)
Miscellaneous income	-	15,296	15,296
Total Revenues	20,000	26,373	6,373
Expenditures:			
Current:			
Public Safety	30,000	28,398	1,602
Total Expenditures	30,000	28,398	1,602
Net change in fund balance	(10,000)	(2,025)	7,975
Fund Balance - Beginning of Year	6,737	6,737	-
Fund Balance - End of Year	$ (3,263)	$ 4,712	$ 7,975

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
Total - All Agency Funds				
Assets				
Cash and cash equivalents	$ 2,453,481	$ 11,475,638	$ 11,244,555	$ 2,684,564
Total Assets	$ 2,453,481	$ 11,475,638	$ 11,244,555	$ 2,684,564
Liabilities				
Due to State of Georgia	$ 114,695	$ 1,563,095	$ 1,567,646	$ 110,144
Due to Board of Education	2,022,044	8,791,172	8,584,232	2,228,984
Due to other governments	1,117	20,049	19,437	1,729
Funds held in escrow	201,544	99,342	92,074	208,812
Due to others	114,081	1,001,980	981,166	134,895
Total Liabilities	$ 2,453,481	$ 11,475,638	$ 11,244,555	$ 2,684,564

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
Superior Court				
Assets				
Cash and cash equivalents	$ 128,964	$ 269,024	$ 271,314	$ 126,674
Total Assets	$ 128,964	$ 269,024	$ 271,314	$ 126,674
Liabilities				
Funds held in escrow	$ 105,770	$ 23,499	$ 28,203	$ 101,066
Due to others	23,194	245,525	243,111	25,608
Total Liabilities	$ 128,964	$ 269,024	$ 271,314	$ 126,674
Magistrate Court				
Assets				
Cash and cash equivalents	$ 2,894	$ 94,001	$ 94,966	$ 1,929
Total Assets	$ 2,894	$ 94,001	$ 94,966	$ 1,929
Liabilities				
Due to others	$ 2,894	$ 94,001	$ 94,966	$ 1,929
Total Liabilities	$ 2,894	$ 94,001	$ 94,966	$ 1,929

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
Probate Court				
Assets				
Cash and cash equivalents	$ 81,439	$ 363,685	$ 352,170	$ 92,954
Total Assets	$ 81,439	$ 363,685	$ 352,170	$ 92,954
Liabilities				
Funds held in escrow	$ 5,193	$ 58,979	$ 45,675	$ 18,497
Due to others	76,246	304,706	306,495	74,457
Total Liabilities	$ 81,439	$ 363,685	$ 352,170	$ 92,954
Sheriff's Department				
Assets				
Cash and cash equivalents	$ 11,747	$ 271,250	$ 250,297	$ 32,700
Total Assets	$ 11,747	$ 271,250	$ 250,297	$ 32,700
Liabilities				
Other	$ 11,747	$ 271,250	$ 250,297	$ 32,700
Total Liabilities	$ 11,747	$ 271,250	$ 250,297	$ 32,700

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2018
(CONTINUED)

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018
Tax Commissioner's Office				
Assets				
Cash and cash equivalents	$ 2,228,437	$ 10,477,678	$ 10,275,808	$ 2,430,307
Total Assets	$ 2,228,437	$ 10,477,678	$ 10,275,808	$ 2,430,307
Liabilities				
Due to State of Georgia	$ 114,695	$ 1,563,095	$ 1,567,646	$ 110,144
Due to Board of Education	2,022,044	8,791,172	8,584,232	2,228,984
Due to other governments	1,117	20,049	19,437	1,729
Funds held in Escrow	90,581	16,864	18,196	89,249
Other	-	86,498	86,297	201
Total Liabilities	$ 2,228,437	$ 10,477,678	$ 10,275,808	$ 2,430,307

OGLETHORPE COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
YEAR ENDED DECEMBER 31, 2018

Project	Original Estimated Cost	Expenditures		
		Prior Year(s)	Current Year	Total
2012 SPLOST				
Roads and bridges	$ 3,904,000	$ 1,410,963	$ 56,127	$ 1,467,090
Public Safety:				
Sheriff Vehicles	464,000	255,607	-	255,607
Ambulance	224,000	276,324	-	276,324
Emergency Services	279,200	25,454	151,371	176,825
Infrastructure:				
Water Reservoir	344,000	-	-	-
Facilities Improvement	2,000,000	1,052,849	72,392	1,125,241
Sewage startup	128,800	-	-	-
Computer update	152,000	32,679	4,000	36,679
Recreation	504,000	161,938	1,644	163,582
Totals	$ 8,000,000	$ 3,215,814	$ 285,534	$ 3,501,348

OGLETHORPE COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
YEAR ENDED DECEMBER 31, 2018

Project	Original Estimated Cost	Expenditures Prior Year(s)	Expenditures Current Year	Expenditures Total
2017 SPLOST				
Roads, bridges, and transportation related equipment	$ 4,500,000	$ -	$ 96,886	$ 96,886
Public Safety:				
Emergency vehicles	1,000,000	-	65,457	65,457
Emergency services and E911 Communications infrastructure	1,000,000	-	27,144	27,144
General Infrastructure:				
Sewerage infrastructure	200,000	-	-	-
Technology improvements	400,000	-	9,431	9,431
Parks and recreational facilities	900,000	-	20,287	20,287
Totals	$ 8,000,000	$ -	$ 219,205	$ 219,205

GOVERNMENTAL REPORT

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, 2018, 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 10, 2019. 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.

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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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 10, 2019

OGLETHORPE COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2018

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weakness(es)	None Reported
Noncompliance material to financial statements noted?	No

Federal Awards

There was not an audit of major federal award programs for the year ended December 31, 2018 due to the total amount expended being less than $750,000.

Section II – Financial Statement Findings

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

None Reported