PIKE COUNTY, GEORGIA



ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

PIKE COUNTY, GEORGIA

INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

PIKE COUNTY, GEORGIA

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Pike County, Georgia
Zebulon, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pike County, Georgia as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Pike County Department of Public Health which represents 2 percent, 0 percent, and 27 percent, respectively, of the assets, net positions, and revenues of the component units of Pike County, Georgia. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Pike County Department of Public 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 of 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pike County, Georgia, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 4 through 9, and the schedule of proportionate share of the net pension liability on page 53 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 Pike County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, the Pike County Agribusiness Authority statements, and the 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, budgetary comparison schedules, the Pike County Agribusiness Authority statements, and the schedule of projects constructed with special sales tax proceeds are the responsibility of management and were 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, budgetary comparison schedules, the Pike County Agribusiness Authority statements, and the schedule of projects constructed with special sales tax proceeds are fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 15, 2018, on our consideration of Pike 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 solely 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 Pike 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 Pike County, Georgia's internal control over financial reporting and compliance.

Macon, Georgia
March 15, 2018

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 June 30, 2017.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities as of June 30, 2017, by $7,973,274 (net position).
- As of June 30, 2017, total net position consisted of $7,951,229 net investment in capital assets, $1,674,111 restricted for capital outlay, $532,881 restricted for Road projects, $48,443 restricted for Court Programs, $194,736 restricted for Law enforcement and $ (2,428,126) unrestricted.
- As of June 30, 2017, the County's governmental Funds reported ending fund balance of $4,865,577, a decrease of $3,705,058 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net 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, health and welfare, culture and recreation and conservation of natural resources. The County currently has no business-type activities.

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 June 30, 2017, the County had the following governmental funds; the General Fund, five Special Revenue Funds and six 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 no proprietary funds.

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 24 of this report.

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $7,973,274 at the close of the most recent year.

A significant portion of the County's net position reflects its net investment in capital assets. As of June 30, 2017, the investment consists of $18,002,254 in assets, accumulated depreciation of $9,281,211, and related debt long-term debt outstanding of $ 769,814.

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 June 30, 2017 net capital assets increased $215,303. Long-term liabilities decreased $221,514 as of June 30, 2017, compared to June 30, 2016. The decrease is the result of ongoing efforts to reduce debt.

	Pike County, Georgia Net Position Governmental Activites	
	6/30/2017	6/30/2016
ASSETS		
Current & Other assets	$ 5,378,578	$ 9,338,048
Capital assets	8,721,043	8,936,346
Total assets	14,099,621	18,274,394
LIABILITIES		
Current & Other liabilities	367,024	527,190
Long Term liabilities	5,759,323	5,980,837
Total liabilities	6,126,347	6,508,027
NET POSITION		
Net investment in capital assets	7,951,229	8,007,527
Restricted- Capital Outlay	1,674,111	718,526
Restricted - Other	776,060	666,106
Unrestricted	(2,428,126)	2,374,208
Total Net position	$ 7,973,274	$ 11,766,367

	Change in Net Position Governmental Activities	
	6/30/2017	6/30/2016
REVENUES		
Program Revenues		
Charges for services	$ 1,419,317	$ 1,352,134
Operating grants & contributions	1,015,009	616,360
Capital grants & contributions	1,391	569
General Revenues		
Property Taxes	5,541,933	5,501,694
Other Taxes	4,075,308	3,943,599
Interest revenue	4,245	1,651
Other	118,069	242,735
Total Revenues	12,175,272	11,658,742
EXPENSES		
General government	1,865,291	2,270,271
Public Safety	4,712,455	3,299,998
Public Works	6,770,400	3,336,813
Courts	1,043,716	1,034,321
Health & Welfare	615,627	552,681
Culture & Recreation	521,550	480,376
Economic Development	365,477	291,374
Interest on Long-term debt	73,849	74,131
Total Expenses	15,968,365	11,339,965
Increase (decrease) in net position	(3,793,093)	318,777
Net position beginning of year	11,766,367	11,447,590
Net position end of year	$ 7,973,274	$ 11,766,367

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 June 30, 2017, the County's governmental funds reported ending fund balance of $4,865,577. Of this balance, $87,446 constitutes nonspendable, $2,450,171 restricted, $525,741 assigned, $200,000 committed, all of which are not available for spending at the government's discretion. The remainder of fund balance $1,602,219 is unassigned.

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 11.4% of total governmental fund expenditures.

The fund balance of the County's governmental funds decreased $3,705,058 during the current fiscal year. The large decrease is primarily from the use of funds for 2016 Special Local Option Sales Tax Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

One of the notable changes was the transfer of $ 620,437 to other funds. The County transferred $199,633 to the E911 fund and $ 395,804 to the Local Maintenance & Improvement Fund (LMIG). The ($160,683) net change in Fund Balances can be directly attributed to improvement of road infrastructure and economic development. Additionally, the County assigned $506,265 to a reserve account , as an ongoing effort to better utilized funds.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental activities as of June 30, 2017 amounts to $8,721,043 net of accumulated depreciation. The investment in capital assets consists primarily of automobiles, machinery and equipment. For the current year, the investment in capital assets decreased by $215,303. See note 8 in the notes to the financial statements for more detail on capital assets.

	Governmental Activites
Land	$ 317,020
Buildings	7,389,131
Furniture and fixtures	11,366
Machinery and equipment	4,906,720
Vehicles	4,340,788
Intangible Assets	27,995
Infrastructure	1,009,234
Total Capital Assets	18,002,254
Accumulated Depreciation	(9,281,211)
Total	$ 8,721,043

Long-Term Debt

As of June 30, 2017, the County's long-term debt consisted of compensated absences, notes payable, landfill postclosure cost and additional capital leases. See Note 9 in the Notes to the Financial Statements for more detail on long-term liabilities.

ECONOMIC FACTORS

During the year 2017, notable events were as follows:

The local economy continues to show growth as we saw revenues increase throughout the revenue collections categories. The County worked diligently to control expenditures while undertaking some major capital improvements to road infrastructure and economic development. The County by design utilized fund balance to improve economic development efforts and reduce debt. The continued collection of the 2016 SPLOST provided funds to continue road improvements county-wide. Utilization of LMIG with aggressively matching funds continues to move forward the County's road infrastructure improvement plan.

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 Mr. John Hanson, County Manager or Ms. Kay Landers, our Financial Officer, 331 Thomaston Street, Zebulon, Ga. 30295.

FINANCIAL STATEMENTS

PIKE COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2017

	Primary Government	
	Governmental Activities	Component Units
ASSETS		
Cash and cash equivalents	$ 4,833,062	$ 547,912
Receivables, net of allowance		
Taxes	277,279	-
Accounts	103,346	30,191
Accrued interest	-	27
Due from other governments	77,445	-
Inventory	3,349	-
Prepaid items	84,097	-
Restricted assets:		
Temporary cash investments	-	138,283
Capital assets		
Non depreciable	317,020	2,713,960
Depreciable, net	8,404,023	5,089,670
Total Assets	14,099,621	8,520,043
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources related to pensions	-	39,251
Proportionate share of collective deferred outflows of resources - Pension plan	-	34,914
Total Deferred Outflows of Resources	-	74,165

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

PIKE COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2017
(CONTINUED)

	Primary Government	
	Governmental Activities	Component Units
LIABILITIES		
Accounts payable	242,234	24,571
Accrued salaries and benefits	124,790	8,957
Unearned revenue	-	460
Customer deposits	-	27,327
Noncurrent liabilities		
Due within one year		
Notes payable	-	67,435
Capital leases	769,814	-
Bonds payable	630,000	-
Landfill postclosure cost	23,340	-
Compensated absences	137,913	15,331
Due in more than one year		
Notes payable	-	2,633,587
Bonds payable	4,010,000	-
Landfill postclosure cost	129,150	-
Compensated absences	59,106	21,171
Net pension liability	-	301,139
Total Liabilities	6,126,347	3,099,978
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	-	7,596
Total Deferred Inflows of Resources	-	7,596
NET POSITION		
Net investment in capital assets	7,951,229	5,102,608
Restricted for		
Capital outlay	1,674,111	-
Road projects	532,881	-
Court programs	48,443	-
Law enforcement	194,736	-
Health services	-	104,216
Debt service	-	138,283
Unrestricted	(2,428,126)	141,527
Total Net Position	$ 7,973,274	$ 5,486,634

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

PIKE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	$ 1,865,291	$ 1,033,106	$ 30,947	$ -
Public safety	4,712,455	382,421	181,035	-
Public works	6,770,400	3,790	683,742	1,391
Courts	1,043,716	-	-	-
Health and welfare	615,627	-	119,285	-
Culture and recreation	521,550	-	-	-
Economic development	365,477	-	-	-
Interest on long-term debt	73,849	-	-	-
Total governmental activities	15,968,365	1,419,317	1,015,009	1,391
Total Primary Government	$ 15,968,365	$ 1,419,317	$ 1,015,009	$ 1,391
Component Units				
Pike County Department of Public Health	$ 456,033	$ 235,013	$ 213,093	$ -
Pike County J. Joel Edwards Public Library	142,090	7,882	130,047	19,382
Pike County Water and Sewerage Authority	366,682	153,372	141,180	-
Pike County Agribusiness Authority	51,244	40,514	12,850	-
Development Authority of Pike County	142,382	-	170,000	-
Pike County Recreation Authority	494,323	165,818	301,175	41,945
Total Component Units	$ 1,652,754	$ 602,599	$ 968,345	$ 61,327
General Revenues				
Property tax				
Sales tax				
Motor vehicle tax				
Other tax				
Interest revenue				
Insurance recoveries				
Miscellaneous				
Gain on sale of asset				
Total General Revenues				
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.

PIKE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

	Net (Expense) Revenue and Changes in Net Position	
	Primary Government	
	Governmental Activities	Component Units
	$ (801,238)	
	(4,148,999)	
	(6,081,477)	
	(1,043,716)	
	(496,342)	
	(521,550)	
	(365,477)	
	(73,849)	
	(13,532,648)	
	(13,532,648)	
		$ (7,927)
		15,221
		(72,130)
		2,120
		27,618
		14,615
		(20,483)
	5,541,933	-
	1,888,290	-
	1,035,799	-
	1,151,219	-
	4,245	1,019
	-	3,000
	118,069	1,710
	-	1,303
	9,739,555	7,032
	(3,793,093)	(13,451)
	11,766,367	5,500,085
	$ 7,973,274	$ 5,486,634

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

PIKE COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2017

	General Fund	E911 Fund	LMIG Fund	SPLOST 2016 Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$2,262,455	$ 71,596	$ 562,428	$1,157,392	$ 779,191	$ 4,833,062
Receivables, net of allowance						
Taxes	181,461	-	-	95,818	-	277,279
Other receivables	41,716	61,630	-	-	-	103,346
Due from other governments	76,909	-	-	-	536	77,445
Due from other funds	127,220	-	-	-	-	127,220
Inventory	3,349	-	-	-	-	3,349
Prepaid items	84,097	-	-	-	-	84,097
Total Assets	$2,777,207	$ 133,226	$ 562,428	$1,253,210	$ 779,727	$ 5,505,798
LIABILITIES						
Accounts payable	$ 111,342	$ 665	$ 29,547	$ 90,777	$ 9,903	$ 242,234
Accrued payroll deductions	119,449	5,341	-	-	-	124,790
Due to other funds	-	127,220	-	-	-	127,220
Total Liabilities	230,791	133,226	29,547	90,777	9,903	494,244
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	145,977	-	-	-	-	145,977
Total Deferred Inflows of Resources	145,977	-	-	-	-	145,977
FUND BALANCES						
Nonspendable	87,446	-	-	-	-	87,446
Restricted	-	-	532,881	1,162,433	754,857	2,450,171
Committed	200,000	-	-	-	-	200,000
Assigned	510,774	-	-	-	14,967	525,741
Unassigned	1,602,219	-	-	-	-	1,602,219
Total Fund Balances	2,400,439	-	532,881	1,162,433	769,824	4,865,577
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$2,777,207	$ 133,226	$ 562,428	$1,253,210	$ 779,727	$ 5,505,798

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

PIKE COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2017

Total Fund Balance per Balance Sheet of Governmental Funds	$	4,865,577
Amounts reported for governmental activities in the Statement of Net Position differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:		
Capital Assets		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of the assets		18,002,253
Accumulated depreciation		(9,281,210)
Revenues		
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		145,977
Long-term Liabilities		
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. 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:		
Capital lease		(769,814)
Bonds payable		(4,640,000)
Landfill closure costs		(152,490)
Compensated absences		(197,019)
Total Net Position of Governmental Activities	$	7,973,274

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

PIKE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	General Fund	E911 Fund	LMIG Fund	SPLOST 2016 Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES						
Taxes						
Property tax	$5,636,179	$ -	$ -	$ -	$ -	$ 5,636,179
Sales tax	803,999	-	-	1,084,291	-	1,888,290
Other taxes	2,187,018	-	-	-	-	2,187,018
License and permits	220,114	-	-	-	240,568	460,682
Intergovernmental	243,964	-	609,256	-	-	853,220
Fines and forfeitures	390,856	-	-	-	63,231	454,087
Charges for services	191,595	312,954	-	-	-	504,549
Interest earnings	3,659	35	243	1,321	378	5,636
Rent	8,051	-	-	-	-	8,051
Other revenues	53,933	-	-	-	5,028	58,961
Total Revenues	9,739,368	312,989	609,499	1,085,612	309,205	12,056,673
EXPENDITURES						
Current						
General government	1,875,736	-	-	-	18,858	1,894,594
Public safety	2,819,940	512,622	-	-	40,492	3,373,054
Public works	1,966,343	-	780,059	3,283,759	369,083	6,399,244
Judicial	1,059,815	-	-	-	-	1,059,815
Health and welfare	606,410	-	-	-	-	606,410
Culture and recreation	450,186	-	-	-	61,327	511,513
Housing and development	365,477	-	-	-	-	365,477
Intergovernmental	-	-	-	1,196,629	-	1,196,629
Debt Service						
Principal	159,005	-	-	-	-	159,005
Interest and fiscal charges	27,758	-	-	46,091	-	73,849
Capital Outlay	-	-	96,684	-	76,513	173,197
Total Expenditures	9,330,670	512,622	876,743	4,526,479	566,273	15,812,787
Excess (Deficiency) of Revenues Over (Under) Expenditures	408,698	(199,633)	(267,244)	(3,440,867)	(257,068)	(3,756,114)
OTHER FINANCING SOURCES (USES)						
Transfers from other funds	-	199,633	395,804	-	25,000	620,437
Transfers to other funds	(620,437)	-	-	-	-	(620,437)
Insurance recoveries	51,056	-	-	-	-	51,056
Total Other Financing Sources (Uses)	(569,381)	199,633	395,804	-	25,000	51,056
Net change in fund balances	(160,683)	-	128,560	(3,440,867)	(232,068)	(3,705,058)
Fund Balance - Beginning of Year	2,561,122	-	404,321	4,603,300	1,001,892	8,570,635
Fund Balance - End of Year	$2,400,439	$ -	$ 532,881	$1,162,433	$ 769,824	$ 4,865,577

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

PIKE COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Excess (Deficit) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Uses Per Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances	$ (3,705,058)
Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:	
Capital Assets	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense.	
Total capital outlays	657,957
Total depreciation	(871,649)
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, disposals, trade-ins, and donations) is to increase net position.	(1,611)
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:	
Capital leases	149,351
Note payable	9,654
Landfill closure costs	100,197
Compensated absences	(37,688)
Revenues	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(94,246)
Change in Net Position of Governmental Activities	$ (3,793,093)

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

PIKE COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Taxes				
General property tax	$ 5,968,298	$ 5,803,000	$ 5,636,179	$ (166,821)
Local option sales tax	710,000	730,000	803,999	73,999
Other				
Motor vehicle tax	1,040,000	1,077,000	1,035,799	(41,201)
Intangible tax	60,000	60,000	98,489	38,489
Mobile home tax	12,000	12,000	17,737	5,737
Timber taxes	18,000	18,000	23,073	5,073
Insurance premium tax	800,000	861,111	861,111	-
Penalties and interest	106,000	121,000	96,507	(24,493)
Bank tax fee	40,000	50,000	53,858	3,858
Other taxes	100	100	444	344
Total Taxes	8,754,398	8,732,211	8,627,196	(105,015)
Licenses and Permits				
Alcohol beverage license	42,000	47,000	46,900	(100)
Business license	36,000	36,000	30,960	(5,040)
Building permits	73,500	78,500	134,945	56,445
Other	2,000	2,000	7,309	5,309
Total Licenses and Permits	153,500	163,500	220,114	56,614
Intergovernmental Revenues				
Federal grants	199,305	199,305	119,285	(80,020)
State grants				
Georgia Emergency Management Agency	5,361	5,361	5,861	500
Department of Juvenile Justice	8,400	8,400	10,685	2,285
Other				
Pre-Trial Diversion Program	500	500	2,700	2,200
City of Williamson	-	-	74,486	74,486
Real estate transfer tax	20,000	20,000	30,947	10,947
Total Intergovernmental Revenue	233,566	233,566	243,964	10,398

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

PIKE COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Fines and Forfeitures				
Superior Court fines	100,000	100,000	103,388	3,388
Probate Court fines	110,000	110,000	142,769	32,769
Magistrate Court fines	15,000	20,000	17,572	(2,428)
Sheriff's cost and fees	115,500	115,500	127,127	11,627
Total Fines and Forfeitures	340,500	345,500	390,856	45,356
Charges for Services				
Tax Commissioner - commissions	205,000	225,000	181,568	(43,432)
Drive way culverts	500	500	3,790	3,290
Fire fees	-	-	167	167
Jail inmate housing	-	-	6,070	6,070
Total Charges for Services	205,500	225,500	191,595	(33,905)
Miscellaneous				
Interest earnings	3,600	3,600	3,659	59
Rents	-	8,400	8,051	(349)
Miscellaneous	18,700	119,430	53,933	(65,497)
Total Miscellaneous	22,300	131,430	65,643	(65,787)
Total Revenues	9,709,764	9,831,707	9,739,368	(92,339)

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

PIKE COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
General Government				
General Administration	746,407	788,215	779,373	8,842
Tax Commissioner's Office	233,480	233,254	225,105	8,149
Tax Assessors	308,268	308,237	287,248	20,989
Board of Equalization	2,110	2,110	1,044	1,066
Voter Registrar	149,395	149,327	102,273	47,054
Cooperative Extension Service	69,635	69,556	63,255	6,301
Code Enforcement Officer	207,492	209,892	209,892	-
Building and Grounds	205,281	207,546	207,546	-
Total General Government	1,922,068	1,968,137	1,875,736	92,401
Judicial				
Judicial Administration	126,076	131,814	131,814	-
Superior Court	318,875	318,278	305,726	12,552
Probate Court	160,960	160,606	153,620	6,986
Magistrate Court	202,538	205,363	205,363	-
Public Defender	181,315	181,315	181,315	-
District Attorney	76,943	76,943	81,977	(5,034)
Total Judicial	1,066,707	1,074,319	1,059,815	14,504
Public Safety				
Sheriff's Office	1,697,780	1,723,224	1,689,713	33,511
Jail Operations	769,800	776,696	776,696	-
Fire Department	270,209	301,682	301,682	-
Animal Control	36,089	36,205	22,204	14,001
Coroner's Office	29,566	29,645	29,645	-
Total Public Safety	2,803,444	2,867,452	2,819,940	47,512
Public Works				
Road Department	1,652,381	1,966,343	1,966,343	-

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

GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Health and Welfare				
DFCS	35,500	35,500	35,500	-
Ambulance Contract	275,000	275,000	275,000	-
Emergency Management	112,618	112,618	63,095	49,523
Senior Center	125,194	136,510	136,510	-
Pike County Board of Health	70,000	70,000	70,000	-
McIntosh Trail RC	24,164	26,305	26,305	-
Total Health and Welfare	642,476	655,933	606,410	49,523
Culture and Recreation				
Recreation	290,809	301,174	301,174	-
Library	124,763	127,677	127,677	-
Flint River Regional Library	12,000	12,000	11,859	141
Forestry Resources	9,476	9,476	9,476	-
Total Culture and Recreation	437,048	450,327	450,186	141
Housing and Development				
Pike County Agribusiness Authority	13,000	13,000	13,000	-
Pike County Water Authority	141,180	144,667	144,667	-
Soil Conservation	38,284	37,810	37,810	-
Development Authority	100,000	170,000	170,000	-
Total Housing and Development	292,464	365,477	365,477	-
Debt Service				
Principal	217,044	178,935	159,005	19,930
Interest and fiscal charges	32,851	32,851	27,758	5,093
Total Debt Service	249,895	211,786	186,763	25,023
Total Expenditures	9,066,483	9,559,774	9,330,670	229,104
Excess Revenue Over (Under) Expenditures	643,281	271,933	408,698	136,765

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

PIKE COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
Other Financing Sources (Uses)				
Transfer to E911 Fund	(204,179)	(204,179)	(199,633)	4,546
Transfer to LMIG Fund	(419,102)	(395,804)	(395,804)	-
Transfer to Capital Improvements Fund	(25,000)	(25,000)	(25,000)	-
Insurance recoveries	5,000	41,734	51,056	9,322
Total Other Financing Sources (Uses)	(643,281)	(583,249)	(569,381)	13,868
Net change in fund balance	-	(311,316)	(160,683)	150,633
Fund Balance - Beginning of Year	2,561,122	2,561,122	2,561,122	-
Fund Balance - End of Year	$2,561,122	$2,249,806	$2,400,439	$ 150,633

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

PIKE COUNTY, GEORGIA

E-911 FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES				
Charges for services	$ 275,000	$ 275,000	$ 312,954	$ 37,954
Interest income	30	30	35	5
Total Revenues	275,030	275,030	312,989	37,959
EXPENDITURES				
Current				
Public safety	479,209	512,622	512,622	-
Total Expenditures	479,209	512,622	512,622	-
Excess (deficiency) of revenues over (under) expenditures	(204,179)	(237,592)	(199,633)	37,959
OTHER FINANCING SOURCES (USES)				
Transfers from General Fund	204,179	204,179	199,633	(4,546)
Total Other Financing Sources (Uses)	204,179	204,179	199,633	(4,546)
Net change in fund balance	-	(33,413)	-	33,413
Fund balance - beginning of year	-	-	-	-
Fund balance - end of year	$ -	$ (33,413)	$ -	$ 33,413

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

PIKE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2017

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 534,099
Total Assets	$ 534,099
LIABILITIES	
Due to other governments	$ 310,939
Due to others	223,160
Total Liabilities	$ 534,099

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

PIKE COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2017

	Pike County Department of Public Health	Pike County J. Joel Edwards Public Library	Pike County Water and Sewerage Authority	Pike County Agribusiness Authority	Development Authority of Pike County	Pike County Recreation Authority	Total
ASSETS							
Current							
Cash and cash equivalents	$ 107,672	$ 82,001	$ 166,064	$ 21,198	$ 41,559	$ 129,418	$ 547,912
Receivables							
Accounts	13,586	-	13,735	1,083	-	1,787	30,191
Accrued interest	-	-	27	-	-	-	27
Non-current							
Restricted temporary cash investments	-	-	138,283	-	-	-	138,283
Capital Assets							
Nondepreciable	-	-	-	24,952	2,214,008	475,000	2,713,960
Depreciable capital assets, net	6,586	23,395	4,369,516	38,368	153,089	498,716	5,089,670
Total Assets	127,844	105,396	4,687,625	85,601	2,408,656	1,104,921	8,520,043
Deferred Outflows of Resources							
Employer pension contributions	39,251	-	-	-	-	-	39,251
Proportionate share of collective deferred outflows of resources - Pension plan	34,914	-	-	-	-	-	34,914
Total Deferred Outflows of Resources	74,165	-	-	-	-	-	74,165
LIABILITIES							
Current Liabilities							
Accounts payable	-	1,340	1,225	-	12,987	9,019	24,571
Accrued liabilities	-	2,707	2,626	-	380	3,244	8,957
Unearned revenue	-	460	-	-	-	-	460
Compensated absences	9,878	153	-	-	-	5,300	15,331
Meter deposit	-	-	27,327	-	-	-	27,327
Notes payable	-	-	37,487	-	29,948	-	67,435
Long-term Liabilities							
Compensated absences	21,171	-	-	-	-	-	21,171
Notes payable (net of current portion)	-	-	2,303,497	-	330,090	-	2,633,587
Net pension liability	301,139	-	-	-	-	-	301,139
Total Liabilities	332,188	4,660	2,372,162	-	373,405	17,563	3,099,978
DEFERRED INFLOWS OF RESOURCES							
Proportionate share of collective deferred inflows of resources - Pension plan	7,596	-	-	-	-	-	7,596
Total Deferred Inflows of Resources	7,596	-	-	-	-	-	7,596
NET POSITION							
Net investment in capital assets	6,586	23,395	2,028,532	63,320	2,007,059	973,716	5,102,608
Restricted	104,216	-	138,283	-	-	-	242,499
Unrestricted (deficit)	(248,577)	77,341	148,648	22,281	28,192	113,642	141,527
Total Net Position	$ (137,775)	$ 100,736	$ 2,315,463	$ 85,601	$ 2,035,251	$ 1,087,358	$ 5,486,634

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

PIKE COUNTY, GEORGIA
COMBINING STATEMENTS OF ACTIVITIES
COMPONENT UNITS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Pike County Department of Public Health	Pike County J. Joel Edwards Public Library	Pike County Water and Sewerage Authority	Pike County Agribusiness Authority	Development Authority of Pike County	Pike County Recreation Authority	Total
EXPENSES							
General government	$ -	$ -	$ -	$ 51,244	$ 125,576	$ -	$ 176,820
Health and welfare	456,033	-	-	-	-	-	456,033
Culture and recreation	-	142,090	-	-	-	494,323	636,413
Water and sewer	-	-	261,362	-	-	-	261,362
Interest on long term debt	-	-	105,320	-	16,806	-	122,126
Total Expenses	456,033	142,090	366,682	51,244	142,382	494,323	1,652,754
REVENUES							
Program revenues:							
Charges for services	235,013	7,882	153,372	40,514	-	165,818	602,599
Operating grants and contributions	213,093	130,047	141,180	12,850	170,000	301,175	968,345
Capital grants and contributions	-	19,382	-	-	-	41,945	61,327
Total Program Revenues	448,106	157,311	294,552	53,364	170,000	508,938	1,632,271
Net Program (Expense)	(7,927)	15,221	(72,130)	2,120	27,618	14,615	(20,483)
GENERAL REVENUES							
Interest earnings	71	79	784	10	1	74	1,019
Miscellaneous	-	144	-	-	-	1,566	1,710
Gain on the sale of asset	-	-	-	-	-	1,303	1,303
Insurance proceeds	-	-	-	-	-	3,000	3,000
Total General Revenues	71	223	784	10	1	5,943	7,032
Change in Net Position	(7,856)	15,444	(71,346)	2,130	27,619	20,558	(13,451)
Net Position - Beginning of year, restated	(129,919)	85,292	2,386,809	83,471	2,007,632	1,066,800	5,500,085
Net Position - End of year (deficit)	$ (137,775)	$ 100,736	$2,315,463	$ 85,601	$ 2,035,251	$1,087,358	$5,486,634

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

Pike 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, tax assessment and collection, culture and recreation, courts and health and welfare.

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

A. Reporting Entity

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 Statements No. 14 and 34," the County's relationships with other governments and agencies have been examined. The component unit columns in the combined financial statements include the financial data for the Pike County Department of Public Health, Pike County Library, Pike County Agribusiness Authority, Development Authority of Pike County, Pike County Water Authority, and the Pike County Recreation Authority, as of June 30, 2017. The financial information for the component units is reported in columns separate from the County's financial information to emphasize that it is legally separate from the County.

Pike County Department of Public Health (Health Department)

The Health Department is charged with determining the health needs and resources of its jurisdiction, developing programs, activities, and facilities responsive to those needs, and enforcing all laws related to health matters unless they fall under the jurisdiction of other agencies. The County appoints the voting majority of the board. The County provides significant operating subsidies to the department. The Health Department is presented as a governmental fund type. Complete financial statements of the Pike County Department of Public Health may be obtained from their administrative office at the following location:

Pike County Department of Public Health
201 Griffin Street
Zebulon, Georgia 30295

Pike County J. Joel Edwards Public Library

The Pike County J. Joel Edwards Public Library provides educational and other reading materials to the citizens of Pike County. The County provides significant operating subsidies to the library. The Pike County J. Joel Edwards Public Library is presented as a governmental fund type and only maintains a General Fund. Separate financial statements may be obtained from their administrative office at the following location:

Pike County J. Joel Edwards Public Library
P.O. Box 574
Zebulon, Georgia 30295

Pike County Agribusiness Authority

The Pike County Agribusiness Authority is a nonprofit 501(c) 3 organization that promotes agriculture in Pike County. The County provides significant operating subsidies to the Authority. The Pike County Agribusiness Authority is presented as a governmental fund type and only maintains a General Fund. The Pike County Agribusiness Authority does not issue separate financial statements.

Development Authority of Pike County

The Development Authority of Pike County promotes new industry and existing industry in Pike County. The County provides significant operating subsidies to the Authority. The Development Authority of Pike County is presented as a governmental fund type. Separate financial statements may be obtained from their administrative office at the following location:

Development Authority of Pike County
P.O. Box 1147
Zebulon, Georgia 30295

Pike County Water and Sewerage Authority

The Pike County Water and Sewerage Authority is responsible for developing necessary infrastructure to provide water and sewerage service to the unincorporated areas of Pike County. The County provides significant operating subsidies to the Authority. The Pike County Water and Sewerage Authority are presented as a governmental fund type. Separate financial statements may be obtained from their administrative office at the following location:

Pike County Water and Sewerage Authority
P.O. Box 948
Zebulon, Georgia 30295

Pike County Recreation Authority

The Pike County Recreation Authority is responsible for developing and promoting recreational needs within the County. The County provides significant operating subsidies to the Authority. The Pike County Recreation Authority is presented as a governmental fund type. Separate financial statements may be obtained from their administrative office at the following location:

Pike County Recreation Authority
P.O. Box 697
Zebulon, Georgia 30295

Under Georgia law, the County, in conjunction with other cities and counties in the five county RC membership, is a member of the Three Rivers 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 Board 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:

Three Rivers Regional Commission
P.O. Box 818
Griffin, Georgia 30224

B. Government-Wide and Fund Financial Statements

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

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

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

Government-Wide Financial Statements

The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

Fund Financial Statements

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

Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt services expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when the obligations are expected to be liquidated with expendable available financial resources.

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

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.

E911 Fund – The special revenue fund is used to account for the E911 fees collected and disbursements for the operations of the E911 call center.

LMIG Fund – The capital project fund is used to account for the proceeds and various projects associated with the Local Maintenance & Improvement Grant.

2016 SPLOST Fund – The capital project fund is used to account for the bond proceeds and various projects associated with the approved SPLOST.

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 – The Impact Fees Fund is used to account for the proceeds of impact fees collected and the capital projects approved for those funds. The Jail Construction fund is used to account for capital improvements made on the jail. Capital improvements fund was established to identify and monitor major capital expenditures of the County's various departments.

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 is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is 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."

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 are valued at cost using the first-in / first-out (FIFO) method and consist of expendable supplies. The cost of such inventories is recorded as expenditures / expenses when consumed rather than when purchased.

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 November 1, 2003) are reported in the governmental 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. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. The total interest expense incurred by the County during the current fiscal year was $73,849. Of this amount, $0 was applicable to construction of capital assets.

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

Building	25-40 years
Equipment	5-20 years
Infrastructure	50 years
Furniture	5 years
Vehicles	5 years
Intangible assets	3-5 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; proprietary and fiduciary fund 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. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

K. Deferred Inflows of Resources

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 only has one item that qualifies for reporting in

this category, which arises only under a modified accrual basis of accounting. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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 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:

- 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 Board of Commissioners. The Board of Commissioners approves committed resources through a resolution during a voting session of Board meetings.
- Assigned – amounts that are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. By resolution, the Board of Commissioners has authorized the County Manager or designee to assign fund balances.
- Unassigned – amounts that have not been assigned to other funds and that are not restricted, committed or assigned to specific purposes within the General Fund.

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

- Committed
- Assigned
- Unassigned

The County does not have a formal minimum fund balance policy.

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 June 30, 2017:

	General Fund	LMIG Fund	SPLOST 2016 Fund	Nonmajor Governmental	Total
Fund Balances					
Nonspendable					
Inventory	$ 3,349	$ -	$ -	$ -	$ 3,349
Prepaids	84,097	-	-	-	84,097
Restricted for					
Capital outlay	-	-	1,162,433	511,678	1,674,111
Road projects	-	532,881	-	-	532,881
Court programs	-	-	-	48,443	48,443
Law enforcement	-	-	-	194,736	194,736
Committed for					
Economic development	100,000	-	-	-	100,000
Water Infrastructure	100,000	-	-	-	100,000
Assigned for					
Working capital	506,265	-	-	-	506,265
Capital outlay	-	-	-	3,243	3,243
Juvenile court	-	-	-	11,724	11,724
Fire department	4,509	-	-	-	4,509
Unassigned	1,602,219	-	-	-	1,602,219
Total fund balances	$ 2,400,439	$ 532,881	$ 1,162,433	$ 769,824	$ 4,865,577

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 fiscal year ending June 30, 2017, the County's total contribution was $91,556 for the Workers Compensation Fund.

The County is a member of the ACCG Interlocal Risk Management Agency (ACCG-IRMA). This agency functions as a risk sharing arrangement among Georgia County governments and is administered by the Association of County Commissioners of Georgia (ACCG). The purpose of ACCG-IRMA is to establish and administer one or more group self-insurance funds; to establish and administer a risk management service; and to prevent or lessen the incidence or severity of casualty and property losses. Each member pays an annual contribution established by the Board of ACCG-IRMA. For the period July 1, 2016 – June 30, 2017, the County's total contribution was $132,660. ACCG-IRMA may develop and issue such self-insurance coverage descriptions, as it deems necessary. The current coverage provides a $1,000,000 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 Pike 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 County Manager submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following November 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 Pike 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 following General Fund department and Non-major Governmental Special Revenue Fund had excess of expenditures over appropriations in the amount shown for the fiscal year ended June 30, 2017.

General Fund:	
District Attorney	$ 5,034
Non-Major Governmental Fund:	
Juvenile Court	800

NOTE 3 – DEPOSITS

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 June 30, 2017 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 June 30, 2017, the carrying amount of deposits for the Pike County Department of Public Health, a discretely presented component unit, was $107,672. All of the bank balance was covered by federal depository insurance or by collateral held.

At June 30, 2017, the carrying amount of deposits for the Pike County Library, a discretely presented component unit, was $82,001. All of the bank balance was covered by federal depository insurance or by collateral held.

At June 30, 2017, the carrying amount of deposits for the Pike County Water and Sewerage Authority, a discretely presented component unit, was $304,347. All of the bank balance was covered by federal depository insurance or by collateral held.

At June 30, 2017, the carrying amount of deposits for the Pike County Agribusiness Authority, a discretely presented component unit, was $21,198. All of the bank balance was covered by federal depository insurance or by collateral held.

At June 30, 2017, the carrying amount of deposits for the Development Authority of Pike County, a discretely presented component unit, was $41,559. All of the bank balance was covered by federal depository insurance or by collateral held.

At June 30, 2017, the carrying amount of deposits for the Pike County Recreation Authority, a discretely presented component unit, was $129,418. All of the bank balance was covered by federal depository insurance or by collateral held.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt investments will adversely affect the fair value of an investment. The County does not have a formal policy for managing interest rate risk.

Credit Quality Risk

Georgia law authorizes local governments to invest in the following types of obligations: obligations of the State of Georgia or any other states; obligations issues by the United States; obligations fully insured or guaranteed by the United States government or governmental agency; prime banker's acceptances; State of Georgia Local Government Investment Pool; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

NOTE 4 – PROPERTY TAXES

The Board of Commissioners levied property taxes on September 7, 2016. Property taxes attached as an enforceable lien on property as of January 1. Property taxes were billed on September 20, 2016 and were payable on December 20, 2016.

NOTE 5 – RECEIVABLES

Receivables at June 30, 2017, consist of the following:

	General Fund	E911 Fund	2016 SPLOST Fund	Total
Receivables				
Taxes	$ 248,105	$ -	$ 95,818	$ 343,923
Accounts	41,716	61,630	-	103,346
Gross Receivables	289,821	61,630	95,818	447,269
Less: Allowance for Uncollectible	(66,644)	-	-	(66,644)
Net Total Receivables	$ 223,177	$ 61,630	$ 95,818	$ 380,625

NOTE 6 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at June 30, 2017, are as follows:

	State	Local	Total
Fund			
General Fund	$ 70,907	$ 6,002	$ 76,909
Nonmajor Governmental Fund	-	536	536
Total	$ 70,907	$ 6,538	$ 77,445

The amounts due from state government are primarily for sales tax and grant funds.

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2017, is as follows:

Due to / from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	E911 Fund	$ 127,220
Total		$ 127,220

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:

	Transfer In:			
	E911 Fund	LMIG Fund	Nonmajor Governmental Fund	Total
Transfer Out:				
General Fund	$ 199,633	$ 395,804	$ 25,000	$ 620,437
Total	$ 199,633	$ 395,804	$ 25,000	$ 620,437

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 subsides or matching fund for various grant programs.

NOTE 8 – CAPITAL ASSETS

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental Activities				
Capital assets, not being depreciated				
Land	$ 317,020	$ -	$ -	$ 317,020
Total capital assets, not being depreciated	317,020	-	-	317,020
Capital assets, being depreciated				
Buildings	7,389,131	-	-	7,389,131
Furniture and Fixtures	5,693	5,673	-	11,366
Machinery and equipment	4,813,107	93,613	-	4,906,720
Vehicles	4,057,941	284,947	(2,100)	4,340,788
Intangible assets	27,995	-	-	27,995
Infrastructure	735,510	273,724	-	1,009,234
Total capital assets, being depreciated	17,029,377	657,957	(2,100)	17,685,234
Less accumulated depreciation for				
Buildings	(1,929,508)	(185,469)	-	(2,114,977)
Furniture and Fixtures	(3,683)	(1,820)	-	(5,503)
Machinery and equipment	(2,846,195)	(475,205)	-	(3,321,400)
Vehicles	(3,493,127)	(191,018)	489	(3,683,656)
Intangible assets	(27,995)	-	-	(27,995)
Infrastructure	(109,543)	(18,137)	-	(127,680)
Total accumulated depreciation	(8,410,051)	(871,649)	489	(9,281,211)
Total capital assets, being depreciated, net	8,619,326	(213,692)	(1,611)	8,404,023
Governmental activities capital assets, net	$ 8,936,346	$ (213,692)	$ (1,611)	8,721,043
				(769,814)
				$ 7,951,229

In accordance with GASB 51 the County has identified intangible assets which are fully amortized.

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

Governmental activities	
General government	$ 138,734
Public safety	297,579
Public works	404,627
Courts	5,246
Culture and recreation	17,857
Health and Welfare	7,606
Total depreciation expense - governmental activities	$ 871,649

Activity for the Pike County Water and Sewerage Authority for the fiscal year ended June 30, 2017 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Discretely presented component units					
Capital assets, being depreciated					
Capitalized interest	$ -	$ -	$ -	$ -	$ -
Water tower, well and treatment plant	380,595	-	-	-	380,595
Water and sewer lines	5,533,204	-	-	-	5,533,204
Vehicle	20,557	-	-	-	20,557
Storage building	2,700	-	-	-	2,700
Total capital assets, being depreciated	5,937,056	-	-	-	5,937,056
Less accumulated depreciation for					
Water tower, well and treatment plant	(84,329)	(14,555)	-	-	(98,884)
Water and sewer lines	(1,308,910)	(136,658)	-	-	(1,445,568)
Vehicle	(20,559)	-	-	-	(20,559)
Storage building	(2,443)	(86)	-	-	(2,529)
Total accumulated depreciation	(1,416,241)	(151,299)	-	-	(1,567,540)
Total capital assets, being depreciated, net	4,520,815	(151,299)	-	-	4,369,516
Water and sewerage authority capital assets, net	$4,520,815	$ (151,299)	$ -	$ -	$4,369,516

Activity for the Pike County Agribusiness Authority for the fiscal year ended June 30, 2017 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Capital assets, not being depreciated					
Land	$ 24,952	$ -	$ -	$ -	$ 24,952
Total capital assets, not being depreciated	24,952	-	-	-	24,952
Capital assets, being depreciated					
Building	82,496	-	-	-	82,496
Site improvements	19,050	-	-	-	19,050
Total capital assets, being depreciated	101,546	-	-	-	101,546
Less accumulated depreciation for					
Building	(45,541)	(719)	-	(1,905)	(48,165)
Site improvements	(11,432)	(5,486)	-	1,905	(15,013)
Total accumulated depreciation	(56,973)	(6,205)	-	-	(63,178)
Total capital assets, being depreciated, net	44,573	(6,205)	-	-	38,368
Agribusiness authority capital assets, net	$ 69,525	$ (6,205)	$ -	$ -	$ 63,320

Activity for the Development Authority of Pike County for the fiscal year ended June 30, 2017 was as follows:

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Capital assets, not being depreciated					
Land	$ 2,376,304	$ -	$ (133,959)	$ (28,337)	$ 2,214,008
Total capital assets, not being depreciated	2,376,304	-	(133,959)	(28,337)	2,214,008
Capital assets, being depreciated:					
Infrastructure	-	127,165	-	28,337	155,502
Equipment	7,950	-	-		7,950
Total capital assets, being depreciated	7,950	127,165	-	28,337	163,452
Less accumulated depreciation for:					
Infrastructure	-	(2,413)	-	-	(2,413)
Equipment	(7,950)	-	-	-	(7,950)
Total accumulated depreciation	(7,950)	(2,413)	-	-	(10,363)
Total capital assets, being depreciated, net	-	124,752	-	28,337	153,089
Development authority capital assets, net	$ 2,376,304	$ 124,752	$ (133,959)	$ -	$ 2,367,097

Activity for the Pike County Recreation Authority for the fiscal year ended June, 30, 2017 was as follows:

	Beginning Balance	Increase	Decrease	Ending Balance
Capital assets, not being depreciated				
Land	$475,000	$ -	$ -	$475,000
Total capital assets, not being depreciated	475,000	-	-	475,000
Capital assets, being depreciated				
Building & improvements	451,954	32,920	-	484,874
Furniture, fixtures & equipment	474,641	7,665	-	482,306
Vehicles	15,708	-	-	15,708
Infrastructure	9,780	-	-	9,780
Total capital assets, being depreciated	952,083	40,585	-	992,668
Less accumulated depreciation for				
Building	(158,326)	(16,259)	-	(174,585)
Furniture, fixtures & equipment	(274,565)	(23,986)	-	(298,551)
Vehicles	(15,708)	-	-	(15,708)
Infrastructure	(4,456)	(652)	-	(5,108)
Total accumulated depreciation	(453,055)	(40,897)	-	(493,952)
Total capital assets, being depreciated, net	499,028	(312)	-	498,716
Recreation authority capital assets, net	$974,028	$ (312)	$ -	$973,716

NOTE 9 – LONG-TERM DEBT

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

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2017, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Notes Payables					
First Bank of Pike - Sheriff Cars	$ 9,654	$ -	$ (9,654)	$ -	$ -
Capital Leases					
Caterpillar #1 - Road Equipment	806,419	-	(73,216)	733,203	733,203
Caterpillar #3 - Road Equipment	44,192	-	(7,583)	36,609	36,609
John Deere #1 - Road Equipment	8,446	-	(8,445)	1	1
John Deere #2 - Road Equipment	60,108	-	(60,107)	1	1
General Obligation Bonds					
2016 Bonds	4,640,000	-	-	4,640,000	630,000
Landfill postclosure cost	252,687	-	(100,197)	152,490	23,340
Compensated absences	159,331	202,111	(164,423)	197,019	137,913
Governmental activity					
Long-term liabilities	$ 5,980,837	$ 202,111	$ (423,625)	$ 5,759,323	$ 1,561,067

Note Payables

First Bank of Pike – Sheriff Cars

During 2014, the County entered into a $56,348 note payable with the First Bank of Pike for the financing of two Sheriff cars. The note is due in monthly installments of $1,619 to December 1, 2016. Interest is at 2.20%. Total interest paid for fiscal year 2017 was $70. The First Bank of Pike – Sheriff Cars note payable was paid in full during fiscal year 2017.

Capital Lease Payables:

Caterpillar Financial Services Corporation #1

The County obtained a $1,106,861 capital lease from Caterpillar Financial Services Corporation for the financing of Public Works road equipment. The equipment has a seven-year estimated useful life. This year, $207,862 was included in depreciation expense and accumulated depreciation of $1,010,915. Total interest paid for fiscal year 2017 was $24,608. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017 were as follows:

Year Ending	Governmental Activities	
June 30th	Principal	Interest
2018	$ 733,203	$ 2,910
Total	$ 733,203	$ 2,910

Caterpillar Financial Services Corporation #3

The County obtained a $53,987 capital lease from Caterpillar Financial Services Corporation for the financing of Public Works road equipment. The equipment has a seven-year estimated useful life. This year, $9,195 was included in depreciation expense and accumulated depreciation of $22,093. Total interest paid for fiscal year 2017 was $1,345. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017 were as follows:

Year Ending	Governmental Activities	
June 30th	Principal	Interest
2018	$ 36,609	$ 732
Total	$ 36,609	$ 732

John Deere Financial #1

The County obtained a $39,104 capital lease from John Deere Financial for the financing of Public Works road equipment. The equipment has a seven-year estimated useful life. This year, $11,131 was included in depreciation expense and accumulated depreciation of $53,398. Total interest paid for fiscal year 2017 was $61. The County's only future obligation is the $1 bargain purchase price for the road equipment.

John Deere Financial #2

The County obtained a $217,309 capital lease from John Deere Financial for the financing of Public Works road equipment. The equipment has a seven-year estimated useful life. This year $48,421 was included in depreciation expense and accumulated depreciation of $232,288. Total interest paid for fiscal year 2017 was $1,674. The County's only future obligation is the $1 bargain purchase price for the road equipment.

General Obligation Bonds – On June 30, 2016, the County issued the $4,640,000 Pike County, Georgia General Obligation Sales Tax Bonds Series 2016.

The Series 2016 Bonds were issued for the purpose of funding the cost of the County Projects, the Municipal Projects, capitalized interest and the cost of issuing the debt. Interest on the General Obligation Sales Tax Bonds, Series 2016 is 1.49% over the life of the bonds. Interest is paid semi-annually on March 1 and September 1 of each year and principal is to be paid on September 1. Total interest paid for fiscal year 2017 was $46,091. Annual debt service requirements to maturity for this bond issue are as follows:

Year Ending	Governmental Activities	
June 30th	Principal	Interest
2018	$ 630,000	$ 64,442
2019	730,000	54,311
2020	760,000	43,210
2021	800,000	31,588
2022	840,000	19,370
2023	880,000	6,556
Total	$ 4,640,000	$ 219,477

Landfill Closure Costs – In 1994, the County closed its landfill site. State regulations require the County to perform certain maintenance and monitoring functions for thirty years after closure, Under GASB 18, the County is required to disclose the estimated maintenance and monitoring cost of $152,490. The required plan for closure of the landfill was adopted by the County and approved by the State of Georgia. Estimates were outlined in the plan and updated in 2017. These costs are subject to change due to inflation or deflation, technology or applicable laws and regulations. The County is not required to commit current financial resources to guarantee future maintenance and monitoring activities.

Discretely presented component units:

Activity for the Pike County Water and Sewer Authority for the fiscal year ended June 30, 2017, was as follows:

	Restated Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
USDA note payable	$ 2,376,833	$ -	$ (35,849)	$ 2,340,984	$ 37,847
Water and sewer authority long-term liabilities	$ 2,376,833	$ -	$ (35,849)	$ 2,340,984	$ 37,847

Activity for the Development Authority of Pike County for the fiscal year ended June 30, 2017, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
United Bank Loan	$ 423,711	$ 5,101	$ (68,774)	$360,038	$ 29,948
Development authority long-term liabilities	$ 423,711	$ 5,101	$ (68,774)	$360,038	$ 29,948

Activity for the Pike County Recreation Authority for the fiscal year ended June 30, 2017, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Compensated Absences	$ 7,989	$ 7,710	$ (10,399)	$5,300	$ 5,300
Recreation authority long-term liabilities	$ 7,989	$ 7,710	$ (10,399)	$5,300	$ 5,300

NOTE 10 – OPERATING LEASES

The County leases road equipment for the public works department. Total costs for the leases were $80,965 for the year ended June 30, 2017. The future minimum lease payments for these leases are as follows:

	Well Fargo #603-0147812-000	Well Fargo #603-0147808-000	Caterpillar #001-0811044-000	Caterpillar #001-0811056-000
2018	$ 22,399	$ 22,399	$ 18,084	$ 18,084
2019	22,399	22,399	18,084	18,084
2020	22,399	22,399	18,084	18,084
2021	22,399	22,399	18,084	18,084
Total	$ 89,596	$ 89,596	$ 72,336	$ 72,336

NOTE 11 – EMPLOYEE RETIREMENT PLANS

ACCG Defined Contribution Plan

Plan Description

The County contributes to the Association of County Commissioners of Georgia (ACCG) Defined Contribution Plan 401(a), administered by the Government Employee Benefits Corporation of Georgia (GEBCorp), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for Counties in the State of Georgia. GEBCorp provides retirement and death benefits to plan members and beneficiaries. GEBCorp issues a publicly available financial report that includes financial statements and required supplementary information for the County. That report may be obtained by writing to:

1100 Circle 75 Parkway
Suite 300
Atlanta, Georgia 30339

Funding Policy

County employees are required to contribute to the plan if they are to be members and receive the County match. The required member contribution is equal to 3% of the member's gross salary. The County is required to contribute 1% of the members' gross salary. The Plan provisions are established and may be amended by the Pike County Board of Commissioners and the ACCG Defined Benefit Board of Trustees. The contribution requirements of the plan members are established and may be amended by the ACCG Defined Benefit Board of Trustees. The County's contributions to GEBCorp for the fiscal year ended June 30, 2017 were $13,599. The Member's contributions to GEBCorp for the fiscal year ended June 30, 2017 were $45,374.

NOTE 12 – SPECIAL FUNDING DEFINED BENEFIT PENSION PLANS

A. 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. Since the State is providing all contributions on behalf of the counties through fines and court fees (thereby creating a special funding situation), the proportionate share of the net pension liability is being split evenly over all counties in Georgia. Therefore, each county's proportionate share to be disclosed will be 0.6289308% of the collective net pension liability, or $402,696.

GASB Number 68 also requires disclosure of the employer's proportion (percentage) of the collective net pension liability and the changes in proportion since the prior measurement date. Because this plan is considered to be a special funding situation, 100% of the collective net pension liability is allocated to the State.

In addition to disclosing the non-employer contributing entities' proportional share of the net pension liability, employers are required to recognize and report in the financial statements on behalf revenue along with pension expense associated with their proportional share of the collective pension expense. For the fiscal year ending June 30, 2017, the County has recognized $161,789 of on behalf revenue along with pension expense.

June 30, 2016 is the actuarial valuation date upon which the total pension liability is based.

B. 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 Pike 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 Pike 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 Pike 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 Pike 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 Pike 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 fiscal year ended June 30, 2017, 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.

NOTE 14 – RESTATEMENT OF EQUITY BALANCES – PIKE COUNTY WATER AND SEWERAGE AUTHORITY - COMPONENT UNIT

The Pike County Water and Sewerage Authority, a component unit of Pike County, Georgia, was required to restate their USDA Loan balances due to incorrect confirmed balances for fiscal year 2016.

NOTE 15 – EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through March 15, 2018, the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

PIKE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE SHERIFF'S RETIREMENT FUND OF GEORGIA

	2017	2016	2015
County's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%
County's proportionate share of the net pension liability (asset)	$ -	$ -	$ -
State's proportionate share of the net pension liability (asset) associated with the County	402,696	138,671	124,539
Total	$ 402,696	$ 138,671	$ 124,539
County's covered-employee payroll	78,583	71,813	71,102
County's proportionate share of the net pension liability (asset as a percentage of its covered-employee payroll)	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	56.67%	80.25%	81.88%

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

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.

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

Law Enforcement Confiscation Fund – This fund accounts for Federal and State condemned funds received and disbursed for Law Enforcement expenditures.

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

Juvenile Court Fund – This fund accounts for the supervisory fees collected by Superior Court and disbursed for Council of Juvenile Court Judges.

CAPITAL PROJECTS FUNDS

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

Impact Fees Fund – The Impact Fees Fund is used to account for the proceeds of impact fees collected and the capital projects approved for those funds.

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

Capital Improvements Fund – This fund was established to identify and monitor major capital expenditures of the County's various departments.

2011 SPLOST Fund – This fund is used to account for the proceeds and various projects associated with the approved SPLOST.

PIKE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017

	Special Revenue Funds			
	Law Library	Law Enforcement Confiscation	Drug Abuse Treatment	Juvenile Court
ASSETS				
Cash and cash equivalents	$ 5,657	$ 182,668	$ 42,250	$ 12,124
Due from other governments	-	-	536	-
Total Assets	$ 5,657	$ 182,668	$ 42,786	$ 12,124
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	$ -	$ 9,503	$ -	$ 400
Total Liabilities	-	9,503	-	400
Fund Balances				
Restricted	5,657	173,165	42,786	-
Assigned	-	-	-	11,724
Total Fund Balances	5,657	173,165	42,786	11,724
Total Liabilities and Fund Balances	$ 5,657	$ 182,668	$ 42,786	$ 12,124

PIKE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2017
(CONTINUED)

Capital Project Funds				Total Nonmajor Governmental Funds
Impact Fees Fund	Jail Construction	Capital Improvements	2011 SPLOST Fund	
$ 511,678	$ 21,571	$ 3,243	$ -	$ 779,191
-	-	-	-	536
$ 511,678	$ 21,571	$ 3,243	$ -	$ 779,727
$ -	$ -	$ -	$ -	$ 9,903
-	-	-	-	9,903
511,678	21,571	-	-	754,857
-	-	3,243	-	14,967
511,678	21,571	3,243	-	769,824
$ 511,678	$ 21,571	$ 3,243	$ -	$ 779,727

PIKE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Special Revenue Funds			
	Law Library	Law Enforcement Confiscation	Drug Abuse Treatment	Juvenile Court
REVENUES				
Licenses and Permits	$ -	$ -	$ -	$ -
Fines and forfeitures	9,729	25,392	9,191	3,030
Other revenues	-	-	1,253	-
Interest earnings	-	8	52	7
Total Revenues	9,729	25,400	10,496	3,037
EXPENDITURES				
Current				
General government	-	-	-	-
Public safety	8,432	7,970	8,249	5,800
Public works	-	-	-	-
Culture and recreation	-	-	-	-
Capital Outlay	-	49,218	-	-
Total Expenditures	8,432	57,188	8,249	5,800
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,297	(31,788)	2,247	(2,763)
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	1,297	(31,788)	2,247	(2,763)
Fund balance, beginning of year	4,360	204,953	40,539	14,487
Fund balance, end of year	$ 5,657	$ 173,165	$ 42,786	$ 11,724

PIKE COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

Capital Project Funds				Total Nonmajor Governmental Funds
Impact fees Fund	Jail Construction	Capital Improvements	2011 SPLOST Fund	
$ 240,568	$ -	$ -	$ -	$ 240,568
-	15,889	-	-	63,231
-	3,775	-	-	5,028
219	15	7	70	378
240,787	19,679	7	70	309,205
-	-	18,858	-	18,858
-	10,041	-	-	40,492
-	-	-	369,083	369,083
61,327	-	-	-	61,327
7,820	-	10,000	9,475	76,513
69,147	10,041	28,858	378,558	566,273
171,640	9,638	(28,851)	(378,488)	(257,068)
-	-	25,000	-	25,000
-	-	25,000	-	25,000
171,640	9,638	(3,851)	(378,488)	(232,068)
340,038	11,933	7,094	378,488	1,001,892
$ 511,678	$ 21,571	$ 3,243	$ -	$ 769,824

PIKE COUNTY, GEORGIA

LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Fines and forfeitures	$ 100	$ 9,729	$ 9,629
Total Revenues	100	9,729	9,629
EXPENDITURES			
Current			
Public safety	8,432	8,432	-
Total Expenditures	8,432	8,432	-
Net change in fund balance	(8,332)	1,297	9,629
Fund balance - beginning of year	4,360	4,360	-
Fund balance - end of year	$ (3,972)	$ 5,657	$ 9,629

PIKE COUNTY, GEORGIA

LAW ENFORCEMENT CONFISCATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Fines and forfeitures	$ 5,000	$ 25,392	$ 20,392
Interest income	-	8	8
Total Revenues	5,000	25,400	20,400
EXPENDITURES			
Current			
Public safety	7,970	7,970	-
Capital outlay	49,218	49,218	-
Total Expenditures	57,188	57,188	-
Net change in fund balance	(52,188)	(31,788)	20,400
Fund balance - beginning of year	204,953	204,953	-
Fund balance - end of year	$ 152,765	$ 173,165	$ 20,400

PIKE COUNTY, GEORGIA

DRUG ABUSE TREATMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Fines and forfeitures	$ 9,970	$ 9,191	$ (779)
Other income	-	1,253	$ 1,253
Interest income	30	52	22
Total Revenues	10,000	10,496	496
EXPENDITURES			
Current			
Public safety	10,000	8,249	1,751
Total Expenditures	10,000	8,249	1,751
Net change in fund balance	-	2,247	2,247
Fund balance - beginning of year	40,539	40,539	-
Fund balance - end of year	$ 40,539	$ 42,786	$ 2,247

PIKE COUNTY, GEORGIA

JUVENILE COURT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Final Budget	Actual	Variance with Final Budget
REVENUES			
Intergovernmental revenues	$ 2,500	$ -	$ (2,500)
Fines and forfeitures	2,500	3,030	530
Interest income	-	7	7
Total Revenues	5,000	3,037	(1,963)
EXPENDITURES			
Current			
Public safety	5,000	5,800	(800)
Total Expenditures	5,000	5,800	(800)
Net change in fund balance	-	(2,763)	(2,763)
Fund balance - beginning of year	14,487	14,487	-
Fund balance - end of year	$ 14,487	$ 11,724	$ (2,763)

PIKE COUNTY, GEORGIA

SCHEDULE OF PROJECT EXPENDITURES WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Project 2011 Special Local Option Sales Tax	Original Estimated Budget	Amended Estimated Budget	Expenditures Prior Years	Expenditures Current Year	Total
Courthouse Renovations	$2,500,000	$3,200,000	$3,285,162	$ -	$3,285,162
Road, Street and Bridge Projects	2,900,000	2,200,000	1,340,605	378,558	1,719,163
Total 2011 SPLOST	$5,400,000	$5,400,000	$4,625,767	$ 378,558	$5,004,325

* The 2011 Special Local Option Sales Tax was closed out during fiscal year 2017.

PIKE COUNTY, GEORGIA

SCHEDULE OF PROJECT EXPENDITURES WITH SPECIAL SALES TAX PROCEEDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Project 2016 Special Local Option Sales Tax	Original Estimated Budget	Expenditures Prior Years	Expenditures Current Year	Total
Road, Street and Bridge Projects	$4,026,432	$ -	$3,283,759	$3,283,759
Debt Service:				
Interest	265,568	-	46,091	46,091
Issuance Cost	-	36,700	-	36,700
Intergovernmental:				
City of Williamson	197,200	-	156,512	156,512
City of Zebulon	689,040	-	546,873	546,873
City of Meansville	174,000	-	139,108	139,108
City of Molena	241,860	-	191,958	191,958
City of Concord	205,900	-	162,178	162,178
Total 2016 SPLOST	$5,800,000	$ 36,700	$4,526,479	$4,563,179

PIKE COUNTY, GEORGIA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Total - All Agency Funds				
ASSETS				
Cash and cash equivalents	$ 487,086	$ 13,567,604	$ 13,520,591	$ 534,099
Total Assets	$ 487,086	$ 13,567,604	$ 13,520,591	$ 534,099
LIABILITIES				
Due to Board of Education	$ 339,265	$ 7,850,897	$ 8,044,271	$ 145,891
Due to State of Georgia	132	2,058,446	1,900,829	157,749
Due to Other Governments	6,776	120,084	119,561	7,299
Other	140,913	3,538,177	3,455,930	223,160
Total Liabilities	$ 487,086	$ 13,567,604	$ 13,520,591	$ 534,099

PIKE COUNTY, GEORGIA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Superior Court				
ASSETS				
Cash and cash equivalents	$ 41,245	$ 252,894	$ 243,540	$ 50,599
Total Assets	$ 41,245	$ 252,894	$ 243,540	$ 50,599
LIABILITIES				
Other	$ 41,245	$ 252,894	$ 243,540	$ 50,599
Total Liabilities	$ 41,245	$ 252,894	$ 243,540	$ 50,599
Probate Court				
ASSETS				
Cash and cash equivalents	$ 5,012	$ 80,937	$ 80,962	$ 4,987
Total Assets	$ 5,012	$ 80,937	$ 80,962	$ 4,987
LIABILITIES				
Other	$ 5,012	$ 80,937	$ 80,962	$ 4,987
Total Liabilities	$ 5,012	$ 80,937	$ 80,962	$ 4,987

PIKE COUNTY, GEORGIA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Magistrate Court				
ASSETS				
Cash and cash equivalents	$ 4,374	$ 50,191	$ 46,521	$ 8,044
Total Assets	$ 4,374	$ 50,191	$ 46,521	$ 8,044
LIABILITIES				
Other	$ 4,374	$ 50,191	$ 46,521	$ 8,044
Total Liabilities	$ 4,374	$ 50,191	$ 46,521	$ 8,044
Sheriff's Office				
ASSETS				
Cash and cash equivalents	$ 31,910	$ 4,913	$ 2,985	$ 33,838
Total Assets	$ 31,910	$ 4,913	$ 2,985	$ 33,838
LIABILITIES				
Other	$ 31,910	$ 4,913	$ 2,985	$ 33,838
Total Liabilities	$ 31,910	$ 4,913	$ 2,985	$ 33,838

PIKE COUNTY, GEORGIA

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017
(CONTINUED)

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
Tax Commissioner's Office				
ASSETS				
Cash and cash equivalents	$ 404,545	$ 13,178,669	$ 13,146,583	$ 436,631
Total Assets	$ 404,545	$ 13,178,669	$ 13,146,583	$ 436,631
LIABILITIES				
Due to Board of Education	$ 339,265	$ 7,850,897	$ 8,044,271	$ 145,891
Due to State of Georgia	132	2,058,446	1,900,829	157,749
Due to Other Governments	6,776	120,084	119,561	7,299
Other	58,372	3,149,242	3,081,922	125,692
Total Liabilities	$ 404,545	$ 13,178,669	$ 13,146,583	$ 436,631

PIKE COUNTY, GEORGIA

BALANCE SHEET
PIKE COUNTY AGRIBUSINESS AUTHORITY
COMPONENT UNIT
JUNE 30, 2017

ASSETS		
Cash and cash equivalents	$	21,198
Accounts receivable		1,083
Total Assets	$	22,281
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	$	-
Total Liabilities		-
Fund Balance		
Unassigned		22,281
Total Fund Balance		22,281
Total Liabilities and Fund Balance	$	22,281

PIKE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
PIKE COUNTY AGRIBUSINESS AUTHORITY
COMPONENT UNIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

REVENUES		
Intergovernmental revenue	$	13,000
Interest earnings		10
Other miscellaneous revenues		40,364
Total Revenues		53,374
EXPENDITURES		
Current		
General government		45,038
Total Expenditures		45,038
Net change in fund balance		8,336
Fund Balance, beginning of year		13,945
Fund Balance, end of year	$	22,281

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*

Board of Commissioners
Pike County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pike County, Georgia as of and for the year ended June 30, 2017 and the related notes to the financial statements, which collectively comprise Pike County, Georgia's basic financial statements, and have issued our report thereon dated March 15, 2018. Our report includes a reference to other auditors who audited the financial statements of the Pike County Department of Public Health, as described in our report on Pike County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Pike County, Georgia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Pike County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Pike County, Georgia'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses that we consider to be a material weaknesses. 2017-001

Compliance and Other Matters

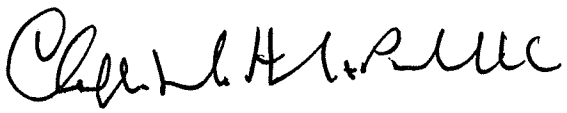
As part of obtaining reasonable assurance about whether Pike County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and 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*.

Pike County, Georgia's Response to the Findings

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

Purpose of this Report

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



Macon, Georgia
March 15, 2018

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*:

2017-001 Capital Assets

CRITERIA
Accounting and control procedures should be designed to insure that capital asset activity is recorded and reported. Capital asset records must be supported by detailed records that include location, department, cost, estimated useful life, depreciation and other detail supporting documentation.

CONDITION
The County's capital asset subsidiary ledgers did not agree with prior year ending capital asset reported balances. In addition, the capital asset subsidiary ledgers did not include all current year asset additions.

CONTEXT
Material audit adjustments were required to fairly state the County's capital asset subsidiary ledgers for the year ended June 30, 2017:

- Material adjustments of $349,869 were required to remove prior year disposals.
- Material adjustments of $96,124 were required to increase capital assets for additions.
- Other adjustments were required to remove assets that should not have been capitalized.

EFFECT
The County's capital asset subsidiary ledgers contained material errors which were identified and adjusted during the annual audit process.

CAUSE
The County did not have adequate internal control procedures in place to insure that capital asset subsidiary ledgers were complete and accurate.

RECOMMENDATION
We recommend that the County establish internal control procedures to ensure that the capital asset records are complete, accurate and properly reported.

VIEWS OF RESPONSIBLE OFFICIALS AND PLANNED CORRECTIVE ACTIONS
We agree with the finding. We will develop a procedure to insure a check and balance system is in place for all future capital asset additions as they are incurred.