

**Comprehensive Annual Financial Report
Year Ended December 31, 2016
Jackson County, Georgia**



Prepared by: The Office of Financial Administration

**JACKSON COUNTY, GEORGIA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED December 31, 2016**

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JACKSON COUNTY BOARD OF COMMISSIONERS

67 ATHENS STREET • JEFFERSON, GEORGIA 30549 • 706-367-6312

Tom Crow
Chairperson

Jim Hix
District 1

Chas Hardy
District 2

Ralph Richardson, Jr.
District 3

Dwain Smith
District 4

June 27, 2017

The Honorable Tom Crow, Chairman,
Members of the Board of Commissioners, and
The Citizens of Jackson County Georgia

The Official Code of Georgia as Amended (OCGA) requires that county governments publish, within six months of the end of each of their fiscal years, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed, certified, public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of Jackson County, Georgia (the "County") for the fiscal year ended December 31, 2016.

This report consists of management's representation concerning the finances of the County. Consequently, management assumes full responsibility for the completeness and responsibility of all the information presented in this CAFR. To provide a reasonable basis for making these representations, management of the County has established a comprehensive, internal control framework that is designed both to protect the County's assets from loss, theft or misuse, and to compile sufficient, reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the costs of internal controls should *not* outweigh their benefits, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this CAFR is complete and reliable in all material respects.

The County's financial statements have been audited by Bates, Carter & Co., LLP, a firm of licensed, certified, public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County for the fiscal year ended December 31, 2016 are free from material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended December 31, 2016, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this CAFR.

As a recipient of federal and state financial assistance, the County is also responsible for ensuring that adequate, internal controls are in place to assure compliance with applicable

laws and regulations related to those programs. Thus, internal controls are subject to periodic evaluation by management.

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. In 2003, the County adopted the new reporting model required by GASB Statement No. 34 (GASB # 34). As part of the requirements contained in GASB # 34, management is to present a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of *Management’s Discussion and Analysis* (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County’s MD&A is found directly following the independent auditor’s opinion in the financial section of this CAFR.

Geographical and Economic Profile of the County

Jackson County is located on the upper fringes of the Piedmont Plateau in Northeastern Georgia. The City of Jefferson serves as the County Seat and is located approximately five miles off of U.S. Interstate Highway 85 (I-85). I-85 runs from southwest to northeast from Montgomery, Alabama to its confluence with I-95 in Richmond, Virginia. The City of Atlanta is less than one hour’s travel time along I-85 from most sections of the County. Jefferson is about 20 miles from Athens, which is the home of the state’s flagship institution of higher learning, the University of Georgia.

With the close proximity of I-85 and other major highways and railways, the County has become home to several large distribution and manufacturing facilities and continues to attract quality economic development because of the location and available workforce. Among these businesses are Ollie’s, Southeast Toyota Distributors, and Huber Wood Products in Commerce; Haverty’s Furniture, Whole Foods, Carter’s, Hitachi-Koki, Mayfield Dairy, Williams Sonoma, Amazon, U-Line, and Safelite near Braselton; Toyota Industries of North America, Denso Corporation, Wayne Poultry, and Bed Bath and Beyond near Pendergrass; and The Kubota Corporation, Mission Foods, TJX HomeGoods, DSC Logistics, and Aldi in Jefferson. Just outside the City of Commerce is a major retail outlet mall along the I-85 corridor, which provides employment and sales tax revenues to the County. U.S. Highway 441, which runs north and south from Knoxville, Tennessee to the state of Florida, runs through Commerce, giving it ready access from virtually any point within the four-state area of Tennessee, North Carolina, South Carolina, and Georgia. Jackson County is served by the Norfolk Southern and CSX rail lines.

Jackson County saw another banner year of growth and activity for 2016, attracting four new projects and five expansions that totaled approximately \$176 million in new investment and created approximately 1,100 new jobs. Williams-Sonoma (\$70 million investment, 230 jobs), Benore Logistics (\$3 million investment, 67 new jobs), Amazon (\$55 million investment, 700 jobs), and Hubbell Incorporated (\$12.6 million investment, 100 jobs) have all made Jackson County their new home. Expansions from established industries such as Deutz (\$8 million), Huber (\$10 million), Resilux (\$2 million), and SteelPlate Atlanta (\$270,000) as well as an announced expansion for Kubota Tractor Corp (\$16 million) all indicate the strength and vitality of Jackson County’s growing economy.

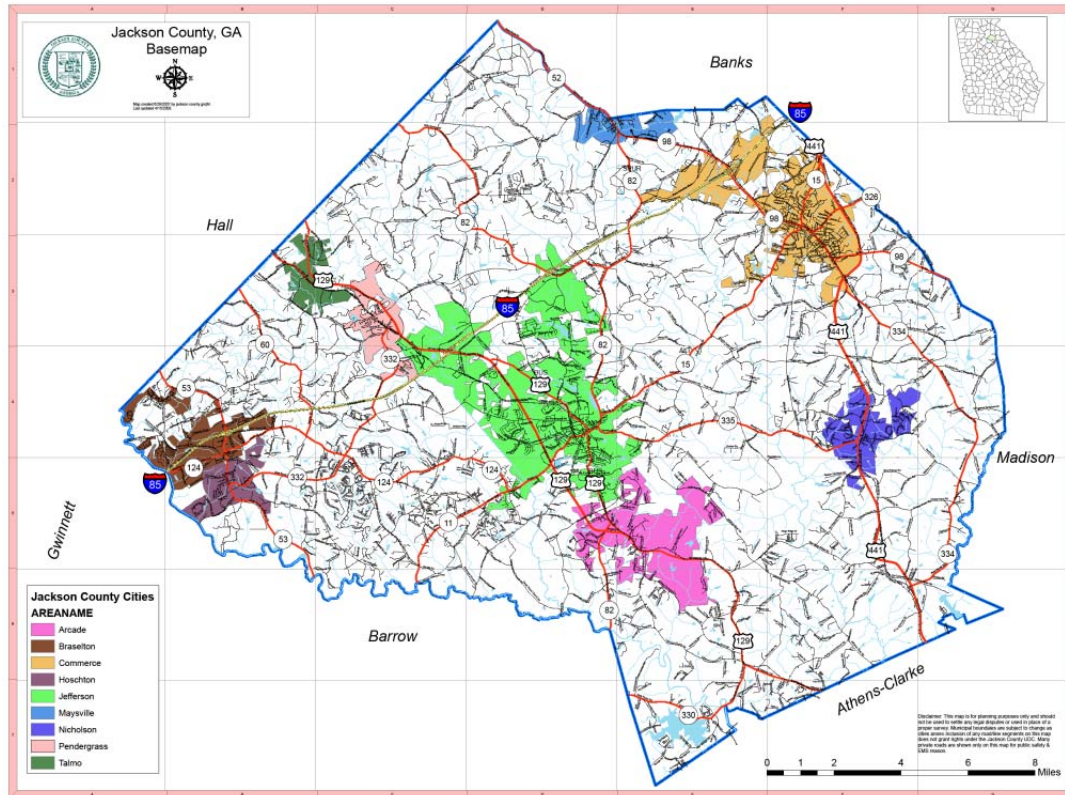
At the beginning of 2016, Jackson County received international recognition for its efforts when it was named one of the “Best in the US for Economic Development” in the Micropolitan category by Site Selection Magazine. Out of 576 Micropolitans in the U.S., Jackson County landed in the Top 75. Another report in 2016 revealed that Jackson County earned a spot in the United States’ top 100 fastest-growing counties between 2014 and 2015, according to data from the U.S. Census Bureau.

Construction for new speculative industrial space remains strong. Patillo Industrial Real Estate has built a 450,000 sq.ft. building in its McClure Industrial Park, completed in September. Trammell Crow has two buildings under construction in its Jefferson Mill development with a third building planned for the future, totaling 1.8 million square feet of industrial development. Construction is to be completed in 2016. Ackerman & Co has begun construction of a 1,000,480 sq.ft. building off Broadway Avenue and BDC Parkway in Braselton. Construction is scheduled to be completed in the first quarter of 2017. Construction has begun on the 924,840 sq.ft. speculative building in IDI Gazeley’s Jefferson Distribution Center. Huntington Industrial Partners plans on the completion of a 432,000 sq.ft. speculative building off of GA Highway 53 and Braselton Parkway.

Results for 2016 show that Jackson County continues to be a strong contender in the I-85 industrial market, with the attraction of \$177 million in new capital investment and the creation of 900 new jobs. Rapid absorption of industrial space continues to spur the development of speculative buildings. Capital gains will add significant investment to Jackson County’s tax base and create significant job opportunities for our citizens.

Retail growth has been relatively slow for Jackson County, but the County also has some major retail prospects seeking sites. Most of the new retailers were small businesses not associated with major chains, but were welcomed by the community as an integral part of the commercial/retail dynamic in the County. There were less numbers of business closings and layoffs in the past year, and Jackson County is experiencing positive growth in terms of population and business. This trend is expected to continue as Jackson County had the second lowest unemployment rate in the State of Georgia for 2016 with a 4.2%.

The growth rate for Jackson County over the past 3 years has been 4%, with an increase in population of over 2,700 people. Despite this growth, the County has managed to balance a rural atmosphere with the suburban character of business and residential developments. Land use studies show the County’s area is about 40% commercial, 40% residential and 20% agricultural. The County has been able to avoid some of the pitfalls of rapid growth through wise planning and management of its resources. Although the fallout from the home building bust left many neighborhood subdivision developments incomplete, the County implemented a way for these subdivisions to be brought back up to code for new building through use of Special Taxing Districts. There continues to be constant and growing demands for additional County services. The County school system, as well as the City school systems of Commerce and Jefferson, are acutely feeling the pains of growth, even today. Highlighting this continued growth are much improved housing market data and forecasts that show there is positive developed lot absorption and a decline in finished housing inventory. Residential permits have seen substantial increases in 2016 and are looking even stronger in the first quarter of 2017.



Jackson County, Georgia

Municipalities of the County

The County has nine incorporated municipalities, which compose approximately 40% of the County's population according to the official 2010 U.S Census. The municipalities are Commerce (6,544), Jefferson (9,432), Arcade (1,786), Nicholson (1,696), Hoschton (1,377), Braselton (part) (1,763), Maysville (part) (872), Talmo (180), and Pendergrass (422). Parts of the Town of Braselton are located in four different counties, while parts of the City of Maysville are located in both Jackson and Banks Counties. The City of Commerce provides full municipal services including electricity, gas, fire, police, water, and sewerage. Braselton and Jefferson provide water, sewer, fire, and police services. Hoschton offers water and sewerage services. Nicholson and Maysville provide water services. Arcade, Pendergrass, and Maysville provide police services.

School Systems

The County has a county-wide school system, as well as two city school systems. The Jackson County School System operates elementary and middle schools in various parts of the County and two high schools, Jackson County Comprehensive High School and East Jackson Comprehensive High School. The Commerce City School System and the Jefferson City School System are operated as component units of their respective municipalities. The Jackson County School System is fiscally independent of the County BOC and, consequently, its financial statements are separately issued and are not included within the County's financial statements.

Form of Government

The County operates under the commission/manager form of government. Four members of the Board of Commissioners (BOC) are elected from geographically distinct, single-member districts, while the chairman is elected at-large county-wide. The members serve four-year, staggered terms. The BOC hires a county manager to serve as the administrative head of the county government. The manager, in turn, hires department heads and managers to implement BOC policies and to operate the various functions of county government.

Every four years, citizens of the County elect persons to serve the constitutional offices of sheriff, clerk of superior court, tax commissioner, and probate court judge. Other elected officials include the magistrate court judge, solicitor general, district attorney, superior court judges, and the state court judge.

County Services

The County provides a full range of services, including law enforcement, construction and maintenance of highways, streets, bridges, and other infrastructure, emergency services, recreational and cultural activities, limited transportation, and solid waste disposal. Fire protection (except for Commerce and Jefferson, which have full-time fire departments) is provided by nine volunteer fire departments, which levy property taxes within their districts to fund their operations. Water and sewer services outside of the municipalities are provided by a legally separate Water and Sewer Authority, which has been included as a component unit in the County's financial statements. The County is also financially accountable for a legally separate Health Department and a legally separate Airport Authority, both of which are reported as component units of the County. Additional information on these component units may be found in Note 1 in the notes to the financial statements.

Financial and Budgetary Matters

The County maintains budgetary controls to ensure compliance with state law. The level of budgetary control is at the department/fund level, i.e., expenditures may not exceed the total for any department within a fund. Transfers of appropriations within a department shall require only approval of the Finance Director. Transfers between or among departments or funds, or an increase in the overall appropriation for a department or fund, shall require the approval of the BOC in accordance with the enabling legislation. Department heads and management personnel are directed to operate within budgetary limits to avoid "emergency" situations, which would require supplementary appropriations.

Annual budgets are adopted on a basis consistent with GAAP for the general, special revenue funds and debt service fund and are integrated into the general ledgers of such funds. Project length budgets are adopted for Capital Projects Funds. The County's proprietary fund, the Solid Waste Fund, is budgeted for management and control purposes. No budget is prepared for the Mayfield Treatment Plant Proprietary Fund. Each department prepares, in conjunction with the Finance Department, revenue and expenditure estimates, as well as capital needs. These budget requests are then reviewed by the BOC, and the proposed budgets are presented at a public hearing as required by state law.

Capital Projects Recently Completed and for the Future

On March 1, 2016, the voters approved another continuation of the SPLOST, this being SPLOST 6. This revenue accounts for the financial resources provided from a six-year, one-cent special purpose local option sales tax for the purpose of expanding and improving water and sewer infrastructure; resurfacing, paving, widening and repairing certain roads and bridges; expansions, renovations, and development of certain parks and recreation facilities, additional public safety equipment; renovations to the Historic Courthouse; purchase of the animal shelter facility; and debt reduction on bonds used to build public facilities. In addition, over \$16.7 million in funds will be provided to the various cities within Jackson County for similar type projects. Jackson County's SPLOST 6 has been estimated to collect \$9.3 million per year, or \$55.5 million over the six-year period beginning on July 1, 2017 and expiring on June 30, 2018.

Animal Shelter

The County purchased a former kennel building and property that will be used as the new animal shelter. This is the first animal shelter to be operated in Jackson County. County crews began renovating and upgrading the building and property with hopes to open the new shelter in early 2017. Most of the funds for this project will come from SPLOST 6.

EMS Stations

In 2016, construction on a new EMS station began in Plainview with SPLOST 5 funds. Completion is expected in early 2017. This will be the third of three EMS stations built using SPLOST funds.

County Facilities

A piece of property known as Center Park, originally used as a recreation area by some local churches, was donated to the County and renovated and upgraded by the County for use by the Cooperative Extension 4-H Program's Archery Team. A portion of the old Gordon Street School was renovated and is being used as the new Elections and Registration Office.

Parks and Recreation

Using SPLOST funds dedicated for Parks and Recreation, the County Parks and Recreation Department installed a multi-use field with a walking track located at the West Jackson Middle School and finished work renovation the old Gordon Street School into the new Parks and Recreation Headquarters.

Roads

The County approved the resurfacing of approximately 9.7 miles of roads in FY 2016. Currently, the county has 591 miles of road it maintains, 482 paved miles and 109 gravel miles. The county continues to utilize a combination of State LMIG and local SPLOST funds to complete the resurfacing projects, including new striping and new signage for each of the roads resurfaced.

Debt Management

In 2016, the County's general obligation bond rating was again reaffirmed by Moody's Investors Service at "Aa2" on its \$109.1 million of various outstanding parity bonds, including interest payments. This was done upon completion of a refunding of a partial refunding of un-refunded 2009A & B revenue bonds, which financed the construction of the current jail, fire training center, and historic courthouse renovations.

The County continues to monitor all outstanding bond issues and market conditions. As a result, the County, on occasion, avails itself of refunding opportunities. In July, 2016, the County issued \$20,835,000 of Series 2016 Revenue Refunding Bonds provide funds to partially advance refund the County's contract payable for Jackson County Industrial Development Authority 2009A & B bonds related to the construction of the new jail, fire training center, and historic courthouse. The Series 2016 Revenue Bond will mature in 2024. The refunding reduced the aggregate debt service payments by \$758,506. This refunding follows on the heels of 2013, 2014, and 2015 refunding's.

Awards, Accomplishments and Acknowledgments

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its CAFR for the fiscal year ended December 31, 2015. This was the eleventh consecutive year that the County has received this prestigious award. In order to be awarded the Certificate of Achievement, the County must publish an easily readable and efficiently organized CAFR, which satisfies both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that this CAFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another Certificate of Achievement for the fiscal year ended December 31, 2016.

The preparation, design, and publication of this CAFR represents a significant, cooperative effort between the County's Finance Department and its independent auditor, Bates, Carter and Co., LLP, CPA's. Special thanks go to the various County departments and their directors for their assistance and their cooperation in contributing to the preparation of this CAFR. We would be remiss in our duty if we did not recognize the professional efforts of the Finance Department staff. Without their dedication and untiring efforts, the compilation of the CAFR would not have been possible.

Finally, and certainly not least, we wish to thank the members of the Board of Commissioners for their unflinching support for maintaining the highest professional expectations for the reports we produce and for their continued support and direction in conducting the fiscal affairs of the County in a progressive and responsible manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Kevin C. Poe', with a stylized, sweeping flourish at the end.

Kevin C. Poe
County Manager

A handwritten signature in black ink, appearing to read 'Trey D. Wood', with a large, circular flourish at the end.

Trey D. Wood
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

Jackson County
Georgia

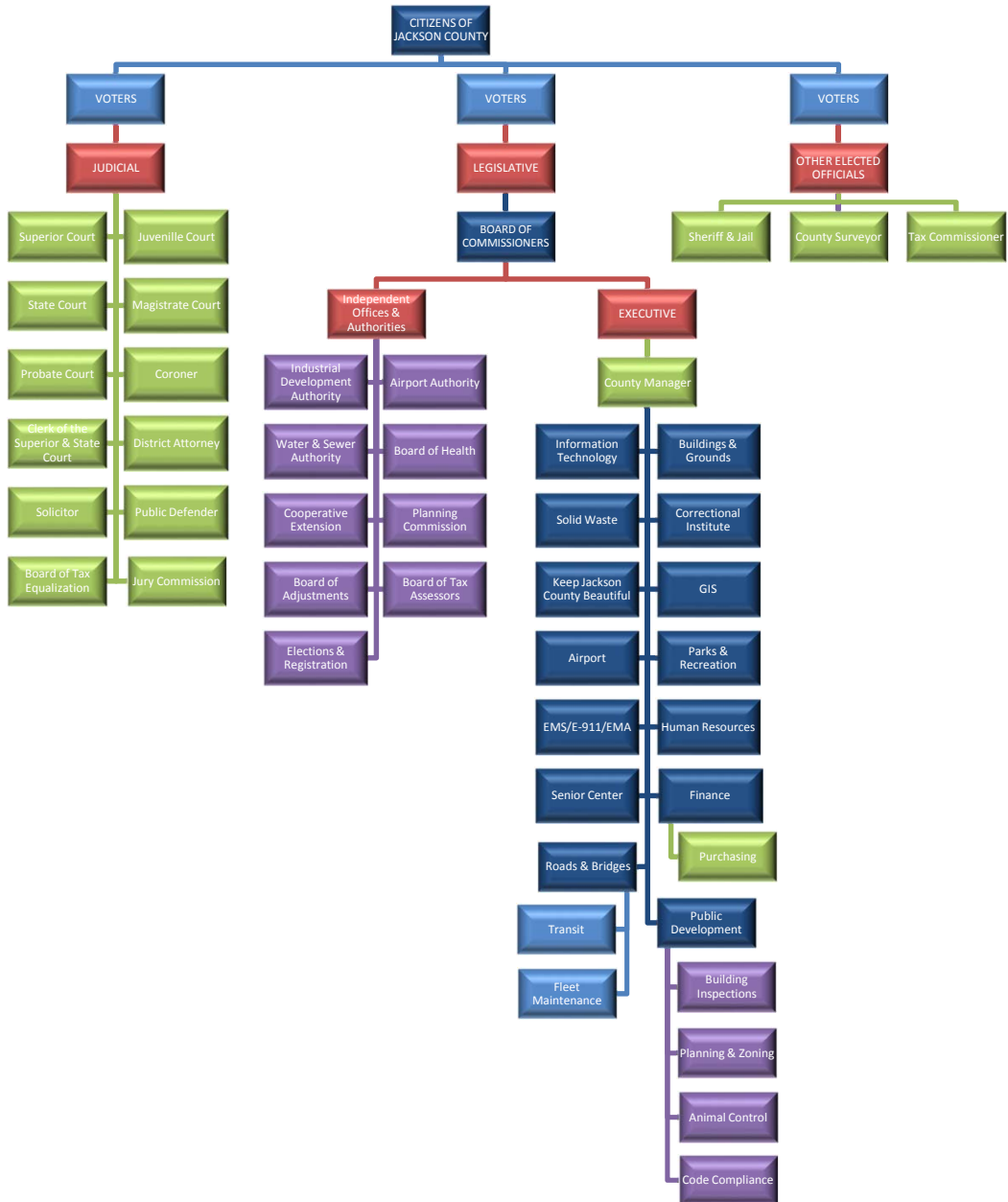
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

Executive Director/CEO

JACKSON COUNTY ORGANIZATIONAL CHART

DECEMBER 31, 2016



Officials of Jackson County

Year Ended December 31, 2016



BOARD OF COMMISSIONERS

COMMISSIONER	TERM
Tom Crow – Chairman	January 2013 – December 2016
Jim Hix – District 1	January 2013 – December 2016
Chas Hardy – District 2	January 2013 – December 2016
Ralph Richardson Jr. – District 3	January 2015 – December 2018
Dwain Smith – District 4	January 2015 – December 2018

ADMINISTRATION

Kevin Poe - County Manager

DEPARTMENT DIRECTORS

Trey Wood	Finance
Melanie Thomas	Human Resources
Len Bernat	Purchasing
Justin King	Information Technology
Ricky Sanders	Parks & Recreation
Gina Roy	Public Development
Joel Logan	GIS
Steve Nichols	Public Safety
Allan Sargent	Chief Property Appraiser
Tom Page	Solid Waste
Jeff Bridges	Road Superintendent
Johnny Weaver	Correctional Institute
Marty Rubio	Maintenance Superintendent
Donna Seagraves	Public Defender
Kathy Branyon	Senior Center

JUDICIAL & OTHER ELECTED OFFICIALS

Camie Thomas	Clerk of Court
Brad Smith	District Attorney
Billy Chandler	Magistrate Court Judge
Sherry C. Moore	Probate Court Judge
Janis Mangum	Sheriff
Donald Moore	Solicitor General
Robert Alexander	State Court Judge
David Motes	Superior Court Judge
Wayne McLocklin	Superior Court Judge
Currie Mingledorff II	Superior Court Judge
Joseph Booth	Superior Court Judge
Candace Taylor	Tax Commissioner
Keith Whitfield	Coroner

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Jackson County's Comprehensive Annual Financial Report provides readers with a narrative overview and analysis of the financial activities of Jackson County Government for the year that ended on December 31, 2016. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report, and the County's basic financial statements and notes to the financial statements, to enhance their understanding of the activities and financial health of Jackson County.

Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts. It should be read in conjunction with the letter of transmittal and the basic financial statements.

FINANCIAL HIGHLIGHTS

The assets of Jackson County Government's governmental activities and business-type activities exceeded its liabilities at the close of the most recent fiscal year by \$108.69 million. As a result of the implementation of GASB 68 in 2015 and recognizing the liability associated with the pension in the governmental activities (see Note 9), the governmental activities and business type activities have a \$(13.20) million (unrestricted net position) for 2016.

The primary government's total net position increased by \$0.27 million during 2016. Governmental activities' net position increased \$0.21 million during 2016. See the governmental-wide financial analysis below for reasons for this change. Business-type activities' net position decreased by \$0.06 million during 2016.

As of the close of the current year, the primary government's governmental funds reported combined ending fund balances of \$22.15 million, a decrease of \$(2.54) million in comparison with the prior year. This decrease is, in part, attributable to activity within the capital projects and SPLOST funds. These funds have project length budgets and as a result have years where expenditures exceed revenues. For example, proceeds from revenue bonds, to advance fund projects, have been recorded in previous years and the related expenditures have been recorded in successive years. Additionally, SPLOST proceeds for debt service are collected in a sinking fund and a large payment was made in the 2016 calendar year.

Moreover, approximately 20.45% of the combined fund balances, \$4.53 million, is considered unassigned and is available for spending at the government's discretion (unassigned fund balance). Additionally, 1.83% of the combined fund balances, \$405,273, is assigned for use in the 2016 budget.

At the end of the current fiscal year, unassigned fund balance for the general fund was \$6.14 million or 16.58% of total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four components: 1) management's discussion and analysis (this section), 2) basic financial statements, 3) required supplementary information, and 4) an optional section that presents combining statements for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of Jackson County Government:

Government-wide Financial Statements: The government-wide financial statements provide a broad overview of both long-term and short-term information about the Jackson County Government's overall financial status in a manner similar to private-sector businesses. The statements include:

- A statement of net position presents the County's total assets and total liabilities, with the difference between the two reported as net position. Over time, the change in net position is an indicator of the improvement (an increase) or deterioration (a decrease) in the County's financial condition. Additionally, when assessing the overall health of the County, additional consideration should be given to non-financial factors such as changes in the County's property tax base and the condition of the County's roads.
- A 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 fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the aforementioned government-wide financial statements identify the various functions of Jackson County Government's operations that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Jackson County, Georgia include general government, public safety, judicial system, public works, health and welfare, recreation and culture, housing and development, and interest. The business-type activities of Jackson County, Georgia, include the Solid Waste Disposal Facility and Mayfield Wastewater Treatment Plant.

The government-wide financial statements include not only Jackson County itself (known as the *primary government*), but also a legally separate health department, a legally separate airport authority, and a legally separate water and sewerage authority for which Jackson County is financially accountable. Financial information for these *component units* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 1-2 of this report.

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. All of the funds of the County 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 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 fiscal 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 government-wide financial statements, it is useful to compare 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 County's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Jackson County Government maintains twenty-five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special purpose local option sales tax fund (SPLOST), and capital projects fund, all of which are considered to be major funds. Data from the other thirteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Jackson County Government adopts an annual appropriated budget for its general fund and special revenue funds. Project length budgets are adopted for the capital projects funds. A budgetary comparison schedule has been provided for the general fund and special revenue funds to demonstrate compliance with the annual appropriated budget.

The basic governmental fund financial statements can be found on pages 3-6 of this report.

Proprietary Fund: Proprietary Fund statements offer short-term and long-term financial information about the two activities the County Government operates similar to a private business, such as the Jackson County Solid Waste Disposal Facility and Mayfield Treatment Plant and internal services funds which provide services to other departments of governmental units within the County on a cost-reimbursement basis. Because the services predominantly benefit governmental functions rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste disposal facility and the Mayfield treatment plant operation, both of which are considered to be major funds of Jackson County. Conversely, the internal service fund is a single presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 7-9 of this report.

Fiduciary Funds: Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. Agency funds, a type of Fiduciary Fund, are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds. The County maintains the following Agency funds: Tax Commissioner, Clerk of Superior Court, Probate Court, Magistrate Court, Federal Equity Sharing, and Sheriff.

The basic fiduciary fund financial statement can be found on page 10 of this report.

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

The notes to the financial statements can be found on pages 13-66 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning Jackson County Government's progress in funding its obligations to provide pension benefits to its employees and the budgetary comparison schedule for the General Fund.

Required supplementary information can be found on page 67-72 of this report.

The combining statements referred to earlier, in connection with nonmajor governmental funds, are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 73-98 of this report.

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

The government-wide statements report information about Jackson County Government as a whole using accounting methods similar to those used by private sector companies.

Jackson County's, on an entity-wide basis, net position increased during 2016 by \$0.27 million, of which \$0.21 million was from governmental activities and \$0.06 million was from business-type activities. At December 31, 2016, the County had \$106.13 million invested in capital assets, net of related debt and accumulated depreciation and \$15.76 million in restricted net position.

Unrestricted net position as of December 31, 2016, equaled \$(13.20) million. The table below depicts the split of net position between governmental and business-type activities.

The increase in governmental activities net assets is, in part, attributable to the fact that property tax revenues were levied to purchase capital assets in excess of principal paid on debt in excess of borrowings of \$14.00 million. These items are not expenses that reduce net assets at the entity-wide level. However, the property taxes that were levied to pay for these expenditures are recorded as revenues at the entity-wide level. The property tax revenues are offset by depreciation expense less donated capital assets of \$(7.25) million which are only recorded at the entity-wide level. Other items of revenues or expenses which are only recorded at the entity-wide level account for a change of \$(4.00) million. See page 6 for further details of these entity wide reconciling items.

**JACKSON COUNTY, GEORGIA'S NET POSITION
DECEMBER 31, 2016**

(\$ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2016	2015	2016	2015	2016	2015
Assets						
Current and other assets	\$ 61,270	\$ 63,055	\$ (1,135)	\$ (1,279)	\$ 60,135	\$ 61,776
Capital assets (net of depreciation)	<u>181,381</u>	<u>184,839</u>	<u>2,067</u>	<u>2,114</u>	<u>183,448</u>	<u>186,953</u>
TOTAL ASSETS	<u>242,651</u>	<u>247,894</u>	<u>932</u>	<u>835</u>	<u>243,583</u>	<u>248,729</u>
Total deferred outflows of resources	<u>4,992</u>	<u>3,414</u>	<u>-</u>	<u>-</u>	<u>4,992</u>	<u>3,414</u>
Liabilities:						
Long-term liabilities outstanding	105,702	111,384	944	920	106,646	112,304
Other liabilities	<u>7,388</u>	<u>7,120</u>	<u>108</u>	<u>94</u>	<u>7,496</u>	<u>7,214</u>
TOTAL LIABILITIES	<u>113,090</u>	<u>118,504</u>	<u>1,052</u>	<u>1,014</u>	<u>114,142</u>	<u>119,518</u>
Total deferred inflows of resources	<u>25,745</u>	<u>24,209</u>	<u>-</u>	<u>-</u>	<u>25,745</u>	<u>24,209</u>
Net position						
Net investment in capital assets	104,059	98,287	2,067	2,114	106,126	100,401
Restricted	15,763	11,356	-	-	15,763	11,356
Unrestricted	<u>(11,014)</u>	<u>(1,048)</u>	<u>(2,187)</u>	<u>(2,293)</u>	<u>(13,201)</u>	<u>(3,341)</u>
TOTAL NET POSITION	<u>\$ 108,808</u>	<u>\$ 108,595</u>	<u>\$ (120)</u>	<u>\$ (179)</u>	<u>\$ 108,688</u>	<u>\$ 108,416</u>

Table may not add due to rounding

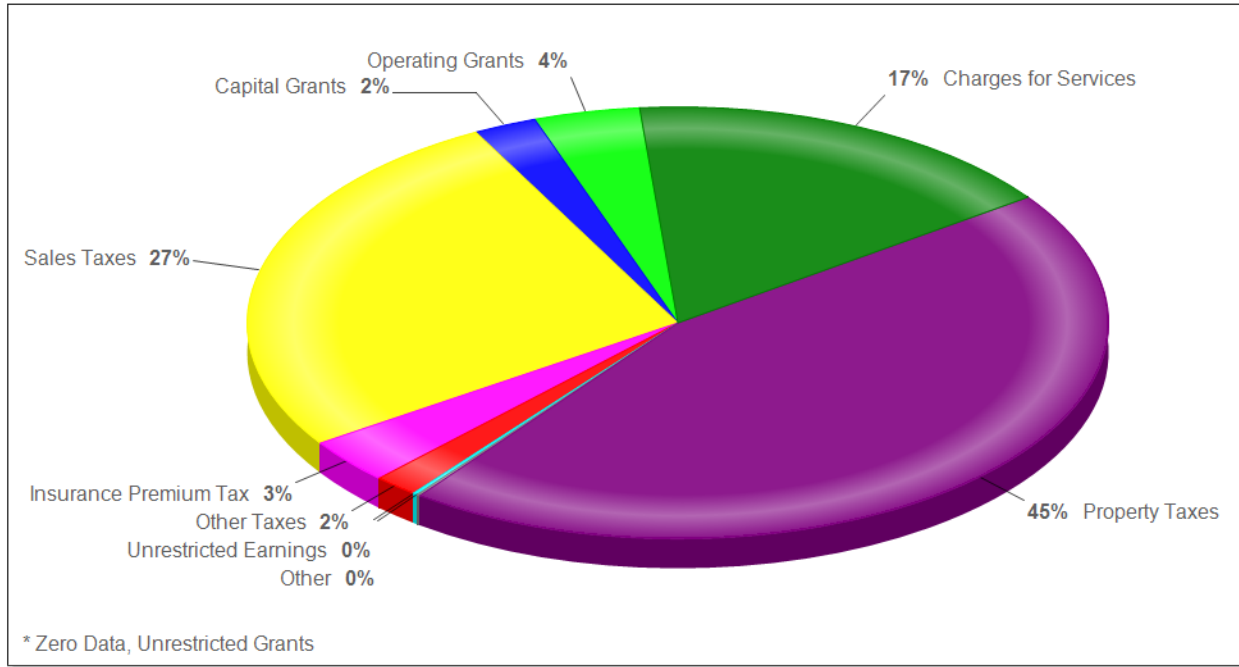
JACKSON COUNTY, GEORGIA'S CHANGES IN NET POSITION
DECEMBER 31, 2016

(\$ In thousands)

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2016	2015	2016	2015	2016	2015
REVENUES						
Program revenues:						
Charges for services	\$ 9,878	\$ 9,949	\$ 1,480	\$ 1,242	\$ 11,358	\$ 11,191
Operating grants and contributions	2,375	2,453	-	50	2,375	2,523
Capital grants and contributions	1,416	9,070	40	-	1,456	9,070
General Revenues:						
Property taxes	26,777	24,307	-	-	26,777	24,307
Sales taxes	15,833	14,888	-	-	15,833	14,888
Insurance premium tax	2,031	1,909	-	-	2,031	1,909
Other taxes	992	732	-	-	992	732
Unrestricted investment earnings	22	9	-	-	22	9
Other	82	-	5	-	87	-
TOTAL REVENUES	<u>59,406</u>	<u>63,317</u>	<u>1,525</u>	<u>1,292</u>	<u>60,931</u>	<u>64,609</u>
EXPENSES						
General Government	6,101	5,703	-	-	6,101	5,703
Judicial	4,328	4,050	-	-	4,328	4,050
Public safety	26,863	23,925	-	-	26,863	23,925
Public works	12,910	13,574	-	-	12,910	13,574
Health and welfare	1,310	1,265	-	-	1,310	1,265
Recreation and culture	2,202	2,039	-	-	2,202	2,039
Housing and development	2,275	2,026	-	-	2,275	2,026
Interest	3,041	4,044	-	-	3,041	4,044
Solid Waste Disposal Facility	-	-	1,629	1,427	1,629	1,427
Mayfield Treatment Plant	-	-	-	-	-	-
Internal Service Funds	-	-	-	-	-	-
TOTAL EXPENSES	<u>59,030</u>	<u>56,626</u>	<u>1,629</u>	<u>1,427</u>	<u>60,659</u>	<u>58,053</u>
Increase in net position before transfers	376	6,691	(104)	(135)	272	6,556
Transfers	(163)	(109)	163	109	-	-
Increase in net position	213	6,582	59	(26)	272	6,556
Net position, beginning of year	108,595	104,321	(179)	(153)	108,416	104,168
Change in accounting principle	-	(2,308)	-	-	-	(2,308)
Net position, beginning of year, restated	108,595	102,013	(179)	(153)	108,416	101,860
Net position, end of year	<u>\$ 108,808</u>	<u>\$ 108,595</u>	<u>\$ (120)</u>	<u>\$ (179)</u>	<u>\$ 108,688</u>	<u>\$ 108,416</u>

Total government-wide revenues for 2016 were \$60.93 million. These revenues consisted of \$45.63 million in taxes, \$3.83 million in grants and contributions, \$0.02 million in investment earnings, and \$11.36 million in charges for services. Of this amount, \$59.41 million was in governmental activities and \$1.53 million was in business-type activities.

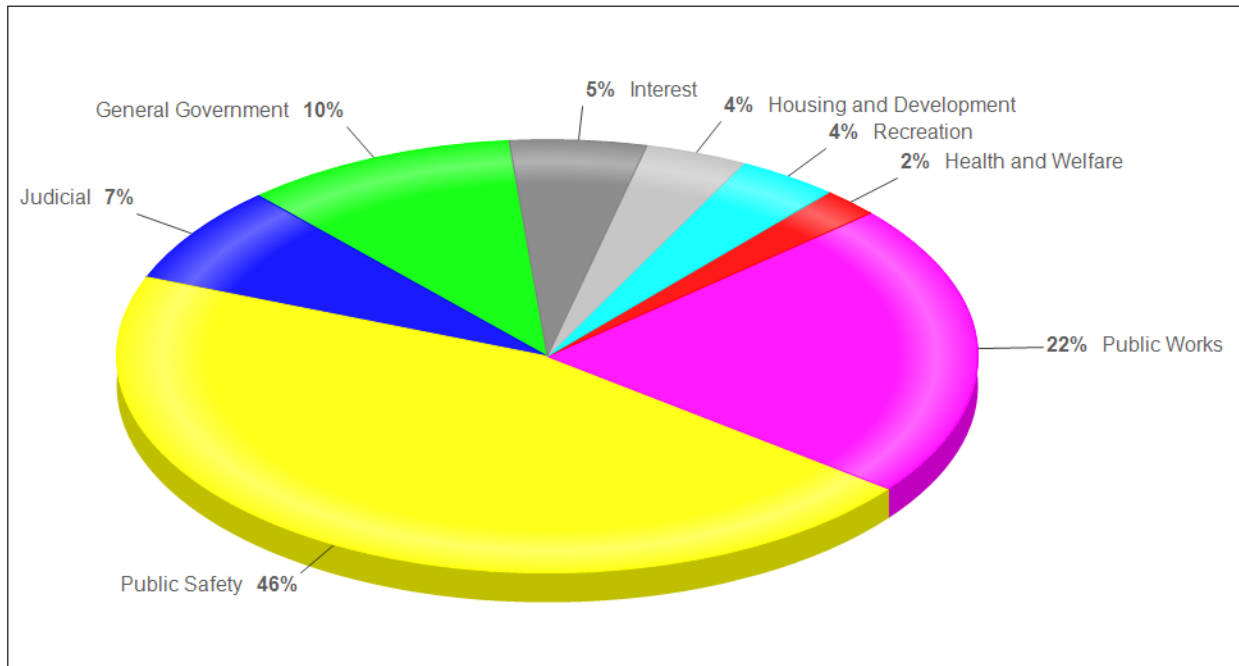
REVENUES BY SOURCE-GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding.

Government-wide expenses were \$60.66 million in 2016, of which \$59.03 million was in governmental activities and \$1.63 million was in business-type activities. The chart below depicts further detail of government-wide expenses.

EXPENSES BY FUNCTION-GOVERNMENT-WIDE ACTIVITY



Note: Graph may not equal 100% due to rounding.

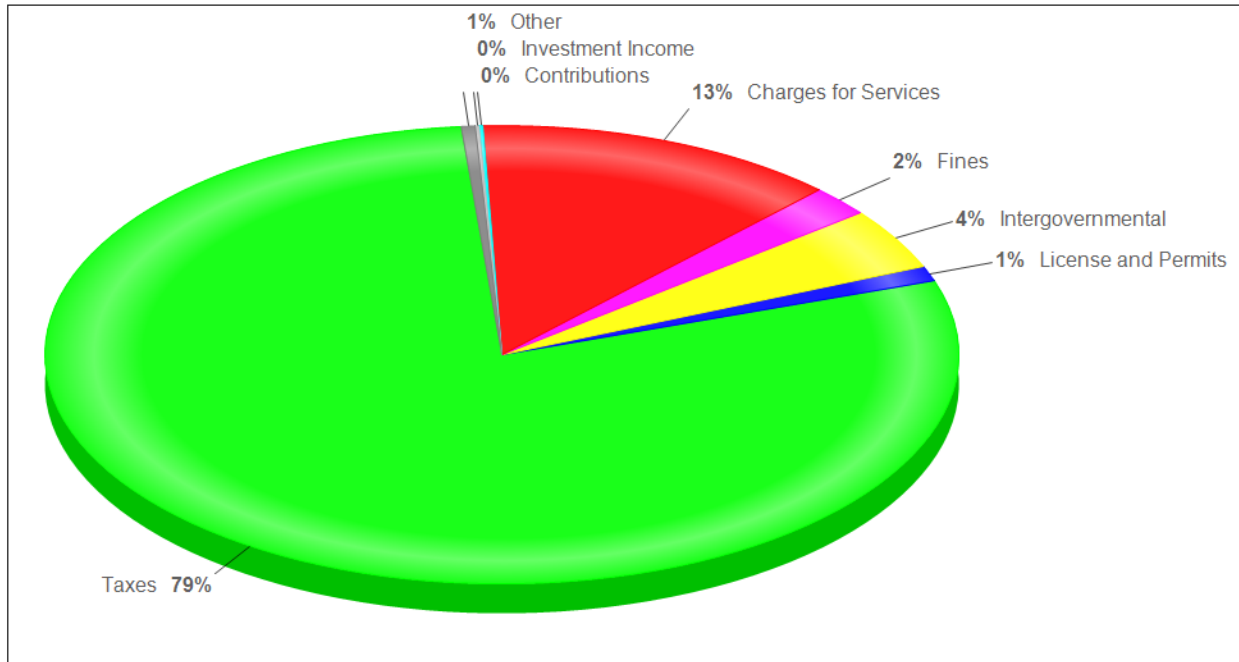
FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, Jackson County Government uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of Jackson County Government's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in evaluating a government's near-term 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.

Governmental revenues were up \$5.26 million from 2015. General Fund property taxes increased \$2.83 million due to an increase in the tax digest from the 2015 tax year to the 2016 tax year.

REVENUES BY SOURCE-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding.

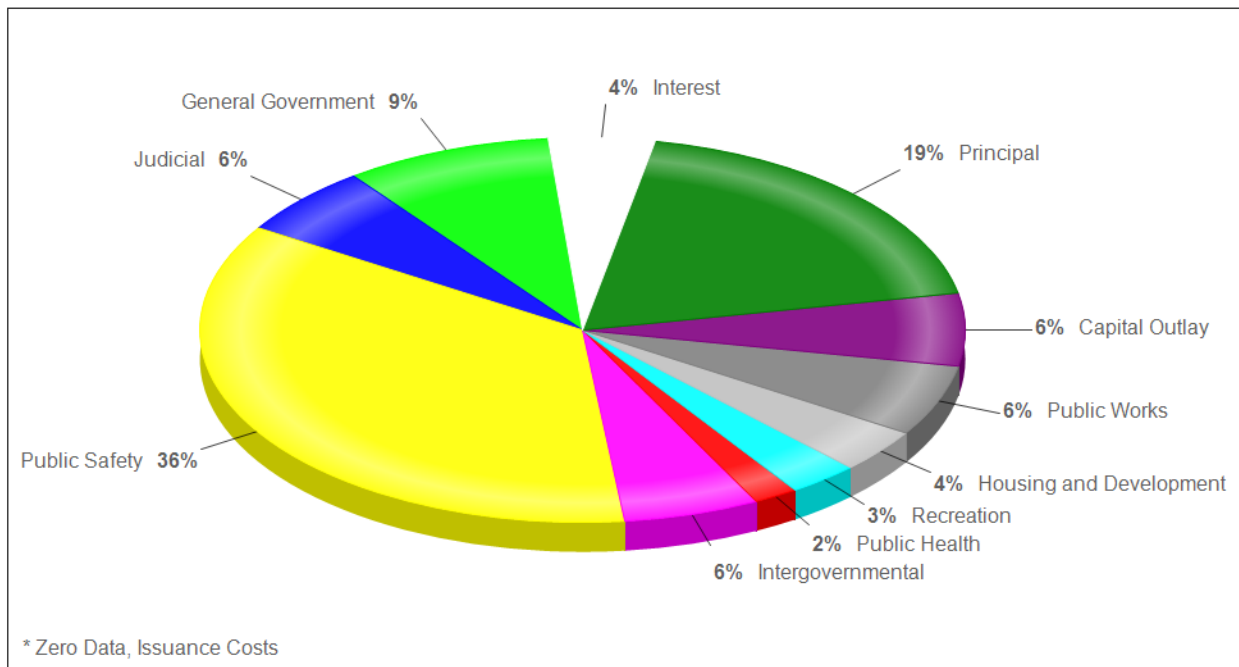
The County's Local Option Sales Tax, the General Fund's second most significant revenue source, yielded \$0.36 million more than in the prior year. The implementation of the Title Ad Valorem Tax (TAVT) in the prior year has also shifted some funds away from the Local Option Sales Tax. The total amount of Local Option Sales Tax revenue was \$5.94 million. The County currently shares two different 1% taxes on all sales within the County. The Local Option Sales Tax (LOST) is a direct offset to property taxes and is renewed every ten years with the municipalities of Arcade, Braselton, Commerce, Hoschton, Jefferson, Maysville, Nicholson, Pendergrass, and Talmo. The SPLOST Capital Projects fund accounts for the other sales tax, which is a Special Purpose Local Option Sales Tax (SPLOST) authorized by voter referendum. The current SPLOST referendums are number five, effective for six years, was approved by the voters on November 2, 2010, with collections starting July 1, 2011 and number six, effective for six years, was approved by the votes on March 1, 2016, with collections starting July 1, 2017. The SPLOST tax is for specific capital projects and constitutes a significant portion of Jackson County Government's ability to fund capital projects in the areas of water and sewerage, roads and bridges, recreation, and fire training. A total of \$3.15 million was expended during 2016 in the unincorporated areas for these capital projects and \$(3.15) million was expended for projects in the incorporated areas at the direction of other governments.

Expenditures in the governmental funds were \$61.91 million, up \$3.08 million from 2015. This increase is primarily attributable to increased activities of the SPLOST and Capital Projects Funds along with increases in the General Fund and Other Nonmajor funds. The Capital Project Fund expenditures are \$1.36 million more than in the previous year, primarily due to the

completion of more projects in 2016. SPLOST expenditures were \$0.02 million more than 2015, due to a large debt payment made from the project sinking fund.

General Fund expenditures decreased \$6.53 million from the previous year. This is primarily due to the consolidation of the Debt Service Fund.

EXPENDITURES BY FUNCTION-GOVERNMENTAL FUNDS



Note: Graph may not equal 100% due to rounding.

After transfers, fund balances in the governmental funds had a decrease of \$(2.00) million. This is primarily attributable to activities of the Capital Projects Fund, SPLOST Fund, and General Fund. The SPLOST Fund used fund balance due to making a large debt payment from accumulated revenues. The General Fund used approximately \$0.97 million in fund balance to balance the budget for general operations and maintenance spending.

The Capital Projects Fund had a decrease in fund balance of \$(0.85) million. The Capital Projects Fund has a project length budget, and therefore it has revenues and expenditures that fluctuate from year to year. Typically, bond proceeds are recognized in one year and the expenditures occur in successive fiscal periods. This timing difference affects the fund balances shown in those funds. This decrease is attributable to ongoing capital projects, completed capital projects, and the aforementioned refunding.

PROPRIETARY FUNDS: Jackson County Government's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The business-type activities of the Solid Waste Disposal Facility had revenues that decreased by \$238 thousand from the prior year, while expenses decreased by \$(204) thousand from 2015. No change occurred in the Mayfield Wastewater Treatment Plant fund from 2015 to 2016.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget, the final budget, and actual results are shown on pages 71-72. Over the course of the year, the Board of Commissioners revised the County's budget several times. The three primary reasons for amending the budget are:

- Carry-forwards from prior years' unreserved fund balance to fund capital projects.
- Supplemental appropriations to increase revenue and expenditure accounts due to the receipt of unanticipated grant revenue or new project initiatives from prior years' unassigned fund balance.
- Increases in appropriations to prevent budget overruns and a violation of the state budget law.

The County prepares monthly interim financial reports throughout the year and appraises the Board of Commissioners of action needed to amend the county budget according to county budgetary policy.

The final budget for 2016 anticipated approximately \$0.70 million of prior years' surplus and the collection of past due taxes in 2016 to fund current activities; the use of fund balance was not necessary. This is primarily the result of greater general fund expenditures being held below budget in most areas.

Several items of significance that are worth noting are related to the variances of budget to actual for FY 2016. The revenues budget to actual surplus of \$1.80 million in taxes is primarily the result of collections of delinquent tax payments.

Whereas revenues came in over budget, expenditures by department were generally held under budget even as the final adjusted budget was amended down to shift to the Health Insurance Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

CAPITAL ASSETS: Jackson County's government-wide investments in capital assets at December 31, 2016, were \$183.45 million, net of \$113.47 million in accumulated depreciation. This investment includes land, buildings, roads, bridges, machinery and equipment, park facilities and vehicles. Government-wide additions in 2016 were over \$5.02 million, with \$4.98 million in government-type activities.

Additional information on the County's capital assets is contained in Note 6.

Major capital asset activities in governmental-type activities in 2016 were:

- Procurement of various vehicles and equipment and transfers in the amount of \$1.34 million.
- Continued construction on a series of roads to further the County's economic development initiatives. Immaterial additions were made in 2016 to roads, bridges, and other infrastructure including related land.
- Additions to construction in progress other than infrastructure in the amount of \$2.1 million. These projects include the West Jackson Track & Field Additions and Plainview EMS Station.

Long-term debt: Long-term debt increased as the result of additions by \$25.97 million in 2016. However, the County retired \$0.02 million in long-term debt. The new debt is primarily the result of \$8.2 million of Series 2015 Revenue Refunding Bonds to provide funds to partially refund the Series 2007A City of Jefferson Revenue Bonds that financed the construction of the new Jackson County Jail. Series 2015 matures in 2032. Additional information on the County's debt is contained in Note 7.

The ratings mentioned below reflect the County's favorable underlying credit characteristics, including a rapidly growing local economy that benefits from its proximity to the Atlanta metropolitan area, an improved financial position characterized by healthy reserve levels, a healthy and expanding tax base, a stable employment base with access to additional employment opportunities in the surrounding communities, and an above average debt burden.

ECONOMIC FACTORS AND THE 2017 BUDGET

The County's General Fund receives approximately \$5.94 million or 14.71% of its revenues from the 1% Local Option Sales and use Tax; therefore, economic indicators are very important in forming the General Fund budget estimates.

Despite the downturn in the economy, Jackson County has been a leader in the State of Georgia the past few years in economic growth in the creation of private-sector jobs.

In 2015, in conjunction with refinancing the 2009 A&B Industrial Development Bonds, Moody's confirmed the Issuer Credit Rating of 'Aa2' for Jackson County, Georgia.

For 2016, Jackson County Government's Operating Budget showed an increase of \$2.6 million in general fund revenues over the original 2015 due to digest growth. As a result, the County elected to assign less fund balance in the amount of \$700 thousand to balance the budget.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of Jackson County Government's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the County's Finance Director at 67 Athens Street, Jefferson, GA 30549.

INDEPENDENT AUDITORS' REPORT

June 27, 2017

To the Board of Commissioners
JACKSON COUNTY, GEORGIA
Jefferson, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of JACKSON COUNTY, GEORGIA, as of and for the year ended December 31, 2016, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Jackson County Health Department as of and for the year then ended December 31, 2016, which statements reflect total assets of \$1,280,208 as of December 31, 2016, and total revenues of \$1,222,578 for the year then ended. Those financial statements were audited by other auditors whose report has been furnished to us and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Jackson County Health Department is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of JACKSON COUNTY, GEORGIA, as of December 31, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof 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, Schedule of the Net Pension Liability - ACCG Second Restated Defined Benefit Plan, Schedule of Contributions - ACCG Second Restated Defined Benefit Plan, Schedule of Notes to Required Supplementary Information - ACCG Second Restated Defined Benefit Plan, Schedule of Other Post Retirement Benefits Funding Progress, and the Budgetary Comparison Schedule-General Fund listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the JACKSON COUNTY, GEORGIA's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, Special Purpose Local Option Sales Tax combining financial statements, Schedule of Projects Constructed with Special Sales Tax Proceeds, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, the Schedule of Expenditures of Federal Awards, and the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information identified above, including the Schedule of Expenditures of Federal Awards and the Schedule of Projects Constructed with Special Purpose Local Option Sales Tax, is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2017, on our consideration of JACKSON COUNTY, GEORGIA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 JACKSON COUNTY, GEORGIA's internal control over financial reporting and compliance.

Bates, Carter & Co, LLP

JACKSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
December 31, 2016

	<u>PRIMARY GOVERNMENT</u>			<u>COMPONENT</u>
	<u>GOVERNMENTAL</u>	<u>BUSINESS-TYPE</u>	<u>TOTAL</u>	
ASSETS	ACTIVITIES	ACTIVITIES		
Cash	\$ 30,372,302	\$ -	\$ 30,372,302	\$ 5,464,877
Receivables (net of allowance for uncollectibles)	10,200,359	143,460	10,343,819	1,290,180
Internal balances	1,280,268	(1,280,268)	-	-
Due from component units	508,317	-	508,317	-
Inventories	284,882	-	284,882	267,546
Prepaid items	1,442,117	1,509	1,443,626	86,801
Restricted assets:				
Cash	9,167,565	-	9,167,565	6,788,908
Investments	2,030,574	-	2,030,574	-
Non-current assets:				
Receivables	5,983,852	-	5,983,852	-
Capital assets:				
Capital assets not being depreciated	64,984,015	498,386	65,482,401	18,798,354
Capital assets being depreciated	229,309,608	2,126,568	231,436,176	128,670,842
Less: accumulated depreciation	(112,912,745)	(557,763)	(113,470,508)	(35,973,301)
Capital assets, net of depreciation	181,380,878	2,067,191	183,448,069	111,495,895
TOTAL ASSETS	<u>242,651,114</u>	<u>931,892</u>	<u>243,583,006</u>	<u>125,394,207</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension expense	-	-	-	219,486
Deferred charge on refunding	4,992,277	-	4,992,277	1,136,493
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>4,992,277</u>	<u>-</u>	<u>4,992,277</u>	<u>1,355,979</u>
TOTAL ASSETS & DEFERRED OUTFLOWS OF RESOURCES	<u>247,643,391</u>	<u>931,892</u>	<u>248,575,283</u>	<u>126,750,186</u>
LIABILITIES				
Accounts payable	1,630,227	99,149	1,729,376	306,185
Accrued interest payable	1,468,963	-	1,468,963	193,861
Other accrued items	851,353	8,553	859,906	71,857
Due to other governments	298,464	-	298,464	-
Due to primary government	-	-	-	508,317
Unearned revenue	653,215	-	653,215	8,387,667
Amounts held in trust	2,486,395	-	2,486,395	194,619
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	592,601	5,811	598,412	54,002
Estimated claims payable	192,879	-	192,879	-
Accrued landfill closure / postclosure	-	80,360	80,360	-
Notes payable	-	-	-	240,000
Capital leases payable	792,648	-	792,648	-
General obligation bonds payable	5,186,876	-	5,186,876	-
Revenue bonds payable	-	-	-	1,579,181
Contracts payable	6,530,644	-	6,530,644	1,133,149
Due in more than one year				
Compensated absences payable	234,666	7,611	242,277	119,829
Accrued landfill closure / postclosure	-	850,357	850,357	-
Notes payable	-	-	-	365,000
Capital leases payable	581,679	-	581,679	-
Revenue bonds payable	-	-	-	14,608,649
Contracts payable	80,683,752	-	80,683,752	13,519,985
Net pension liability	4,536,958	-	4,536,958	1,488,729
Net OPEB obligation	6,368,858	-	6,368,858	-
TOTAL LIABILITIES	<u>113,090,178</u>	<u>1,051,841</u>	<u>114,142,019</u>	<u>42,771,030</u>
DEFERRED INFLOWS OF RESOURCES				
Pension expense	-	-	-	133,191
Property taxes for next fiscal year	25,744,728	-	25,744,728	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>25,744,728</u>	<u>-</u>	<u>25,744,728</u>	<u>133,191</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>138,834,906</u>	<u>1,051,841</u>	<u>139,886,747</u>	<u>42,904,221</u>
NET POSITION				
Net investment in capital assets	104,059,218	2,067,191	106,126,409	80,049,931
Restricted for:				
Capital outlay projects	10,124,585	-	10,124,585	5,804,009
Debt service	2,682,611	-	2,682,611	793,415
Judicial programs	392,922	-	392,922	-
Public safety programs	2,563,461	-	2,563,461	-
Unrestricted	(11,014,312)	(2,187,140)	(13,201,452)	(2,801,390)
TOTAL NET POSITION	<u>\$ 108,808,485</u>	<u>\$ (119,949)</u>	<u>\$ 108,688,536</u>	<u>\$ 83,845,965</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2016

FUNCTIONS/PROGRAMSPROGRAM REVENUES.....			NET (EXPENSE) AND CHANGES IN NET POSITION....			COMPONENT UNITS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
PRIMARY GOVERNMENT								
GOVERNMENTAL ACTIVITIES								
General government	\$ 6,101,245	\$ 1,724,676	\$ 17,711	\$ -	\$ (4,358,858)	\$ -	\$ (4,358,858)	\$ -
Judicial	4,328,188	1,907,091	1,242,511	-	(1,178,586)	-	(1,178,586)	-
Public safety	26,862,743	4,771,832	795,232	-	(21,295,679)	-	(21,295,679)	-
Public works	12,909,763	2,775	-	1,192,829	(11,714,159)	-	(11,714,159)	-
Public health and welfare	1,310,224	150,278	319,611	-	(840,335)	-	(840,335)	-
Recreation and culture	2,201,648	480,258	-	66,723	(1,654,667)	-	(1,654,667)	-
Housing and development	2,274,610	841,537	-	156,433	(1,276,640)	-	(1,276,640)	-
Interest	3,041,484	-	-	-	(3,041,484)	-	(3,041,484)	-
Total Governmental Activities	<u>59,029,905</u>	<u>9,878,447</u>	<u>2,375,065</u>	<u>1,415,985</u>	<u>(45,360,408)</u>	<u>-</u>	<u>(45,360,408)</u>	<u>-</u>
BUSINESS-TYPE ACTIVITIES								
Solid waste/recycling	1,629,275	1,479,835	-	40,024	-	(109,416)	(109,416)	-
Total Business-Type Activities	<u>1,629,275</u>	<u>1,479,835</u>	<u>-</u>	<u>40,024</u>	<u>-</u>	<u>(109,416)</u>	<u>(109,416)</u>	<u>-</u>
TOTAL PRIMARY GOVERNMENT	<u>\$ 60,659,180</u>	<u>\$ 11,358,282</u>	<u>\$ 2,375,065</u>	<u>\$ 1,456,009</u>	<u>(45,360,408)</u>	<u>(109,416)</u>	<u>(45,469,824)</u>	<u>-</u>
COMPONENT UNITS								
Health Department	\$ 998,326	\$ 480,544	\$ 741,677	\$ -	-	-	-	223,895
Water and Sewerage Authority	9,897,023	9,498,579	3,978	1,003,311	-	-	-	608,845
Airport Authority	523,442	269,739	35,280	217,457	-	-	-	(966)
TOTAL COMPONENT UNITS	<u>\$ 11,418,791</u>	<u>\$ 10,248,862</u>	<u>\$ 780,935</u>	<u>\$ 1,220,768</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>831,774</u>
GENERAL REVENUES								
Property taxes					26,776,631	-	26,776,631	-
Sales taxes					15,833,468	-	15,833,468	-
Insurance premium taxes					2,031,021	-	2,031,021	-
Real estate recording taxes					669,876	-	669,876	-
Other taxes					321,848	-	321,848	-
Total taxes					<u>45,632,844</u>	<u>-</u>	<u>45,632,844</u>	<u>-</u>
Unrestricted investment earnings					21,568	-	21,568	4,718
Gain on sale of capital assets					82,379	4,873	87,252	3,500
TRANSFERS					<u>(163,245)</u>	<u>163,245</u>	<u>-</u>	<u>-</u>
TOTAL GENERAL REVENUES AND TRANSFERS					<u>45,573,546</u>	<u>168,118</u>	<u>45,741,664</u>	<u>8,218</u>
CHANGES IN NET POSITION								
NET POSITION, Beginning					213,138	58,702	271,840	839,992
NET POSITION, Ending					<u>108,595,347</u>	<u>(178,651)</u>	<u>108,416,696</u>	<u>83,005,973</u>
					<u>\$ 108,808,485</u>	<u>\$ (119,949)</u>	<u>\$ 108,688,536</u>	<u>\$ 83,845,965</u>

The accompanying notes are an integral part of this statement.

**JACKSON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2016**

	GENERAL	SPLOST	CAPITAL PROJECTS	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash	\$ 19,459,764	\$ 4,010,502	\$ -	\$ 6,621,119	\$ 30,091,385
Receivables (net of allowance for uncollectibles)	6,072,439	1,862,130	5,886	2,259,473	10,199,928
Interfund receivables	6,361,985	-	-	963,420	7,325,405
Due from component units	508,317	-	-	-	508,317
Prepaid items	728,639	-	-	482,302	1,210,941
Inventories	105,050	-	-	155,988	261,038
Restricted assets:					
Cash	913	2,791,317	6,375,336	-	9,167,566
Investments	-	-	2,030,574	-	2,030,574
TOTAL ASSETS	33,237,107	8,663,949	8,411,796	10,482,302	60,795,154
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 33,237,107	\$ 8,663,949	\$ 8,411,796	\$ 10,482,302	\$ 60,795,154
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 714,090	\$ 577,951	\$ 940	\$ 337,172	\$ 1,630,153
Other accrued items	627,090	-	-	224,263	851,353
Due to other governments	-	298,464	-	-	298,464
Interfund payables	931,986	777,650	77,823	4,245,457	6,032,916
Unearned revenue	46,405	-	-	606,810	653,215
Amounts held in trust	12,041	-	2,474,354	-	2,486,395
TOTAL LIABILITIES	2,331,612	1,654,065	2,553,117	5,413,702	11,952,496
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	23,523,968	-	-	3,168,456	26,692,424
TOTAL DEFERRED INFLOWS OF RESOURCES	23,523,968	-	-	3,168,456	26,692,424
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	25,855,580	1,654,065	2,553,117	8,582,158	38,644,920
FUND BALANCES					
Nonspendable:					
Prepaid expenditure	728,639	-	-	367,673	1,096,312
Inventories	105,050	-	-	-	105,050
Restricted:					
Debt service	913	2,791,317	-	-	2,792,230
Capital outlay projects	-	4,218,567	5,858,679	47,339	10,124,585
Judicial programs	-	-	-	392,922	392,922
Public safety programs	-	-	-	2,195,788	2,195,788
Committed:					
Public safety programs	-	-	-	55,355	55,355
Health and welfare program	-	-	-	221,813	221,813
Housing and development programs	-	-	-	235,120	235,120
Assigned:					
General government programs	405,273	-	-	-	405,273
Unassigned	6,141,652	-	-	(1,615,866)	4,525,786
TOTAL FUND BALANCES	7,381,527	7,009,884	5,858,679	1,900,144	22,150,234
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 33,237,107	\$ 8,663,949	\$ 8,411,796	\$ 10,482,302	\$ 60,795,154

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF
NET POSITION
For the Year Ended December 31, 2016

Total Fund Balances for Governmental Funds (page 5) \$ 22,150,234

Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in the governmental activities are not financial resources and therefore are not reported in the funds. 181,380,878

Some assets and deferred outflows are not available in the current period, and therefore, are not reported in the funds:

Prepaid bond insurance	219,893	
Deferred charge on refunding debt	<u>4,992,277</u>	
		5,212,170

Internal service funds are used by the County to charge the cost of group health and other types of insurance to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. Internal service fund net position is:

111,299

Revenues in the statement of activities that do not provide current financial resources are reported as unavailable revenues in the funds.

Property Taxes	947,696	
Contracts receivable City of Jefferson 2007B bonds	<u>5,983,852</u>	
		6,931,548

Some liabilities and deferred inflows, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General obligation bonds, net of premium and discounts	(5,186,876)	
Accrued interest	(1,468,963)	
Compensated absences	(827,267)	
Capital leases	(1,374,327)	
Contracts payable	(87,214,396)	
Net pension liability	(4,536,958)	
Net OPEB obligation	<u>(6,368,858)</u>	
		(106,977,645)

Rounding

1

Total net position of governmental activities (page 2) **\$ 108,808,485**

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2016

	GENERAL	SPLOST	CAPITAL PROJECTS	OTHER NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Taxes	\$ 33,704,491	\$ 9,895,092	\$ -	\$ 2,849,440	\$ 46,449,023
Licenses and permits	72,567	-	-	552,653	625,220
Intergovernmental	1,472,025	82,820	-	1,042,875	2,597,720
Fines and forfeitures	962,374	-	-	279,868	1,242,242
Charges for services	3,910,725	-	-	3,680,966	7,591,691
Contributions and donations	-	-	-	500	500
Investment income	4,389	6,539	14,212	2,967	28,107
Miscellaneous	239,292	-	143,156	36,846	419,294
TOTAL REVENUES	<u>40,365,863</u>	<u>9,984,451</u>	<u>157,368</u>	<u>8,446,115</u>	<u>58,953,797</u>
EXPENDITURES					
Current Expenditures					
General government	5,256,472	-	18,135	195,913	5,470,520
Judicial	3,608,260	-	-	21,218	3,629,478
Public safety	14,240,517	15,448	82,012	7,757,647	22,095,624
Public works	2,705,096	1,629,175	275,744	-	4,610,015
Public health and welfare	611,549	-	-	542,026	1,153,575
Recreation and culture	125,015	206,617	-	1,512,342	1,843,974
Housing and development	1,048,575	-	-	1,202,416	2,250,991
Intergovernmental	592,797	2,934,535	-	3,975	3,531,307
Capital outlay	209,626	1,966,157	1,170,862	444,236	3,790,881
Debt service					
Principal	6,263,718	5,067,738	-	369,807	11,701,263
Interest	2,395,114	349,043	-	11,192	2,755,349
TOTAL EXPENDITURES	<u>37,056,739</u>	<u>12,168,713</u>	<u>1,546,753</u>	<u>12,060,772</u>	<u>62,832,977</u>
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	<u>3,309,124</u>	<u>(2,184,262)</u>	<u>(1,389,385)</u>	<u>(3,614,657)</u>	<u>(3,879,180)</u>
OTHER FINANCING SOURCES (USES)					
Sale of county property	5,362	-	-	8,188	13,550
Refunding bond issuance	-	-	20,835,000	-	20,835,000
Payments to escrow agent	-	-	(24,475,751)	-	(24,475,751)
Premium on refunding bonds issued	-	-	3,916,495	-	3,916,495
Capital leases	115,304	-	1,081,093	21,716	1,218,113
Transfers in	905,263	-	-	3,067,436	3,972,699
Transfers out	(3,241,524)	-	(817,294)	(77,126)	(4,135,944)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,215,595)</u>	<u>-</u>	<u>539,543</u>	<u>3,020,214</u>	<u>1,344,162</u>
NET CHANGE IN FUND BALANCES	1,093,529	(2,184,262)	(849,842)	(594,443)	(2,535,018)
FUND BALANCES, Beginning of year	6,287,998	9,194,146	6,708,521	2,494,587	24,685,252
FUND BALANCES, End of year	<u>\$ 7,381,527</u>	<u>\$ 7,009,884</u>	<u>\$ 5,858,679</u>	<u>\$ 1,900,144</u>	<u>\$ 22,150,234</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2016

Net change in fund balances (page 5)		\$ (2,535,018)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.</p>		
Capital outlays	3,790,881	
Depreciation expense	<u>(8,434,775)</u>	(4,643,894)
<p>In the statement of activities, only the gain/loss on the sale of various capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.</p>		
Gain from defeasance of liability related to capital lease	69,651	
Net book value of capital assets sold	<u>(822)</u>	68,829
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Property taxes	947,696	
Donated assets	<u>1,186,290</u>	2,133,986
<p>Revenues reported in the funds that relate to prior years are not reported as revenue in the statement of activities.</p>		
Property taxes	<u>(1,763,875)</u>	(1,763,875)
<p>Under the modified accrual basis of accounting used in the 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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, where as these amounts are deferred and amortized in the statement of activities. This adjustment combines the net change of two balances.</p>		
Proceeds from borrowing including premiums and discounts	(25,969,608)	
Principal payments on long-term debt, including payments to refunding escrow	11,701,263	
Payments to escrow agents	24,475,751	
Amortization of bond premium, discounts and refunding	(318,788)	
Amortization of prepaid bond insurance	(26,746)	
Accrued interest on City of Jefferson 2007B bonds, current year	428,852	
Accrued interest on City of Jefferson 2007B bonds, prior year	(429,343)	
Accrued interest on bonds, current year	(1,468,963)	
Accrued interest on bonds, prior year	<u>1,528,854</u>	9,921,272
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.</p>		
Compensated absences, current year	(827,267)	
Compensated absences, prior year	830,194	
Net OPEB obligation, current year	(6,368,858)	
Net OPEB obligation, prior year	<u>5,476,107</u>	(889,824)
<p>Internal service funds are used by management to charge the costs of certain activities, such as group health and other types of insurance. The net revenue (expenses) of certain internal service funds is reported with governmental activities.</p>		
		44,321
<p>Net pension liability is not available during the current period and therefore is not reported in the funds.</p>		
Beginning of year	2,414,296	
End of year	<u>(4,536,958)</u>	(2,122,662)
Rounding		<u>3</u>
Changes in net position of governmental activities (page 2)		<u>\$ 213,138</u>

The accompanying notes are an integral part of this statement.

**JACKSON COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2016**

**BUSINESS-TYPE ACTIVITIES-
ENTERPRISE FUNDS**

	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
ASSETS				
Current Assets				
Cash	\$ -	\$ -	\$ -	\$ 280,916
Receivables (net of allowance for uncollectibles)	143,460	-	143,460	431
Interfund receivables	-	4,565	4,565	12,780
Inventories	-	-	-	23,845
Prepaid items	1,509	-	1,509	11,283
TOTAL CURRENT ASSETS	<u>144,969</u>	<u>4,565</u>	<u>149,534</u>	<u>329,255</u>
Noncurrent Assets				
Capital assets				
Capital assets not being depreciated	498,386	-	498,386	-
Capital assets being depreciated	2,126,568	-	2,126,568	-
Less: accumulated depreciation	(557,763)	-	(557,763)	-
Total capital assets (net of accumulated depreciation)	<u>2,067,191</u>	<u>-</u>	<u>2,067,191</u>	<u>-</u>
TOTAL NONCURRENT ASSETS	<u>2,067,191</u>	<u>-</u>	<u>2,067,191</u>	<u>-</u>
TOTAL ASSETS	<u>2,212,160</u>	<u>4,565</u>	<u>2,216,725</u>	<u>329,255</u>
LIABILITIES				
Current Liabilities				
Accounts payable	99,149	-	99,149	77
Other accrued items	8,553	-	8,553	-
Interfund payables	1,284,833	-	1,284,833	25,001
Compensated absences payable	5,811	-	5,811	-
Accrued landfill closure/postclosure	80,360	-	80,360	-
Estimated claims payable	-	-	-	192,878
Total current liabilities	<u>1,478,706</u>	<u>-</u>	<u>1,478,706</u>	<u>217,956</u>
Noncurrent Liabilities				
Compensated absences payable	7,611	-	7,611	-
Accrued landfill closure/postclosure	850,357	-	850,357	-
Total noncurrent liabilities	<u>857,968</u>	<u>-</u>	<u>857,968</u>	<u>-</u>
TOTAL LIABILITIES	<u>2,336,674</u>	<u>-</u>	<u>2,336,674</u>	<u>217,956</u>
NET POSITION				
Net investment in capital assets	2,067,191	-	2,067,191	-
Unrestricted	(2,191,705)	4,565	(2,187,140)	111,299
TOTAL NET POSITION	<u>\$ (124,514)</u>	<u>\$ 4,565</u>	<u>\$ (119,949)</u>	<u>\$ 111,299</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2016

BUSINESS-TYPE ACTIVITIES -
ENTERPRISE FUNDS

	SOLID WASTE DISPOSAL FACILITY	MAYFIELD TREATMENT PLANT	TOTAL	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS
OPERATING REVENUES				
Recycling and transfer fees	\$ 14,872	\$ -	\$ 14,872	\$ -
Charges for services	1,464,963	-	1,464,963	-
Charges to other funds	-	-	-	4,692,435
Employee contributions	-	-	-	895,372
Total Operating Revenues	<u>1,479,835</u>	<u>-</u>	<u>1,479,835</u>	<u>5,587,807</u>
OPERATING EXPENSES				
Salaries and benefits	298,150	-	298,150	-
Supplies	43,009	-	43,009	685
Other services and charges	20,436	-	20,436	5,157,118
Landfill closure/postclosure costs	79,628	-	79,628	-
Depreciation	88,962	-	88,962	-
Waste disposal fees	1,057,553	-	1,057,553	-
Professional fees	1,408	-	1,408	-
Repairs and maintenance	21,319	-	21,319	-
Utilities	18,810	-	18,810	-
Cost of goods sold	-	-	-	385,683
Total Operating Expenses	<u>1,629,275</u>	<u>-</u>	<u>1,629,275</u>	<u>5,543,486</u>
OPERATING INCOME (LOSS)	<u>(149,440)</u>	<u>-</u>	<u>(149,440)</u>	<u>44,321</u>
NONOPERATING REVENUES				
(EXPENSES)				
Gain (loss) on sale of capital assets	<u>4,873</u>	<u>-</u>	<u>4,873</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>4,873</u>	<u>-</u>	<u>4,873</u>	<u>-</u>
INCOME (LOSS) BEFORE				
CONTRIBUTIONS AND TRANSFERS				
Capital grants	(144,567)	-	(144,567)	44,321
Transfer in	40,024	-	40,024	-
Transfer out	174,088	-	174,088	-
	<u>(10,843)</u>	<u>-</u>	<u>(10,843)</u>	<u>-</u>
CHANGE IN NET POSITION	58,702	-	58,702	44,321
TOTAL NET POSITION, Beginning of year	<u>(183,216)</u>	<u>4,565</u>	<u>(178,651)</u>	<u>66,978</u>
TOTAL NET POSITION, End of year	<u>\$ (124,514)</u>	<u>\$ 4,565</u>	<u>\$ (119,949)</u>	<u>\$ 111,299</u>

The accompanying notes are an integral part of this statement.

**JACKSON COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2016**

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
	SOLID WASTE DISPOSAL FACILITY	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 1,446,923	\$ 5,587,953
Payments to suppliers	(1,315,312)	(5,564,268)
Payments to employees	(297,840)	4,540
	<u>(166,229)</u>	<u>28,225</u>
Net cash provided by (used in) operating activities		
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfers in (out)	<u>163,245</u>	<u>-</u>
Net Cash provided (used) by non-capital financing activities	<u>163,245</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(47,232)	-
Proceeds from sale of capital assets	10,192	-
Payments from other governments	40,024	-
	<u>2,984</u>	<u>-</u>
Net cash provided (used) by capital and related financing activities		
Net increase (decrease) in cash and cash equivalents	-	28,225
CASH, Beginning of year	<u>-</u>	<u>252,691</u>
CASH, End of year	<u>\$ -</u>	<u>\$ 280,916</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating income (loss)	\$ (149,440)	\$ 44,321
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities		
Depreciation	88,962	-
(Increase) decrease in:		
Accounts receivable	-	146
Due from other governments	(32,912)	-
Inventory	-	(4,464)
Prepaid expenses	114	(470)
Increase (decrease) in:		
Compensated absences	11,764	(10,713)
Amounts held in trust	(1,227)	-
Other accrued items	25,298	-
Claims payable	1,537	4,540
Due to other governments	-	(20,166)
Interfund balances	(110,325)	15,031
	<u>(166,229)</u>	<u>28,225</u>
Net cash provided by (used in) operating activities	<u>\$ (166,229)</u>	<u>\$ 28,225</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH ACTIVITIES		
Net book value of deletions from capital assets	<u>\$ (5,319)</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
STATEMENT OF ASSETS AND LIABILITIES
FIDUCIARY FUNDS
December 31, 2016

	AGENCY FUNDS
ASSETS	
Cash	\$ <u>1,966,162</u>
TOTAL ASSETS	\$ <u><u>1,966,162</u></u>
LIABILITIES	
Amount held in trust	\$ <u>1,966,162</u>
TOTAL LIABILITIES	\$ <u><u>1,966,162</u></u>

The accompanying notes are an integral part of this statement.

**JACKSON COUNTY, GEORGIA
COMPONENT UNITS
COMBINING STATEMENT OF NET POSITION
December 31, 2016**

	HEALTH DEPARTMENT	WATER AND SEWERAGE AUTHORITY	AIRPORT AUTHORITY	TOTAL
ASSETS				
Cash	\$ 876,632	\$ 4,508,218	\$ 80,027	\$ 5,464,877
Receivables (net of allowance for uncollectibles)	89,673	1,188,483	12,024	1,290,180
Inventories	-	225,309	42,237	267,546
Prepaid items	-	86,801	-	86,801
Restricted assets:				
Cash	-	6,788,908	-	6,788,908
Capital assets:				
Capital assets not being depreciated	-	8,016,944	10,781,410	18,798,354
Capital assets being depreciated	378,306	123,686,187	4,606,349	128,670,842
Less: accumulated depreciation	(160,707)	(33,558,881)	(2,253,713)	(35,973,301)
Capital assets, net of depreciation	<u>217,599</u>	<u>98,144,250</u>	<u>13,134,046</u>	<u>111,495,895</u>
TOTAL ASSETS	<u>1,183,904</u>	<u>110,941,969</u>	<u>13,268,334</u>	<u>125,394,207</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension expense	96,304	123,182	-	219,486
Deferred charge on refunding	-	1,136,493	-	1,136,493
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>96,304</u>	<u>1,259,675</u>	<u>-</u>	<u>1,355,979</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>1,280,208</u>	<u>112,201,644</u>	<u>13,268,334</u>	<u>126,750,186</u>
LIABILITIES				
Accounts payable	100,530	196,819	8,836	306,185
Accrued interest payable	-	191,485	2,376	193,861
Other accrued items	-	68,157	3,700	71,857
Due to primary government	-	121,984	386,333	508,317
Unearned revenue	-	8,387,667	-	8,387,667
Amounts held in trust	-	194,619	-	194,619
Noncurrent liabilities:				
Due within one year				
Compensated absences payable	12,228	41,774	-	54,002
Notes payable	-	-	240,000	240,000
Revenue bonds payable	-	1,579,181	-	1,579,181
Contracts payable	-	1,133,149	-	1,133,149
Due in more than one year				
Compensated absences payable	32,864	86,965	-	119,829
Notes payable	-	-	365,000	365,000
Revenue bonds payable	-	14,608,649	-	14,608,649
Contracts payable	-	13,519,985	-	13,519,985
Net pension liability	624,077	864,652	-	1,488,729
TOTAL LIABILITIES	<u>769,699</u>	<u>40,995,086</u>	<u>1,006,245</u>	<u>42,771,030</u>
DEFERRED INFLOWS OF RESOURCES				
Pension expense	133,191	-	-	133,191
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>133,191</u>	<u>-</u>	<u>-</u>	<u>133,191</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>902,890</u>	<u>40,995,086</u>	<u>1,006,245</u>	<u>42,904,221</u>
NET POSITION				
Net invested in capital assets	217,599	67,303,286	12,529,046	80,049,931
Restricted for:				
Capital outlay projects	-	5,804,009	-	5,804,009
Debt service	-	793,415	-	793,415
Unrestricted	159,719	(2,694,152)	(266,957)	(2,801,390)
TOTAL NET POSITION	<u>\$ 377,318</u>	<u>\$ 71,206,558</u>	<u>\$ 12,262,089</u>	<u>\$ 83,845,965</u>

The accompanying notes are an integral part of this statement.

**JACKSON COUNTY, GEORGIA
 COMPONENT UNITS
 COMBINING STATEMENT OF ACTIVITIES
 For the Year Ended December 31, 2016**

PROGRAM REVENUES.....			NET (EXPENSE) AND CHANGES IN NET POSITION....			
FUNCTIONS/PROGRAMS COMPONENT UNITS GOVERNMENTAL ACTIVITIES	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	HEALTH DEPARTMENT	WATER AND SEWERAGE AUTHORITY	AIRPORT AUTHORITY	TOTAL
Health Department	\$ 998,326	\$ 480,544	\$ 741,677	\$ -	\$ 223,895	\$ -	\$ -	\$ 223,895
Water and Sewerage Authority	9,897,023	9,498,579	3,978	1,003,311	-	608,845	-	608,845
Airport Authority	523,442	269,739	35,280	217,457	-	-	(966)	(966)
TOTAL COMPONENT UNITS	<u>\$ 11,418,791</u>	<u>\$ 10,248,862</u>	<u>\$ 780,935</u>	<u>\$ 1,220,768</u>	<u>223,895</u>	<u>608,845</u>	<u>(966)</u>	<u>831,774</u>
 GENERAL REVENUES								
Unrestricted investment earnings					357	4,258	103	4,718
Gain on sale of capital assets					-	3,500	-	3,500
TOTAL GENERAL REVENUES					<u>357</u>	<u>7,758</u>	<u>103</u>	<u>8,218</u>
CHANGES IN NET POSITION					<u>224,252</u>	<u>616,603</u>	<u>(863)</u>	<u>839,992</u>
NET POSITION, Beginning					<u>153,066</u>	<u>70,589,955</u>	<u>12,262,952</u>	<u>83,005,973</u>
NET POSITION, Ending					<u>\$ 377,318</u>	<u>\$ 71,206,558</u>	<u>\$ 12,262,089</u>	<u>\$ 83,845,965</u>

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of JACKSON COUNTY, GEORGIA have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

REPORTING ENTITY

The County is a political subdivision of the State of Georgia governed by a commission-manager form of government under which a five member Board of County Commissioners is elected to serve as the legislative body for the County. The commission chairman is elected at-large, while the remaining four commissioners are elected by geographical districts in which they reside. Elections for the district seats are staggered four year terms, so as to provide some continuity on the Board of Commissioners. In addition, there are four Constitutional Officers; the Clerk of Superior Court, Probate Court Judge, Sheriff, and Tax Commissioner. The Constitutional Officers are elected countywide. The Board of Commissioners approves all annual appropriations used by the respective Constitutional Officers. As required by generally accepted accounting principles, these financial statements present the government and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

The component unit columns in the combined financial statements include the financial data of the County's component units, which meet the criteria established by Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*. They are reported in separate columns to emphasize that they are legally separate from the County.

Brief descriptions of discretely presented component units follow:

JACKSON COUNTY AIRPORT AUTHORITY (Airport Authority): The Airport Authority operates the County's noncommercial airport facility. A five-member board governs the Airport Authority. The County appoints three members of the board, which represents a voting majority. The County also has the ability to impose its will on the Airport Authority as all amendments to the rules and regulations of the authority must be approved by the County Board of Commissioners. During 2016, the Airport Authority received \$35,280 from the County Board of Commissioners to subsidize annual operations.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

JACKSON COUNTY HEALTH DEPARTMENT (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 Jackson County Board of Health (board) governs the Health Department. The board includes seven members representing government, health professions, and the needy. The County appoints the voting majority of the board. Additionally, the Health Department is fiscally dependent on the County since it must have its budget approved by the County. During 2016, the Health Department received \$276,356 from the County Board of Commissioners to subsidize annual operations. The Health Department has a June 30 fiscal year end.

JACKSON COUNTY WATER AND SEWERAGE AUTHORITY (Water Authority): The Water Authority has five members appointed by the Board of Commissioners of Jackson County. The Water Authority was created for the purpose of acquiring, constructing, equipping, maintaining and operating adequate water supply, treatment and distribution facilities and sewerage collection, treatment and distribution facilities making such facilities and the services thereof available to public and private consumers and users located in the City of Jefferson, Jackson County and their environs, including municipalities within and without the County and to adjoining counties; extending and improving such facilities. During 2016, the water authority received \$613,071 from the County Board of Commissioners to subsidize annual operations and to make debt payments.

Complete financial statements may be obtained from the administrative offices at the following locations:

JACKSON COUNTY
HEALTH DEPARTMENT
P O Box 260
Jefferson, Georgia 30549

JACKSON COUNTY WATER &
SEWERAGE AUTHORITY
P O Box 869
Jefferson, Georgia 30549

The JACKSON COUNTY AIRPORT AUTHORITY does not prepare separate financial statements.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. 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.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Neither fiduciary funds nor component units that are fiduciary in nature are included in the government-wide financial statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of 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.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property taxes as available if they are collected within 60 days of the end of the current fiscal year for which they are levied. Fines are considered available if they are collected within 60 days of the end of the current fiscal period. Other revenues susceptible to accrual are considered available if they are collected within 90 days of the end of the current fiscal period for which they are imposed. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

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

The *SPLOST Capital Projects Fund* accounts for funds received from the imposition of a local 1% voter approved sales tax reserved for construction of capital projects in the areas of water and sewerage improvements; roads, streets, bridges and sidewalks; parks and recreation; and public safety facilities.

The *Capital Projects Fund* accounts for acquisition and construction of the County's capital assets.

The County reports the following major proprietary funds:

The *Solid Waste Disposal Facility Enterprise Fund* accounts for the activities of the County's solid waste transfer station.

The *Mayfield Treatment Plant Enterprise Fund* accounts for the operations of the Mayfield Wastewater Treatment Plant. However, the operation of this plant was transferred to the Jackson County Water and Sewerage Authority in the year 2000.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Additionally, the County reports the following fund types:

The *Fuel Depot Internal Service Fund* accounts for charges to other departments or agencies of the government for the purchase of fuel.

The *Health Insurance Internal Service Fund* accounts for charges to other departments or agencies of the government for the purchase of health insurance.

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditures for specified purposes.

The *Agency Funds* are custodial in nature and do not represent results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the Tax Commissioner, Clerk of Court, Probate Court, Magistrate Court, Federal Equity Sharing, and Sheriff holds for others in an agency capacity.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are interfund services provided and used are not eliminated in the process of consolidation. Elimination of these charges would distort the direct costs and program revenues for the various functions concerned.

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. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for the Solid Waste Disposal Facility enterprise fund and the Mayfield Treatment Plant enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

ASSETS, LIABILITIES AND NET POSITION OR EQUITY

Deposits and Investments

The County'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 recorded as fair value based on quoted market prices as of the balance sheet date. Increases or decreases in fair value during the year are recognized as part of investment income.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "interfund receivables/payables." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance of uncollectibles.

Property taxes attach as an enforceable lien on property as of January 1. Taxes are normally levied by October 20th of each year. The 2016 property taxes were levied October 20, 2016 and were due December 20, 2016. The taxes are subject to lien after March 20, 2017. Interest and penalties are assessed on taxes not paid by this date.

The County's property taxes were levied on the assessed values of all real and personal property including mobile homes and motor vehicles located in the County.

The County bills and collects its own property taxes and also those for the School Board and the fire districts. Only the County's tax levy is recognized as revenue when levied and uncollected taxes are recorded as deferred revenue in the general fund and fire districts special revenue funds.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Inventories and Prepaid Items

Inventories, consisting of expendable supplies, not held for resale are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

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. The costs of governmental fund-type prepaids are recorded as expenditures when consumed rather than when purchased.

Bond Premiums and Discounts

Premiums and discounts are deferred and amortized over the lives of the bonds and loans on a straight-line basis, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

Amortization costs for premiums, discounts, and amounts deferred for refunding (see Note 7) for the years 2015 and 2016 was \$524,052 and \$318,788, respectively. None of these costs were capitalized in 2016.

Restricted Assets

Certain proceeds of the County's capital leases or debt issues are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable lease or debt agreements.

Capital Assets

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

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

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

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 assets constructed. No interest was capitalized during 2016.

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

<u>Assets</u>	<u>Years</u>
Buildings	50
Computers and peripherals	3
Infrastructure	20
Machinery and equipment	10
Nonstructural improvements	10
Vehicles	3-5
Water and Sewer lines	50
Sewer treatment plant	50
Water treatment plant	20

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has only one type of item that qualifies for reporting in this category. It is the deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amortization is part of the interest expense for the year.

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 and so will not be recognized as an inflow of resources (revenue) until that time. The County has several types of items that qualify for reporting in this category. One is the deferred credit on refunding. A deferred credit on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amortization is a reduction of the interest expense for the year. Another item only arises under the 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 from property taxes.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. In accordance with the provisions of Statement of Governmental Accounting Standards No. 16, "Accounting for Compensated Absences," no liability is reported for unpaid accumulated sick leave because the benefits are paid only upon illness of an employee, and the amount of such payments cannot be reasonably estimated. All vacation pay is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-term Obligations

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

Fund Equity/Net Position

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance - Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Nonspendable - Fund balances are reported as nonspendable when the amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash like inventories and prepaid items) or (b) legally or contractually required to be maintained intact.

Restricted - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Committed - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Commissioners through the adoption of a resolution prior to the end of the fiscal year. In order to modify or rescind the commitment, the Board of Commissioners must adopt another resolution.

Assigned - Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's finance director to assign fund balances.

Unassigned - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all other governmental funds.

Net position - Net position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any debt used for the acquisition, construction, or improvement of those assets. In determining the outstanding balance of any borrowing, proceeds of that debt which has not been spent is deducted. Accounts payable for costs related to acquisition, construction, or improvement of those capital assets is considered debt for this calculation. Net position is reported as restricted as described in the fund balance section above. All other net position is reported as unrestricted.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then committed, assigned, and unassigned (or unrestricted) resources as they are needed.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Net Investment in Capital Assets

The "net investment in capital assets" reported on the government-wide statement of net position as of December 31, 2016, are as follows:

	<u>Governmental</u> <u>Activities</u>	<u>Business-Type</u> <u>Activities</u>	<u>Component Unit</u> <u>Airport Authority</u>
Net investment in capital assets			
Cost of capital assets	\$ 294,293,623	\$ 2,624,954	\$ 15,387,759
Accumulated depreciation	<u>(112,912,745)</u>	<u>(557,763)</u>	<u>(2,253,713)</u>
Book value	181,380,878	2,067,191	13,134,046
Capital related debt	(83,228,322)	-	(605,000)
Unspent construction proceeds	<u>5,906,662</u>	<u>-</u>	<u>-</u>
Net investment in capital assets	<u>\$ 104,059,218</u>	<u>\$ 2,067,191</u>	<u>\$ 12,529,046</u>

Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - FUND BALANCE/NET POSITION

The government-wide statement of net position reports \$99,436,153 of restricted net position, of which \$2,083,357 is restricted by enabling legislation.

Additional details related to fund balances at the governmental fund level are presented below:

Restricted:

General Fund

Debt service - For unspent funds from bond issues and funds paid into bond sinking funds for future debt payments restricted by creditors \$ 913

SPLOST Fund

Debt service - For unspent funds from bond issues and funds paid into bond sinking funds for future debt payments restricted by creditors 2,791,317

Capital outlay projects - For funds received from the imposition of the Special Purpose Local Option Sales Tax (SPLOST) restricted by the voter approved referendum 4,218,567

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Capital Projects Fund

Capital outlay projects - For funds received from issuance of bonds that have not been spent 5,858,679

Nonmajor Special Revenue and Capital Projects Funds

Judicial programs -

Law Library - Used to account for surcharges on fines and forfeitures which are for the operation of the County Law Library and other general expenditures as decided by the trustees of that library 10,366

Drug Court - Used to account for funds collected from fines and forfeitures to be used for drug abuse, treatment, and education programs 382,556

Subtotal - Restricted for Judicial programs 392,922

Public Safety programs -

Fire District Fund - For funds restricted for fire services from a separate tax levy 1,803,524

Emergency E911 Telephone Services Fund - For fund to operate the E911 center as restricted by the OCGA-46-5 63,323

Jail Fund - To account for funds received from surcharges on fines and forfeitures restricted for operation of the county jail 273,144

Drug Enforcement - to account for funds collected from fines and forfeitures to be used for drug abuse, treatment and education programs 55,797

Subtotal - Restricted for Public Safety programs 2,195,788

Housing and Development programs -

CDBG Fund - National Stabilization Program (NSP) income from refurbishing and selling foreclosed homes in Jackson County. 47,339

Total Restricted Fund Balance \$ 15,505,525

Committed:

Nonmajor Special Revenue Funds

Public Safety programs -

Emergency Management/Rescue Services - To account for funds received from state grants, donations from the general public, and transfers from the general fund for these services \$ 55,355

Health and Welfare Programs -

Senior Center - To account for grants, fees charged to users of services as well as transfers from the General Fund for the operation of the County Senior Center 221,813

Protective Inspection/Planning and Zoning - To account for license, permit, and building inspection fees that are collected on new developments as well as transfers from the General Fund that are used for the planning of new developments in the County. 235,120

Total Committed Fund Balance \$ 512,288

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Assigned:

General Fund

Appropriated as a resource in next year's budget	\$ 405,273
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Total Assigned Fund Balance	\$ 405,273
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NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all Special Revenue Funds. Project length budgets are adopted for the Capital Projects Funds. Annual operating budgets are prepared for each Enterprise and Internal Service Fund for planning, control, cost allocation and evaluation purposes. All annual appropriations lapse at year end.

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

In the summer of each year, all agencies of the government submit requests for appropriation to the Finance Director so that a budget may be prepared. The budget is prepared by fund, function and department, and line item, and includes information on the past year, current year estimates and requested appropriations for the next fiscal year. Before September 1, the proposed budget is presented to the County's Board of Commissioners for review. The government's Board of Commissioners holds public hearings and may add to, subtract from, or change appropriations.

The Office of Financial Administration may amend the line item budget within a department's appropriation as long as the total appropriation for that department is not changed. However, expenditures may not legally exceed budgeted appropriations at the department level without a resolution of the Board of Commissioners. The legal level of budgetary control is at the department level within individual funds.

During the year, the Board of Commissioners authorized amendments to include appropriations and revenues that were not originally budgeted and to reclassify certain expenditures.

The County finance director may amend the line item budget within a department's appropriation. Expenditures may not legally exceed budgeted appropriations at the department level.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

EXCESS OF REVENUES AND EXPENDITURES OVER APPROPRIATIONS

There are no excesses of expenditures over appropriations at the department level (the legal level of control).

DEFICIT FUND EQUITY

At December 31, 2016, the Emergency Services/Ambulance Fund had a deficit in fund balance of \$-, which resulted from EMS claims paid. This deficit will be eliminated in future years from increased efforts in EMS collections.

At December 31, 2016, the Solid Waste Disposal Fund had a deficit in fund balance of \$124,514, which resulted from the accrual of a 10 year remediation plan for gas and ground water monitoring associated with a closed landfill. This deficit will be eliminated in future years with an increase in Solid Waste transfer fees.

NOTE 4 - DEPOSITS AND INVESTMENTS

As of December 31, 2016, the County had the following investments, some of which are cash equivalents:

Investment Type	<u>INVESTMENT MATURITIES (in Years)</u>		
	Fair Value	Less Than 1/ FMV Level 1	Rating (1)
General and Capital Project Funds			
Georgia Fund I	\$ 1,035,423	\$ 1,035,423	AAAm
Goldman Sachs Treasury Obligations	2,791,318	2,791,318	AAAm
1st American Treasury Obligations (Class D shares)	8,406,741	8,406,741	AAAm
Total	<u>\$ 12,233,482</u>	<u>\$ 12,233,482</u>	
Maximum Investment		100.00 %	

1. Standard & Poor's

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Cash per Statement of Net position (page 1)	
Cash	\$ 30,372,302
Restricted cash	9,167,565
less cash equivalents that are investments	(10,202,908)
Cash held by Fiduciary Funds (page 10)	<u>1,966,162</u>
Deposits	<u><u>\$ 31,303,121</u></u>
Investments Statement of Net position (page 1)	
Investments	\$ -
Restricted Investments	2,030,574
Investments included in cash equivalents	<u>10,202,908</u>
Investments as listed above	<u><u>\$ 12,233,482</u></u>

The Jackson County investment program shall be operated for all investments to comply with federal, state, and local laws. The investment program should use a competitive selection process for investments in excess of 30 days. All investments shall be made with consideration for environmental and human rights impact.

The Local Government Investment Pool, "Georgia Fund 1," created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criteria for AAAM rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is managed by the Office of the State Treasurer. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on \$1.00 per share.

Interest rate risk. Interest rate risk is the risk that changes in interest rates may adversely affect an investment's fair value. Since the price of a bond fluctuates with market interest rates, the risk that an investor faces is that the price of a bond held in a portfolio will decline if market interest rates rise. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Credit Risk. State statutes authorize the County to invest in obligations of the U.S. Treasury and of its agencies and instrumentalities; bonds or certificates of indebtedness of this state and of its agencies and instrumentalities; certificates of deposits of banks insured by FDIC; the State of Georgia Local Government Investment Pool; repurchase agreements; bonds, debentures, notes or other evidence of indebtedness of any solvent corporation subject to certain conditions. The County has no investment policy that would further limit its investment choices. At December 31, 2016, the ratings of its investments are shown above.

Concentration of credit risk. The County places no limit on the amount it may invest in any one issuer.

Custodial credit risk - investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County has a policy of placing investments with qualified financial institutions.

Custodial credit risk - deposits. In case of deposits, this is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County may exceed the FDIC insured limit in making deposits in commercial banks and savings and loans institutions, if the funds are otherwise adequately secured. As of December 31, 2016, all of the County's bank balance of \$28,321,154 was insured or was adequately collateralized with securities held by the pledging financial institution's name.

State statutes require collateral pledged in the amount of 110% of deposits. Depositories may secure deposits of public funds using the dedicated method or the pooled method as described below.

Under the *dedicated method*, a depository shall secure the deposits of each of its public depositors separately.

Under the *pooled method*, a depository shall secure deposits of public bodies which have deposits with it through a pool of collateral established by the depository with a custodian for the benefit of public bodies having deposits with such depository as set forth in code Section 45-8-13.1.

The County utilized both methods to secure deposits of public funds.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 5 - RECEIVABLES

PRIMARY GOVERNMENT

Receivables as of year-end for the County's individual major and nonmajor governmental funds, Enterprise funds and Internal Service Funds, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	SPLOST	Capital Projects Fund	NonMajor Governmental Funds	Solid Waste Disposal Facility Enterprise Fund	Fuel Depot Internal Service Fund
Receivables:						
Property Taxes	\$ 4,362,639	\$ -	\$ -	\$ 467,050	\$ -	\$ -
Accounts	345,273	-	5,886	1,713,401	143,209	-
Intergovernmental	1,364,527	1,862,130	-	79,022	-	431
Total Gross Receivables	6,072,439	1,862,130	5,886	2,259,473	143,209	431
Less: Allowance for Uncollectibles	-	-	-	-	251	-
Total Net Receivables	<u>\$ 6,072,439</u>	<u>\$ 1,862,130</u>	<u>\$ 5,886</u>	<u>\$ 2,259,473</u>	<u>\$ 143,460</u>	<u>\$ 431</u>

Property taxes receivable at December 31, 2016, consist of the following:

<u>DIGEST YEAR</u>	<u>GENERAL FUND</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>
2016	\$ 2,995,497	\$ 400,587
2015	578,845	39,254
2014	203,025	7,170
2013	93,608	4,198
2012	98,935	3,948
2011	73,039	2,474
2010	93,497	2,330
2009	78,493	1,690
2008	74,289	1,955
2007	31,599	1,047
2006	17,135	699
2005 and prior	24,677	1,698
Total	<u>\$ 4,362,639</u>	<u>\$ 467,050</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current year, the various components of deferred revenue and unearned revenue reported in the governmental funds were as follows:

	<u>UNAVAILABLE</u>	<u>UNEARNED</u>
Property taxes (General Fund)	\$ 23,523,968	\$ -
Property taxes (Fire District Fund)	3,168,456	-
Grant drawdowns prior to meeting all eligibility requirements (General Fund)	-	46,526
Other (Nonmajor Governmental Funds)	-	606,810
Total unavailable/unearned revenue for governmental funds	\$ 26,692,424	\$ 653,336

COMPONENT UNITS

	<u>Health Department</u>	<u>Water and Sewerage Authority</u>	<u>Airport Authority</u>
Receivables:			
Accounts	\$ -	\$ 1,068,048	\$ -
Intergovernmental	89,673	10,652	12,024
Other	-	311,879	-
Total Gross Receivables	89,673	1,390,579	12,024
Less: Allowance for Uncollectibles	-	(202,096)	-
Total Net Receivables	\$ 89,673	\$ 1,188,483	\$ 12,024

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 6 - CAPITAL ASSETS

PRIMARY GOVERNMENT

Capital asset activity for the year ended December 31, 2016, was as follows:

	Beginning <u>Balance</u>	<u>Additions</u>	<u>Retirement</u>	<u>Transfer</u>	Ending <u>Balance</u>
Governmental Activities:					
Non-Depreciable Assets:					
Land and land improvements	\$ 6,252,503	\$ 49,987	\$ -	\$ -	\$ 6,302,490
Infrastructure land and land improvements	56,347,027	136,264	-	-	56,483,290
Construction in progress	53,899	2,107,671	-	-	2,161,570
Construction in progress - infrastructure	<u>36,385</u>	<u>280</u>	<u>-</u>	<u>-</u>	<u>36,665</u>
Total non-depreciable capital assets	<u>62,689,814</u>	<u>2,294,202</u>	<u>-</u>	<u>-</u>	<u>64,984,015</u>
Depreciable Assets:					
Land Improvements	1,990,553	-	-	-	1,990,553
Buildings and improvements	77,522,760	121,094	(10,498)	-	77,633,356
Machinery and equipment	15,825,118	168,281	(9,900)	-	15,983,499
Vehicles	15,885,756	1,343,568	(65,091)	-	17,164,232
Infrastructure	<u>115,487,941</u>	<u>1,050,027</u>	<u>-</u>	<u>-</u>	<u>116,537,968</u>
Total depreciable capital assets	<u>226,712,128</u>	<u>2,682,970</u>	<u>(85,489)</u>	<u>-</u>	<u>229,309,608</u>
Less Accumulated Depreciation for:					
Land Improvements	(790,867)	(102,601)	-	-	(893,468)
Buildings and improvements	(16,286,502)	(2,064,203)	9,676	-	(18,341,029)
Machinery and equipment	(10,669,566)	(971,622)	9,900	-	(11,631,288)
Vehicles	(13,718,511)	(914,521)	65,091	-	(14,567,941)
Infrastructure	<u>(63,097,191)</u>	<u>(4,381,828)</u>	<u>-</u>	<u>-</u>	<u>(67,479,019)</u>
Total accumulated depreciation	<u>(104,562,637)</u>	<u>(8,434,775)</u>	<u>84,667</u>	<u>-</u>	<u>(112,912,745)</u>
Total depreciable capital assets, net	<u>122,149,491</u>	<u>(5,751,805)</u>	<u>(822)</u>	<u>-</u>	<u>116,396,863</u>
Governmental activities capital assets, net	<u>\$ 184,839,305</u>	<u>\$ (3,457,603)</u>	<u>\$ (822)</u>	<u>\$ -</u>	<u>\$ 181,380,878</u>

Additions to governmental activities capital assets for the year ending December 31, 2016, consist of the following:

Capital Outlay	\$ 3,790,881
Donated assets	<u>1,186,290</u>
Total Additions	<u>\$ 4,977,172</u>
Non-depreciable capital assets additions	\$ 2,294,202
Depreciable capital assets additions	<u>2,682,970</u>
Total	<u>\$ 4,977,172</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirement</u>	<u>Transfer</u>	<u>Ending Balance</u>
Business-type Activities:					
Non-Depreciable Assets:					
Land and land improvements	\$ 498,386	\$ -	\$ -	\$ -	\$ 498,386
Total non-depreciable capital assets	<u>498,386</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>498,386</u>
Depreciable Assets:					
Land improvements	192,244	-	-	-	192,244
Buildings and improvements	1,560,465	-	(2,076)	-	1,558,389
Machinery and equipment	261,942	47,232	(53,679)	-	255,495
Vehicles	<u>121,440</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>	<u>120,440</u>
Total depreciable capital assets	<u>2,136,091</u>	<u>47,232</u>	<u>(56,755)</u>	<u>-</u>	<u>2,126,568</u>
Less Accumulated Depreciation for:					
Land improvements	(96,592)	(19,581)	-	-	(116,172)
Buildings and improvements	(165,247)	(31,171)	948	-	(195,471)
Machinery and equipment	(151,491)	(33,610)	49,888	-	(135,213)
Vehicles	<u>(106,906)</u>	<u>(4,600)</u>	<u>600</u>	<u>-</u>	<u>(110,907)</u>
Total accumulated depreciation	<u>(520,236)</u>	<u>(88,962)</u>	<u>51,436</u>	<u>-</u>	<u>(557,763)</u>
Total depreciable capital assets, net	<u>1,615,855</u>	<u>(41,730)</u>	<u>(5,319)</u>	<u>-</u>	<u>1,568,805</u>
Business-type activities capital assets, net	<u>\$ 2,114,241</u>	<u>\$ (41,730)</u>	<u>\$ (5,319)</u>	<u>\$ -</u>	<u>\$ 2,067,191</u>

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

Governmental Activities:

General Government	\$ 540,045
Judicial	563,899
Public Safety	2,193,918
Public Works	4,766,423
Public Health and Welfare	107,349
Recreation and Culture	259,931
Housing and Development	3,209
Rounding	<u>1</u>
Total depreciation expense - Governmental Activities	<u>\$ 8,434,775</u>

Business-type Activities:

Solid Waste	<u>88,962</u>
Total depreciation expense - Business-type Activities	<u>\$ 88,962</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

The County has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2016, and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

	<u>Project Authorization</u>	<u>Expended To Date</u>	<u>Contracts in Progress</u>	<u>Authorized Not Obligated</u>	<u>Source</u>
Governmental Activities:					
SR60/I-85 Interchange	\$ 257,500	\$ 36,665	\$ -	\$ 220,835	Economic Development Bonds
WJ Middle Track & Field Additions	1,163,505	1,151,858	-	11,647	SPLOST
Public Safety Software Upgrade	700,000	339,522	-	360,478	SPLOST
West Jackson FD Station	11,615	11,615	-	-	Local Funds
Plainview EMS Station	800,000	249,598	-	550,402	SPLOST; Local Funds
Animal Shelter	357,977	357,977	-	-	SPLOST; General Fund
Fire Districts - CIP Projects	204,000	51,000	153,000	-	Fire Fund
Total Governmental Activities	<u>\$ 3,494,597</u>	<u>\$ 2,198,235</u>	<u>\$ 153,000</u>	<u>\$ 1,143,362</u>	

DISCRETELY PRESENTED COMPONENT UNITS

Activity for the *Health Department* for the year ended December 31, 2016, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Depreciable Assets:				
Machinery and equipment	\$ 338,694	\$ 52,851	\$ (13,239)	\$ 378,306
Total depreciable capital assets	<u>338,694</u>	<u>52,851</u>	<u>(13,239)</u>	<u>378,306</u>
Less Accumulated Depreciation for:				
Machinery and equipment	(145,118)	(28,828)	13,239	(160,707)
Total accumulated depreciation	<u>(145,118)</u>	<u>(28,828)</u>	<u>13,239</u>	<u>(160,707)</u>
Total depreciable capital assets, net	<u>\$ 193,576</u>	<u>\$ 24,023</u>	<u>\$ -</u>	<u>\$ 217,599</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Activity for *Jackson County Water and Sewerage Authority* for the year ended December 31, 2016, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities:					
Non-depreciable Assets:					
Land	\$ 2,752,046	\$ -	\$ -	\$ -	\$ 2,752,046
Land - Water Plant Capacity	2,380,799	-	-	-	2,380,799
Land - Water Creek Reservoir	-	2,000,000	-	-	2,000,000
Construction in progress	<u>950,373</u>	<u>1,473,538</u>	<u>-</u>	<u>(1,539,812)</u>	<u>884,099</u>
Total non-depreciable capital assets	<u>6,083,218</u>	<u>3,473,538</u>	<u>-</u>	<u>(1,539,812)</u>	<u>8,016,944</u>
Depreciable assets:					
Buildings	650,944	-	-	-	650,944
Water tanks	3,989,889	-	-	-	3,989,889
Booster pumps	1,667,158	-	-	-	1,667,158
Water lines	67,246,067	66,710	-	65,034	67,377,811
Meters	2,699,944	-	-	369,270	3,069,214
Vehicles	522,337	-	(20,196)	39,850	541,991
Sewer system	20,897,418	262,068	-	981,982	22,141,468
Machinery and equipment	1,562,681	-	-	83,676	1,646,357
Water Plant Capacity	<u>22,601,355</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,601,355</u>
Total depreciable capital assets	<u>121,837,793</u>	<u>328,778</u>	<u>(20,196)</u>	<u>1,539,812</u>	<u>123,686,187</u>
Less Accumulated Depreciation for:					
Buildings	(236,973)	(19,864)	-	-	(256,837)
Water tanks	(1,371,577)	(81,628)	-	-	(1,453,205)
Booster pumps	(640,737)	(87,359)	-	-	(728,096)
Water lines	(16,958,411)	1,346,838)	-	-	(18,305,249)
Meters	(1,793,207)	(171,053)	-	-	(1,964,260)
Vehicles	(359,551)	(73,986)	20,196	-	(413,341)
Sewer system	(3,749,032)	(479,008)	-	-	(4,228,040)
Machinery and equipment	(1,178,282)	(122,559)	-	-	(1,300,841)
Water Plant Capacity	<u>(4,581,153)</u>	<u>(327,859)</u>	<u>-</u>	<u>-</u>	<u>(4,909,012)</u>
Total accumulated depreciation	<u>(30,868,923)</u>	<u>2,710,154)</u>	<u>20,196</u>	<u>-</u>	<u>(33,558,881)</u>
Total depreciable capital assets, net	<u>90,968,870</u>	<u>2,381,376)</u>	<u>-</u>	<u>1,539,812</u>	<u>90,127,306</u>
Business-type activities capital assets, net	<u>\$ 97,052,088</u>	<u>\$1,092,162</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 98,144,250</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

The Jackson County Water and Sewerage Authority has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2016, and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

Project	Project <u>Authorization</u>	Expended <u>To Date</u>	Contracts in <u>Progress</u>	Authorized <u>Not Obligated</u>	<u>Source</u>
Parks Creek Reservoir	\$ 1,000,000	\$ 20,499	\$ -	\$ 979,501	General Fund
Utility Billing IVR System	17,450	711	-	16,739	General Fund
Valentine Parks LS - 2015	836,118	724,985	111,133	-	General Fund
Hwy.60 VFD - 2015	200,000	-	-	200,000	General Fund
Emergency Generator - 2016	60,000	-	-	60,000	General Fund
East Jackson Tank and P/S Upgrade	450,000	-	-	450,000	General Fund
Doster Creek LS Update 2016	190,000	14,837	-	175,163	General Fund
SPLOST 6 Swann Rd	692,000	40,046	594,958	56,996	General Fund
SPLOST 6 Pleasant Acres	150,196	2,613	-	147,583	General Fund
MOWWTP Effluent Reuse System 2016	120,000	67,290	-	52,710	General Fund
Galilee Pump Station Generator	5,170	-	-	5,170	General Fund
Apple Valley Pump Station VFD	3,730	-	-	3,730	General Fund
JCWSA Building Addition 2016	27,000	-	-	27,000	General Fund
MOWWTP Sludge Holding Tank 2017	22,558	13,118	9,440	-	General Fund
	<u>\$ 3,774,222</u>	<u>\$ 884,099</u>	<u>\$ 715,531</u>	<u>\$ 2,174,592</u>	

Activity for the *Jackson County Airport Authority* for the year ended December 31, 2016, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities:					
Non-depreciable Assets:					
Land	\$10,507,220	\$ -	\$ -	\$ -	\$ 10,507,220
Construction in progress	38,297	235,893	-	-	274,190
Total non-depreciable capital assets	<u>10,545,517</u>	<u>235,893</u>	<u>-</u>	<u>-</u>	<u>10,781,410</u>
Depreciable assets:					
Land and improvements	2,531,566	-	-	-	2,531,566
Buildings and improvements	1,719,995	-	-	-	1,719,995
Machinery and equipment	347,962	6,826	-	-	354,788
Total depreciable capital assets	<u>4,599,523</u>	<u>6,826</u>	<u>-</u>	<u>-</u>	<u>4,606,349</u>
Less Accumulated Depreciation for:					
Land and improvements	(1,223,753)	(141,870)	-	-	(1,365,623)
Buildings and improvements	(549,849)	(44,640)	-	-	(594,489)
Machinery and equipment	(265,910)	(27,691)	-	-	(293,601)
Total accumulated depreciation	<u>(2,039,512)</u>	<u>(214,201)</u>	<u>-</u>	<u>-</u>	<u>(2,253,713)</u>
Total depreciable capital assets, net	<u>2,560,011</u>	<u>(207,375)</u>	<u>-</u>	<u>-</u>	<u>2,352,636</u>
Business-type activities capital assets, net	<u>\$13,105,528</u>	<u>\$ 28,518</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,134,046</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

The Jackson County Airport Authority has authorized construction projects. The remaining costs are split between the portion of the contracts that have been entered into for which the work had not been done prior to December 31, 2016, and the remainder of the authorized project expenditure for which contracts have not been entered into as of year end. The source of financing for the remaining project cost is noted below:

Project	Project Authorization	Expended To Date	Contracts in Progress	Authorized Not Obligated	Source
Crack Seal/Remarketing Improvements	\$ 259,299	\$ 235,893	\$ -	\$ 23,406	Local Funds; GA DOT; FAA
Hangar Development Area EA	70,139	38,297	-	31,842	Local Funds; GA DOT; FAA
	<u>\$ 329,438</u>	<u>\$ 274,190</u>	<u>\$ -</u>	<u>\$ 55,248</u>	

NOTE 7 - LONG-TERM DEBT

Long-term liability activity for the year ended December 31, 2016, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due After One Year
Governmental Activities:						
General obligation bonds	\$ 10,070,000	\$ -	\$ (4,940,000)	\$ 5,130,000	\$ 5,130,000	\$ -
Add: Original issue premium	181,115	-	(124,239)	56,876	56,876	-
Total general obligation bonds	<u>10,251,115</u>	<u>-</u>	<u>(5,064,239)</u>	<u>5,186,876</u>	<u>5,186,876</u>	<u>-</u>
Contracts Payable	89,755,000	20,835,000	(28,535,000)	82,055,000	5,845,000	76,210,000
Add: Original issue Premiums	1,331,929	3,916,495	(89,028)	5,159,396	685,644	4,473,752
Total Contracts Payable	<u>91,086,929</u>	<u>24,751,495</u>	<u>(28,624,028)</u>	<u>87,214,396</u>	<u>6,530,644</u>	<u>80,683,752</u>
Capital leases	1,113,246	1,218,112	(957,031)	1,374,327	792,648	581,679
Notes Payable	24,231	-	(24,231)	-	-	-
Compensated absences	830,194	589,676	(592,602)	827,268	592,601	234,666
Net pension liability	2,414,296	2,422,662	(300,000)	4,536,958	-	4,536,958
Net OPEB obligation	5,476,107	814,428	78,323	6,368,858	-	6,368,858
Total Governmental activities long-term liabilities	<u>\$ 108,781,822</u>	<u>\$ 27,373,711</u>	<u>\$ (35,183,808)</u>	<u>\$ 100,971,725</u>	<u>\$ 13,102,769</u>	<u>\$ 87,868,955</u>
Business-type Activities:						
Landfill closure/postclosure	\$ 905,419	\$ 79,628	\$ (54,330)	\$ 930,717	\$ 80,360	\$ 850,357
Compensated absences	14,648	4,584	(5,810)	13,422	5,811	7,611
Total Business-type activities long-term liabilities	<u>\$ 920,067</u>	<u>\$ 84,212</u>	<u>\$ (60,140)</u>	<u>\$ 944,139</u>	<u>\$ 86,171</u>	<u>\$ 857,968</u>

Contracts payable, notes payable, capital leases, compensated absences and net other postemployment benefits obligation are generally liquidated by the general fund except for the 2011 bonds for the jail which is paid by SPLOST and the contract for economic development bonds which has about \$120,000 paid by the capital projects fund. Landfill closure/postclosures costs and the note payable for business type activity are liquidated by the Solid Waste enterprise fund.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

SUMMARY OF ALL DEBT - GOVERNMENTAL ACTIVITIES

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 11,767,648	\$ 3,130,609	\$ 14,898,257
2018	6,555,564	2,760,594	9,316,158
2019	6,431,212	2,560,947	8,992,159
2020	6,664,903	2,347,057	9,011,960
2021	8,355,000	2,263,281	10,618,281
2022-2026	33,885,000	5,936,695	39,821,695
2027-2031	13,005,000	1,501,463	14,506,463
2032-2036	1,895,000	37,900	1,932,900
Total	<u>\$ 88,559,327</u>	<u>\$ 20,538,546</u>	<u>\$ 109,097,873</u>

CAPITAL LEASES

Heavy equipment for road construction and various other equipment items and the new courthouse are acquired under capital lease agreements which bear interest at various rates from 0.923% to 5.870%. The equipment has estimates useful lives of five and fifty years. This year, \$620,458 was included in depreciation expense. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimal lease payments as of the inception date. Minimum future lease obligations for these leases, as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 792,648	\$ 14,619	\$ 807,267
2018	445,564	5,632	451,196
2019	131,212	1,255	132,467
2020	4,903	316	5,219
Total	<u>\$ 1,374,327</u>	<u>\$ 21,822</u>	<u>\$ 1,396,149</u>

As of December 31, 2016, the capital assets purchased under these capital lease agreements are as follows:

	<u>Governmental</u>
	<u>Activities</u>
Machinery and equipment	\$ 946,291
Vehicles	5,099,366
Less accumulated depreciation	<u>(4,261,408)</u>
Net	<u>\$ 1,784,249</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

GENERAL OBLIGATION BONDS

On March 22, 2011, the County issued \$20,355,000 of Series 2011 general obligation refunding bonds to provide funds to partially advance refund the County's contract payable for the City of Jefferson Series 2007A bonds related to the county jail project. Up to \$23,747,657 of the proceeds from the Special Purpose Local Option Sales tax (SPLOST 5) effective July 1, 2011 have been pledged towards repayment of these bonds which bear interest rates from 2% to 5% and mature September 1, 2017. The County placed \$21,683,536 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the S2007A bonds maturing 2012 through 2037. The refunding reduced the aggregate debt services payments by \$13,587,126 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about \$5,656,000. The accounting loss on the refunding was approximately \$2,935,930. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2007A bonds as of December 31, 2016, was \$5,130,000.

The annual requirements to amortize this debt as of December 31, 2016 are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 5,130,000	\$ 158,900	\$ 5,288,900
Total	<u>\$ 5,130,000</u>	<u>\$ 158,900</u>	<u>\$ 5,288,900</u>

CONTRACTS PAYABLE

IDA 2004 Economic Development Bonds Payable

On November 1, 2004, the County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of an issue of \$16,815,000 of Series 2004 bonds with a premium and issuance cost of \$552,327 which mature March 30, 2017, and bear interest at rates from 3.00% to 5.00%. These bonds were for economic development projects including road projects. The County completed a partial refunding of Series 2004 bonds by issuing \$10,050,000 of Series 2012 bonds.

The annual requirements to amortize this debt as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 950,000	\$ 19,000	\$ 969,000
Total	<u>\$ 950,000</u>	<u>\$ 19,000</u>	<u>\$ 969,000</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

City of Jefferson Series 2007A Bond

On August 1, 2007, the County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of \$40,595,000 of Series 2007A bonds with a discount and issuance cost of \$645,564 which mature March 1, 2017, and bear interest at rates from 2.900% to 5.001%. These bonds were issued to fund the County's capital projects including the jail project, public safety training facility, and historic courthouse renovation. In 2011, these bonds were partially refunded by the Series 2011 General Obligation bonds discussed above. In 2014, these bonds were partially refunded by the Series 2014A and Series 2014B City of Jefferson Refunding Bonds. In 2015, these bonds were partially refunded by the Series 2015A and Series 2015B City of Jefferson Refunding Bonds.

The annual requirements to amortize the Series 2007A bond payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 1,020,000	\$ 25,000	\$ 1,045,000
Total	<u>\$ 1,020,000</u>	<u>\$ 25,000</u>	<u>\$ 1,045,000</u>

City of Jefferson Series 2007B Bond

On August 1, 2007, the County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of \$7,985,000 of Series 2007 bonds which mature March 1, 2027, and bear interest at rates from 3.700% to 4.750%. These bonds were issued to fund the City of Jefferson's projects including road projects. Per the intergovernmental agreement with the City of Jefferson, the City of Jefferson has agreed to pay all principal and interest payments as well as all issuance costs. In the event of default by the City of Jefferson, the County will be obligated to repay the debt. Therefore, due to legal requirements, there is still a legal liability to the County.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

The annual requirements to amortize the Series 2007B bond payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 405,000	\$ 238,279	\$ 643,279
2018	420,000	221,265	641,265
2019	440,000	203,415	643,415
2020	460,000	184,400	644,400
2021	475,000	164,531	639,531
2022-2026	2,730,000	468,583	3,198,583
2027	<u>625,000</u>	<u>14,063</u>	<u>639,063</u>
Total	<u>\$ 5,555,000</u>	<u>\$ 1,494,536</u>	<u>\$ 7,049,536</u>

IDA 2009 Series A Economic Development Bonds

On November 1, 2009, the County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of an issue of \$25,050,000 of economic development bonds with a issuance cost of \$484,672 which mature July 1, 2019, and bear interest at 3.700%. These bonds, along with \$5,000,000 of unspent proceeds from the 2008A bonds, were used to redeem \$29,405,000 of the Industrial Development Authority 2008A economic development bonds. In 2016, these bonds were partially refunded by the Series 2016 Jackson County IDA Revenue Refunding Bonds. The outstanding balance on the refunded 2009A bonds was \$4,860,000 as of December 31, 2016.

The annual requirements to amortize this debt as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 1,570,000	\$ 179,820	\$ 1,749,820
2018	1,620,000	121,730	1,741,730
2019	1,670,000	61,790	1,731,790
Total	<u>\$ 4,860,000</u>	<u>\$ 363,340</u>	<u>\$ 5,223,340</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

IDA 2009 Series B Economic Development Bonds

On January 11, 2010, the County entered into a contract with the Jackson County Industrial Development Authority to fund repayment of the balance of \$15,880,000 of Series 2009B economic development bonds. These were used to redeem \$15,595,000 of the Series 2008 economic development bonds as well as pay costs of issuance. These bonds mature July 1, 2019, and bear interest at 3.700%. In 2016, these bonds were partially refunded by the Series 2016 Jackson County IDA Revenue Refunding Bonds. The outstanding balance on the refunded 2009B bonds was \$2,280,000 as of December 31, 2016.

The annual requirements to amortize this debt as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 725,000	\$ 84,360	\$ 809,360
2018	760,000	57,535	817,535
2019	795,000	29,415	824,415
Total	<u>\$ 2,280,000</u>	<u>\$ 171,310</u>	<u>\$ 2,451,310</u>

City of Jefferson Series 2011 Bond

On November 30, 2011, the County entered into a contract with the City of Jefferson Public Building Authority to fund repayment of an issue of \$9,190,000 of Series 2011 bonds with issuance cost of \$86,500 which mature April 1, 2024, and bear interest at 2.900%. These bonds were issued to partially refund Series 2003 Certificates of Participation (COPS) issued to finance the construction of a new courthouse facility. The County placed \$9,080,111 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 2003 COPS maturing in 2012 and 2017 through 2024. The refunding reduced the aggregate debt services payments by \$2,434,396 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about \$270,787. The accounting loss on the refunding was approximately \$1,222,882. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The remaining Series 2003 Certificates of Participation (COPS) was fully refunded with the Series 2013 City of Jefferson Revenue Bonds.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

The annual requirements to amortize the Series 2011 bond payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 915,000	\$ 221,778	\$ 1,136,778
2018	940,000	194,880	1,134,880
2019	970,000	167,185	1,137,185
2020	995,000	138,693	1,133,693
2021	1,025,000	109,402	1,134,402
2022-2024	3,260,000	143,696	3,403,696
Total	<u>\$ 8,105,000</u>	<u>\$ 975,634</u>	<u>\$ 9,080,634</u>

IDA Series 2012A and 2012B Bonds

On April 1, 2012, the County entered into a contract with Jackson County Industrial Development Authority to fund repayment of an issue of \$9,145,000 of Series 2012A Revenue Refunding Bonds which mature April 1, 2024, and bear interest at rates from 3.70% to 5.00% and \$905,000 of Series 2012B Taxable Revenue Refunding Bonds which mature April 1, 2015, and bear interest at 3.70%. These bonds were issued to partially refund Series 2004 IDA bonds issued to finance the construction of economic development projects including roads. The County placed \$9,936,763 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 2004 bonds maturing in 2013 and 2018 through 2024. The refunding reduced the aggregate debt services payments by \$528,977 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about \$526,142. The accounting loss on the refunding was approximately \$833,984. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2004 bonds as of December 31, 2016 was \$969,000.

The annual requirements to amortize the Series 2012A and 2012B bonds payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 180,000	\$ 196,248	\$ 376,248
2018	1,185,000	179,597	1,364,597
2019	1,205,000	152,197	1,357,197
2020	1,225,000	126,523	1,351,523
2021	1,255,000	238,678	1,493,678
2022-2024	3,920,000	238,678	4,158,678
Total	<u>\$ 8,970,000</u>	<u>\$ 1,131,921</u>	<u>\$ 10,101,921</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

City of Jefferson Series 2013 Bond

On July 10, 2013, the County entered into a contract with the the City of Jefferson Public Building Authority to fund repayment of an issue of \$13,660,000 of Series 2013 Revenue Refunding Bonds which mature April 1, 2024, and bear interest at rates from 2.900% to 5.00% and \$905,000 of Series 2012B Taxable Revenue Refunding Bonds which mature April 1, 2032, and bear interest at 3.70%. These bonds were issued to refund 2003 Certificates of Participation (COP) that financed the construction of the new courthouse facility. The County placed \$13,869,190 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 2003 capital lease maturing in 2032. The refunding reduced the aggregate debt services payments by \$971,463 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about \$922,974. The accounting loss on the refunding was approximately \$772,791. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2004 bonds as of December 31, 2016 was \$969,000.

The annual requirements to amortize the Series 2013 bonds payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 80,000	\$ 463,700	\$ 543,700
2018	80,000	462,100	542,100
2019	80,000	460,500	540,500
2020	80,000	458,900	538,900
2021	85,000	456,400	541,400
2022-2026	2,805,000	2,146,250	4,951,250
2027-2031	7,250,000	1,047,400	8,297,400
2032-2032	<u>1,500,000</u>	<u>30,000</u>	<u>1,530,000</u>
Total	<u>\$ 11,960,000</u>	<u>\$ 5,525,250</u>	<u>\$ 17,485,250</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

City of Jefferson Series 2014A & 2014B Bonds

On October 2, 2014, the County entered into a contract with the the City of Jefferson Public Building Authority to fund repayment of an issue of \$10,155,000 of Series 2007A Revenue Refunding Bonds which mature March 1, 2029, and bear interest at rates from 2.900% to 5.001%. These bonds were issued to fund the County's capital projects including the jail project, public safety training facility, and historic courthouse renovation. The County placed \$10,738,941 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 2007A bonds maturing in 2029. The refunding reduced the aggregate debt services payments by \$1,231,547 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about \$767,495. The accounting loss on the refunding was approximately \$945,196. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2004 bonds as of December 31, 2016 was \$969,000.

The annual requirements to amortize the Series 2014A bonds payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ -	\$ 290,445	\$ 290,445
2018	-	290,445	290,445
2019	-	290,445	290,445
2020	-	290,445	290,445
2021	140,000	288,345	428,345
2022-2026	6,135,000	1,156,388	7,291,388
2027-2029	3,715,000	187,300	3,902,300
Total	<u>\$ 9,990,000</u>	<u>\$ 2,793,813</u>	<u>\$ 12,783,813</u>

The annual requirements to amortize the Series 2014B bonds payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ -	\$ 3,960	\$ 3,960
2018	-	3,960	3,960
2019	-	3,960	3,960
2020	165,000	1,980	166,980
Total	<u>\$ 165,000</u>	<u>\$ 13,860</u>	<u>\$ 178,860</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

City of Jefferson Series 2015A & 2015B Bonds

On August 19, 2015, the County entered into a contract with the the City of Jefferson Public Building Authority to fund repayment of an issue of \$7,665,000 of Series 2007A Revenue Refunding Bonds which mature from March 1, 2019 to March 1, 2032, and bear interest at rates from 2.900% to 5.001%. These bonds were issued to fund the County's capital projects including the jail project, public safety training facility, and historic courthouse renovation. The County placed \$8,422,165 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 2007A bonds maturing in 2032. The refunding reduced the aggregate debt services payments by \$886,832 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about \$433,586. The accounting loss on the refunding was approximately \$607,165. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2007 bonds as of December 31, 2016 was \$969,000.

The annual requirements to amortize the Series 2015A bonds payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ -	\$ 233,350	\$ 233,350
2018	-	233,350	233,350
2019	1,025,000	212,885	1,237,885
2020	1,165,000	169,050	1,334,050
2021	1,205,000	127,675	1,332,675
2022-2026	1,240,000	380,600	1,620,600
2027-2031	1,415,000	252,700	1,667,700
2032	395,000	7,900	402,900
Total	<u>\$ 6,445,000</u>	<u>\$ 1,617,510</u>	<u>\$ 8,062,510</u>

The annual requirements to amortize the Series 2015B bonds payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ -	\$ 24,400	\$ 24,400
2018	1,105,000	13,350	1,118,350
2019	115,000	1,150	116,150
Total	<u>\$ 1,220,000</u>	<u>\$ 38,900</u>	<u>\$ 1,258,900</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

IDA Series 2016 Bonds

On June 23, 2016, the County entered into a contract with Jackson County Industrial Development Authority to fund repayment of an issue of \$12,965,000 of Series 2009A Economic Development Bonds which mature July 1, 2024, and bear interest at 3.70% and \$9,400,000 of Series 2009B Economic Development Bonds which mature July 1, 2024, and bear interest at 3.70%. These bonds were issued to partially refund Series 2009A and 2009B IDA bonds issued to finance the construction of economic development projects including roads. The refunding reduced the aggregate debt service payments by \$758,506 and resulted in an economic loss (the difference between the present value of old and new debt service payments) of about \$2,110,751. The accounting premium on the refunding was approximately \$3,916,495. This premium was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2016 bonds was \$20,535,000 as of December 31, 2016.

The annual requirements to amortize the Series 2016 bonds payable as of December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ -	\$ 976,750	\$ 976,750
2018	-	976,750	976,750
2019	-	976,750	976,750
2020	2,570,000	976,750	3,546,750
2021	4,170,000	878,250	5,048,250
2022-2024	13,795,000	1,402,500	15,197,500
Total	<u>\$ 20,535,000</u>	<u>\$ 6,187,750</u>	<u>\$ 26,722,750</u>

GEFA Notes Payable

Governmental activities:

On March 6, 1996, the County entered into a \$911,436 loan agreement with the Georgia Environmental Facilities Authority (GEFA). These funds were to be drawn down as needed to finance Jackson County's share of the City of Commerce sewerage expansion for the Tanger Outlet Mall. Only \$394,350 was drawn on the loan before completion of the project, which was completed on October 31, 1998. Repayment of the proceeds began on November 1, 1998. This loan, which bears interest at 5.3%, matured October 1, 2016.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

COMPONENT UNITS

Long-term liability activity for the *Airport Authority* for the year ended December 31, 2016, was as follows:

Business-type activities:	Beginning	<u>Additions</u>	<u>Reductions</u>	Ending	Due Within	Due After
	<u>Balance</u>			<u>Balance</u>	<u>One Year</u>	<u>One Year</u>
Series 2004 Revenue Notes	\$ 830,000	\$ -	\$ (225,000)	\$ 605,000	\$ 240,000	\$ 365,000
Total	<u>\$ 830,000</u>	<u>\$ -</u>	<u>\$ (225,000)</u>	<u>\$ 605,000</u>	<u>\$ 240,000</u>	<u>\$ 365,000</u>

On November 12, 2004, the County entered into a contract with the Airport Authority to fund repayment of an issue of \$2,600,000 Series 2004 revenue notes which mature on April 19, 2019 and bear interest at a variable rate of LIBOR + .75 basis points (1.174% as of 12/31/2016). These bonds were issued to fund construction of the Emory hangar, additional T hangars, and runway expansion. Repayment of the proceeds began on April 1, 2007.

The annual requirements to amortize this debt using the variable interest rate effective at December 31, 2016, are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 240,000	\$ 6,465	\$ 246,465
2018	250,000	2,700	252,700
2019	115,000	437	115,437
Total	<u>\$ 605,000</u>	<u>\$ 9,602</u>	<u>\$ 614,602</u>

Long-term liability activity for the *Health Department* for the year ended December 31, 2016, was as follows:

Governmental activities	Beginning	<u>Additions</u>	<u>Reductions</u>	Ending	Due Within	Due After
	<u>Balance</u>			<u>Balance</u>	<u>One Year</u>	<u>One Year</u>
Compensated absences	\$ 54,910	\$ 36,986	\$ (46,786)	\$ 45,092	\$ 12,228	\$ 32,864
Net pension liability	689,176	-	(65,099)	624,077	-	624,077
Total	<u>\$ 744,086</u>	<u>\$ 36,986</u>	<u>\$ (111,885)</u>	<u>\$ 669,169</u>	<u>\$ 12,228</u>	<u>\$ 656,941</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Long-term liability activity for the *Jackson County Water and Sewerage Authority* for the year ended December 31, 2016, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>	<u>Due After One Year</u>
Business-type Activities:						
Revenue bonds	\$ 11,467,000	\$ 6,000,000	\$ (1,469,000)	\$ 15,998,000	\$ 1,523,000	\$ 14,475,000
For issuance premiums and discounts	<u>254,480</u>	<u>-</u>	<u>(64,650)</u>	<u>189,830</u>	<u>56,181</u>	<u>133,649</u>
Total Revenue Bonds	<u>11,721,480</u>	<u>6,000,000</u>	<u>(1,533,650)</u>	<u>16,187,830</u>	<u>1,579,181</u>	<u>14,608,649</u>
Contracts Payable:						
UOBWA contract payable	12,447,996	-	(882,322)	11,565,674	896,854	10,668,820
City of Jefferson contract payable	-	1,904,468	(68,889)	1,835,579	70,000	1,765,579
For issuance premiums and discounts	<u>1,286,499</u>	<u>133,383</u>	<u>(168,001)</u>	<u>1,251,881</u>	<u>166,295</u>	<u>1,085,586</u>
Total Contracts Payable	<u>13,734,495</u>	<u>2,037,851</u>	<u>(1,119,212)</u>	<u>14,653,134</u>	<u>1,133,149</u>	<u>13,519,985</u>
Notes Payable	97,197	-	(97,197)	-	-	-
Compensated absences	106,325	84,267	(61,853)	128,739	41,774	86,965
Net Pension Liability	<u>-</u>	<u>864,652</u>	<u>-</u>	<u>864,652</u>	<u>-</u>	<u>864,652</u>
Business-type activities long-term liabilities	<u>\$ 25,659,497</u>	<u>\$ 8,986,770</u>	<u>\$ (2,811,912)</u>	<u>\$ 31,834,355</u>	<u>\$ 2,754,104</u>	<u>\$ 29,080,251</u>

REVENUE BONDS

The Authority issues bonds where the Authority pledges income derived from the acquired or constructed assets to pay debt service.

During 1999, the Authority issued \$3,525,000 of Series 1999A Bonds and \$4,055,000 Series 1999B Bonds for construction of water lines. The bonds carry a rate of interest ranging from 4.45%-5.75% per annum and are payable on March 1 and September 1 of each year. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. Monthly, the Authority is required to deposit the principal and interest payments of the bonds in a sinking fund bank account. Final maturity date of these bonds is September 1, 2021. The 1999B Series bonds were partially refunded in December 2006. See note about the 2006A series bonds. The 1999A Series bonds were repaid in 2011. See note about the 2011A series bonds.

During 2000, the Authority issued \$12,780,000 of Series 2000A Bonds. The 2000A bonds are to acquire and upgrade a wastewater treatment plant. The bonds carry a rate of interest ranging from 4.30%-5.75% per annum and are payable on March 1 and September 1 of each year. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The Authority is providing for the principal and interest payments of the bonds in a sinking fund bank account. Final maturity date of the 2000A series of bonds is September 1, 2022. The 2000A Series bonds were partially refunded in December 2006. See note about the 2006A series bonds. The remaining 2000A bonds were repaid in 2015.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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During 2006, the Authority issued \$12,090,000 of Series 2006A revenue bonds to provide funds to partially advance refund the Authority's 1999B and 2000A series bonds. These bonds which bear interest rates from 3.50% to 5.25% mature September 1, 2022. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The Authority placed \$14,277,228 in an escrow account to be used for satisfying scheduled payments of interest, principal, and redemption premiums on the 1999B and 2000A maturing 2007 through 2012. The refunding reduced the aggregate debt services payments by almost \$690,107 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about \$563,007. The accounting loss on the refunding was approximately \$1,233,357. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest rate method. The outstanding balance on the refunded 2000A as of December 31, 2016 was \$6,995,000.

During 2011, the Authority issued \$2,517,000 of Series 2011A revenue bonds to provide funds to repay the Authority's remaining 1999A series bonds. These bonds which bear interest rates at 2.92% mature September 1, 2020. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The refunding reduced the aggregate debt services payments by almost \$352,270 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about \$269,635. The accounting loss on the refunding was approximately \$69,408. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest method. The outstanding balance on the 2011A bonds as of December 31, 2016 was \$1,178,000.

During 2011, the Authority issued \$2,526,000 of Series 2011B revenue bonds to provide funds to fully repay the Authority's 2002 GEFA loan. These bonds which bear interest rates from 2.77% mature September 1, 2026. The County has entered into a contract with the Authority to provide funds from County tax revenues to repay these bonds if the net revenues of the Authority are insufficient. The refunding reduced the aggregate debt services payments by almost \$139,426 and resulted in an economic gain (the difference between the present value of old and new debt service payments) of about \$148,954. There was no accounting loss on the refunding. The outstanding balance on the 2011B bonds as of December 31, 2016 was \$1,825,000.

During 2016, the Authority issued \$6,000,000 of Series 2016 revenue bonds to provide funds to finance approved projects related to SPLOST 6 funds to be received from Jackson County which will be used for capital improvements to the water system. These bonds bear an interest rate of 1.68% and mature September 1, 2023. The outstanding balance on the 2016 bonds as of December 31, 2016 was \$6,000,000.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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The annual requirements to amortize this debt using the variable interest rate of effective at December 31, 2016 are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 1,523,000	\$ 550,300	\$ 2,073,300
2018	2,552,000	483,710	3,035,710
2019	2,641,000	395,015	3,036,015
2020	2,708,000	302,515	3,010,515
2021	2,509,000	206,738	2,715,738
2022-2026	4,065,000	188,494	4,253,494
Total	<u>\$ 15,998,000</u>	<u>\$ 2,126,772</u>	<u>\$ 18,124,772</u>

CONTRACTS PAYABLE

Upper Oconee Basin Water Authority

On November 1, 1997, the Upper Oconee Basin Water Authority (the Issuer) issued \$60,770,000 of Revenue Bonds, Series 1997 (UOBWA) in order to finance the acquisition, construction and installation of a water supply reservoir and a water treatment plant (collectively the Project). These Bonds, which mature July 1, 2027, bear interest at rates from 4.25% to 5.25%. The Issuer is governed by a board composed of ten members, four of whom are the chief elected officials of the member counties: Athens-Clarke, Barrow, Jackson, and Oconee Counties, whose regular terms shall be concurrent with their terms of office; four of whom are appointed by the governing authority of each Member County, whose terms shall be for one year; one who is appointed by the by the Upper Oconee Resource Management Commission, whose term shall be for a period of two years; and one who is appointed by the previously identified nine members of the board, whose term shall be for a period of two years.

Jackson County has entered into an Intergovernmental Agreement dated July 22, 1996, with UOBWA, Barrow County, and Oconee County that requires each county to pay its proportional share of the principal and interest payments on this debt. Those shares are Barrow County 37.520%, Jackson County 41.521%, and Oconee County 20.959%. While Jackson County has the legal obligation to make these payments, it is anticipated that the payments will be financed by the sale of water by the Jackson County Water and Sewerage Authority.

In the event that the funds from such sales are not sufficient to pay the principal and interest, Jackson County has the obligation to levy property taxes sufficient to make them.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

In order to present the impact of this project fairly, the debt and related intangible asset, “Water Plant Capacity”, are recorded as part of the Jackson County Water & Sewerage enterprise fund even though the legal obligation belongs to Jackson County. The Water Plant Capacity intangible asset is being amortized on a straight line basis over the life of the underlying assets of the UOBWA, 100 years for the dam/reservoir and 50 years for the water treatment facility.

During 2015, the Upper Oconee Basin Water Authority issued \$12,447,996 of revenue bonds (Series 2015A and 2015B) for a full refunding of the Authority’s Series 2005 revenue bonds. The refunding was undertaken to reduce total future debt service payments. The refunding resulted in an economic gain of \$3,290,430. The accounting loss for the County on the refunding was approximately \$1,189,840. This loss was deferred and is being amortized over the remaining life of the new debt in accordance with GASB No. 23 using the effective interest method. The outstanding balance of the 2015A and 2015B bonds as of December 31, 2016 were \$6,174,172 and \$5,391,502, respectively.

The scheduled payments of principal and interest are as follows:

<u>December 31</u>	<u>UOBWA</u> <u>Principal</u>	<u>UOBWA</u> <u>Interest</u>	<u>UOBWA</u> <u>Total</u>
2017	\$ 896,854	\$ 433,261	\$ 1,330,115
2018	913,462	410,591	1,324,053
2019	940,451	382,782	1,323,233
2020	969,515	354,133	1,323,648
2021	998,580	324,311	1,322,891
2022-2026	5,572,118	995,378	6,567,496
2027	<u>1,274,694</u>	<u>31,867</u>	<u>1,306,561</u>
Total	<u>\$ 11,565,674</u>	<u>\$ 2,932,323</u>	<u>\$ 14,497,997</u>

City of Jefferson Contract

During 2016, the Authority entered into an intergovernmental agreement with the City of Jefferson for the City of Jefferson Building Authority Revenue Bonds, Series 2015. The Authority has agreed to pay twenty-five percent of the portion of the bonds related to the Park Creek Reservoir construction. These bonds, which bear interest rates from 2.00% to 4.25%, mature April 1, 2035. The outstanding balance on the contract as of December 31, 2016 was \$1,835,579.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

The scheduled payments of principal and interest are as follows:

<u>December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 70,001	\$ 65,805	\$ 135,806
2018	72,223	64,405	136,628
2019	75,557	61,335	136,892
2020	77,779	59,069	136,848
2021	81,112	55,763	136,875
2022-2026	435,561	246,794	682,355
2027-2031	523,340	31,867	555,207
2032-2035	<u>500,006</u>	<u>50,978</u>	<u>550,984</u>
Total	<u>\$ 1,835,579</u>	<u>\$ 636,016</u>	<u>\$ 2,471,595</u>

GEFA LOANS

The Authority entered into a loan with the Georgia Environmental Facilities Authority (GEFA) during 1999 to provide water service to the Hidden Oaks Subdivision. The loan had a draw capacity of \$449,422. Only \$173,100 of this loan is required to be repaid at zero interest, with the balance being a subsidy. The loan is payable quarterly beginning June 1, 2000 and matures June 1, 2020. There was not an outstanding balance as of December 31, 2016 because the Authority paid the loan in full in 2016.

PLEDGED REVENUE

Jackson County Water & Sewerage Authority has pledged future water and sewer revenues, net of specified operating expenses, to repay an original debt of \$39.5 million. This debt is payable solely from water and sewer net revenues and is payable through 2027. The total principal and interest remaining to be paid is \$37.5 million. Principal and interest paid for the current year was \$3.6 million which was approximately 77.3% of net revenues. The County provided a subsidy of \$668,584 to assist in making these payments.

The County has pledged, as security for the 2011 General Obligation bonds payable through 2017, a portion of the County's Special Purpose Local Option Sales Tax (SPLOST) 5 revenue which commenced July 1, 2011. In addition to this pledged revenue, these bonds are backed by the full faith and credit of the County. The total principal and interest remaining to be paid is \$5.3 million. Principal and interest paid for the current year was \$5.3 million which was approximately 107% of net revenues.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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OPERATING LEASES

The County is obligated under various operating leases for equipment purchases that have an initial term in excess of 1 year. Total cost for such leases were \$105,522 for the year ended December 31, 2016. Future minimum rental payments are as follows:

<u>December 31</u>	Minimum Payment
2017	\$ 102,333
2018	39,406
2019	279
Total	<u>\$ 142,018</u>

NOTE 8 - INTERFUND BALANCES AND ACTIVITY

The composition of interfund balances as of December 31, 2016, is as follows:

<u>Due To</u>	<u>Due From</u>						Total Due from Other Funds
	General Fund	SPLOST	Capital Projects Fund	Other Nonmajor Governmental Funds	Sold Waste Disposal Facility	Internal Service Funds	
General Fund	\$ -	\$ 777,650	\$ 77,823	\$ 4,196,678	\$1,284,833	\$ 25,001	\$ 6,361,985
Nonmajor Governmental Funds	927,421	-	-	35,999	-	-	963,420
Mayfield Treatment Plant Fund	4,565	-	-	-	-	-	4,565
Internal Service Funds	-	-	-	12,780	-	-	12,780
Total Due to Other Funds	<u>\$ 931,986</u>	<u>\$ 777,650</u>	<u>\$ 77,823</u>	<u>\$ 4,245,457</u>	<u>\$1,284,833</u>	<u>\$ 25,001</u>	<u>\$ 7,342,750</u>

These balances resulted from 1) the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, 2) the time lag between the dates that transactions are recorded in the accounting system, 3) the time lag between the dates that payments between funds are made, 4) short-term loans, and 5) to fund capital projects.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Interfund transfers as of the year ended December 31, 2016, are as follows:

<u>Transfers Out</u>	<u>Transfers in</u>			<u>Total Transfers Out</u>	<u>Difference SB ZERO</u>
	<u>General Fund</u>	<u>Other Nonmajor Governmental Funds</u>	<u>Sold Waste Disposal Facility</u>		
General Fund	\$ -	\$ 3,067,436	\$ 174,088	\$ 3,241,524	(4,146,787)
Capital Projects Fund	817,294	-	-	817,294	(817,294)
Other Nonmajor Governmental Funds	77,126	-	-	77,126	(3,144,562)
Solid Waste Fund	10,843	-	-	10,843	-
Total - Transfers in	<u>\$ 905,263</u>	<u>\$ 3,067,436</u>	<u>\$ 174,088</u>	<u>\$ 4,146,787</u>	<u>(8,108,643)</u>

Transfers are used to 1) supplement operating budgets, 2) help fund construction projects and debt service, and 3) reimburse unrestricted revenue.

NOTE 9 - RETIREMENT PLANS

DEFINED BENEFIT PENSION PLAN

Plan Description

The County contributes to the Association of County Commissioners of Georgia (ACCG) Defined Benefit Plan (Plan), which is a defined benefit pension plan.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of an adoption agreement, is affiliated with the Association County Commissioners of Georgia Second Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan Document. The Plan issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to Jackson County Board of Commissioners, 67 Athens Street, Jefferson, Georgia 30549.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Before January 1, 1998, all full-time County employees were eligible to participate in the Plan after completing three years of service. No employees can become participants after January 1, 1998. Benefits are fully vested after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan, but not beyond age 70. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of 1.00% of average compensation up to \$6,600 plus 1.50% of average compensation in excess of \$6,600 plus \$36.00 for each year of credited service payable as a life annuity. Service is limited to 35 years.

Compensation is averaged over a five-year period prior to retirement or termination. The Plan also provides benefits in the event of death or disability. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

All benefit accruals are frozen as of November 30, 1997, except employees electing to remain in the Plan with unfrozen benefits or any employee who retires prior to November 30, 2007. Any employee who retired prior to November 30, 2007 had the option to accrue benefits until their actual date of retirement and forfeit their right to their account balance in their supplemental 401(a) plan.

Participant counts as of December 31, 2015, (the most recent actuarial valuation date) and covered compensation (base on covered earnings for the preceding year) are shown below:

Retirees, beneficiaries and disabled participants receiving benefits	70
Terminated plan participants entitled to but not yet receiving benefits	98
Active employees participating in the Plan	210
Total number of Plan participants	378
Covered compensation for active participants	\$ 8,082,436
Contributions as a percentage of covered-employee payroll	3.71 %

Contributions

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code set forth minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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Net Pension Liability

The County's net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

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

Inflation	3.50%
Salary Increases	3.00-4.50%, average, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for Males and Females.

The actuarial assumptions used in the 2015 valuation were based on the results of an actuarial experience study for the period January 1, 1988 - December 31, 2014.

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected nominal returns, net of pension plan investment expense and the assumed rate of inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term expected real rate of return*
Fixed income	30.00%	3.22%
Domestic large equities	30.00	2.34
Domestic mid equities	5.00	1.43
Domestic small equities	5.00	0.27
REIT	5.00	0.57
International	15.00	0.47
Multi cap	5.00	0.53
Global allocation	5.00	0.66
TOTAL	100.00%	

* Rates shown are net of the 3.50% assumed rate of inflation

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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The discount rate used to measure the total pension liability was 7.50%. There was no change in the discount rate since the prior measurement period date. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Change in the Net Pension Liability

	Pension <u>Liability</u>	Fiduciary Net <u>Position</u>	Net Pension <u>Liability</u>
Balances at December 31, 2014	\$ 13,909,414	\$ 11,495,118	\$ 2,414,296
Changes for the year:			
Service cost	411,747	-	411,747
Interest	1,013,548	-	1,013,548
Difference between expected and actual experience	715,416	-	715,416
Assumption Change	545,963	-	545,963
Contribution-employer	-	300,000	(300,000)
Contribution-employee	-	315,304	(315,304)
Net investment income	-	90,891	(90,891)
Benefit payments	(790,887)	(790,887)	-
Administrative expense	-	(42,006)	42,006
Other charges	-	(100,177)	100,177
Net changes	<u>1,895,787</u>	<u>(226,875)</u>	<u>2,122,662</u>
Balances at December 31, 2015	<u>\$ 15,805,201</u>	<u>\$ 11,268,243</u>	<u>\$ 4,536,958</u>

For the year ended December 31, 2016, the County recognized pension expense of \$730,533. The required contribution for the year ended December 31, 2016 was \$628,666.

The following presents the County's net pension liability calculated using the discount rate of 7.50%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1 % Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
County's net pension liability	<u>\$ 6,648,890</u>	<u>\$ 4,536,958</u>	<u>\$ 2,785,866</u>

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
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DEFINED CONTRIBUTION PLAN

Effective January 1, 1998, the County, by resolution, adopted the ACCG Defined Contribution Money Purchase Plan, which operates in conjunction with the Deferred Compensation Plan. In August 2008, the County switched companies from ACCG to ICMA Retirement Corporation. There is no waiting period for employees to participate. In August 2008, the County adopted a graduated vesting system, as follows: after 2 years of service, employees are 25% vested; after 3 years of service, employees are 50% vested; after 4 years of service, employees are 75% vested; and after 5 years of service, employees are 100% vested. The department heads are 50% vested after 1 year of service and 100% vested after 2 years of service. The County contributes 4% of salary as a base contribution for employees with 0-9 years of service, 5% for employees with 10-14 years of service, 6% for employees with 15-19 years of service, and 7% for employees with 20 or more years of service. In addition, the County will match 50% of employee voluntary contributions up to 6% of salary. The County may change the contribution requirements by resolution.

The employee contributions for 2016 were \$559,137 and the County base contribution was \$410,485. Due to the economic slowdown, the County has not made any matching contributions for the year.

DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. Because the assets are held in trust for the employees, they are not assets of the County and are not reported in these financial statements.

OTHER POST-RETIREMENT BENEFITS

Plan Description

The County administers a single-employer defined benefit healthcare plan, the Jackson County Retirement Medical Plan, established by resolution. The plan coverages and contribution requirements may be amended by resolution as well. The plan provides healthcare coverage including medical, dental, and vision, for eligible retirees, their spouses, and dependent children through the county's health insurance plan, which covers both active and retired members. The plan does not issue a stand-alone report.

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Any employee with 20 or more years of service who retires between 60 and 65 years of age may continue on the County's health insurance plan at the same cost as an active employee. This includes coverage for their spouse. At age 65 or normal Medicare retirement age, if earlier, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates. The spouse may continue on the County's health plan at the employee's cost until the spouse reaches age 65. Employees may choose the greater of this benefit or the benefit described below.

Public Safety Employees

Eligible employees are those age 55 with a minimum of 20 years of full-time, certified public safety service. Employees earn 3% per year towards their coverage for the first 20 years of service and 4% per year for years 21-30. They also earn 2.5% per year towards coverage for their spouse and dependent children. Coverage for the spouse ends when they reach normal Medicare retirement age. Coverage for dependent children ends when they no longer qualify as a dependent. Once the employee reaches normal Medicare retirement age, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates.

Non Public Safety Employees

Eligible employees are those age 60 with a minimum of 20 years of full-time service. Employees earn 3% per year towards their coverage for the first 20 years of service and 4% per year for years 21-30. They also earn 2.5% per year towards coverage for their spouse and dependent children. Coverage for the spouse ends when they reach normal Medicare retirement age. Coverage for dependent children ends when they no longer qualify as a dependent. Once the employee reaches normal Medicare retirement age, the County provides a Medicare supplemental insurance policy for the retiree only and regular medical coverage terminates.

Funding Policy

For the year ended December 31, 2016, the County contributed \$151,566 to the plan. These benefits are funded on a "pay as you go" method. In 2016, total member contributions were \$17,645, through their required contribution of \$505 per month for retiree only coverage and \$1,270 month for retiree and spouse coverage.

JACKSON COUNTY, GEORGIA
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Annual OPEB Cost and Net OPEB Obligation

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the *annual required contribution by the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

The following table shows the components of the County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the County's net OPEB obligation:

	<u>2016</u>	<u>2015</u>
Annual required contribution	\$ 1,034,528	\$ 805,818
Interest on net OPEB obligation	219,044	192,667
Adjustment to annual required contribution	<u>(209,255)</u>	<u>(184,057)</u>
Annual OPEB cost	1,044,317	814,428
Employer contributions made with interest	<u>(151,566)</u>	<u>(155,001)</u>
Increase (decrease) in net OPEB obligation	892,751	659,427
Net OPEB obligation, Beginning of year	<u>5,476,107</u>	<u>4,816,680</u>
Net OPEB obligation, End of year	<u><u>\$ 6,368,858</u></u>	<u><u>\$ 5,476,107</u></u>

The County performs actuarial valuations every two years.

The County's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 and the preceding two years were as follows:

Fiscal Year Ended December 31,	Annual OPEB Cost	Employer Contributions	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2016	\$ 1,044,317	\$ 151,566	14.5%	\$ 6,368,858
2015	\$ 814,428	\$ 155,001	19.0%	\$ 5,476,107
2014	\$ 792,375	\$ 96,164	12.1%	\$ 4,816,680

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

Funded Status and Funding Progress

The data for the most current year are as follows:

<u>As of</u> <u>January 1</u>	Actuarial Value of <u>Assets</u> (a)	Actuarial Accrued Liability (AAL) - <u>Projected Unit Credit</u> (b)	Unfunded AAL <u>(UAAL)</u> (b-a)	Funded <u>Ratio</u> (a/b)	Covered <u>Payroll</u> (c)	UAAL as a Percent of <u>Covered Payroll</u> [(b-a)/c]
2016	\$ -	\$8,574,847	\$ 8,574,847	0.0%	\$15,456,545	55.5%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The Schedule of Other Post Retirement Benefits Funding Progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Actuarial valuations are done biennially. Additional years will be added over time.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

The information was determined as part of the actuarial valuation as of January 1, 2016. Additional information as of the latest actuarial valuation follows:

Valuation date	January 1, 2016
Actuarial cost method	Projected Unit Credit
Amortization method	30-year open period; level percentage of pay payment
Asset valuation method	Market value
Actuarial assumptions:	
Investment rate return	4.00%
Post-retirement benefit increases	0%
Projected salary increases	0%
Includes inflation at	3.00%
Healthcare cost trend rate(s):	
Select rates	7.75% for 2016 graded to 5.00% for 2019
Ultimate rate	5.00%

NOTE 10 - RISK MANAGEMENT

The County is exposed to various risks in terms of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The County has not decreased any of its insurance coverage from the prior year, and there have been no claims in excess of insurance coverage over the past three years.

GROUP HEALTH INSURANCE

The County accounts for the risks associated with the employee's health insurance plan in the Health Insurance Fund, an internal service fund where assets are set aside for claim settlements. In 2014, the County changed from purchasing commercial insurance to a partially self-insured plan where commercial insurance is purchased for claims in excess of coverage provided by the County. The specific stop loss limit per person was \$100,000.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. At December 31, 2016, the County included in accrued expenses \$192,879 for unpaid claims. This liability was determined based on actual claims received for the first two months after year-end plus projected claims based on prior years activity. These claims are expected to be paid within 12 months of the year-end.

The County pays most of the coverage for eligible employees and their dependents. Employee contributions are used to pay claims and expense of the plan incurred during the year.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

	Beginning of Year	Incurred Claims and Changes in Estimates	Claims Payments	End of Year
Year ended December 31, 2016	\$ 188,338	\$ 4,062,728	\$ (4,058,187)	\$ 192,879

WORKERS' COMPENSATION

The County participates in the Association County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund (GSIWCF) (FUND), a self-insured pool cooperative arrangement among its members to finance workers' compensation coverage. The fund is owned by its members and is managed by a seven member Board of Trustees made up of representatives from participating counties. Losses up to \$450,000 per individual claim are paid by the Fund.

However, excess losses, if any, are covered by reinsurance and would be paid by the reinsurer. The members of the Fund are assessable if the losses that the Fund must pay exceed the assets of the pool. At December 31, 2016, there was no need for such an assessment. Therefore, no liability has been included in these financial statements.

As part of these risk pools, (IRMA & GSIWCF), the County is obligated to pay all contributions and assessments 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 that could require the funds to pay any type of loss. The County is also to allow all the pools' agents and attorneys to represent the county in investigations, settlement discussions, and all levels of litigation arising out of any claim made against the county.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all costs assessed 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.

Settled claims in the past three years have not exceeded the coverage.

OTHER

The County is a member of the Association of County Commissioners of Georgia Interlocal Risk Management Agency (IRMA). IRMA is a group self-insurance fund covering general liability, automobile damage and theft, fire damage, and employee dishonesty for Georgia County governments. IRMA pays losses up to \$100,000 per individual claim or \$1,000,000 for all claims. However, excess losses, if any, are covered by reinsurance and would be paid by the reinsurer.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

The members of IRMA are assessable if the losses that IRMA must pay exceed the assets of the pool. At December 31, 2016, there was no need for such an assessment.

NOTE 11 - RELATED PARTY TRANSACTIONS

The County is one of four member counties of the Upper Oconee Basin Water Authority, a public body corporate and politic created in 1994 by an act of the General Assembly of the State of Georgia (the "Act"). Pursuant to the Act, the Authority is authorized to acquire and develop adequate sources of water supply, including but not limited to the construction of reservoirs; the treatment of such water, and thereafter the transmission of such water within the Upper Oconee Basin area, and to the various counties, municipalities, and public authorities within the Upper Oconee Basin area; to conserve water; to fulfill its purposes and perform its projects in an environmentally sensitive manner; and to strictly limit interbasin transfers of water. The County has entered into the Intergovernmental Reservoir and Raw Water Supply Agreement with the Authority as well as the Intergovernmental Water Treatment and Transmission Agreement as well as certain supplemental contracts whereby the County agrees to provide funds for the operation and maintenance of the Project and to the extent another Member County fails to fulfill its obligation to pay costs of operating the Project, including payment of debts service, to provide additional funds for such costs, irrespective of the demand for or the Project's output of water. Complete financial statements for the Upper Oconee Basin Water Authority may be obtained from: Georgia Mountains Regional Commission, 305 Research Drive, Athens, Georgia 30605.

NOTE 12 - CONTINGENT LIABILITIES

The County is a party to several legal proceedings that normally occur in governmental operations. As of the date of this financial statement, no awards in these cases have been made against the County. The results of any litigation, however, contain elements of uncertainty, and liability, if any, which might result from these proceedings, would not, in the opinion of management, have a material adverse effect on the ability of the County to meet its financial obligations.

In May of 1999, the County accepted a Community Development Block Grant from the Department of Community Affairs in the amount of \$500,000 for the construction of a new Mental Health Center. As a condition of the grant, the County must agree to use the facility for the approved purpose throughout the life of the facility. Should the facility be converted to an ineligible use, the Department of Community Affairs will require repayment of the grant. The repayment will be based on 20-year straight-line depreciation, except 100% repayment of the grant funds will be required to be repaid if the facility is converted during the first five years after the grant closeout date. The period for calculating the repayment amount began upon closeout of the grant in December 2000 and continue until approximately December 2020.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

In February of 2010, the County accepted a Community Development Block Grant from the Department of Community Affairs in the amount of \$500,000 for the renovation of the Senior Center. As a condition of the grant, the County must agree to use the facility for the approved purpose throughout the life of the facility. Should the facility be converted to an ineligible use, the Department of Community Affairs will require repayment of the grant. The repayment will be based on 20-year straight-line depreciation, except 100% repayment of the grant funds will be required to be repaid if the facility is converted during the first five years after the grant closeout date. The period for calculating the repayment amount began upon closeout of the grant in March 2011 and continue until approximately March 2031.

NOTE 13 - LANDFILL CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the County to place a final cover on a landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for up to thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports an estimated portion of these closure and postclosure care costs as a current operating expenditure in each period based on landfill capacity used as of each balance sheet date. The estimated costs are subject to adjustment due to changes in inflation or deflation, technology, or applicable laws or regulations. The current year amortization with respect to the postclosure costs is \$54,330. The amount of postclosure care costs remaining as of December 31, 2016 is \$930,717. The landfill was officially closed August 20, 1997.

NOTE 14 - CERTAIN SIGNIFICANT ESTIMATES

As discussed in NOTE 1, estimates are used in the preparation of these financial statements. Several of the estimates qualified as a significant estimate, in that it is reasonably possible that the estimate will change in the near term due to one or more future confirming events and this change will have a material effect on the financial statements.

The estimate for the postclosure cost of the County's landfill, which was closed in 1997 qualifies as a significant estimate. Jackson County has estimated the remaining closure and the thirty-year post closure monitoring cost to be \$930,717. The ultimate cost, however will depend on the extent of contamination found as the project progresses.

The estimate for allowance for doubtful accounts related to fines receivable and ambulance charges receivables qualifies as a significant estimate. The estimate is calculated based on prior years' collection experience.

The estimate for accumulated depreciation on capital assets qualifies as a significant estimate. This estimate is based on the original or estimated cost of the assets, depreciated over the estimated useful lives using the straight line method.

JACKSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 15 - NORTHEAST GEORGIA REGIONAL COMMISSION

Jackson County, in conjunction with cities and counties in the ten (10) county Piedmont, Georgia area are members of the Northeast Georgia Regional Commission (NEGRC). Membership in a regional commission is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the regional commissions. Each county and municipality in the state is required by law to pay minimum annual dues to the regional commission. The County paid annual dues in the amount of \$45,423 to the NEGRC for the year ended December 31, 2016. The NEGRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the nonpublic Board member from a County.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines regional commissions as public agencies and instrumentalities of their members. Georgia laws also provide that the member governments are liable for any debts or obligations of a regional commission beyond its resources. (O.C.G.A. 50-8-39.1)

Separate financial statements for the NEGRC may be obtained from:

Northeast Georgia Regional Commission
305 Research Drive
Athens, Georgia 30605

NOTE 16 - TAX ABATEMENTS

The County enters into property tax abatement agreements with local businesses under the Georgia Development Authority Law, adopted in 1969, for the purpose of attracting or retaining businesses within the County. The abatements may be granted to any business located within or promising to relocate to the County.

For the year ended December 31, 2016, the Jackson County Industrial Development Authority abated County property taxes totaling \$1,285,837 and the City of Jefferson entered into agreements which abated the County property tax revenues by \$166,930. These abatements included the following agreement that exceeded ten-percent (10%) of the total amount abated:

A 90 percent property tax abatement to a manufacturer of compressors for car air conditioners for purchasing machinery and equipment in order to expand production in the County. The tax abatement agreement contains a ten year schedule and is scheduled to conclude in 2024. The abatement amounted to \$984,432.

**JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE NET PENSION LIABILITY -
ACCG SECOND RESTATED DEFINED BENEFIT PLAN
For the Year Ended December 31, 2016
"Unaudited"**

<u>For the Year Ended December 31,</u>	<u>2016</u>	<u>2015</u>
Net pension liability	\$ 4,536,958	\$ 2,414,296
Covered-employee payroll	\$ 8,082,436	\$ 8,055,087
Net pension liability as a percentage of its covered-employee payroll	56.13%	29.97%
Plan fiduciary net position as a percentage of the total pension liability	71.30%	82.60%

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

JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS -
ACCG SECOND RESTATED DEFINED BENEFIT PLAN
For the Year Ended December 31, 2016
"Unaudited"

<u>For the Year Ended December 31,</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Contractually required contribution	\$ 628,666	\$ 561,792	\$ 702,165	\$ 634,846	\$ 633,066	\$ 568,781	\$ 516,547
Contributions in relation to the contractually required contribution	300,000	250,000	702,165	671,674	688,315	568,781	564,459
Contribution deficiency (excess)	<u>\$ 328,666</u>	<u>\$ 311,792</u>	<u>\$ -</u>	<u>\$ (36,828)</u>	<u>\$ (55,249)</u>	<u>\$ -</u>	<u>\$ (47,912)</u>
County's covered-employee payroll	\$ 8,082,436	\$ 8,055,087	\$ 7,718,247	\$ 8,107,248	\$ 7,714,898	\$ 7,199,794	\$ 6,120,996
Contributions as a percentage of covered-employee payroll	3.71%	3.10%	9.10%	8.28%	8.92%	7.90%	9.22%

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

JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF NOTES TO REQUIRED SUPPLEMENTARY INFORMATION -
ACCG SECOND RESTATED DEFINED BENEFIT PLAN
For the Year Ended December 31, 2016
"Unaudited"

Method and Assumptions Used in Calculations of Actuarially Determined Contributions

The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which donations are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for the year ended December 31, 2016 reported in that schedule:

Valuation Date	December 31, 2015
Actuarial Cost Method	Entry Age
Amortization Method	Level percentage of payroll, open
Remaining Amortization period	30 years
Asset Valuation method	Five-year smoothed market
Inflation Rate	3.50%
Salary Increases	3.0%-4.5%, including inflation
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

JACKSON COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF OTHER POST RETIREMENT BENEFITS FUNDING PROGRESS
For the Year Ended December 31, 2016
"Unaudited"

Actuarial Valuation Date (1/1)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4) / (5)
2008	\$ -	\$ 4,757,902	- %	\$ 4,757,902	\$ 13,331,911	35.69 %
2010	\$ -	\$ 5,862,271	- %	\$ 5,862,271	\$ 15,002,260	39.08 %
2012	\$ -	\$ 6,302,572	- %	\$ 6,302,572	\$ 14,397,085	43.78 %
2014	\$ -	\$ 6,354,294	- %	\$ 6,354,294	\$ 14,773,021	43.01 %
2016	\$ -	\$ 8,574,847	- %	\$ 8,574,847	\$ 15,456,545	55.48 %

2008 was the first year that this plan was effective. The County has biennial actuarial valuations.

JACKSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2016
(Required Supplementary Information)

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 6,287,998	\$ 6,287,998	\$ 6,287,998	\$ -
RESOURCES (INFLOWS)				
Taxes	32,547,325	33,002,625	33,704,491	701,866
Licenses and permits	55,300	55,300	72,567	17,267
Intergovernmental	773,669	776,167	1,472,025	695,858
Fines and forfeitures	1,068,500	1,068,500	962,374	(106,126)
Charges for services	3,596,400	3,596,400	3,910,725	314,325
Investment income	3,200	3,200	4,389	1,189
Miscellaneous	15,500	28,941	239,292	210,351
Sale of county property	-	-	5,362	5,362
Capital lease issued	-	-	115,304	115,304
Transfers in	1,077,126	1,077,126	905,263	(171,863)
Total Resources (Inflows)	<u>39,137,020</u>	<u>39,608,259</u>	<u>41,391,792</u>	<u>1,783,533</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>45,425,018</u>	<u>45,896,257</u>	<u>47,679,790</u>	<u>1,783,533</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
General Government				
Legislative	263,893	322,393	322,284	109
Chief executive	194,058	198,458	198,388	70
Elections	-	200	146	54
Voter registration	399,584	408,684	408,604	80
Financial administration	551,403	526,003	525,406	597
Purchasing	67,812	67,812	67,415	397
Data processing/MIS	857,666	891,566	891,482	84
Human resources	233,751	232,632	232,494	138
Tax commissioner	576,047	578,147	578,097	50
Tax assessor	776,858	762,858	762,012	846
Courthouse	2,061,185	2,057,185	2,056,809	376
District courthouse	53,671	52,671	52,167	504
Maintenance superintendent	799,580	745,580	744,783	797
Administration building	109,140	114,640	114,544	96
Board of Equalization	27,775	19,775	19,586	189
Commerce Service Center	42,700	43,800	43,745	55
Contingency	30,000	36,300	36,291	9
Total General Government	<u>7,045,123</u>	<u>7,058,704</u>	<u>7,054,253</u>	<u>4,451</u>
Judicial				
Superior court	332,833	354,833	354,710	123
Clerk of superior court	592,794	611,094	611,037	57
District attorney	445,335	449,635	449,552	83
State court	202,885	194,985	194,957	28
Magistrate court	291,422	293,422	293,330	92
Probate court	247,329	255,829	255,641	188
Juvenile court	586,232	610,232	610,129	103
Public defender	413,353	419,853	419,777	76
Solicitor-victims assistance	96,862	99,762	99,715	47
Solicitor-state court	297,138	319,438	319,414	24
Total Judicial	<u>3,506,183</u>	<u>3,609,083</u>	<u>3,608,262</u>	<u>821</u>
Public Safety				
Sheriff	6,546,059	6,289,059	6,288,746	313
Detention center	6,557,086	6,510,086	6,510,072	14
Correctional institute	2,329,809	2,571,809	2,571,506	303
Correctional institute fire brigade	228,025	67,525	67,155	370
Firemen's association	43,500	204,300	204,244	56
Ambulance services	-	200	144	56
Coroner	51,294	68,894	68,853	41
Animal shelter	186,139	256,639	256,605	34
County Marshal	82,099	74,399	74,385	14
Animal control	232,175	271,975	271,898	77
Total Public Safety	<u>16,256,186</u>	<u>16,314,886</u>	<u>16,313,608</u>	<u>1,278</u>

JACKSON COUNTY, GEORGIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
For the Year Ended December 31, 2016
(Required Supplementary Information)

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET POSITIVE (NEGATIVE)
CONTINUED.....				
Public Works				
Roadways and walkways	1,379,627	2,000,187	2,000,040	147
Other maintenance	500,757	482,757	482,491	266
Street lighting	270,000	270,700	270,624	76
Engineering	-	31,500	31,373	127
Commerce sewer expansion	33,167	33,167	33,167	-
Water and sewer administration	668,695	592,995	592,797	198
Total Public Works	<u>2,852,246</u>	<u>3,411,306</u>	<u>3,410,492</u>	<u>814</u>
Public Health and Welfare				
Health department	275,000	276,500	276,356	144
Transportation services	236,453	241,753	241,655	98
Mental health	14,000	2,600	2,530	70
Boys and Girls Club	10,000	10,000	10,000	-
Certified Literate Program	10,280	10,280	10,280	-
Family and children services	42,140	42,140	42,140	-
Peace Place subsidy	10,000	-	-	-
Other public health and welfare	28,000	26,000	26,000	-
Creative Center	15,402	2,602	2,587	15
Total Public Health and Welfare	<u>641,275</u>	<u>611,875</u>	<u>611,548</u>	<u>327</u>
Recreation and Culture				
Parks	-	100	15	85
Library	125,000	125,000	125,000	-
Total Recreation and Culture	<u>125,000</u>	<u>125,100</u>	<u>125,015</u>	<u>85</u>
Housing and development				
Conservation	4,500	-	-	-
Forestry	10,417	15,717	15,626	91
Economic development	5,082,683	4,986,183	4,985,792	391
Agencies	509,661	512,061	511,967	94
County agent	129,276	148,076	148,015	61
Community promotion	70,500	70,500	69,516	984
Airport	268,521	35,521	35,280	241
GIS mapping	172,145	167,443	167,365	78
Total Housing and Development	<u>6,247,703</u>	<u>5,935,501</u>	<u>5,933,561</u>	<u>1,940</u>
Transfers out	3,163,129	3,241,629	3,241,524	105
TOTAL CHARGES TO APPROPRIATIONS	<u>39,836,845</u>	<u>40,308,084</u>	<u>40,298,263</u>	<u>9,821</u>
CHANGE IN FUND BALANCE	<u>(699,825)</u>	<u>(699,825)</u>	<u>1,093,529</u>	<u>1,793,354</u>
FUND BALANCE, End of year	<u>\$ 5,588,173</u>	<u>\$ 5,588,173</u>	<u>\$ 7,381,527</u>	<u>\$ 1,793,354</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Fire District - to account for funds collected from taxes charged on property that are used to provide fire protection and control services.

Emergency 911 Telephone Service - to account for the cost of providing service to the County as provided in title 46, Chapter 5 of the Official Code of Georgia Annotated.

Emergency Management/Rescue – to account for funds received from grants and contributions for the emergency management agency/rescue programs.

Emergency Services/Ambulance - to account for the fees charged to users of the county ambulance service. The funds are used to operate the ambulance service.

Jail Fund - to account for funds collected from fines and forfeitures and other revenues to be used for the operation of the County jail.

Law Library - to account for funds collected from fines and forfeitures to be used to maintain the Law Library as provided in title 36, Chapter 15 of the Official Code of Georgia Annotated.

Keep Jackson Beautiful - to account for various grants and donations as well as subsidies from the General Fund to support various activities and projects that reduce littering and other practices that diminish the beauty of the County.

Protective Inspection/Planning and Zoning - to account for license and permit fees that are collected on new developments that are used for the planning of new developments in the County.

Parks and Recreation - to account for funds received from fees charged for the use of services with the parks and recreation programs.

Senior Center - to account for grants and other funds received for the operation of the county Senior Center.

Drug Enforcement - to account for funds collected from fines and forfeitures to be used for drug abuse, treatment and education programs.

Drug Court – to account for funds collected to operate the drug accountability court.

**JACKSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2016**

SPECIAL REVENUE FUNDS

	FIRE DISTRICT	EMERGENCY E911 TELEPHONE SERVICES	EMERGENCY MANAGEMENT/ RESCUE SERVICES	EMERGENCY SERVICES/ AMBULANCE	JAIL FUND	LAW LIBRARY	KEEP JACKSON BEAUTIFUL	PROTECTIVE INSPECTION/ PLANNING AND ZONING
ASSETS								
Cash	\$ 4,610,379	\$ 141,483	\$ 170,490	\$ 302,378	\$ 325,619	\$ 39,007	\$ -	\$ -
Receivables (net of allowance for uncollectibles)	467,050	228,901	13,760	1,483,666	-	-	-	-
Interfund receivables	-	-	-	-	-	-	2,429	909,340
Prepaid items	279,833	87,840	-	114,629	-	-	-	-
Inventories	-	-	-	155,988	-	-	-	-
TOTAL ASSETS	<u>5,357,262</u>	<u>458,224</u>	<u>184,250</u>	<u>2,056,661</u>	<u>325,619</u>	<u>39,007</u>	<u>2,429</u>	<u>909,340</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 5,357,262</u>	<u>\$ 458,224</u>	<u>\$ 184,250</u>	<u>\$ 2,056,661</u>	<u>\$ 325,619</u>	<u>\$ 39,007</u>	<u>\$ 2,429</u>	<u>\$ 909,340</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 65,436	\$ 20,761	\$ 44,400	\$ 35,444	\$ -	\$ 190	\$ 929	\$ 58,402
Other accrued items	39,910	33,123	-	121,535	-	-	1,500	9,518
Interfund payables	103	253,177	84,495	3,515,038	52,475	28,451	-	-
Unearned revenue	-	-	-	510	-	-	-	606,300
TOTAL LIABILITIES	<u>105,449</u>	<u>307,061</u>	<u>128,895</u>	<u>3,672,527</u>	<u>52,475</u>	<u>28,641</u>	<u>2,429</u>	<u>674,220</u>
DEFERRED INFLOWS OF RESOURCES								
Unavailable revenue - property taxes	3,168,456	-	-	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>3,168,456</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES, AND DEFERRED INFLOWS OF RESOURCES	<u>3,273,905</u>	<u>307,061</u>	<u>128,895</u>	<u>3,672,527</u>	<u>52,475</u>	<u>28,641</u>	<u>2,429</u>	<u>674,220</u>
FUND BALANCES								
Nonspendable:								
Prepaid expenditure	279,833	87,840	-	-	-	-	-	-
Restricted:								
Capital outlay projects	-	-	-	-	-	-	-	-
Judicial programs	-	-	-	-	-	10,366	-	-
Public safety programs	1,803,524	63,323	-	-	273,144	-	-	-
Committed:								
Public safety programs	-	-	55,355	-	-	-	-	-
Health and welfare programs	-	-	-	-	-	-	-	-
Housing and development programs	-	-	-	-	-	-	-	235,120
Unassigned	-	-	-	(1,615,866)	-	-	-	-
TOTAL FUND BALANCES	<u>2,083,357</u>	<u>151,163</u>	<u>55,355</u>	<u>(1,615,866)</u>	<u>273,144</u>	<u>10,366</u>	<u>-</u>	<u>235,120</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 5,357,262</u>	<u>\$ 458,224</u>	<u>\$ 184,250</u>	<u>\$ 2,056,661</u>	<u>\$ 325,619</u>	<u>\$ 39,007</u>	<u>\$ 2,429</u>	<u>\$ 909,340</u>

**JACKSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2016**

	<u>SPECIAL REVENUE FUNDS</u>				<u>CAPITAL PROJECTS FUNDS</u>	<u>TOTAL NONMAJOR GOVERNMENTAL FUNDS</u>	
	<u>PARKS AND RECREATION</u>	<u>SENIOR CENTER</u>	<u>DRUG ENFORCEMENT</u>	<u>DRUG COURT</u>	<u>SUBTOTAL SPECIAL REVENUE FUNDS</u>		
ASSETS							
Cash	\$ -	\$ 378,362	\$ 55,797	\$ 456,604	\$ 6,480,119	\$ 141,000	\$ 6,621,119
Receivables (net of allowance for uncollectibles)	-	41,694	-	24,402	2,259,473	-	2,259,473
Interfund receivables	51,651	-	-	-	963,420	-	963,420
Prepaid items	-	-	-	-	482,302	-	482,302
Inventories	-	-	-	-	155,988	-	155,988
TOTAL ASSETS	<u>51,651</u>	<u>420,056</u>	<u>55,797</u>	<u>481,006</u>	<u>10,341,302</u>	<u>141,000</u>	<u>10,482,302</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 51,651</u>	<u>\$ 420,056</u>	<u>\$ 55,797</u>	<u>\$ 481,006</u>	<u>\$ 10,341,302</u>	<u>\$ 141,000</u>	<u>\$ 10,482,302</u>
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 35,376	\$ 5,270	\$ -	\$ 3,752	\$ 269,960	\$ 67,212	\$ 337,172
Other accrued items	16,275	(199)	-	2,601	224,263	-	224,263
Interfund payables	-	193,172	-	92,097	4,219,008	26,449	4,245,457
Unearned revenue	-	-	-	-	606,810	-	606,810
TOTAL LIABILITIES	<u>51,651</u>	<u>198,243</u>	<u>-</u>	<u>98,450</u>	<u>5,320,041</u>	<u>93,661</u>	<u>5,413,702</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	-	-	-	-	3,168,456	-	3,168,456
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,168,456</u>	<u>-</u>	<u>3,168,456</u>
TOTAL LIABILITIES, AND DEFERRED INFLOWS OF RESOURCES	<u>51,651</u>	<u>198,243</u>	<u>-</u>	<u>98,450</u>	<u>8,488,497</u>	<u>93,661</u>	<u>8,582,158</u>
FUND BALANCES							
Nonspendable:							
Prepaid expenditure	-	-	-	-	367,673	-	367,673
Restricted:							
Capital outlay projects	-	-	-	-	-	47,339	47,339
Judicial programs	-	-	-	382,556	392,922	-	392,922
Public safety programs	-	-	55,797	-	2,195,788	-	2,195,788
Committed:							
Public safety programs	-	-	-	-	55,355	-	55,355
Health and welfare programs	-	221,813	-	-	221,813	-	221,813
Housing and development programs	-	-	-	-	235,120	-	235,120
Unassigned	-	-	-	-	(1,615,866)	-	(1,615,866)
TOTAL FUND BALANCES	<u>-</u>	<u>221,813</u>	<u>55,797</u>	<u>382,556</u>	<u>1,852,805</u>	<u>47,339</u>	<u>1,900,144</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 51,651</u>	<u>\$ 420,056</u>	<u>\$ 55,797</u>	<u>\$ 481,006</u>	<u>\$ 10,341,302</u>	<u>\$ 141,000</u>	<u>\$ 10,482,302</u>

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2016

SPECIAL REVENUE FUNDS

	FIRE DISTRICT	EMERGENCY E911 TELEPHONE SERVICE	EMERGENCY MANAGEMENT/ RESCUE SERVICES	EMERGENCY SERVICES/ AMBULANCE	JAIL FUND	LAW LIBRARY	KEEP JACKSON BEAUTIFUL	PROTECTIVE INSPECTION/ PLANNING & ZONING
REVENUES								
Taxes	\$ 2,849,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-	-	-	552,653
Intergovernmental	444,496	-	36,316	788	-	-	-	-
Fines and forfeitures	-	-	-	-	142,511	13,354	-	-
Charges for services	42,636	1,215,854	-	1,623,498	-	-	-	50,225
Contributions and donations	-	-	500	-	-	-	-	-
Investment income	2,397	-	-	-	-	-	-	-
Miscellaneous	36,188	-	-	658	-	-	-	-
TOTAL REVENUES	3,375,157	1,215,854	36,816	1,624,944	142,511	13,354	-	602,878
EXPENDITURES								
Current Expenditures								
General government	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	-	21,218	-	-
Public safety	2,399,886	1,474,121	119,026	3,700,295	30,181	-	-	-
Public health and welfare	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-
Housing and development	-	-	-	-	-	-	72,957	730,695
Intergovernmental	-	-	-	-	-	-	-	-
Capital outlay	401,383	6,637	-	-	-	-	-	-
Debt service								
Principal	90,926	-	6,623	268,440	-	-	-	-
Interest	2,307	-	185	7,299	-	-	-	-
TOTAL EXPENDITURES	2,894,502	1,480,758	125,834	3,976,034	30,181	21,218	72,957	730,695
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER)								
EXPENDITURES	480,655	(264,904)	(89,018)	(2,351,090)	112,330	(7,864)	(72,957)	(127,817)
OTHER FINANCING SOURCES (USES)								
Sale of county property	6,000	2,188	-	-	-	-	-	-
Capital lease proceeds	-	-	-	-	-	-	-	-
Transfers in	-	204,041	-	1,239,335	-	-	72,896	201,374
Transfers out	-	-	-	-	-	-	-	(77,126)
TOTAL OTHER FINANCING SOURCES (USES)	6,000	206,229	-	1,239,335	-	-	72,896	124,248
NET CHANGE IN FUND BALANCES	486,655	(58,675)	(89,018)	(1,111,755)	112,330	(7,864)	(61)	(3,569)
FUND BALANCES, Beginning of year	1,596,702	209,838	144,373	(504,111)	160,814	18,230	61	238,689
FUND BALANCES, End of year	\$ 2,083,357	\$ 151,163	\$ 55,355	\$ (1,615,866)	\$ 273,144	\$ 10,366	\$ -	\$ 235,120

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2016

	SPECIAL REVENUE FUNDS				SUBTOTAL SPECIAL REVENUE FUNDS	CAPITAL PROJECTS FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	PARKS AND RECREATION	SENIOR CENTER	DRUG ENFORCEMENT	DRUG COURT		CDBG	
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,849,440	\$ -	\$ 2,849,440
Licenses and permits	-	-	-	-	552,653	-	552,653
Intergovernmental	-	239,120	-	165,722	886,442	156,433	1,042,875
Fines and forfeitures	-	-	38,311	85,692	279,868	-	279,868
Charges for services	480,258	25,239	10,264	-	3,447,974	232,992	3,680,966
Contributions and donations	-	-	-	-	500	-	500
Investment income	-	491	64	-	2,952	15	2,967
Miscellaneous	-	-	-	-	36,846	-	36,846
TOTAL REVENUES	480,258	264,850	48,639	251,414	8,056,675	389,440	8,446,115
EXPENDITURES							
Current Expenditures							
General government	-	-	-	195,913	195,913	-	195,913
Judicial	-	-	-	-	21,218	-	21,218
Public safety	-	-	34,138	-	7,757,647	-	7,757,647
Public health and welfare	-	542,026	-	-	542,026	-	542,026
Recreation and culture	1,512,342	-	-	-	1,512,342	-	1,512,342
Housing and development	-	-	-	-	803,652	398,764	1,202,416
Intergovernmental	3,975	-	-	-	3,975	-	3,975
Capital outlay	-	-	36,216	-	444,236	-	444,236
Debt service							
Principal	-	-	3,818	-	369,807	-	369,807
Interest	-	-	1,401	-	11,192	-	11,192
TOTAL EXPENDITURES	1,516,317	542,026	75,573	195,913	11,662,008	398,764	12,060,772
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	(1,036,059)	(277,176)	(26,934)	55,501	(3,605,333)	(9,324)	(3,614,657)
OTHER FINANCING SOURCES (USES)							
Sale of county property	-	-	-	-	8,188	-	8,188
Capital lease proceeds	-	-	21,716	-	21,716	-	21,716
Transfers in	1,035,919	313,871	-	-	3,067,436	-	3,067,436
Transfers out	-	-	-	-	(77,126)	-	(77,126)
TOTAL OTHER FINANCING SOURCES (USES)	1,035,919	313,871	21,716	-	3,020,214	-	3,020,214
NET CHANGE IN FUND BALANCES	(140)	36,695	(5,218)	55,501	(585,119)	(9,324)	(594,443)
FUND BALANCES, Beginning of year	140	185,118	61,015	327,055	2,437,924	56,663	2,494,587
FUND BALANCES, End of year	\$ -	\$ 221,813	\$ 55,797	\$ 382,556	\$ 1,852,805	\$ 47,339	\$ 1,900,144

**JACKSON COUNTY, GEORGIA
FIRE DISTRICT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016**

	BUDGETED AMOUNTS ORIGINAL	AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
FUND BALANCE, Beginning of year	\$ 1,596,702	\$ 1,596,702	\$ 1,596,702	\$ -
RESOURCES (INFLOWS)				
Taxes	2,576,385	2,785,385	2,849,440	64,055
Intergovernmental	-	327,798	444,496	116,698
Charges for services	-	-	42,636	42,636
Investment income	-	-	2,397	2,397
Miscellaneous	-	-	36,188	36,188
Sale of county property	-	-	6,000	6,000
Total Resources (Inflows)	<u>2,576,385</u>	<u>3,113,183</u>	<u>3,381,157</u>	<u>267,974</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>4,173,087</u>	<u>4,709,885</u>	<u>4,977,859</u>	<u>267,974</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	2,576,385	3,113,183	2,894,502	218,681
TOTAL CHARGES TO APPROPRIATIONS	<u>2,576,385</u>	<u>3,113,183</u>	<u>2,894,502</u>	<u>218,681</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>486,655</u>	<u>486,655</u>
FUND BALANCE, End of year	<u>\$ 1,596,702</u>	<u>\$ 1,596,702</u>	<u>\$ 2,083,357</u>	<u>\$ 486,655</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY E911 TELEPHONE SYSTEM SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 209,838	\$ 209,838	\$ 209,838	\$ -
RESOURCES (INFLOWS)				
Charges for services	1,165,000	1,176,800	1,215,854	39,054
Sale of county property	-	-	2,188	2,188
Transfer in	204,041	204,041	204,041	-
Total Resources (Inflows)	<u>1,369,041</u>	<u>1,380,841</u>	<u>1,422,083</u>	<u>41,242</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>1,578,879</u>	<u>1,590,679</u>	<u>1,631,921</u>	<u>41,242</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	1,469,041	1,480,841	1,480,758	83
TOTAL CHARGES TO APPROPRIATIONS	<u>1,469,041</u>	<u>1,480,841</u>	<u>1,480,758</u>	<u>83</u>
CHANGE IN FUND BALANCE	<u>(100,000)</u>	<u>(100,000)</u>	<u>(58,675)</u>	<u>41,325</u>
FUND BALANCE, End of year	<u>\$ 109,838</u>	<u>\$ 109,838</u>	<u>\$ 151,163</u>	<u>\$ 41,325</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY MANAGEMENT/RESCUE SERVICES SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 144,373	\$ 144,373	\$ 144,373	\$ -
RESOURCES (INFLOWS)				
Intergovernmental	21,000	36,000	36,316	316
Contributions and donations	-	1,000	500	(500)
Total Resources (Inflows)	<u>21,000</u>	<u>37,000</u>	<u>36,816</u>	<u>(184)</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>165,373</u>	<u>181,373</u>	<u>181,189</u>	<u>(184)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	<u>21,000</u>	<u>126,000</u>	<u>125,834</u>	<u>166</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>21,000</u>	<u>126,000</u>	<u>125,834</u>	<u>166</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>(89,000)</u>	<u>(89,018)</u>	<u>(18)</u>
FUND BALANCE, End of year	<u>\$ 144,373</u>	<u>\$ 55,373</u>	<u>\$ 55,355</u>	<u>\$ (18)</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
EMERGENCY SERVICES/AMBULANCE SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ (504,111)	\$ (504,111)	\$ (504,111)	\$ -
RESOURCES (INFLOWS)				
Intergovernmental	-	-	788	788
Charges for services	2,790,000	2,790,000	1,623,498	(1,166,502)
Miscellaneous	-	-	658	658
Transfer in	1,239,335	1,239,335	1,239,335	-
Total Resources (Inflows)	<u>4,029,335</u>	<u>4,029,335</u>	<u>2,864,279</u>	<u>(1,165,056)</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>3,525,224</u>	<u>3,525,224</u>	<u>2,360,168</u>	<u>(1,165,056)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	<u>4,029,335</u>	<u>4,029,335</u>	<u>3,976,034</u>	<u>53,301</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>4,029,335</u>	<u>4,029,335</u>	<u>3,976,034</u>	<u>53,301</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>(1,111,755)</u>	<u>(1,111,755)</u>
FUND BALANCE, End of year	<u>\$ (504,111)</u>	<u>\$ (504,111)</u>	<u>\$ (1,615,866)</u>	<u>\$ (1,111,755)</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

**JACKSON COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016**

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 160,814	\$ 160,814	\$ 160,814	\$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	151,000	151,000	142,511	(8,489)
Total Resources (Inflows)	<u>151,000</u>	<u>151,000</u>	<u>142,511</u>	<u>(8,489)</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>311,814</u>	<u>311,814</u>	<u>303,325</u>	<u>(8,489)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	151,000	151,000	30,181	120,819
TOTAL CHARGES TO APPROPRIATIONS	<u>151,000</u>	<u>151,000</u>	<u>30,181</u>	<u>120,819</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>112,330</u>	<u>112,330</u>
FUND BALANCE, End of year	<u>\$ 160,814</u>	<u>\$ 160,814</u>	<u>\$ 273,144</u>	<u>\$ 112,330</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

**JACKSON COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016**

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 18,230	\$ 18,230	\$ 18,230	\$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	13,000	13,350	13,354	4
Total Resources (Inflows)	<u>13,000</u>	<u>13,350</u>	<u>13,354</u>	<u>4</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>31,230</u>	<u>31,580</u>	<u>31,584</u>	<u>4</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Judicial	13,000	21,500	21,218	282
TOTAL CHARGES TO APPROPRIATIONS	<u>13,000</u>	<u>21,500</u>	<u>21,218</u>	<u>282</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>(8,150)</u>	<u>(7,864)</u>	<u>286</u>
FUND BALANCE, End of year	<u>\$ 18,230</u>	<u>\$ 10,080</u>	<u>\$ 10,366</u>	<u>\$ 286</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
KEEP JACKSON BEAUTIFUL SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 61	\$ 61	\$ 61	\$ -
RESOURCES (INFLOWS)				
Transfer in	71,790	72,990	72,896	(94)
Total Resources (Inflows)	<u>71,790</u>	<u>72,990</u>	<u>72,896</u>	<u>(94)</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>71,851</u>	<u>73,051</u>	<u>72,957</u>	<u>(94)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Housing and development	71,790	72,990	72,957	33
TOTAL CHARGES TO APPROPRIATIONS	<u>71,790</u>	<u>72,990</u>	<u>72,957</u>	<u>33</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>(61)</u>	<u>(61)</u>
FUND BALANCE, End of year	<u>\$ 61</u>	<u>\$ 61</u>	<u>\$ -</u>	<u>\$ (61)</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
PROTECTIVE INSPECTION/PLANNING AND ZONING SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 238,689	\$ 238,689	\$ 238,689	\$ -
RESOURCES (INFLOWS)				
Licenses and permits	412,616	552,616	552,653	37
Charges for services	45,000	50,000	50,225	225
Transfer in	201,374	201,374	201,374	-
Total Resources (Inflows)	<u>658,990</u>	<u>803,990</u>	<u>804,252</u>	<u>262</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>897,679</u>	<u>1,042,679</u>	<u>1,042,941</u>	<u>262</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Housing and development	581,864	730,864	730,695	169
Transfers out	77,126	77,126	77,126	-
TOTAL CHARGES TO APPROPRIATIONS	<u>658,990</u>	<u>807,990</u>	<u>807,821</u>	<u>169</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>(4,000)</u>	<u>(3,569)</u>	<u>431</u>
FUND BALANCE, End of year	<u>\$ 238,689</u>	<u>\$ 234,689</u>	<u>\$ 235,120</u>	<u>\$ 431</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

**JACKSON COUNTY, GEORGIA
PARKS AND RECREATION SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016**

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 140	\$ 140	\$ 140	\$ -
RESOURCES (INFLOWS)				
Charges for services	466,000	480,258	480,258	-
Transfer in	924,476	1,036,078	1,035,919	(159)
Total Resources (Inflows)	<u>1,390,476</u>	<u>1,516,336</u>	<u>1,516,177</u>	<u>(159)</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>1,390,616</u>	<u>1,516,476</u>	<u>1,516,317</u>	<u>(159)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Recreation and culture	1,378,476	1,512,476	1,512,342	134
Intergovernmental	12,000	4,000	3,975	25
TOTAL CHARGES TO APPROPRIATIONS	<u>1,390,476</u>	<u>1,516,476</u>	<u>1,516,317</u>	<u>159</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>(140)</u>	<u>(140)</u>	<u>-</u>
FUND BALANCE, End of year	<u>\$ 140</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

**JACKSON COUNTY, GEORGIA
 SENIOR CENTER SPECIAL REVENUE FUND
 SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
 For the Year Ended December 31, 2016**

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 185,118	\$ 185,118	\$ 185,118	\$ -
RESOURCES (INFLOWS)				
Intergovernmental	194,900	194,900	239,120	44,220
Charges for services	13,000	13,000	25,239	12,239
Investment income	-	-	491	491
Transfer in	356,905	356,905	313,871	(43,034)
Total Resources (Inflows)	<u>564,805</u>	<u>564,805</u>	<u>578,721</u>	<u>13,916</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>749,923</u>	<u>749,923</u>	<u>763,839</u>	<u>13,916</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public health and welfare	<u>564,805</u>	<u>564,805</u>	<u>542,026</u>	<u>22,779</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>564,805</u>	<u>564,805</u>	<u>542,026</u>	<u>22,779</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>36,695</u>	<u>36,695</u>
FUND BALANCE, End of year	<u>\$ 185,118</u>	<u>\$ 185,118</u>	<u>\$ 221,813</u>	<u>\$ 36,695</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

**JACKSON COUNTY, GEORGIA
DRUG ENFORCEMENT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016**

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 61,015	\$ 61,015	\$ 61,015	\$ -
RESOURCES (INFLOWS)				
Fines and forfeitures	41,000	41,000	38,311	(2,689)
Charges for services	12,000	12,000	10,264	(1,736)
Investment income	-	-	64	64
Capital lease proceeds	23,000	23,000	21,716	(1,284)
Total Resources (Inflows)	<u>76,000</u>	<u>76,000</u>	<u>70,355</u>	<u>(5,645)</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>137,015</u>	<u>137,015</u>	<u>131,370</u>	<u>(5,645)</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
Public safety	<u>76,000</u>	<u>76,000</u>	<u>75,573</u>	<u>427</u>
TOTAL CHARGES TO APPROPRIATIONS	<u>76,000</u>	<u>76,000</u>	<u>75,573</u>	<u>427</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>(5,218)</u>	<u>(5,218)</u>
FUND BALANCE, End of year	<u>\$ 61,015</u>	<u>\$ 61,015</u>	<u>\$ 55,797</u>	<u>\$ (5,218)</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

**JACKSON COUNTY, GEORGIA
DRUG COURT SPECIAL REVENUE FUND
SUPPLEMENTAL BUDGETARY COMPARISON SCHEDULE
For the Year Ended December 31, 2016**

	BUDGET AMOUNTS		ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
FUND BALANCE, Beginning of year	\$ 327,055	\$ 327,055	\$ 327,055	\$ -
RESOURCES (INFLOWS)				
Intergovernmental	60,000	84,000	165,722	81,722
Fines and forfeitures	112,382	112,382	85,692	(26,690)
Total Resources (Inflows)	<u>172,382</u>	<u>196,382</u>	<u>251,414</u>	<u>55,032</u>
AMOUNTS AVAILABLE FOR APPROPRIATION	<u>499,437</u>	<u>523,437</u>	<u>578,469</u>	<u>55,032</u>
CHARGES TO APPROPRIATIONS (OUTFLOWS)				
Current Expenditures				
General government	172,382	196,382	195,913	469
TOTAL CHARGES TO APPROPRIATIONS	<u>172,382</u>	<u>196,382</u>	<u>195,913</u>	<u>469</u>
CHANGE IN FUND BALANCE	<u>-</u>	<u>-</u>	<u>55,501</u>	<u>55,501</u>
FUND BALANCE, End of year	<u>\$ 327,055</u>	<u>\$ 327,055</u>	<u>\$ 382,556</u>	<u>\$ 55,501</u>

NOTES TO THE BUDGETARY COMPARISON SCHEDULE

1. The budgetary basis of accounting used in this schedule is the same as GAAP.

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2016

ASSETS	FUEL DEPOT	HEALTH INSURANCE	TOTAL
Current Assets			
Cash	\$ -	\$ 280,916	\$ 280,916
Receivables(net of allowance for uncollectibles)	431	-	431
Due from other funds	802	11,978	12,780
Inventories	23,845	-	23,845
Prepaid items	-	11,283	11,283
TOTAL CURRENT ASSETS	<u>25,078</u>	<u>304,177</u>	<u>329,255</u>
 TOTAL ASSETS	 <u>25,078</u>	 <u>304,177</u>	 <u>329,255</u>
 LIABILITIES			
Current Liabilities			
Accounts payable	77	-	77
Due to other funds	25,001	-	25,001
Estimated claims payable	-	192,878	192,878
TOTAL CURRENT LIABILITIES	<u>25,078</u>	<u>192,878</u>	<u>217,956</u>
 TOTAL LIABILITIES	 <u>25,078</u>	 <u>192,878</u>	 <u>217,956</u>
 NET POSITION			
Unrestricted	<u>-</u>	<u>111,299</u>	<u>111,299</u>
TOTAL NET POSITION	<u>\$ -</u>	<u>\$ 111,299</u>	<u>\$ 111,299</u>

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2016

OPERATING REVENUES	FUEL DEPOT	HEALTH INSURANCE	TOTAL
Charges for sales and services:			
Charges to other funds	\$ 389,217	\$ 4,303,218	\$ 4,692,435
Employee contributions	-	895,372	895,372
Total Operating Revenues	<u>389,217</u>	<u>5,198,590</u>	<u>5,587,807</u>
 OPERATING EXPENSES			
Supplies	685	-	685
Other services and charges	2,849	5,154,269	5,157,118
Cost of Goods Sold	<u>385,683</u>	<u>-</u>	<u>385,683</u>
Total Operating Expenses	<u>389,217</u>	<u>5,154,269</u>	<u>5,543,486</u>
 OPERATING INCOME (LOSS)	<u>-</u>	<u>44,321</u>	<u>44,321</u>
 INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>-</u>	<u>44,321</u>	<u>44,321</u>
 CHANGE IN NET POSITION	<u>-</u>	<u>44,321</u>	<u>44,321</u>
 TOTAL NET POSITION, Beginning of year	<u>-</u>	<u>66,978</u>	<u>66,978</u>
 TOTAL NET POSITION, End of year	<u><u>\$ -</u></u>	<u><u>\$ 111,299</u></u>	<u><u>\$ 111,299</u></u>

**JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2016**

	GOVERNMENTAL ACTIVITIES-INTERNAL SERVICE FUNDS		
	FUEL DEPOT	HEALTH INSURANCE	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 389,363	\$ 5,198,590	\$ 5,587,953
Payments to suppliers	(389,363)	(5,174,905)	(5,564,268)
Payments to employees	-	4,540	4,540
	<u>-</u>	<u>4,540</u>	<u>4,540</u>
Net cash provided by (used in) operating activities	<u>-</u>	<u>28,225</u>	<u>28,225</u>
Net increase (decrease) in cash and cash equivalents	-	28,225	28,225
CASH, Beginning of year	<u>-</u>	<u>252,691</u>	<u>252,691</u>
CASH, End of year	<u>\$ -</u>	<u>\$ 280,916</u>	<u>\$ 280,916</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ -	\$ 44,321	\$ 44,321
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
(Increase) decrease in:			
Accounts receivable	146	-	146
Inventory	(4,464)	-	(4,464)
Prepaid expenses	-	(470)	(470)
Increase (decrease) in:			
Accounts payable	(10,713)	-	(10,713)
Claims payable	-	4,540	4,540
Due to other governments	-	(20,166)	(20,166)
Due to other funds	15,031	-	15,031
	<u>15,031</u>	<u>-</u>	<u>15,031</u>
Net cash provided by (used in) operating activities	<u>\$ -</u>	<u>\$ 28,225</u>	<u>\$ 28,225</u>

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Tax Commissioner - to account for the collection of property taxes, motor vehicle tag and title fees and mobile home fees, etc. which are disbursed to various taxing units.

Clerk of Courts - to account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, recording of intangibles, fees, civil awards, etc. which are disbursed to various taxing units and other parties.

Probate Court - to account for the collection of fees for firearms, licenses, certificates, marriage licenses, etc. which are disbursed to various taxing units and other parties.

Magistrate Court - to account for the collection of fees for garnishments and small claims, etc. which are disbursed to various taxing units and other parties.

Federal Equity Sharing – to account for the collection and distribution of federally seized funds.

Sheriff - to account for the collection of cash bonds, fines, forfeitures, fifas, etc. which are disbursed to various taxing units and other parties.

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES
ALL AGENCY FUNDS
December 31, 2016

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	FEDERAL EQUITY SHARING	SHERIFF	TOTAL
ASSETS							
Cash	\$ 1,464,744	\$ 297,153	\$ 7,332	\$ 13,491	\$ 5,266	\$ 178,176	\$ 1,966,162
TOTAL ASSETS	<u>\$ 1,464,744</u>	<u>\$ 297,153</u>	<u>\$ 7,332</u>	<u>\$ 13,491</u>	<u>\$ 5,266</u>	<u>\$ 178,176</u>	<u>\$ 1,966,162</u>
LIABILITIES							
Amounts held in trust	\$ 1,464,744	\$ 297,153	\$ 7,332	\$ 13,491	\$ 5,266	\$ 178,176	\$ 1,966,162
TOTAL LIABILITIES	<u>\$ 1,464,744</u>	<u>\$ 297,153</u>	<u>\$ 7,332</u>	<u>\$ 13,491</u>	<u>\$ 5,266</u>	<u>\$ 178,176</u>	<u>\$ 1,966,162</u>

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
For the Year Ended December 31, 2016

	TAX COMMISSIONER	CLERK OF SUPERIOR COURT	PROBATE COURT	MAGISTRATE COURT	FEDERAL EQUITY SHARING	SHERIFF	TOTAL
ASSETS							
Cash							
Balance, January 1, 2016	\$ 6,040,743	\$ 272,390	\$ 20,373	\$ 9,195	\$ 8,785	\$ 123,478	\$ 6,474,964
Additions	114,155,804	4,633,729	793,050	365,013	1,154	1,097,132	121,045,882
Deductions	(118,731,803)	(4,608,966)	(806,091)	(360,717)	(4,673)	(1,042,434)	(125,554,684)
Balance, December 31, 2016	<u>1,464,744</u>	<u>297,153</u>	<u>7,332</u>	<u>13,491</u>	<u>5,266</u>	<u>178,176</u>	<u>1,966,162</u>
TOTAL ASSETS	<u>\$ 1,464,744</u>	<u>\$ 297,153</u>	<u>\$ 7,332</u>	<u>\$ 13,491</u>	<u>\$ 5,266</u>	<u>\$ 178,176</u>	<u>\$ 1,966,162</u>
LIABILITIES							
Due to County							
Balance, January 1, 2016	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additions	24,291,751	7,982	220,367	172,382	-	403,857	25,096,339
Deductions	(24,291,751)	(7,982)	(220,367)	(172,382)	-	(403,857)	(25,096,339)
Balance, December 31, 2016	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts held in trust							
Balance, January 1, 2016	6,040,743	272,390	20,373	9,195	8,785	123,478	6,474,964
Additions	89,864,053	4,625,747	572,683	192,631	1,154	693,275	95,949,543
Deductions	(94,440,052)	(4,600,984)	(585,724)	(188,335)	(4,673)	(638,577)	(100,458,345)
Balance, December 31, 2016	<u>1,464,744</u>	<u>297,153</u>	<u>7,332</u>	<u>13,491</u>	<u>5,266</u>	<u>178,176</u>	<u>1,966,162</u>
Total Liabilities							
Balance, January 1, 2016	6,040,743	272,390	20,373	9,195	8,785	123,478	6,474,964
Additions	114,155,804	4,633,729	793,050	365,013	1,154	1,097,132	121,045,882
Deductions	(118,731,803)	(4,608,966)	(806,091)	(360,717)	(4,673)	(1,042,434)	(125,554,684)
TOTAL LIABILITIES	<u>\$ 1,464,744</u>	<u>\$ 297,153</u>	<u>\$ 7,332</u>	<u>\$ 13,491</u>	<u>\$ 5,266</u>	<u>\$ 178,176</u>	<u>\$ 1,966,162</u>

COMPONENT UNIT

Component Units are legally separate organizations for which the elected officials of the primary government are financially accountable.

Airport Authority – to account for the operation the county’s noncommercial airport facility. All activities necessary to provide airport services are accounted for in the component unit, including, but not limited to operations, maintenance, financing and related debt service.

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF NET POSITION
December 31, 2016

	OPERATIONS	CAPITAL	TOTAL
ASSETS			
Current Assets			
Cash	\$ 80,027	\$ -	\$ 80,027
Receivables (net of allowance for uncollectibles)	12,024	-	12,024
Inventories	42,237	-	42,237
TOTAL CURRENT ASSETS	<u>134,288</u>	<u>-</u>	<u>134,288</u>
Noncurrent Assets			
Capital assets			
Capital assets not being depreciated	10,743,113	38,297	10,781,410
Capital assets being depreciated	4,606,349	-	4,606,349
Less: accumulated depreciation	(2,253,713)	-	(2,253,713)
TOTAL CAPITAL ASSETS (NET OF ACCUMULATED DEPRECIATION)	<u>13,095,749</u>	<u>38,297</u>	<u>13,134,046</u>
TOTAL NONCURRENT ASSETS	<u>13,095,749</u>	<u>38,297</u>	<u>13,134,046</u>
TOTAL ASSETS	<u>13,230,037</u>	<u>38,297</u>	<u>13,268,334</u>
LIABILITIES			
Current Liabilities			
Accounts payable	8,836	-	8,836
Other accrued items	3,700	-	3,700
Accrued interest payable	2,376	-	2,376
Due to primary government	348,036	38,297	386,333
Notes payable	240,000	-	240,000
TOTAL CURRENT LIABILITIES	<u>602,948</u>	<u>38,297</u>	<u>641,245</u>
Noncurrent Liabilities			
Notes payable	365,000	-	365,000
TOTAL NONCURRENT LIABILITIES	<u>365,000</u>	<u>-</u>	<u>365,000</u>
TOTAL LIABILITIES	<u>967,948</u>	<u>38,297</u>	<u>1,006,245</u>
NET POSITION			
Net investment in capital assets	12,490,749	38,297	12,529,046
Unrestricted	(228,660)	(38,297)	(266,957)
TOTAL NET POSITION	<u>\$ 12,262,089</u>	<u>\$ -</u>	<u>\$ 12,262,089</u>

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
For the Year Ended December 31, 2016

	OPERATIONS
OPERATING REVENUES	
Charges for services	\$ <u>269,739</u>
Total Operating Revenues	<u>269,739</u>
OPERATING EXPENSES	
Cost of goods sold	141,622
Salaries	60,706
Benefits	7,156
Credit card fees	5,654
Depreciation	214,201
Other costs	37,241
Professional fees	5,906
Repairs and maintenance	18,287
Supplies	6,915
Utilities	17,522
Total Operating Expenses	<u>515,210</u>
OPERATING INCOME (LOSS)	<u>(245,471)</u>
NONOPERATING REVENUES (EXPENSES)	
Investment earnings	103
Interest expense	(8,232)
Total Nonoperating Revenues (Expenses)	<u>(8,129)</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(253,600)
Subsidy from Jackson County	35,280
Capital grants	217,457
CHANGE IN NET POSITION	<u>(863)</u>
TOTAL NET POSITION, Beginning of year	<u>12,262,952</u>
TOTAL NET POSITION, End of year	<u>\$ <u>12,262,089</u></u>

JACKSON COUNTY AIRPORT AUTHORITY
(A COMPONENT UNIT OF JACKSON COUNTY, GEORGIA)
STATEMENT OF CASH FLOWS
Year Ended December 31, 2016

	OPERATIONS
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 257,837
Payments to suppliers	(106,203)
Payments to employees	(68,373)
	<hr/>
Net cash provided by (used in) operating activities	83,261
	<hr/>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	
Operating subsidy - Jackson County	35,280
	<hr/>
Net Cash provided (used) by non-capital financing activities	35,280
	<hr/>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(242,719)
Capital grants	217,457
Principal payments on debt	(225,000)
Interest paid	(8,361)
	<hr/>
Net cash provided (used) by capital and related financing activities	(258,623)
	<hr/>
CASH FLOWS FROM INVESTING ACTIVITIES	
Investment earnings	103
	<hr/>
Net cash provided (used) by investing activities	103
	<hr/>
Net increase (decrease) in cash and cash equivalents	(139,979)
CASH, Beginning of year	220,006
	<hr/>
CASH, End of year	\$ 80,027
	<hr/> <hr/>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	
Operating income (loss)	\$ (245,471)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
Depreciation	214,201
(Increase) decrease in:	
Accounts receivable, net	121
Due from other governments	(12,024)
Inventory	17,096
Increase (decrease) in:	
Accounts payable	5,569
Other accrued items	(511)
Interfund balances	104,280
	<hr/>
Net cash provided by (used in) operating activities	\$ 83,261
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**JACKSON COUNTY, GEORGIA
 COMBINING BALANCE SHEET
 SPECIAL PURPOSE LOCAL OPTION SALES TAX FUNDS
 December 31, 2016**

	SPLOST V	TOTAL
ASSETS		
Current Assets		
Cash	\$ 4,010,502	\$ 4,010,502
Receivables (net of allowance for uncollectibles)	1,862,130	1,862,130
Restricted assets:		
Cash	<u>2,791,317</u>	<u>2,791,317</u>
TOTAL CURRENT ASSETS	<u>8,663,949</u>	<u>8,663,949</u>
TOTAL ASSETS	<u>8,663,949</u>	<u>8,663,949</u>
LIABILITIES		
Current Liabilities		
Accounts payable	245,067	245,067
Interfund payables	527,650	527,650
Due to primary government	<u>298,464</u>	<u>298,464</u>
TOTAL CURRENT LIABILITIES	<u>1,071,181</u>	<u>1,071,181</u>
TOTAL LIABILITIES	<u>1,071,181</u>	<u>1,071,181</u>
NET POSITION		
Restricted for:		
Debt service	2,791,317	2,791,317
Capital outlay projects	6,367,713	6,402,829
Unrestricted	<u>(1,566,262)</u>	<u>(1,601,378)</u>
TOTAL NET POSITION	<u>\$ 7,592,768</u>	<u>\$ 7,592,768</u>

JACKSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET
POSITION
SPECIAL PURPOSE LOCAL OPTION SALES TAX FUNDS
December 31, 2016

	SPLOST IV	SPLOST V	TOTAL
REVENUES			
Taxes	\$ -	\$ 9,895,092	\$ 9,895,092
Intergovernmental	-	82,820	82,820
Investment income	-	6,539	6,539
TOTAL REVENUES	<u>-</u>	<u>9,984,451</u>	<u>9,984,451</u>
EXPENDITURES			
Current Expenditures			
Public safety	-	15,448	15,448
Public works	-	1,629,175	1,629,175
Recreation and culture	-	206,617	206,617
Intergovernmental	-	2,934,535	2,934,535
Capital outlay	-	1,383,273	1,383,273
Debt service			
Principal	-	5,067,738	5,067,738
Interest	-	349,043	349,043
TOTAL EXPENDITURES	<u>-</u>	<u>11,585,829</u>	<u>11,585,829</u>
EXCESS (DEFICIENCY) OF REVENUES OVER(UNDER) EXPENDITURES	<u>-</u>	<u>(1,601,378)</u>	<u>(1,601,378)</u>
Transfers in	-	35,116	35,116
Transfers out	<u>(35,116)</u>	<u>-</u>	<u>(35,116)</u>
NET CHANGE IN FUND BALANCES	(35,116)	(1,566,262)	(1,601,378)
FUND BALANCES, Beginning of year	<u>35,116</u>	<u>9,159,030</u>	<u>9,194,146</u>
FUND BALANCES, End of year	<u>\$ -</u>	<u>\$ 7,592,768</u>	<u>\$ 7,592,768</u>

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2016

SPLOST #5 - Commenced July 1, 2011 Project	Original Estimated Cost	Current Estimated Cost	Amount Expended						Total	
			Year 1 2011	Year 2 2012	Year 3 2013	Year 4 2014	Year 5 2015	Year 6 2016		
LEVEL 1 COUNTY PROJECTS										
County Debt Service	\$ 23,747,657	\$ 23,782,773 (2)	\$ -	\$ 686,600	\$ 686,600	\$ 6,196,600	\$ 5,297,850	\$ 5,287,100	\$ 18,154,750	
LEVEL 2 COUNTY PROJECTS										
Satellite EMS Facilities	1,200,000	1,200,000	-	-	73,670	45,472	649,096	263,073	1,031,311	
Roads, Streets, and Bridges	6,800,000	6,800,000	-	1,086,064	986,438	1,502,129	2,252,120	1,758,856	7,585,607	
Parks and Recreation	2,000,000	2,000,000	263,167	199,978	101,890	137,590	423,999	1,408,984	2,535,608	
Subtotal All County Projects	33,747,657	33,782,773	263,167	1,972,642	1,848,598	7,881,791	8,623,065	8,718,013	29,307,276	
MUNICIPAL PROJECTS										
City of Arcade										
Acquisition of Public Safety Complex	875,410	875,410	84,778	169,159	165,848	175,848	171,416	182,287	949,336	
Roads, Streets, and Bridges	250,163	250,163	24,227	48,339	47,394	50,251	24,492	26,046	220,749	
Parks and Recreation	125,081	125,081	12,113	24,170	23,697	25,126	48,985	52,091	186,182	
Subtotal	1,250,654	1,250,654	121,118	241,668	236,939	251,224	244,893	260,424	1,356,266	
City of Braselton										
Parks and Recreation	563,345	563,345	54,557	108,857	106,727	113,162	110,310	117,305	610,918	
Roads, Streets, and Bridges	563,345	563,345	54,556	108,857	106,727	113,162	110,309	117,306	610,917	
Subtotal	1,126,690	1,126,690	109,113	217,714	213,454	226,323	220,619	234,611	1,221,834	
City of Commerce										
Water and Sewer Projects	1,830,320	1,830,320	177,256	353,679	346,767	367,664	358,399	381,128	1,984,893	
Parks and Recreation	1,118,530	1,118,530	108,323	216,137	211,907	224,684	219,021	232,912	1,212,984	
Roads, Streets, and Bridges	1,118,530	1,118,530	108,323	216,137	211,907	224,684	219,021	232,912	1,212,983	
Subtotal	4,067,380	4,067,380	393,902	785,953	770,581	817,032	796,441	846,951	4,410,860	
City of Hoschton										
Improvements to Water and Sewer	699,464	699,464	67,739	135,160	132,515	140,504	136,963	145,650	758,531	
Roads, Streets, and Bridges	186,414	186,414	18,053	36,021	35,316	37,446	36,502	38,817	202,155	
Parks and Recreation	46,603	46,603	4,513	9,006	8,829	9,361	9,126	9,704	50,539	
Subtotal	932,481	932,481	90,305	180,187	176,660	187,312	182,591	194,171	1,011,226	
City of Jefferson										
Roads, Streets, Bridges, and Storm Water Management Facilities	1,179,588	1,179,588	114,236	227,936	223,475	236,949	230,977	245,625	1,279,198	
Cultural, Historical, and Recreation Facilities Debt Reduction	1,626,853	1,626,853	157,551	314,362	308,210	326,793	318,557	338,760	1,764,233	
Public Safety Facilities	81,351	81,351	7,879	15,720	15,412	16,341	15,930	16,940	88,222	
Water and Sewer Facilities	1,179,588	1,179,588	114,236	227,936	223,475	236,949	230,977	245,626	1,279,199	
Subtotal	4,067,380	4,067,380	393,902	785,954	770,572	817,032	796,441	846,951	4,410,852	
City of Maysville										
Water and Sewer Improvements	301,782	301,782	29,226	58,314	57,173	60,620	59,092	62,840	327,265	
Roads, Streets, and Bridges	64,667	64,667	6,263	12,496	12,251	12,990	12,663	13,466	70,129	
Buildings	43,112	43,112	4,175	8,331	8,168	8,660	8,442	8,976	46,752	
Recreational Facilities	21,556	21,556	2,087	4,165	4,084	4,330	4,221	4,489	23,376	
Subtotal	431,117	431,117	41,751	83,306	81,676	86,600	84,418	89,771	467,522	
City of Nicholson										
Roads, Streets, and Bridges	516,003	516,003	49,972	99,709	97,758	103,652	101,040	107,447	559,578	
Land and Equipment for Parks	459,163	459,163	44,467	88,725	86,988	92,234	89,909	95,611	497,934	
Renovation of Library	57,395	57,395	5,558	11,091	10,874	11,529	11,238	11,951	62,241	
Historic Preservation - Crossroads Travelling School	57,395	57,395	5,558	11,091	10,874	11,529	11,239	11,952	62,243	
Water and Sewer Improvements	57,395	57,395	5,559	11,091	10,874	11,529	11,239	11,952	62,244	
Subtotal	1,147,351	1,147,351	111,114	221,707	217,368	230,473	224,665	238,913	1,244,240	
City of Pendergrass										
Construction of Library	260,134	260,134	25,193	50,266	49,283	52,254	50,937	54,166	282,099	
Parks and Recreation	55,878	55,878	5,411	10,798	10,586	11,225	10,942	11,636	60,598	
Roads, Streets, and Bridges	55,878	55,878	5,411	10,798	10,586	11,225	10,942	11,636	60,598	
Subtotal	371,890	371,890	36,015	71,862	70,455	74,703	72,821	77,438	403,294	
City of Talmo										
Administrative Space and Library	132,527	132,527	12,835	25,608	25,107	26,621	25,950	27,596	143,717	
Roads, Streets, and Bridges	94,182	94,182	9,121	18,199	17,843	18,919	18,442	19,611	102,135	
Parks and Recreation	113,018	113,018	10,945	21,839	21,411	22,702	22,130	23,534	122,561	
Public Safety Facilities	37,673	37,673	3,648	7,280	7,136	7,568	7,377	7,845	40,854	
Subtotal	377,400	377,400	36,549	72,926	71,497	75,810	73,899	78,586	409,267	
Total All City Projects(1)	13,772,343	13,772,343	-	1,333,769	2,661,277	2,609,202	2,766,510	2,696,788	2,867,816	14,935,362
Total All Projects	\$ 47,520,000	\$ 47,555,116	\$ 1,596,936	\$ 4,633,919	\$ 4,457,800	\$ 10,648,301	\$ 11,319,853	\$ 11,585,829	\$ 44,242,638	

1. The County remits the tax collected to the Municipalities who are responsible for reporting on the expenditures in accordance with OCGA 48-8-121.
2. The budget for debt service was increased by \$35,116 due to closing transfer from SPLOST IV
The amounts for 2011 were revised to include accounts payable omitted from the previous schedule.

JACKSON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH
SPECIAL PURPOSE LOCAL OPTION SALES TAX
Year Ended December 31, 2016

SPLOST #6 - Commenced November 18, 2015 Project	Original	Current	Amount Expended	
	Estimated Cost	Estimated Cost	Year 1 2016	Total
LEVEL 1 COUNTY PROJECTS				
County Debt Service	\$ 21,000,000	\$ 21,000,000	\$ -	-
LEVEL 2 COUNTY PROJECTS				
Water Projects	9,039,000	9,039,000	-	-
Public Safety Equipment	2,252,000	2,252,000	332,884	332,884
Roads, Streets, and Bridges	3,009,000	3,009,000	-	-
Historic Courthouse Renovations	800,000	800,000	-	-
Parks and Recreation	2,500,000	2,500,000	-	-
Animal Shelter	250,000	250,000	250,000	250,000
Subtotal All County Projects	<u>38,850,000</u>	<u>38,850,000</u>	<u>582,884</u>	<u>582,884</u>
MUNICIPAL PROJECTS				
<i>City of Arcade</i>				
Park Improvements inc Land Acquisition	377,400	377,400	-	-
Roads, Streets, and Bridges	905,760	905,760	-	-
Land Acquisition - Community Center	226,440	226,440	-	-
Subtotal	<u>1,509,600</u>	<u>1,509,600</u>	-	-
<i>Town of Braselton</i>				
Multipurpose Civic Building with Parking Deck	1,365,300	1,365,300	-	-
Subtotal	<u>1,365,300</u>	<u>1,365,300</u>	-	-
<i>City of Commerce</i>				
Water and Sewer Projects	1,500,000	1,500,000	-	-
Public Safety	530,000	530,000	-	-
Recreation, Tourism, and Culture	1,554,300	1,554,300	-	-
Roads, Streets, and Bridges	1,000,000	1,000,000	-	-
Subtotal	<u>4,584,300</u>	<u>4,584,300</u>	-	-
<i>City of Hoschton</i>				
Improvements to Water and Sewer	844,988	844,988	-	-
Roads, Sidewalks, Drainage, Stormwater	225,330	225,330	-	-
Parks and Recreation	56,332	56,332	-	-
Subtotal	<u>1,126,650</u>	<u>1,126,650</u>	-	-
<i>City of Jefferson</i>				
Roads, Streets, Bridges, Sidewalks, Storm Drains	1,359,750	1,359,750	-	-
Cultural and Recreation Facilities Debt Reduction	1,665,000	1,665,000	-	-
Public Safety Equipment and Debt Reduction	865,800	865,800	-	-
Water and Sewer Facilities Debt Reduction	1,359,750	1,359,750	-	-
Subtotal	<u>5,250,300</u>	<u>5,250,300</u>	-	-
<i>City of Maysville</i>				
Water and Sewer Improvements	478,632	478,632	-	-
Roads, Streets, and Bridges	59,829	59,829	-	-
Buildings	29,914	29,914	-	-
Public Safety	29,915	29,915	-	-
Subtotal	<u>598,290</u>	<u>598,290</u>	-	-
<i>City of Nicholson</i>				
Roads, Streets, Bridges, and Sidewalks	649,517	649,517	-	-
Parks and Recreation	207,292	207,292	-	-
Renovation of Library	138,195	138,195	-	-
Highway and Streets Equipment	276,390	276,390	-	-
Water and Sewer Improvements	110,556	110,556	-	-
Subtotal	<u>1,381,950</u>	<u>1,381,950</u>	-	-
<i>City of Pendergrass</i>				
Construction of New Public Facility	250,305	250,305	-	-
Public Facilities Debt Reduction	100,122	100,122	-	-
Public Safety	75,092	75,092	-	-
Roads, Streets, and Bridges	75,091	75,091	-	-
Subtotal	<u>500,610</u>	<u>500,610</u>	-	-
<i>City of Talmo</i>				
Administrative Facility and Library	133,200	133,200	-	-
Roads, Streets, and Bridges	83,250	83,250	-	-
Parks and Recreation	83,250	83,250	-	-
Public Safety	33,300	33,300	-	-
Subtotal	<u>333,000</u>	<u>333,000</u>	-	-
Total All City Projects(1)	<u>16,650,000</u>	<u>16,650,000</u>	-	-
Total All Projects	<u>\$ 55,500,000</u>	<u>\$ 55,500,000</u>	<u>\$ 582,884</u>	<u>\$ 582,884</u>

1. The County remits the tax collected to the Municipalities who are responsible for reporting on the expenditures in accordance with OCGA 48-8-121.

JACKSON COUNTY, GEORGIA
Reconciliation of Expenditures for SPLOST
12/31/2016

Statement of Revenues, Expenditures and Changes in Fund Balance (page 5)		Expenditures	\$ 12,168,713
Expenditures reported on Splost schedule below			\$ 12,168,713
 Schedule of Projects Constructed With Special Purpose Local Option Sales Tax (pages 99-100)			
		Splost #5	\$ 11,585,829
		Splost #6	582,884
Total			\$ 12,168,713

STATISTICAL SECTION

This part of the County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Table
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
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Changes in Fund Balances of Governmental Funds	4
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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Note: Tables may not add due to rounding

JACKSON COUNTY, GEORGIA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting) (amounts expressed in thousands)

	Fiscal Year									
	2007 (1)	2008	2009 (2)	2010 (3)	2011	2012 (4)	2013	2014	2015 (5)	2016
GOVERNMENTAL ACTIVITIES										
Net investment in capital assets	\$ 130,571	\$ 125,119	\$ 90,886	\$ 91,826	\$ 87,873	\$ 88,161	\$ 82,681	\$ 86,533	\$ 98,287	\$ 104,059
Restricted:										
Capital outlay	7,687	8,761	7,998	7,021	7,109	9,839	5,794	8,730	6,133	10,125
Debt service	79	2,706	766	551	1,025	1,026	2,555	3,224	2,851	2,683
Drug enforcement	-	-	-	-	-	-	-	-	-	-
Emergency services	-	-	-	-	-	-	-	-	-	-
Fire districts	-	-	-	-	-	-	-	-	-	-
Jail	-	-	-	-	-	-	-	-	-	-
General government	-	-	-	-	-	-	-	-	-	-
Judicial	-	-	-	-	59	58	56	303	345	393
Public safety	2,478	3,325	3,116	3,427	3,386	2,718	2,050	2,231	2,028	2,563
Public works	-	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-	-
Recreation and culture	-	-	-	-	-	-	-	-	-	-
Housing and Development	-	-	-	-	-	-	-	-	-	-
Unrestricted:	3,039	8,686	10,012	9,240	9,286	6,299	11,815	3,300	(1,049)	(11,014)
Total governmental activities net position	\$ 143,854	\$ 148,597	\$ 112,778	\$ 112,065	\$ 108,738	\$ 108,101	\$ 104,951	\$ 104,321	\$ 108,595	\$ 108,809
BUSINESS-TYPE ACTIVITIES										
Net investment in capital assets	\$ 603	\$ 786	\$ 1,197	\$ 2,436	\$ 2,344	\$ 2,344	\$ 2,216	\$ 2,200	\$ 2,114	\$ 2,067
Unrestricted	(598)	(781)	(1,072)	(2,431)	(2,339)	(2,130)	(2,401)	(2,352)	(2,293)	(2,187)
Total business-type activities net position	5	5	125	5	5	214	(185)	(152)	(179)	(120)
PRIMARY GOVERNMENT										
Net investment in capital assets	131,174	125,905	92,083	94,262	90,217	90,505	84,897	88,733	100,401	106,126
Restricted	10,244	14,792	11,880	10,999	11,579	13,641	10,455	14,488	11,357	15,764
Unrestricted	2,441	7,905	8,940	6,809	6,947	4,169	9,414	948	(3,341)	(13,201)
Total primary government net position	\$ 143,859	\$ 148,602	\$ 112,903	\$ 112,070	\$ 108,743	\$ 108,315	\$ 104,766	\$ 104,169	\$ 108,417	\$ 108,689

Note: The County adopted GASB 34 in 2003.

(1) In 2007, all public safety restrictions were combined.

(2) In 2009, the County changed its method of depreciation expense for road infrastructure assets.

As a result, invested in capital assets decreased \$33,096,948.

(3) In 2010, the County implemented GASB 54.

(4) In 2012, the County implemented GASB 63 & 65.

(5) In 2015, the County implemented GASB 68.

JACKSON COUNTY, GEORGIA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
EXPENSES										
Governmental activities:										
General government	\$ 5,446	\$ 5,517	\$ 5,210	\$ 4,952	\$ 4,774	\$ 5,429	\$ 5,003	\$ 7,695	\$ 5,703	\$ 6,101
Judicial	3,468	3,895	3,811	3,516	3,679	3,590	3,733	3,543	4,049	4,328
Public safety	17,328	18,609	21,411	23,332	22,960	22,052	22,552	21,081	23,925	26,863
Public works	9,263	12,354	12,810	15,052	12,980	11,954	12,174	12,333	13,574	12,910
Health and welfare	926	962	1,035	1,172	1,088	1,136	1,156	1,172	1,265	1,310
Recreation and culture	1,339	1,530	1,840	1,634	2,038	1,565	1,563	1,559	2,039	2,202
Housing and development	1,511	1,475	1,560	1,329	1,039	1,489	3,853	1,764	2,027	2,275
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	2,921	5,060	6,695	4,554	5,034	4,947	4,704	4,797	4,044	3,041
Total governmental activities expenses	42,202	49,402	54,372	55,541	53,592	52,162	54,738	53,944	56,626	59,030
Business-type activities:										
Solid waste disposal facility	1,485	1,200	1,177	1,417	1,273	1,296	1,677	1,447	1,425	1,624
Mayfield treatment plant	21	18	14	11	7	4	-	-	-	-
Total business-type activities expenses	1,506	1,218	1,191	1,428	1,280	1,300	1,677	1,447	1,425	1,624
Total primary government expenses	43,708	50,620	55,563	56,969	54,872	53,462	56,415	55,391	58,051	60,654
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General government	1,271	1,454	1,533	1,668	1,607	1,567	1,508	1,480	1,152	1,725
Judicial	1,999	1,801	1,628	1,786	1,505	1,705	1,851	1,805	2,004	1,907
Public safety	2,423	2,890	4,443	4,369	5,029	4,558	4,735	5,054	5,740	4,772
Public works	-	-	21	5	16	1	2	2	5	3
Health and welfare	37	30	28	16	25	31	57	118	137	150
Recreation and culture	328	314	377	381	443	342	369	404	454	480
Housing and development	856	431	263	178	210	333	809	378	456	842
Total charges for services	6,914	6,920	8,293	8,403	8,835	8,537	9,331	9,241	9,948	9,879

JACKSON COUNTY, GEORGIA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Operating grants and contributions	1,915	2,337	1,266	2,388	1,064	1,133	1,796	2,523	2,453	2,375
Capital grants and contributions	3,364	2,661	2,539	4,076	840	4,922	1,120	1,999	9,070	1,416
Total governmental activities program revenues	12,193	11,918	12,098	14,867	10,739	14,592	12,247	13,763	21,471	13,670
Business-type activities:										
Charges for services:										
Solid waste disposal facility	926	833	871	912	1,012	990	1,045	1,350	1,242	1,480
Mayfield treatment plant	21	18	14	11	7	4	-	-	-	-
Total charges for services	947	851	885	923	1,019	994	1,045	1,350	1,242	1,480
Operating grants and contributions	280	-	-	-	-	-	-	-	50	-
Capital grants and contributions	-	-	10	-	13	18	-	-	-	40
Total business-type activities program revenues	1,227	851	895	923	1,032	1,012	1,045	1,350	1,292	1,520
Total primary government program revenues	\$ 13,420	\$ 12,769	\$ 12,993	\$ 15,790	\$ 11,771	\$ 15,604	\$ 13,292	\$ 15,113	\$ 22,763	\$ 15,190
Net (expense)/revenue										
Governmental activities	\$ (30,009)	\$ (37,484)	\$ (42,274)	\$ (40,674)	\$ (42,853)	\$ (37,570)	\$ (42,491)	\$ (40,181)	\$ (35,155)	\$ (45,360)
Business-type activities	(279)	(367)	(296)	(505)	(248)	(288)	(632)	(97)	(133)	(104)
Total primary government net expense	(30,288)	(37,851)	(42,570)	(41,179)	(43,101)	(37,858)	(43,123)	(40,278)	(35,288)	(45,464)

JACKSON COUNTY, GEORGIA
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental activities:										
Taxes										
Property Taxes	18,071	22,287	23,725	24,497	23,727	22,369	23,020	21,851	24,307	26,777
Sales Taxes	16,513	14,941	12,426	13,772	13,947	14,907	14,416	15,274	14,888	15,833
Insurance premium tax	1,278	1,309	1,290	1,255	1,523	1,627	1,691	1,782	1,909	2,031
Real estate and recording taxes	601	385	371	249	214	324	339	346	425	670
Other taxes	212	243	201	239	243	256	281	315	307	322
Total taxes	36,675	39,165	38,013	40,012	39,654	39,483	39,747	39,568	41,836	45,633
Unrestricted grants and contributions	934	1,001	1,050	-	-	-	-	-	-	-
Investment earnings	1,850	2,299	827	151	33	22	29	9	9	22
Gain on sale of capital assets	116	130	75	185	87	145	30	111	-	82
Transfers	(279)	(367)	(416)	(384)	(247)	(497)	(208)	(139)	(109)	(163)
Total governmental activities	39,296	42,228	39,549	39,964	39,527	39,153	39,598	39,549	41,736	45,574
Business-type activities:										
Gain on sale of capital assets	-	-	-	-	-	-	(24)	(9)	-	-
Transfers	279	367	416	384	247	497	208	139	108	163
Total business-type activities	279	367	416	384	247	497	184	129	108	163
Total primary government	39,575	42,595	39,965	40,348	39,774	39,650	39,782	39,679	41,844	45,737
CHANGE IN NET POSITION										
Governmental activities	9,287	4,744	(2,725)	(710)	(3,326)	1,583	(2,893)	(631)	6,582	214
Business-type activities	-	-	120	(121)	(1)	209	(448)	33	(26)	59
Total primary government	\$ 9,287	\$ 4,744	\$ (2,605)	\$ (831)	\$ (3,327)	\$ 1,792	\$ (3,341)	\$ (598)	\$ 6,556	\$ 273

Note: The County adopted GASB 34 in 2003.

Note: After 2006, intergovernmental expense has been allocated to other functions.

JACKSON COUNTY, GEORGIA
FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General fund										
Reserved	\$ 2,134	\$ 2,681	\$ 2,188	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, designated for:										
Road projects	-	-	-	-	-	-	-	-	-	-
Capital asset purchases	-	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-	-
Unreserved, undesignated	6,254	6,197	7,638	-	-	-	-	-	-	-
Total unreserved	6,254	6,197	7,638	-	-	-	-	-	-	-
Nonspendable	-	-	-	1,659	2,675	2,783	534	684	1,129	834
Restricted	-	-	-	1,183	966	758	759	350	1	1
Assigned	-	-	-	1,762	2,217	1,550	1,267	767	700	405
Unassigned	-	-	-	5,339	4,816	4,144	4,834	-	4,458	6,351
Total general fund	\$ 8,388	\$ 8,878	\$ 9,826	\$ 9,943	\$ 10,674	\$ 9,235	\$ 7,394	\$ 1,801	\$ 6,288	\$ 7,591
All other governmental funds										
Reserved	\$ 7,910	\$ 64,678	\$ 38,883	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, designated for:										
Capital asset purchases	-	-	-	-	-	-	-	-	-	-
Debt retirement	-	-	-	-	-	-	-	-	-	-
Braselton/West Jackson Library	-	-	-	-	-	-	-	-	-	-
Unreserved, undesignated	2,618	3,481	3,345	-	-	-	-	-	-	-
Nonspendable	-	-	-	393	316	421	470	427	427	368
Restricted	-	-	-	32,970	27,408	24,204	25,027	21,238	21,587	15,505
Committed	-	-	-	507	330	736	709	496	496	512
Assigned	-	-	-	-	-	437	702	711	778	-
Unassigned	-	-	-	(56)	(76)	-	-	4,592	134	(1,616)
Total all other governmental funds	\$ 10,528	\$ 68,159	\$ 42,228	\$ 33,814	\$ 27,978	\$ 25,798	\$ 26,908	\$ 27,463	\$ 23,421	\$ 14,768

Note: In 2010, the County implemented GASB 54.
In 2012, the County implemented GASB 63 & 65.
In 2015, the County implemented GASB 68.

JACKSON COUNTY, GEORGIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Taxes (see table 5)	\$ 36,603	\$ 38,546	\$ 37,847	\$ 40,019	\$ 39,638	\$ 39,892	\$ 39,159	\$ 39,613	\$ 41,664	\$ 46,449
Licenses and permits	803	405	250	174	217	351	257	326	387	625
Fines and forfeitures	1,532	1,288	1,355	1,249	985	996	1,204	1,255	1,373	1,242
Charges for services	4,544	5,077	6,734	6,780	7,504	6,983	7,692	7,203	8,171	7,592
Investment earnings	1,850	2,299	827	164	36	22	29	9	9	28
Intergovernmental	3,646	4,143	2,406	4,175	1,661	2,064	2,718	2,581	2,539	2,598
Miscellaneous	169	202	168	258	203	149	364	773	18	420
Total revenues	49,147	51,960	49,587	52,819	50,244	50,457	51,424	51,760	54,161	58,954
EXPENDITURES										
General government	5,112	5,095	4,898	4,648	4,620	5,041	4,584	4,612	5,126	5,471
Judicial	2,932	3,253	3,172	2,880	3,037	2,931	3,078	2,897	3,374	3,629
Public safety	16,187	16,923	19,203	19,612	19,820	19,210	19,673	18,315	21,102	22,096
Public works	2,042	2,355	2,414	2,628	2,363	2,927	2,890	3,450	4,538	4,610
Health and welfare	877	902	980	1,110	999	1,007	1,035	1,048	1,143	1,154
Recreation and culture	1,212	1,254	1,506	1,328	1,344	1,274	1,314	1,285	1,728	1,844
Housing and development	1,496	1,431	1,548	1,295	1,005	1,411	3,781	1,702	1,998	2,251
Intergovernmental	12,675	6,167	6,423	8,126	6,256	5,077	4,960	4,416	4,293	3,531
Capital Outlay	11,793	36,122	21,831	11,194	9,561	6,048	2,811	2,562	2,291	3,791
Principal on long-term debt	3,306	2,993	3,019	4,791	3,612	4,679	4,331	10,271	10,146	11,701
Interest on long-term debt	2,042	4,641	5,997	4,790	4,957	4,453	4,117	4,052	3,386	2,755
Payments to escrow agents	-	-	29,405	15,595	30,764	9,937	13,869	10,739	8,422	24,476
Issuance costs on long-term debt	656	412	485	89	251	163	209	212	176	-
Total expenditures	60,330	81,548	100,881	78,086	88,589	64,158	66,652	65,561	67,723	87,309
Excess of revenues over (under) expenditures	(11,183)	(29,588)	(51,294)	(25,267)	(38,345)	(13,701)	(15,228)	(3,062)	(13,562)	(28,355)
OTHER FINANCING SOURCES (USES)										
Proceeds from borrowing	49,005	47,503	1,533	1,306	823	10,372	14,671	1,119	506	1,218
Debt premiums and discounts	(54)	-	-	-	1,214	56	-	386	584	3,916
Refunding bond proceeds	-	-	25,050	15,880	29,545	-	-	10,155	7,665	20,835
Sale of capital assets	179	2,821	124	188	1,904	150	30	137	88	14
Transfers in	5,262	6,864	43,520	29,523	9,577	11,695	10,484	10,270	4,038	4,008
Transfers out	(5,541)	(7,232)	(43,936)	(29,907)	(9,824)	(12,192)	(10,692)	(13,301)	(4,148)	(4,171)
Total other financing sources (uses)	48,851	49,956	26,291	16,990	33,239	10,080	14,493	(1,973)	8,733	25,820
Net change in fund balances	\$ 37,668	\$ 20,368	\$ (25,003)	\$ (8,277)	\$ (5,106)	\$ (3,621)	\$ (735)	\$ (5,035)	\$ (4,829)	\$ (2,535)
Debt service as a percentage of noncapital expenditures	11.02%	16.81%	11.41%	14.32%	10.84%	15.72%	13.23%	27.41%	20.68%	17.31%

Amounts for 2009 & 2010 for proceeds from borrowing were reclassified to show amounts of refunding debt issued.
Likewise, principal paid on long-term debt was reclassified to show payments to escrow agent for amounts refunded in those years.

JACKSON COUNTY, GEORGIA
General Fund History
Statement of Revenues, Expenditures and Changes in Fund Balances
Last Five Fiscal Years

	2012	2013	2014	2015	2016
REVENUES					
Taxes	\$ 28,682,632	\$ 28,347,473	\$ 27,974,498	\$ 30,137,136	\$ 33,704,491
Licenses and permits	53,974	63,447	59,330	76,476	72,567
Fines and forfeitures	793,451	915,495	976,321	1,073,166	962,374
Charges for services	3,777,503	3,619,755	3,582,081	3,388,979	3,910,725
Interest income	17,292	8,253	3,929	3,864	4,389
Intergovernmental	494,350	1,206,414	1,294,104	1,485,066	1,472,025
Other	105,111	200,237	158,429	32,846	239,292
TOTAL REVENUES	33,924,313	34,361,074	34,048,692	36,197,534	40,365,863
EXPENDITURES					
Current					
General government	5,027,082	4,579,920	4,431,095	4,925,398	5,256,472
Judicial	2,916,761	3,052,895	2,872,581	3,342,888	3,608,260
Public safety	12,835,884	12,997,533	11,487,741	13,492,346	14,240,517
Public works	1,856,791	2,159,290	1,978,324	2,657,560	2,705,096
Health and welfare	497,633	525,584	627,161	622,562	611,549
Recreation and culture	100,000	100,107	100,020	112,447	125,015
Housing and development	591,343	2,651,226	834,030	1,169,201	1,048,575
Intergovernmental	2,207,749	2,327,731	1,614,413	1,376,876	592,797
Capital Outlay	201,715	136,526	27,258	444,020	209,626
Debt Service					
Principal	-	-	-	4,458,685	6,263,718
Interest	-	-	-	2,384,526	2,395,114
Issuance costs			212,445	175,607	-
Payments to escrow agents	-	-	10,738,911	8,422,165	-
TOTAL EXPENDITURES	26,234,958	28,530,812	34,923,980	43,584,282	37,056,739
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	7,689,355	5,830,262	(875,287)	(7,386,748)	3,309,124
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of fixed assets	31,895	8,233	2,666	85,538	5,362
Transfers in	452,914	401,035	163,024	1,245,262	905,263
Transfers out	(9,613,760)	(8,085,874)	(10,829,133)	(2,925,483)	(3,241,524)
Other			10,541,356	8,628,131	115,304
TOTAL OTHER FINANCING SOURCES (USES)	(9,128,951)	(7,676,605)	(122,087)	7,033,448	(2,215,595)
EXCESS OF REVENUES AND OTHER FINANCING OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(1,439,596)	(1,846,343)	(997,374)	(353,300)	1,093,529
FUND BALANCES, JANUARY 1	10,674,711	9,235,115	7,388,672	6,641,298	6,287,998
FUND BALANCES, DECEMBER 31	\$ 9,235,115	\$ 7,388,772	\$ 6,391,298	\$ 6,287,998	\$ 7,381,527

The accompanying notes are an integral part of this statement.

JACKSON COUNTY, GEORGIA
General Fund Budget (unaudited)
Fiscal Year Ending December 31, 2017

REVENUES	
Taxes	\$ 33,006,288
Licenses and permits	178,800
Fines and forfeitures	999,500
Charges for services	2,684,400
Interest & other Income	131,300
Intergovernmental	2,154,953
TOTAL REVENUES	<u>39,155,241</u>
EXPENDITURES	
Current	
General government	5,328,440
Judicial	3,631,426
Public Safety	14,520,756
Public Works	1,924,879
Health and Welfare	238,993
Recreation and Culture	-
Housing and Development	-
Intergovernmental	10,610,555
Capital Outlay	-
TOTAL EXPENDITURES	<u>36,255,049</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,900,192</u>
OTHER FINANCING SOURCES (USES)	
Transfers in	1,205,767
Transfers out	(4,511,232)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,305,465)</u>
APPROPRIATION OF PRIOR YEARS' SURPLUS	<u>(405,273)</u>
FUND BALANCES, December 31, 2016	6,287,998
FUND BALANCES, December 31, 2017	<u>\$ 5,882,725</u>

JACKSON COUNTY, GEORGIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Taxes	Sales Taxes	Insurance Premium Tax	Real Estate & Recording Taxes	Other Taxes	Total
2007	\$ 17,999	\$ 16,513	\$ 1,278	\$ 601	\$ 212	\$ 36,603
2008	\$ 21,667	\$ 14,941	\$ 1,309	\$ 386	\$ 243	\$ 38,546
2009	\$ 23,559	\$ 12,426	\$ 1,290	\$ 371	\$ 201	\$ 37,847
2010	\$ 24,504	\$ 13,772	\$ 1,255	\$ 249	\$ 239	\$ 40,019
2011	\$ 23,711	\$ 13,947	\$ 1,523	\$ 214	\$ 243	\$ 39,638
2012	\$ 22,778	\$ 14,907	\$ 1,627	\$ 324	\$ 256	\$ 39,892
2013	\$ 22,432	\$ 14,416	\$ 1,691	\$ 339	\$ 281	\$ 39,159
2014	\$ 21,896	\$ 15,274	\$ 1,782	\$ 346	\$ 315	\$ 39,613
2015	\$ 24,134	\$ 14,888	\$ 1,909	\$ 426	\$ 307	\$ 41,664
2016	\$ 27,593	\$ 15,833	\$ 2,031	\$ 670	\$ 322	\$ 46,449

JACKSON COUNTY, GEORGIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Tax Year	Real Property				Personal Property				Less Exemptions:		Total Taxable Assessed Value	Total Direct Tax Rate (5)	Estimated Actual Value (3)	Assessed Value as a Percentage of Actual Value
	Residential Property	Agricultural Property (1)	Commercial & Industrial	Public Utilities	Inventory & Equipment (4)	Motor Vehicles	Mobile Homes	Other (2)	Real Property	Personal Property				
2007	\$ 1,217,908	\$ 376,972	\$ 301,949	\$ 71,365	\$ 447,231	\$ 148,390	\$ 14,776	\$ 6,460	\$ 186,797	\$ 162,008	\$ 2,236,246	9.042	\$ 5,590,615	40.00%
2008	\$ 1,320,570	\$ 379,620	\$ 358,937	\$ 69,948	\$ 462,739	\$ 161,442	\$ 13,819	\$ 7,865	\$ 195,969	\$ 171,466	\$ 2,407,505	8.959	\$ 6,018,763	40.00%
2009	\$ 1,329,441	\$ 385,816	\$ 378,063	\$ 71,850	\$ 464,415	\$ 169,846	\$ 13,031	\$ 6,142	\$ 211,453	\$ 173,324	\$ 2,433,827	8.965	\$ 6,084,568	40.00%
2010	\$ 1,253,548	\$ 385,344	\$ 377,257	\$ 77,120	\$ 434,650	\$ 144,595	\$ 11,490	\$ 3,879	\$ 221,741	\$ 162,702	\$ 2,303,440	8.992	\$ 5,758,600	40.00%
2011	\$ 1,161,335	\$ 368,693	\$ 378,125	\$ 72,904	\$ 473,534	\$ 143,328	\$ 10,906	\$ 6,639	\$ 222,384	\$ 194,628	\$ 2,198,452	9.011	\$ 5,496,130	40.00%
2012	\$ 999,389	\$ 361,858	\$ 422,144	\$ 77,897	\$ 481,173	\$ 153,807	\$ 9,935	\$ 7,570	\$ 228,801	\$ 193,139	\$ 2,091,833	9.144	\$ 5,229,583	40.00%
2013	\$ 925,191	\$ 325,565	\$ 410,004	\$ 80,905	\$ 551,478	\$ 159,903	\$ 9,501	\$ 4,575	\$ 208,287	\$ 289,753	\$ 1,969,082	9.410	\$ 4,922,705	40.00%
2014	\$ 945,293	\$ 324,604	\$ 390,232	\$ 80,504	\$ 564,380	\$ 136,924	\$ 8,609	\$ 7,802	\$ 207,873	\$ 293,467	\$ 1,957,008	10.424	\$ 4,892,520	40.00%
2015	\$ 1,070,580	\$ 338,163	\$ 419,555	\$ 80,463	\$ 623,382	\$ 103,337	\$ 8,088	\$ 6,609	\$ 210,316	\$ 312,639	\$ 2,127,222	10.378	\$ 5,318,055	40.00%
2016	\$ 1,163,444	\$ 341,174	\$ 438,890	\$ 80,473	\$ 722,441	\$ 80,610	\$ 7,520	\$ 9,749	\$ 213,731	\$ 384,926	\$ 2,245,644	10.279	\$ 5,614,110	40.00%

Source: Georgia Department of Revenue

(1) Includes conservation use and preferential property.

(2) Includes aircraft, boats, miscellaneous personal property, timber and heavy equipment.

(3) Property that is exempt from taxation has not been included. That is typically property owned by governments and not-for-profit organizations like churches.

(4) Includes furniture and fixtures.

(5) This is a weighted average of individual direct rates applied to the taxable assessed value of the different portions of the county (incorporated and unincorporated).

**JACKSON COUNTY, GEORGIA
ASSESSED VALUATION BY PROPERTY TYPE**

<u>PROPERTY TYPE</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Residential	\$ 1,167,183,654	\$ 1,073,962,835	\$ 948,911,766	\$ 929,011,325	\$ 1,004,764,913	\$ 1,163,105,935	\$ 1,255,246,003	\$ 1,331,583,736	\$ 1,323,104,559	\$ 1,220,448,259
Historic	229	188,947	188,947	197,339	202,559	179,536	203,660	203,660	203,660	203,660
Agricultural	155,242,554	155,191,388	143,291,076	143,039,322	159,951,419	173,004,844	189,832,089	200,543,467	209,438,215	213,634,888
Preferential	78,951	78,951	78,951	81,363	101,024	149,055	249,420	360,419	580,304	580,303
Conservation Use	185,908,274	182,948,680	181,278,582	182,525,640	201,830,603	195,556,260	195,280,567	184,934,791	169,625,853	162,781,951
Commercial	411,968,657	374,469,888	363,715,137	384,864,344	355,337,841	313,204,179	296,176,940	303,498,419	289,325,675	278,110,066
Industrial	754,787,116	670,547,780	594,162,279	576,771,287	549,572,167	541,944,896	516,892,573	541,659,068	536,560,495	473,166,473
Utility	80,473,460	80,462,655	80,504,125	80,904,645	77,896,549	72,903,850	77,119,665	71,850,152	69,947,929	71,364,766
Motor Vehicle	80,610,330	103,336,680	136,923,980	159,903,150	153,806,580	143,328,330	144,595,210	169,846,410	161,441,830	148,390,370
Mobile Home	7,519,657	8,088,040	8,608,856	9,501,319	9,935,445	10,905,523	11,489,841	13,031,351	13,818,918	14,775,983
Timber 100%	528,366	900,217	684,009	348,341	342,899	954,686	569,612	776,025	349,346	365,584
Heavy Equipment	-	-	-	71,678	30,160	226,969	226,969	317,319	542,517	1,228,580
Gross Digest	<u>2,844,301,248</u>	<u>2,650,176,061</u>	<u>2,458,347,708</u>	<u>2,467,219,753</u>	<u>2,513,772,159</u>	<u>2,615,464,063</u>	<u>2,687,882,549</u>	<u>2,818,604,817</u>	<u>2,774,939,301</u>	<u>2,585,050,883</u>
Bond Exemptions	-	-	-	-	-	-	-	-	-	-
Net Bond Digest	<u>\$ 2,844,301,248</u>	<u>\$ 2,650,176,061</u>	<u>\$ 2,458,347,708</u>	<u>\$ 2,467,219,753</u>	<u>\$ 2,513,772,159</u>	<u>\$ 2,615,464,063</u>	<u>\$ 2,687,882,549</u>	<u>\$ 2,818,604,817</u>	<u>\$ 2,774,939,301</u>	<u>\$ 2,585,050,883</u>
M & O Exemptions	<u>\$ 598,657,463</u>	<u>\$ 522,955,395</u>	<u>\$ 501,340,054</u>	<u>\$ 498,040,106</u>	<u>\$ 421,939,715</u>	<u>\$ 417,012,536</u>	<u>\$ 384,442,628</u>	<u>\$ 384,776,437</u>	<u>\$ 367,434,554</u>	<u>\$ 348,804,934</u>
Net M & O Digest	<u>\$ 2,245,643,785</u>	<u>\$ 2,127,220,666</u>	<u>\$ 1,957,007,654</u>	<u>\$ 1,969,179,647</u>	<u>\$ 2,091,832,444</u>	<u>\$ 2,198,451,527</u>	<u>\$ 2,303,439,921</u>	<u>\$ 2,433,828,380</u>	<u>\$ 2,407,504,747</u>	<u>\$ 2,236,245,949</u>
Total real & personal, excluding public utility	<u>\$ 2,675,169,435</u>	<u>\$ 2,457,388,469</u>	<u>\$ 2,231,626,738</u>	<u>\$ 2,216,490,620</u>	<u>\$ 2,271,760,526</u>	<u>\$ 2,387,144,705</u>	<u>\$ 2,453,881,252</u>	<u>\$ 2,562,783,560</u>	<u>\$ 2,528,838,761</u>	<u>\$ 2,348,925,600</u>

JACKSON COUNTY, GEORGIA
Direct and Overlapping Property Tax Rates - Mills
Last Ten Fiscal Years

(Mills - rate per \$1,000 of taxable assessed value)

<i>Tax Year</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>	<i>2009</i>	<i>2010</i>	<i>2011</i>	<i>2012</i>	<i>2013</i>	<i>2014</i>	<i>2015</i>
<i><u>Fiscal Year</u></i>	<i><u>2007</u></i>	<i><u>2008</u></i>	<i><u>2009</u></i>	<i><u>2010</u></i>	<i><u>2011</u></i>	<i><u>2012</u></i>	<i><u>2013</u></i>	<i><u>2014</u></i>	<i><u>2015</u></i>	<i><u>2016</u></i>
County - Incorporated	9.770	9.590	9.490	9.500	9.550	9.580	9.870	11.280	11.212	11.110
County - Unincorporated (1)	8.730	8.730	8.610	8.610	8.610	8.610	8.610	9.760	9.700	9.600
School Operations	18.900	18.900	18.900	18.900	18.900	18.900	18.900	19.276	19.131	19.131
School Debt Service	3.350	3.100	3.100	3.100	3.100	3.100	3.100	2.700	2.700	2.700
State of Georgia	0.250	0.250	0.250	0.250	0.250	0.250	0.200	0.100	0.050	0.000
Total Incorporated	10.020	9.840	9.740	9.750	9.800	9.830	10.070	11.380	11.262	11.110
Total Unincorporated	31.230	30.980	30.860	30.860	30.860	30.860	30.810	31.836	31.581	31.431
<i>Fire Districts:</i>										
Arcade	1.370	1.160	1.160	1.640	1.640	1.640	1.640	1.640	1.640	1.640
Central Jackson	0.000	0.000	0.000	0.000	0.000	0.000	1.575	1.609	1.616	2.139
East Jackson	1.510	1.600	1.600	1.600	1.600	1.600	1.600	1.600	1.600	1.600
Harrisburg	1.760	1.400	1.470	1.470	1.470	1.470	1.470	1.470	1.470	1.470
Jackson Trail	1.070	0.950	0.950	0.950	1.080	1.080	1.160	1.550	1.750	1.950
Maysville	1.100	0.980	1.100	1.100	1.110	1.570	1.570	1.800	1.800	1.800
Nicholson	0.770	0.710	0.710	0.960	0.960	0.960	0.960	0.960	1.500	1.500
North Jackson	0.840	0.730	0.730	0.730	0.730	0.730	0.730	0.730	0.730	0.730
Plainview	1.660	1.660	1.500	1.500	1.510	1.510	1.510	1.510	1.510	1.510
South Jackson	1.730	1.500	1.500	1.500	1.520	1.650	1.750	1.950	1.950	1.950
West Jackson	1.690	1.690	1.670	1.670	1.692	1.770	1.880	2.630	3.600	3.600
<i>Municipalities(including school):</i>										
Commerce	1.660	1.060	1.500	1.500	2.290	2.360	4.020	4.050	4.020	4.020
Commerce Schools	17.750	17.750	17.750	17.750	17.750	17.750	19.000	20.000	19.845	19.139
Jefferson	6.490	6.490	6.398	6.398	6.398	6.398	6.398	6.326	6.185	6.185
Jefferson Schools	17.300	16.540	16.542	16.628	16.628	16.628	18.057	15.712	15.609	15.609
Maysville	3.190	2.728	1.764	2.730	2.730	1.764	1.764	1.800	1.293	0.980
Pendergrass	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000	3.000

Source: Georgia Department of Revenue

Overlapping rates are those of local and county governments that apply to property owners within the County. Not all overlapping rates apply to all County property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district. The districts that are within the city limits of municipalities that do not levy a city tax are considered with the unincorporated areas in computing the maximum rates.

(1) For purposes of this schedule, the County unincorporated rate is considered the total direct rate.

Maximum rates:

Total Incorporated	27.770	27.590	27.490	27.500	27.550	27.580	29.070	31.380	31.107	30.249
Total Unincorporated	32.990	32.670	32.530	32.530	32.552	32.630	32.690	34.466	35.181	35.031

**JACKSON COUNTY, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago**

Taxpayer	2016				2007		
	Taxable Assessed	County Tax Levied	Rank (2)	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (1)	Rank (2)	Percentage of Total Taxable Assessed Value
	Value (1)						
TD Automotive Compressor (Toyota Industries)	\$ 59,789	\$ 1,483,460	1	2.66%	\$ -		0.00%
Jackson EMC	37,634	1,305,355	2	1.68%	-		0.00%
Southern Power Company	30,021	988,623	3	1.34%	77,944	1	3.49%
Toyota Industries North America	31,693	792,285	4	1.41%	10,098	2	0.45%
Kubota Industrial Equipment Corp	31,668	692,115	5	1.41%	-		0.00%
Huber Engineered Woods LLC	20,281	609,741	6	0.90%	16,657	5	0.74%
Georgia Power Company	17,348	603,070	7	0.77%	-		0.00%
Jackson County Industrial Development Authority	14,749	538,949	8	0.66%	-		0.00%
The William Carter Company	47,227	515,482	9	2.10%	-		0.00%
Georgia Transmission Corp	13,564	461,393	10	0.60%	-		0.00%
Spectrum Brands	-	-		0.00%	24,197	3	1.08%
Duke Realty Limited Partnership	-	-		0.00%	17,645	4	0.79%
Haverty's Furniture Co, Inc.	-	-		0.00%	9,714	6	0.43%
Wayne Farms, LLC	-	-		0.00%	8,936	7	0.40%
Mayfield Dairy Farms, Inc.	-	-		0.00%	7,727	8	0.35%
Louisiana Pacific Corporation	-	-		0.00%	7,852	9	0.35%
VIF / Valentine Farms	-	-		0.00%	7,722	10	0.35%
Totals	\$ 303,974	\$ 7,990,473		13.54%	\$ 188,492		8.43%

Source: Jackson County Tax Commissioner

1. Amounts expressed in thousands.
2. Rank is based on the amount of County maintenance & operations taxes billed since exemptions that reduce the assessed value can vary by entity.

JACKSON COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Tax Years
(amounts expressed in thousands)

Tax Year	Tax Due Date	Taxes Levied for the Tax Year		Interest, Costs, & Penalties	Total Adjusted Levy	Collected within Fiscal year of the Levy		Collections in Subsequent Years	Total Collections to Date		Uncollected Balance
		(Original Levy)	Adjustments			Amount	Percentage of Original Levy		Amount	Percentage of Adjusted Levy	
2007	12/20/2007	\$ 20,023	897	824	\$ 21,744	\$ 17,103	85.42%	\$ 4,610	\$ 21,713	99.86%	\$ 31
2008	12/20/2008	\$ 21,329	917	1,080	\$ 23,326	\$ 18,050	84.63%	\$ 5,201	\$ 23,251	99.68%	\$ 75
2009	12/20/2009	\$ 21,634	270	943	\$ 22,847	\$ 17,889	82.69%	\$ 4,879	\$ 22,768	99.65%	\$ 79
2010	12/20/2010	\$ 21,012	(78)	802	\$ 21,736	\$ 17,541	83.48%	\$ 4,103	\$ 21,644	99.58%	\$ 92
2011	12/20/2011	\$ 20,309	94	598	\$ 21,001	\$ 17,558	86.45%	\$ 3,370	\$ 20,928	99.65%	\$ 73
2012	12/20/2012	\$ 19,425	159	534	\$ 20,118	\$ 17,057	87.81%	\$ 2,963	\$ 20,020	99.51%	\$ 98
2013	12/20/2013	\$ 18,622	518	341	\$ 19,481	\$ 16,751	89.95%	\$ 2,637	\$ 19,388	99.52%	\$ 93
2014	12/20/2014	\$ 20,312	123	114	\$ 20,549	\$ 17,508	86.20%	\$ 2,868	\$ 20,376	99.16%	\$ 173
2015	01/20/2016 ¹	\$ 22,335	(234)	101	\$ 22,202	\$ 12,881	57.67%	\$ 8,741	\$ 21,622	97.39%	\$ 580
2016	12/20/2016	\$ 23,283	336	43	\$ 23,662	\$ 20,667	88.76%	\$ -	\$ 20,667	87.34%	\$ 2,995

Note:

Taxes levied during the calendar year 2016 are recorded as revenues in the financial statements in 2017 since they are levied to finance that year's expenditures.

Taxes levied include real and personal property, motor vehicle, mobile home, timber, and heavy equipment taxes.

Schedule includes amounts for County maintenance and operations.

¹ 2015 digest taxes were re-issued in November 2015 with a new due date of January 20, 2016.

JACKSON COUNTY, GEORGIA
Local Option Sales Tax Revenues
Last Ten Fiscal Years

<u>Month</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
January	\$ 471,384	\$ 428,140	\$ 386,118	\$ 707,519	\$ 678,047	\$ 346,357	\$ 434,336	\$ 408,474	\$ 446,431	\$ 397,169
February	432,693	474,993	305,419	466,281	431,771	438,193	425,574	407,329	424,505	426,793
March	492,622	504,223	541,414	426,565	400,212	473,355	468,626	455,326	453,503	477,913
April	572,104	465,876	387,353	461,020	423,954	424,437	428,961	478,312	461,463	450,581
May	606,113	575,834	384,810	442,728	459,468	534,679	436,050	471,925	469,321	448,370
June	470,511	488,923	425,345	447,686	491,845	498,043	454,998	493,832	471,593	510,794
July	585,458	473,075	488,153	465,776	485,016	503,723	437,346	485,143	489,688	538,641
August	592,816	469,737	398,758	432,155	476,149	489,379	452,262	519,149	464,076	529,472
September	566,647	530,739	404,146	409,324	403,112	471,855	439,876	482,968	462,276	505,771
October	539,572	477,119	423,750	412,249	450,581	486,839	438,014	459,400	452,437	534,727
November	495,908	356,471	473,329	486,774	574,023	474,832	447,623	497,683	458,409	500,341
December	522,912	512,092	147,603	129,965	81,244	582,418	549,340	569,327	529,394	617,804
	<u>\$ 6,348,741</u>	<u>\$ 5,757,224</u>	<u>\$ 4,766,198</u>	<u>\$ 5,288,042</u>	<u>\$ 5,355,422</u>	<u>\$ 5,724,110</u>	<u>\$ 5,413,007</u>	<u>\$ 5,728,868</u>	<u>\$ 5,583,096</u>	<u>\$ 5,938,376</u>

In December 2009, the method of estimating the amount of sales tax revenue related to the current year was changed. Prior to that date, the flow of sales taxes was estimated based on the premise that the business collected the tax in the current month, then remitted the funds to the State Department of Revenue in the next month. The State in turn remitted the funds to the County the month following that. Therefore it was estimated that funds received two months later were for the current period.

The Department of Revenue informed the County that with the shift to electronic reporting and paying of sales taxes by the businesses, they were able to distribute funds to the County more quickly than before. The estimate for 2011 was that only 1/3 of the amount received in the second month were for the current period. For 2012, this has been changed, so only 1 month is accrued.

The County adjusts the accrual only at the end of the fiscal year. In the table above, the revenue for January 2010 includes the 2/3 that previously would have been recorded in December 2009 or \$295,207.

JACKSON COUNTY, GEORGIA
Special Purpose Local Option Sales Tax Revenues
Last Ten Fiscal Years

<u>Month</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
January	\$ 754,505	\$ 680,813	\$ 616,852	\$ 1,135,094	\$ 1,087,757	\$ 555,496	\$ 722,153	\$ 681,731	\$ 744,440	\$ 661,709
February	684,497	760,725	488,378	748,084	692,516	700,482	708,812	678,896	707,382	711,256
March	802,818	804,773	867,594	680,436	642,084	761,912	772,558	757,453	755,779	796,494
April	910,071	745,565	621,423	739,640	680,073	680,952	713,968	797,146	769,081	750,923
May	959,339	921,427	617,301	714,202	737,153	857,803	726,286	785,797	782,158	747,233
June	753,945	740,155	681,403	718,247	789,095	799,041	756,558	822,508	786,066	851,267
July	945,125	801,601	782,793	747,708	778,141	808,088	728,455	808,482	816,047	897,691
August	946,491	752,612	638,835	693,331	763,881	785,144	750,095	865,075	773,051	882,411
September	906,503	848,580	648,397	655,356	646,735	754,075	732,263	804,839	770,429	841,890
October	863,130	752,948	679,842	662,283	722,869	783,463	729,883	765,688	754,096	890,542
November	801,192	567,773	780,595	782,990	920,933	761,734	745,491	829,287	763,970	833,837
December	836,541	806,873	236,806	206,448	130,302	934,261	916,218	948,644	882,480	1,029,820
	<u>\$ 10,164,158</u>	<u>\$ 9,183,845</u>	<u>\$ 7,660,219</u>	<u>\$ 8,483,819</u>	<u>\$ 8,591,539</u>	<u>\$ 9,182,451</u>	<u>\$ 9,002,741</u>	<u>\$ 9,545,547</u>	<u>\$ 9,304,979</u>	<u>\$ 9,895,073</u>

In December 2009, the method of estimating the amount of sales tax revenue related to the current year was changed.

Prior to that date, the flow of sales taxes was estimated based on the premise that the business collected the tax in the current month, then remitted the funds to the State Department of Revenue in the next month. The State in turn remitted the funds to the County the month following that. Therefore it was estimated that funds received two months later were for the current period.

The Department of Revenue informed the County that with the shift to electronic reporting and paying of sales taxes by the businesses, they were able to distribute funds to the County more quickly than before. The estimate for 2011 was that only 1/3 of the amount received in the second month were for the current period. For 2012, this has been changed, so only 1 month is accrued.

The County adjusts the accrual only at the end of the fiscal year. In the table above, the revenue for January 2010 includes the 2/3 that previously would have been recorded in December 2009 or \$473,613.

JACKSON COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
(amounts expressed in thousands)
Last Ten Fiscal Years

Fiscal Year	Governmental Activities					Business-Type Activities					
	Capital Leases	General Obligation Bonds Payable	GEFA Notes Payable	Contracts Payable (2)	IDA Economic Development Bonds	GEFA Notes Payable	Capital Leases	Total Primary Government (3)	Percentage of Personal Income (1)	Per Capita (1)	
2007	\$ 26,245	\$ -	\$ 231	\$ 49,900	\$ 16,145	\$ 346	\$ -	\$ 92,867	5.59%	\$ 1,567	
2008	\$ 26,588	\$ -	\$ 215	\$ 49,799	\$ 60,455	\$ 288	\$ -	\$ 137,345	7.83%	\$ 2,229	
2009	\$ 25,972	\$ -	\$ 187	\$ 49,698	\$ 55,385	\$ 226	\$ -	\$ 131,468	7.03%	\$ 2,104	
2010	\$ 25,145	\$ -	\$ 163	\$ 47,520	\$ 54,930	\$ 160	\$ -	\$ 127,918	7.29%	\$ 2,115	
2011	\$ 16,039	\$ 21,461	\$ 138	\$ 36,569	\$ 54,515	\$ 92	\$ -	\$ 128,814	7.21%	\$ 2,101	
2012	\$ 15,150	\$ 21,215	\$ 112	\$ 35,711	\$ 52,576	\$ 19	\$ -	\$ 124,783	6.86%	\$ 2,060	
2013	\$ 1,235	\$ 20,969	\$ 105	\$ 46,501	\$ 52,576	\$ -	\$ -	\$ 121,386	5.79%	\$ 1,989	
2014	\$ 1,499	\$ 15,213	\$ 68	\$ 42,958	\$ 52,576	\$ -	\$ -	\$ 112,314	5.35%	\$ 1,840	
2015	\$ 1,113	\$ 10,251	\$ 24	\$ 91,087	\$ -	\$ -	\$ -	\$ 102,475	4.88%	\$ 1,679	
2016	\$ 1,374	\$ 5,187	\$ -	\$ 87,214	\$ -	\$ -	\$ -	\$ 93,775	4.47%	\$ 1,536	

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on Table 15 for personal income and population data.

(2) The contract payable of \$24,982 for the Upper Oconee Basin Water Authority was moved to the Jackson County Water & Sewerage Authority component unit in 2002 since the source for repayment is water sales made by that entity.

(3) Debt includes premiums and discounts.

**JACKSON COUNTY, GEORGIA
OTHER LONG-TERM LIABILITIES**

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
	Landfill Closure/ Post-closure (2)	Compensated Absences	Net OPEB Obligation	Total	Landfill Closure/ Post-closure	Compensated Absences	Total			
2007	\$ -	\$ 535	\$ -	\$ 535	\$ 956	\$ 15	\$ 971	\$ 1,506	0.09%	\$ 25
2008	\$ -	\$ 630	\$ -	\$ 630	\$ 946	\$ 17	\$ 963	\$ 1,593	0.09%	\$ 26
2009	\$ -	\$ 709	\$ 1,293	\$ 2,002	\$ 896	\$ 16	\$ 912	\$ 2,914	0.16%	\$ 47
2010	\$ -	\$ 749	\$ 2,039	\$ 2,788	\$ 876	\$ 18	\$ 894	\$ 3,682	0.21%	\$ 61
2011		\$ 785	\$ 2,729	\$ 3,514	\$ 623	\$ 17	\$ 640	\$ 4,154	0.23%	\$ 68
2012		\$ 792	\$ 3,447	\$ 4,239	\$ 585	\$ 17	\$ 602	\$ 4,841	0.27%	\$ 80
2013		\$ 800	\$ 4,120	\$ 4,920	\$ 922	\$ 18	\$ 940	\$ 5,860	0.28%	\$ 96
2014	\$ -	\$ 836	\$ 4,817	\$ 5,653	\$ 910	\$ 14	\$ 924	\$ 6,577	0.31%	\$ 108
2015	\$ -	\$ 830	\$ 5,476	\$ 6,306	\$ 905	\$ 15	\$ 920	\$ 7,226	0.34%	\$ 118
2016	\$ -	\$ 827	\$ 6,369	\$ 7,196	\$ 931	\$ 13	\$ 944	\$ 8,140	0.39%	\$ 133

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See the Schedule of Demographic and Economic Statistics on Table 15 for personal income and population data.

(2) Landfill closure/postclosure costs were moved from the General fund to the Solid Waste Enterprise fund in 2004.

JACKSON COUNTY, GEORGIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	General Obligation Bonds	Less: Amounts Restricted to Repaying Principal	Total	Percentage of Estimated Actual Taxable Value of Property (1)	Per Capita (2)
2007	\$ -	\$ -	\$ -	0.0%	\$ -
2008	\$ -	\$ -	\$ -	0.0%	\$ -
2009	\$ -	\$ -	\$ -	0.0%	\$ -
2010	\$ -	\$ -	\$ -	0.0%	\$ -
2011	\$ 20,355	\$ -	\$ 20,355	0.4%	\$ 332
2012	\$ 21,215	\$ 1,334	\$ 19,881	0.4%	\$ 328
2013	\$ 20,969	\$ 2,100	\$ 18,869	0.4%	\$ 309
2014	\$ 15,213	\$ 2,100	\$ 13,113	0.3%	\$ 215
2015	\$ 10,251	\$ 2,100	\$ 8,151	0.2%	\$ 134
2016	\$ 5,187	\$ 2,682	\$ 2,505	0.0%	\$ 41

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) See Table 6 for property value data.

(2) See Table 15 for population data.

This table is not applicable for these years prior to 2011 for Jackson County.

JACKSON COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
General Obligation Debt
December 31, 2016

<i>Jurisdiction</i>	<i>Debt Outstanding</i>	<i>Percentage Applicable to Government</i>	<i>Amount Applicable to Government</i>
Direct Obligations			
Direct Debt			
General Obligation Bonds	\$ 5,130,000	100.00%	\$ 5,130,000
GEFA Notes Payable	-	100.00%	-
Total Direct	<u>5,130,000</u>		<u>5,130,000</u>
Intergovernmental Contracts Obligation			
Jackson County Industrial Development Authority	950,000	100.00%	950,000
Jackson County Industrial Development Authority	2,280,000	100.00%	2,280,000
Jackson County Industrial Development Authority	8,970,000	100.00%	8,970,000
Jackson County Industrial Development Authority	-	100.00%	-
Jackson County Airport Authority	605,000	100.00%	605,000
City of Jefferson Public Building Authority	10,155,000	100.00%	10,155,000
City of Jefferson Public Building Authority	11,960,000	100.00%	11,960,000
City of Jefferson Public Building Authority	1,020,000	100.00%	1,020,000
City of Jefferson Public Building Authority	5,555,000	100.00%	5,555,000
City of Jefferson Public Building Authority	8,105,000	100.00%	8,105,000
City of Jefferson Public Building Authority	7,665,000	100.00%	7,665,000
Jackson County Industrial Development Authority	4,860,000	100.00%	4,860,000
Jackson County Industrial Development Authority	20,535,000	100.00%	20,535,000
Total Intergovernmental Contracts Obligation	<u>82,660,000</u>		<u>82,660,000</u>
Capital Leases			
Capital Lease - Courthouse	-	100.00%	-
Capital Leases - Other	1,374,327	100.00%	1,374,327
Total Capital Leases	<u>1,374,327</u>		<u>1,374,327</u>
Total Direct obligations	<u>89,164,327</u>		<u>89,164,327</u>
Guaranteed Revenue Debt			
Upper Oconee Basin Water Authority	43,008,536	41.52%	17,857,144
Jackson County Water and Sewer Authority	15,998,000	100.00%	15,998,000
Total Guaranteed Revenue Debt	<u>59,006,536</u>		<u>33,855,144</u>
Overlapping General Obligation Debt:			
Jackson County School System	58,525,000	100.00%	58,525,000
City of Commerce Board of Education	14,697,000	100.00%	14,697,000
City of Jefferson Board of Education	39,344,572	100.00%	39,344,572
City of Arcade	-	100.00%	-
City of Braselton	29,464,400	29.14%	8,585,926
City of Commerce	15,515,940	100.00%	15,515,940
City of Hoschton	5,251,731	100.00%	5,251,731
City of Jefferson	24,772,935	100.00%	24,772,935
City of Maysville	-	53.79%	-
City of Nicholson	-	100.00%	-
City of Pendergrass	119,769	100.00%	119,769
Total Overlapping General Obligation Debt	<u>187,691,347</u>		<u>166,812,873</u>
Total	<u>\$ 335,862,210</u>		<u>\$ 289,832,344</u>

Sources: Assessed value data used to estimate applicable percentages provided by the State Department of Revenue. Debt outstanding provided by the County. See Table 10.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the county. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the county. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the overlapping government's boundaries and dividing it by the overlapping government's total taxable assessed value.

JACKSON COUNTY, GEORGIA
Direct and Overlapping Governmental Activities Debt
General Obligation Debt
December 31, 2016

Debt and Assessed Value per Capita¹

	Per Capita	Debt Amount
Direct General Obligation (G.O.) debt per capita	\$ 79	5,130,000
Direct and Contractual G.O. debt per capita	2 \$ 1,359	87,790,000
Direct debt, Contractual Debt, Notes, and Leases per capita	3 \$ 1,380	89,164,327
Direct and Contractual Debt, Notes, Leases, and Overlapping Debt per capita	4 \$ 4,486	289,832,344
Fair Market Value of Taxable Property per capita	5 \$ 110,048	
Grossed Assessed value of property before exemptions	\$ 2,844,301,248	
Net Tax digest for Maintenance and operations	\$ 2,245,643,785	
Estimated Fair Market Value of Taxable Property	\$ 7,110,753,120	
Population, estimated 2016	64,615	

1 Due to the timing of financial reporting for other local governments within Jackson County, 2015 debt amounts are used.

2 Based on estimated population for the County as shown above.

3 Contractual debt represents long term Intergovernmental Contract obligations of Jackson County.

4 Includes all G.O. Debt, contract obligations, leases and short-term notes secured by ad valorem taxes and general revenues of Jackson County.

5 Includes all G.O. Debt, contract obligations, leases and short-term notes secured by ad valorem taxes and general revenues of Jackson County and overlapping direct general obligation debt.

6 Based on 2016 gross assessed valuation before exemptions and estimated fair market value of taxable property in the County shown above.

JACKSON COUNTY, GEORGIA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(amounts expressed in thousands)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Assessed value of property	\$ 2,585,051	\$ 2,774,940	\$ 2,818,604	\$ 2,687,883	\$ 2,615,464	\$ 2,513,773	\$ 2,467,122	\$ 2,458,348	\$ 2,650,177	\$ 2,844,301
Debt limit (10% of total assessed value)	258,505	277,494	281,860	268,788	261,546	251,377	246,712	245,835	265,018	284,430
Amount of Debt applicable to limit:										
General obligation bonds	-	-	-	-	20,355	21,215	20,969	15,213	10,251	5,187
Less: Resources restricted to paying principal	-	-	-	-	-	(1,334)	(2,100)	(2,100)	(2,100)	(2,682)
Total net debt applicable to limit	-	-	-	-	20,355	19,881	18,869	13,113	8,151	2,505
Legal debt margin	\$ 258,505	\$ 277,494	\$ 281,860	\$ 268,788	\$ 241,191	\$ 231,496	\$ 227,843	\$ 232,722	\$ 256,866	\$ 281,925
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	7.78%	7.91%	7.65%	5.33%	3.08%	0.88%

JACKSON COUNTY, GEORGIA
PLEDGED REVENUE COVERAGE
Last Ten Fiscal Years
(amounts expressed in thousands)

Sales Tax Increment Bonds ⁽¹⁾						
Fiscal Year	Sales Tax Increment		Debt Service Principal		Interest	Coverage
2007	\$	10,164	\$	1,285	\$ 181	6.93
2008	\$	9,184	\$	1,040	\$ 190	7.47
2009	\$	7,660	\$	1,080	\$ 145	6.25
2010	\$	8,484	\$	1,135	\$ 91	6.92
2011	\$	8,592	\$	990	\$ 338	6.47
2012	\$	4,588	\$	-	\$ 687	6.68
2013	\$	4,499	\$	-	\$ 686	6.56
2014	\$	4,770	\$	5,510	\$ 687	0.77
2015	\$	4,650	\$	4,775	\$ 523	0.88
2016	\$	4,945	\$	4,940	\$ 347	0.94

⁽¹⁾ Sales tax increment bonds are backed by the sales tax revenue produced by the sales tax rate in effect when the bonds were issued.

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements.

JACKSON COUNTY, GEORGIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	School Enrollment (4)	Unemployment Rate (5)
2007	59,254	\$ 1,661,186	\$ 28,035	7,125	3.9%
2008	61,620	\$ 1,754,013	\$ 28,465	7,200	9.5%
2009	62,472	\$ 1,869,037	\$ 29,918	6,963	10.9%
2010	60,485	\$ 1,754,428	\$ 29,006	7,984	10.8%
2011	61,313	\$ 1,787,826	\$ 29,159	7,209	9.1%
2012	60,571	\$ 1,820,037	\$ 30,048	7,332	8.2%
2013	61,044	\$ 2,098,204	\$ 34,372	7,400	6.4%
2014	61,870	\$ 2,044,556	\$ 33,046	7,183	6.6%
2015	63,360	\$ 2,216,460	\$ 34,982	7,314	4.8%
2016	64,615	\$ 2,268,633	\$ 35,110	7,446	4.2%

Data sources:

- (1) US Bureau of the Census, 2002-2009 were estimates released at the time
- (2) Amount expressed in thousands
- (3) Federal Bureau of Economic Analysis; 2013 data shown for 2014.
- (4) School Districts
- (5) State Department of Labor
- (6) U.S. Bureau of Labor Statistics, Unemployment by County as of December 31st, each year

**JACKSON COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago**

Employer	Type of Business	2016			2007		
		Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Carters/Oshkosh	Distributor	1,200	1	3.60%			
Bed, Bath & Beyond	Distributor	1,200	2	3.60%			
Wayne Farms, LLC	Poultry Processor	1,100	3	3.30%	1,400	1	7.59%
Kubota Industrial Equipment Corporation	Manufacturer	1,050	4	3.15%	539	3	2.92%
Jackson County BOE	Distributor	1,010	5	3.03%	1,000	2	5.42%
Homegoods	Distributor	750	6	2.25%			
TD Automotive Compressor Georgia LLC	Manufacturer	650	7	1.95%			
Mission Foods	Manufacturer	500	8	1.50%	478	5	2.59%
Jackson EMC	Utility	430	9	1.29%	475	6	2.58%
Northridge Medical Center (BJC)	Hospital	422	10	1.26%	429	9	2.33%
Baker & Taylor, Inc	School System				515	4	2.79%
Jackson County Government	Distributor				460	7	2.49%
Chateau Elan	Resort				440	8	2.39%
Haverty's	Government				395	10	2.14%
All Other Employers		25,056		75.09%	12,312		66.76%
Total		33,368		100%	18,443		100%

Source: Jackson County Area Chamber of Commerce
Jackson County 2007 CAFR

JACKSON COUNTY, GEORGIA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
Last Ten Fiscal Years

Function	2007	2008	2009	2010	2011	2012	2013*	2014	2015	2016
General government	53	60	60	60	50.50	54.25	42	52	44	44
Public safety										
Sheriff										
Officers	69	70	80	80	85	78	182	175	95	179
Civilians	74	90	103	104	104	113	21	16	76	18
Emergency	44	50	54	54	53	53	40	56	56	50
Court system	35	44	44	44	39	40	40	54	40	44
Public works	26	27	30	30	22	22	33	22	33	33
Health and welfare	-	1	1	1	1	1	-	-	-	-
Senior Center	11	11	11	11	11	11	11	11	11	11
Transport	2	2	3	3	1	-	1	1	-	1
Recreation and culture	8	8	11	11	7	6	9	10	10	10
Housing and development	20	20	8	8	5.5	5.5	4	4	4	7
Solid Waste	4	4	5	5	5	5	5	5	5	5
Total	346	387	410	411	384	389	388	406	374	402

Source: Government Budget Office

* For 2013, some positions were re-classified by function according to Human Resources.

Notes A full-time employee is scheduled to work 2,080 hours per year (including vacation and sick leave). Full-time-equivalent employment is calculated by dividing total labor hours by 2,080.

JACKSON COUNTY, GEORGIA
OPERATING INDICATORS BY FUNCTION
Last Ten Fiscal Years

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Sheriff										
Citations Issued	5,154	4,324	6,432	5,205	5,350	2,028	2,195	2,827	3,878	4,013
Fire										
Number of calls answered	2,152	1,979	1,959	2,200	2,100	1,991	1,952	2,276	2,523	2,503
Highways and streets										
Street resurfacing (miles)	25	23	7	8	7	20	13	21	11	8
Sanitation										
Refuse collected (tons/day)	91	54	73	69	68	63	99	86	96	110 *
Culture and recreation										
Athletic field permits issued	30	15	18	20	22	21	52	147	108	121 *

Sources: Various County departments

Note: Information is not available for many years.

* Estimate

JACKSON COUNTY, GEORGIA
CAPITAL ASSET STATISTICS BY FUNCTION
Last Ten Fiscal Years

Function	2007	2008	2009	2010	2011	2012	2013*	2014	2015	2016
General government										
Undeveloped Land	11 parcels, 255.98 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	11 parcels, 255.98 acres	12 parcels, 269.98 acres	12 parcels, 269.98 acres	12 parcels, 269.98 acres	12 parcels, 269.98 acres	12 parcels, 269.98 acres	13 parcels, 272.32 acres
Buildings (1)	4	4	4	4	4	4	4	4	4	4
Vehicles	36	28	31	39	38	38	39	40	41	44
Small Equipment	57	57	64	83	90	91	95	94	95	95
Public safety										
Undeveloped Land	1	1	1	1	1	1	1	1	1	1
Buildings (2)	33	33	35	32	33	33	34	34	35	35
Vehicles										
Fire/Pumper Trucks	40	45	47	55	54	56	56	55	58	59
Other Fire Dept. Vehicles	9	15	17	16	16	15	15	15	15	14
Ambulance/Rescue	10	15	15	20	23	25	26	28	29	32
Sheriffs Vehicles	88	104	111	133	144	138	143	114	124	136
JCCI Vehicles	22	20	20	20	16	14	14	17	16	16
Other Public Safety Vehicles	29	35	36	35	35	18	19	19	19	20
Equipment	140	114	116	175	206	213	219	210	218	220
Other Public Safety Assets (3)	37	38	53	-	-	-	-	-	-	-
Court system										
Buildings (4)	2	2	2	2	2	2	2	2	2	2
Vehicles	1	4	4	1	1	1	1	0	1	1
Small Equipment	18	21	21	19	19	19	19	13	13	13
Public works										
Buildings	9	9	9	9	9	9	9	9	9	9
Vehicles										
Road Department	43	50	51	57	58	58	64	54	54	57
Building Inspector	10	10	10	-	-	-	-	9	8	7
Other	8	6	6	11	12	-	-	-	-	-
Small Equipment	2	4	8	3	3	-	-	-	-	-
Heavy Equipment	77	97	103	104	108	105	105	107	108	109
Roads										
Miles Paved during year	5	5	5	-	-	-	-	-	-	1
Miles Resurfaced during year	25.0	22.9	7.2	8.0	6.6	26.7	15.76	20.82	11.27	8.31
Total Miles Paved Roads	540	532	500	500	500	509	490.69	517.18	485.8163	489.69
Total Miles Unpaved Roads	140	140	111	111	111	111	137	113	109.1783	105.78
Health and welfare										
Undeveloped Land	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres	1 parcel, 1.08 acres
Buildings	6	6	6	6	6	6	6	6	6	6
Vehicles	6	6	7	8	9	9	9	5	5	5
Equipment	2	2	2	2	3	3	3	3	4	4
Recreation and culture										
Undeveloped Land	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres	2 parcels, 33.52 acres
Buildings (4)	5	5	8	10	10	10	10	10	10	10
Vehicles	11	14	14	14	14	12	11	10	10	10
Equipment	26	29	35	35	35	35	39	40	40	40
Housing and development										
Buildings	1	1	1	1	1	1	1	1	1	1
Vehicles	4	4	5	5	5	5	4	4	4	4
Equipment	2	2	2	2	3	3	3	3	3	3

Sources: Various county departments
No data is available prior to 2006

- (1) Major buildings include Administration Building .
- (2) Major buildings include Jail and Correctional Institute. The Jail currently has a 424 bed capacity.
- (3) Major Buildings include historic courthouse and new courthouse.
- (4) Major buildings include structures at County Recreation Complex.

Note: Some land figures in 2007 have changed from 2006 due to better asset controls.

* In 2013 The Roads department along with GIS remapped all existing roadways within the county inventory. Adjustments were made for the paved road mileage.

JACKSON COUNTY , GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For Year Ended December 31, 2016

FEDERAL GRANTOR/ PASS-THRU GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT/ CONTRACT NUMBER	PROGRAM OR AWARD AMOUNT	2016 EXPENDITURES
U.S. DEPARTMENT OF JUSTICE				
- LLEBG Bulletproof Vest Partnership Program	16.607	2010BUBX	\$ 11,657	\$ 11,657
- BJA Joint Adult Drug Court Solicitation to Enhance Services	93.243	2014-DC-BX-0078	300,000	24,754
Total U.S. Department of Justice			311,657	36,411
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed-through the Georgia Department of Community Affairs - Neighborhood Stabilization Program	14.264	11-ns-6007	843,607	232,992
- Community HOME Investment Program (CHIP)	14.239	2012-842	306,000	156,433
Total U.S. Department of Housing and Urban Development			1,149,607	389,425
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed-through the Northeast Georgia Regional Development Center - Special Programs for the Aging, Title III, B	93.044	FY 2016 Aging Services Contract	8,739	4,369
- Special Programs for the Aging, Title III, B	93.044	FY 2017 Aging Services Contract	4,057	2,029
- Special Programs for the Aging, Title III, C1	93.045	FY 2016 Aging Services Contract	53,504	26,749
- Special Programs for the Aging, Title III, C1	93.045	FY 2017 Aging Services Contract	53,504	26,753
- Special Programs for the Aging, Title III, C2	93.045	FY 2016 Aging Services Contract	46,530	19,710
- Special Programs for the Aging, Title III, C2	93.045	FY 2017 Aging Services Contract	39,425	19,716
- Special Programs for the Aging, NSIP	93.053	FY 2016 Aging Services Contract	21,010	10,195
- Special Programs for the Aging, NSIP	93.053	FY 2017 Aging Services Contract	21,315	10,679
		Aging Cluster	248,084	120,200
Total U.S. Department of Health and Human Services			248,084	120,200
U.S. DEPARTMENT OF TRANSPORTATION				
Passed-through the Georgia Department of Transportation - Operating Assistance Grant July 2015 - June 2016	20.507	GA-18-4028	63,126	31,443
- Operating Assistance Grant July 2016 - June 2017	20.507	GA-18-4028	80,568	49,048
		Transit Cluster	143,694	80,491
Passed through Advantage Behavioral Systems of Northeast Georgia Regional Commission - Coordinated Transportation Grant	20.513	FY 2016 Aging Services Contract	58,416	31,996
- Coordinated Transportation Grant	20.513	FY 2017 Aging Services Contract	41,554	35,774
			99,970	67,770
Passed-through the Georgia Department of Transportation - Airport Improvement	20.106	AP014-9021-23(157)	233,369	208,758
Total U.S. Department of Transportation			477,033	357,019
DEPARTMENT OF HOMELAND SECURITY				
Passed-through the Georgia Emergency Management Agency -Directed Training Award	97.042	OEM15-080S02	500	500
- Homeland Security Grant	97.042	EMW-2016-SS-0007-S01	50,000	-
- FY16 Performance Partnership Agreement Award	97.042	OEM15-080S02	22,056	22,056
-Supplemental Response and Recovery Project - Generator	97.042	OEM15-080	16,097	16,097
			88,653	38,653
-FEMA Assistance to Firefighters Grant - Jackson Trail FD	97.044	EMW-2015-FO-01267	120,000	120,000
-FEMA Assistance to Firefighters Grant - North Jackson FD	97.044	EMW-2014-FV-02028	247,620	247,620
-FEMA Assistance to Firefighters Grant - South Jackson FD	97.044	EMW-2014-FO-02075	72,698	72,698
			440,318	440,318
Total U.S. Department of Homeland Security			528,971	478,971
GRAND TOTAL			\$ 2,715,352	\$ 1,382,026

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

- 1 This schedule is prepared on the modified accrual basis of accounting.
- 2 The County did not elect to use the 10% de minimis cost rate as covered in 2 CFR §200.414 Indirect (F&A) costs.

INDEPENDENT AUDITORS' 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

June 27, 2017

To the Board of Commissioners
JACKSON COUNTY, GEORGIA, Georgia
Jefferson, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of JACKSON COUNTY, GEORGIA, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise JACKSON COUNTY, GEORGIA's basic financial statements and have issued our report thereon dated June 30, 2016. Our report was modified to include a reference to 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. Our report includes a reference to other auditors who audited the financial statements of the Jackson County Health Department, as described in our report on JACKSON 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 JACKSON 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 JACKSON COUNTY, GEORGIA's internal control. Accordingly, we do not express an opinion on the effectiveness of JACKSON 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.

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 were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify deficiencies in internal control, described in the accompanying Schedule of Findings and Questioned Costs that we consider to be significant deficiencies, findings 2016-01, 2016-02, 2016-03, 2016-04, 2016-05, and 2016-06.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether JACKSON COUNTY, GEORGIA's financial statements are free of 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*.

JACKSON COUNTY, GEORGIA's Response to Findings

JACKSON COUNTY, GEORGIA's response to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. JACKSON COUNTY, GEORGIA's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY
THE UNIFORM GUIDANCE

June 27, 2017

To the Board of Commissioners
JACKSON COUNTY, GEORGIA
Jefferson, Georgia

Report on Compliance for Each Major Federal Award Program

We have audited JACKSON COUNTY, GEORGIA's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of JACKSON COUNTY, GEORGIA's major federal programs for the year ended December 31, 2016. JACKSON COUNTY, GEORGIA's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

JACKSON COUNTY, GEORGIA's basic financial statements include the operations of the Jackson County Health Department. Any amounts of federal awards received by that component unit are not included in the schedule during the year ended December 31, 2016. Our audit, described below, did not include the operations of the Jackson County Health Department because the component unit engaged other auditors to perform an audit in accordance with the Uniform Guidance.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of JACKSON COUNTY, GEORGIA's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*

(Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about JACKSON COUNTY, GEORGIA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of JACKSON COUNTY, GEORGIA's compliance.

Opinion on Each Major Federal Program

In our opinion, JACKSON COUNTY, GEORGIA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2016.

Report on Internal Control Over Compliance

Management of the JACKSON COUNTY, GEORGIA, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered JACKSON COUNTY, GEORGIA's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of JACKSON COUNTY, GEORGIA's internal control over compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal

control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bates, Carter & Co, LLP

JACKSON COUNTY, GEORGIA
AUDITORS' SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2016

I SUMMARY OF AUDITORS' RESULTS:

1. Report issued on Financial Statements - Unmodified opinion.
2. Internal Control (financial statements) – Six significant deficiencies, no material weakness.
3. Compliance (financial statements) – No instances of noncompliance.
4. Compliance (major programs) - Unmodified opinion, no instances of noncompliance.
5. Internal control (major programs) – No material weaknesses noted.
6. Audit findings required to be reported in accordance with 2 CFR section 200.516
 - i) Significant deficiencies in internal controls over major programs – None reported
 - ii) Material noncompliance related to major programs – None reported
 - iii) Known questioned costs greater than \$25,000 for major programs – None reported
 - iv) Known questioned costs greater than \$25,000 for a program not audited as major – None reported
 - v) Circumstances if report on compliance is other than unqualified - N/A
 - vi) Known fraud - N/A
 - vii) Misrepresentation in schedule of prior audit findings - None reported
7. Major programs for the year: 97.044 - Assistance to Firefighters Grant, 20.106 Airport Improvement Program
8. Dollar threshold used to distinguish between Type A and Type B programs - \$750,000.
9. Does the auditee qualify as a low risk auditee - Yes.

II AUDIT FINDINGS - GENERALLY ACCEPTED GOVERNMENTAL AUDITING STANDARDS

INTERNAL CONTROL

EMS

2016-01

Statement of Condition:

During testing, eight instances were noted where the amount billed to customers did not match the fee schedule provided. The total fees charged for the eight out of twenty-five transactions tested were \$1,150 less than what the fee schedule indicates.

Criteria:

Controls should be in place to ensure the approved rate structure is properly set up and calculated in the third-party billing software (AMB).

Effect of Condition:

As a result, fees charged to patients are not correct, and revenue could be understated.

Cause of Condition:

Unknown.

Recommendation:

We recommend that an employee in the County EMS Department be responsible for spot-checking billing calculations performed by the billing software (AMB) to ensure the current rate structure is properly followed.

Response:

Samples of EMS bills will be checked to ensure the appropriate rate is being billed.

2016-02

Statement of Condition:

During testing, it was noted that the billing service used by Jackson County EMS (AMB) does not use collection calls along with the written notifications to patients in its efforts to secure payments for the services provided by Jackson County EMS.

Criteria:

Controls should be in place to ensure the maximum amount possible is collected from patients who are provided care from Jackson County EMS.

Effect of Condition:

Less fees collected result in more bad debt written off by the County; and less revenues are received once accounts are turned over to the collection agency which charges a 30% commission on monies collected.

Cause of Condition:

Unknown.

Recommendation:

We recommend that the current collection policy of the billing service (AMB) be expanded to include collection calls before accounts are turned over to the County's collection agency.

Response:

Jackson County has voiced their concern with AMB about their current collection process. Subsequently, Jackson County has issued an RFP for EMS billing with the hopes expanding billing collections (i.e. collection phone calls).

CLERK OF COURT

2016-03

Statement of Condition:

During testing, we noted that the bank reconciliation for the Criminal Account contained numerous outstanding transactions that have been listed for more than 180 days amounting to \$30,075.

Criteria:

An accurate bank reconciliation should be performed on a monthly basis and items outstanding for more than 90 days should be evaluated and removed from the bank reconciliation.

Effect of Condition:

The risk of misrepresenting the cash balance.

Cause of Condition:

Unknown.

Recommendation:

We recommend the Clerk of Court's QuickBooks file be updated to remove any invalid outstanding items from the bank reconciliation and that an additional monthly procedure is implemented to review uncleared transactions after performing the bank reconciliation every month.

Response:

These are checks that have not been cashed over a number of years. We can have this issue researched by the bank and any monies unresolved can be turned over to the County to clear up the overage in our accounts.

MAGISTRATE COURT**2016-04****Statement of Condition:**

During 2014 and 2015 testing, we noted several weaknesses in record keeping and segregation of duties. We noted that none of the weaknesses were addressed or corrected for 2016, such as:

- 1) The cash account is not reconciled in an accounting software and all transactions are manually kept;
- 2) Sufficient support for deposits does not exist;
- 3) Cash drawer procedures are not in place;
- 4) The person who generates checks is listed as a check signer;
- 5) The same person receives and reconciles the bank statement.

Criteria:

Appropriate internal controls such as segregation of duties and proper cash procedures are essential to ensure accurate record keeping.

Effect of Condition:

The risk of loss from misplacement or misappropriation increases.

Cause of Condition:

Unknown.

Recommendation:

We recommend:

All manual record keeping be eliminated through the use of an accounting software. We recommend that all yearly activity be entered into an accounting software (such as Quickbooks) to ensure that all money is correctly accounted for and the chances of human error decreases.

Each deposit should have sufficient support for all cash and checks that the deposit encompasses. A deposit confirmation should be filed with copies of the receipts that make up the deposit in order to ensure proper documentation exists. Deposits should be made on at least a weekly basis.

Cash drawer procedures are put in place to ensure all petty cash collected can be traced to the bank. We recommend that the cash drawer is reconciled each day back to an established beginning drawer balance. A daily collections log should be printed from the system and kept as support for the cash collected and locked in a safe with the cash and a copy of the related receipts for the day, until the next deposit.

Better segregation of duties should be put in place, such as the person who generates checks should not be a designated check signer.

The same person should not receive, open, and reconcile the bank statement. We recommend that management receives, opens, and reviews all bank statements before it is given to the designated person who should then reconcile the bank statement on a monthly basis.

Response:

1) The court did not have an accounting software system in place because the previous Chief Magistrate, Billy Chandler, would not allow the court to purchase one. When Chandler decided he was retiring as of December 31, 2016 and I would be taking over as of January 1, 2017, I spoke with IT and they got an estimate for QuickBooks. The estimate was given to the court in June 2016. Chandler would not purchase the software but I did get him to include cost in the budget for 2017.

QuickBooks has been installed and the court opened a new checking account in December 2016 for Magistrate Court operations beginning January 1, 2017. All banking transactions for 2017 have been entered into QuickBooks.

As of May 22, 2017, the court received an upgrade of our ICON court software and the upgrade includes an accounting system. The court will be transitioning from QuickBooks to ICON's accounting software. It is my understanding that ICON's accounting software is auditor approved and ensures that all money is correctly accounted for and the chances of human error decreases even more than with QuickBooks.

The court will continue to issue written receipts, as well as computer receipts until comfortable with the system and to have a backup receipting system in place.

2) Now that an accounting system is in place (as of May 22, 2017) the court will be able to track all monies received daily and the court will be able to support deposits for all cash and checks. A deposit confirmation will be filed with copies of the receipts that make up for the deposits.

3) Cash drawer procedures under previous Chief Magistrate were never counted down, nor did the court have knowledge of the amount of money in the cash drawer until around October 2016. In October of 2016, the drawer was counted down to \$250 and operated on that amount until December 31, 2016. The court currently operates the cash drawer on \$300 cash and \$5 change. The court will now begin to keep a daily printed log to support cash collected. The court has purchased in 2017 a money safe, which is lockable. The daily collections log and cash, along with related receipts for the day will be placed in locked safe until the next deposit.

4) In response to better segregation of duties needing to be put in place, as to the person who generates the checks should not be a designated check signer, the court only has four (4) employees; two (2) of which are judges and designated check signers. The court currently does not have a large enough staff to have someone other than the check signers generate the checks. Hopefully, in the near future, the court can add an additional employee to the office and possibly change this way of handling duties.

5) As to reconciling the bank statement, again, we are not staffed to have someone reconcile the bank statement other than the check signers. The Judge reviews the reconciliation of the statement once the Chief Magistrate is finished and both sign off that it has been reconciled and reviewed. Until this office gets another employee, there is no way to handle this process any differently.

TAX COMMISSIONER

2016-05

Statement of Condition:

During testing, we noted that the bank reconciliation for the Joint Account contains outstanding transactions totaling \$2,518,822 that were due to entry errors in QuickBooks.

Criteria:

An accurate bank reconciliation should be performed on a monthly basis.

Effect of Condition:

The risk of misappropriation and fraud increases when cash is not timely and accurately reconciled on a monthly basis.

Cause of Condition:

Unknown.

Recommendation:

We recommend the Tax Commissioner's QuickBooks file be updated to remove any invalid outstanding items from the bank reconciliation and that an additional monthly procedure is implemented to review uncleared transactions after performing the bank reconciliation every month.

Response:

Due to oversight on clerk data entry, some deposit entries could have been inadvertently entered twice making the deposits seem more than what is actually there. This has been an issue prior to current Tax Commissioner taking office. All monies received in this office are appropriately distributed to the taxing authorities requesting, nothing more or nothing less. This office will get this matter resolved promptly and efficiently as soon as possible so that we have no future problems reconciling the bank statements.

2016-06**Statement of Condition:**

During testing, we noted that the bank reconciliation's for the Joint Account were not reconciled in a timely manner in QuickBooks. The December 2016 bank reconciliation was not completed until April of 2017.

Criteria:

An accurate bank reconciliation should be performed on a monthly basis.

Effect of Condition:

The risk of misrepresenting the cash balance.

Cause of Condition:

Unknown.

Recommendation:

We recommend the Tax Commissioner's QuickBooks file be updated monthly to reconcile to the given month's bank statement.

Response:

Once the updated bank reconciliation procedures are put in place, this office will make sure that each month's reconciliation is completed in a timely manner with better training for staff and help from the Jackson County Finance Department, as needed.

III FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs relating to Federal awards reported for the year ended December 31, 2016.