OGLETHORPE COUNTY GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2016

OGLETHORPE COUNTY, GEORGIA

INDEPENDENT AUDITOR'S REPORT
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
DECEMBER 31, 2016

OGLETHORPE COUNTY, GEORGIA

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Oglethorpe County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oglethorpe County, Georgia, as of and for the year ended December 31, 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.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oglethorpe County, Georgia, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison information for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10, the schedule of changes in the County's net pension liability and related ratios on page 49, the schedule of County contributions on page 50, and the notes to the required supplementary information on page 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Oglethorpe County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules, and schedule of projects constructed with special sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2017 on our consideration of Oglethorpe County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Oglethorpe County, Georgia's internal control over financial reporting and compliance.

Macon, Georgia
June 13, 2017

MANAGEMENT'S DISCUSSION & ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2016

As management of the County, we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2016.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows of resources as of December 31, 2016, by $28,410,023 (net position).
- As of December 31, 2016, total net position consisted of $15,115,030 investment in capital assets, $1,105,130 restricted, and $12,189,863 unrestricted.
- As of December 31, 2016, the County's governmental funds reported ending fund balance of $14,053,275 a decrease of $189,404 in comparison with the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

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

Fund Financial Statements

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

Governmental Funds

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

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

For the year ended December 31, 2016, the County had the following governmental funds, the General Fund, five Special Revenue Funds and two Capital Projects Funds.

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

Proprietary Funds

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

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

Fiduciary Funds

Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Individual fund data for the fiduciary funds is provided in the form of both combining statements and individual fund statements elsewhere in this report.

The basic fiduciary fund financial statement can be found on page 25 of this report.

Notes to the Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $28,410,023 at the close of the most recent year.

A significant portion of the County's net position reflects its investment in capital assets. As of December 31, 2016, the investment consists of $24,826,098 in assets and accumulated depreciation of $9,711,068.

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

For the year ended December 31, 2016, capital assets increased $878,670 net. The increase in capital assets is due primarily to acquisition of land. Noncurrent liabilities increased $471,811 as of December 31, 2016, compared to 2015. The increase in the noncurrent liabilities is due primarily to increased net pension liability in financial statements.

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets						
Current	$ 14,355,340	$ 14,587,057	$ 1,603,058	$ 2,486,922	$ 15,958,398	$ 17,073,979
Capital	13,835,574	13,925,944	1,279,456	310,416	15,115,030	14,236,360
Total	28,190,914	28,513,001	2,882,514	2,797,338	31,073,428	31,310,339
Deferred Outflows of Resources						
Related to Pensions	366,726	112,819	7,485	2,302	374,211	115,121
Total	366,726	112,819	7,485	2,302	374,211	115,121
Liabilities						
Current	220,022	284,427	27,247	3,430	247,269	287,857
Noncurrent	440,029	105,756	2,350,318	2,212,780	2,790,347	2,318,536
Total	660,051	390,183	2,377,565	2,216,210	3,037,616	2,606,393
Net Position						
Investment in capital assets	13,835,574	13,925,944	1,279,456	310,416	15,115,030	14,236,360
Restricted	1,105,130	1,012,492	-	-	1,105,130	1,012,492
Unrestricted	12,956,885	13,297,201	(767,022)	273,014	12,189,863	13,570,215
Total	$ 27,897,589	$ 28,235,637	$ 512,434	$ 583,430	$ 28,410,023	$ 28,819,067

	Governmental Activities Change in Net Position		Business -Type Activities Change in Net Position		Total Change in Net Position	
	2016	2015	2016	2015	2016	2015
Revenues						
Program						
Charges for Services	$ 1,715,474	$ 1,706,993	$ 394,004	$ 288,152	$ 2,109,478	$ 1,995,145
Operating Grants	1,623,697	2,118,248	-	-	1,623,697	2,118,248
Capital Grants	77,966	-	-	-	77,966	-
General						
Property Tax	2,735,685	2,590,267	-	-	2,735,685	2,590,267
Other Tax	2,889,476	2,859,335	-	-	2,889,476	2,859,335
Interest	27,336	11,858	795	7,320	28,131	19,178
Other	94,636	68,964	5,814	4,114	100,450	73,078
Total	9,164,270	9,355,665	400,613	299,586	9,564,883	9,655,251
Expenses						
General Government	820,763	727,042	-	-	820,763	727,042
Public Safety	3,034,473	2,647,244	-	-	3,034,473	2,647,244
Public Works	3,145,844	3,490,619	-	-	3,145,844	3,490,619
Judicial	792,520	740,792	-	-	792,520	740,792
Health & Welfare	1,289,486	1,254,966	-	-	1,289,486	1,254,966
Culture & Recreation	388,189	647,262	-	-	388,189	647,262
Economic Develpoment	65,693	57,304	-	-	65,693	57,304
Landfill	-	-	436,959	346,694	436,959	346,694
Total	9,536,968	9,565,229	436,959	346,694	9,973,927	9,911,923
Change in Net Position	(372,698)	(209,564)	(36,346)	(47,108)	(409,044)	(256,672)
Transfers	34,650	34,624	(34,650)	(34,624)	-	-
Change in Net Position	(338,048)	(174,940)	(70,996)	(81,732)	(409,044)	(256,672)
Net Position - Beginning of year, restated	28,235,637	28,410,577	583,430	665,162	28,819,067	29,075,739
Net Position - End of year	$27,897,589	$ 28,235,637	$ 512,434	$ 583,430	$28,410,023	$28,819,067

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

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

Governmental Funds

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

As of December 31, 2016, the County's governmental funds reported ending fund balance of $14,053,275. Of this balance, $12,597,996 constitutes unassigned fund balance, which is available for spending at the government's discretion. $43,386 is nonspendable fund balance related to inventory. $1,105,130 is restricted fund balance and the remainder of fund balance is assigned to the 2017 budget and not available for new spending.

The general fund is the operating fund of the County. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 132 percent of total governmental fund expenditures.

The fund balance of the County's governmental funds decreased $189,404 during the current year. The change in fund balance of governmental funds represents 2.0 percent of total governmental expenditures for the year. The County adopts a budget for the general fund and special revenue funds each year and works diligently to stay within the annual budget.

Proprietary Funds

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

The Landfill fund accounts for the operation of the County's Landfill. The net position for the proprietary funds decreased by $70,996, due to increased closure and post-closure expenses.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County continues to budget conservatively. FY 2016 actual revenues exceeded original budgetary estimates by $272,665 while total expenditures for FY 2016 were less than budget by $201,848. Total actual revenues exceeded total actual expenditures by $39,630. The net decrease in fund balance for FY 2016 of $282,042 is due primarily to general fund contributions to capital projects.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of December 31, 2016 amounts to $15,115,030, net of accumulated depreciation. The investment in capital assets consists primarily of land, buildings, and machinery and equipment, and infrastructure. For the current year, the investment in capital assets increased $878,670. The net change is primarily the result of the acquisition of land. See Note 8 in the Notes to the Financial Statements for more detail on capital assets.

	Governmental	Business	Total
Land	$ 1,093,167	$ 1,190,716	$ 2,283,883
Construction	28,135	-	28,135
Building	10,275,902	-	10,275,902
Furniture & Fixtures	507,125	17,293	524,418
Machinery & Equip	3,317,427	355,776	3,673,203
Infrastructure	6,404,836	-	6,404,836
Vehicles	1,533,886	-	1,533,886
Land Improvements	101,835	-	101,835
Accumulated Depreciation	(9,426,739)	(284,329)	(9,711,068)
Total	$ 13,835,574	$ 1,279,456	$ 15,115,030

Noncurrent Debt

As of December 31, 2016, the County's noncurrent debt consisted of net pension liability, compensated absences and landfill closure. See Note 9 in the Notes to the Financial Statements for more detail on noncurrent liabilities.

ECONOMIC FACTORS —

During the year 2016, notable events were as follows:

Population estimates for 2016 are back level with the 2010 census level (Census Bureau). Local unemployment rates decreased over the year to 4.6%, lower than the state average (5.2%) and the regional average (5.0%) (BLS). Property values in Oglethorpe County appear to have entered a phase of mild recovery. The net county-wide digest is expected to remain steady. Landowners are choosing to enroll in the variety of property tax exemptions and conservation programs at an increasing rate, driving the digest down. An emphasis on reappraisal will capture the reversing trend and rising real estate sate values. Additionally, landowners with land currently enrolled in CUVA but eligible for FLPA are choosing to enroll in FLPA. The trend toward FLPA increased reimbursement value from $6.8m to $8.5m to $9.8m in the past 3 years. FLPA reimbursement is expected to increase again this year.

The County continues to experience sales tax revenue leakage to neighboring Counties. Only an estimated 42% of the total sales taxes paid by County residents remain within the County. Management continues to pursue an effort to generate point-of-sale transactions inside the jurisdiction by encouraging growth and economic activity along a corridor through the geographic center of the county. This location has sufficient infrastructure and is exposed to school and transient traffic.

Community engagement activities communicate a clear message that defines the rural quality of life that is expected. Community engagement helps to provide a clear direction for the future of the County. Local citizens are taking action in the local economy by funding new construction designed to attract appropriate retail and service-based business. The County is more aggressively pursuing industries that fit the community's desire.

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

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

The defined benefit pension plan is 96% funded. The County also remains committed to avoiding other forms of debt and long term obligations.

The county continues to execute an agreement between Oglethorpe County and two neighboring counties for road resurfacing. This innovative project results in net savings for the neighboring counties and a net financial gain for Oglethorpe County.

Over the past 9 years, county residents have experienced droughts and floods, gas prices have fluctuated from around $4.00/gal to $1.75/gal, and calf prices have fluctuated from $0.90/lb. to $2.50/lb. For the 8th consecutive year, the county millage rate remained stable. Since 2009, the millage rate has fluctuated by less than 0.02 mills. This stability, in a period of volatile economic conditions on a national level, demonstrates a sustainable and durable local balance between taxpayer willingness to pay for services and the level of service provided.

REQUESTS FOR INFORMATION

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

FINANCIAL STATEMENTS

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
DECEMBER 31, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
ASSETS				
Cash and cash equivalents	$ 10,720,762	$ 1,562,605	$ 12,283,367	$ 259,103
Certificates of deposit	3,015,162	-	3,015,162	-
Receivables, net of allowance				
Taxes	292,777	-	292,777	-
Accounts	74,220	50,180	124,400	10,415
Accrued interest	5,866	-	5,866	-
Due from other governments	193,440	-	193,440	28,891
Interfund	9,727	(9,727)	-	-
Inventory	43,386	-	43,386	-
Nondepreciable assets	1,121,302	1,190,716	2,312,018	-
Depreciable assets, net	12,714,272	88,740	12,803,012	9,139
Total Assets	28,190,914	2,882,514	31,073,428	307,548
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	366,726	7,485	374,211	36,041
Total deferred outflows of resources	366,726	7,485	374,211	36,041

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

STATEMENT OF NET POSITION
DECEMBER 31, 2016
(CONTINUED)

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Board of Health
LIABILITIES				
Accounts payable	89,337	2,389	91,726	51,096
Accrued salaries and benefits	87,327	1,900	89,227	-
Noncurrent liabilities:				
Due within one year				
Compensated absences	43,358	1,604	44,962	-
Landfill closure cost	-	21,354	21,354	-
Due in more than one year				
Compensated absences	669	-	669	20,610
Landfill closure cost	-	2,341,351	2,341,351	-
Net pension liability	439,360	8,967	448,327	302,761
Total Liabilities	660,051	2,377,565	3,037,616	374,467
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	-	-	-	36,414
Total deferred inflows of resources	-	-	-	36,414
NET POSITION				
Investment in capital assets	13,835,574	1,279,456	15,115,030	9,139
Restricted for				
Capital outlay	316,791	-	316,791	-
Road improvements	520,005	-	520,005	-
Court programs	209,257	-	209,257	-
Law enforcement	59,077	-	59,077	-
Unrestricted (Deficit)	12,956,885	(767,022)	12,189,863	(76,431)
Total Net Position	$ 27,897,589	$ 512,434	$ 28,410,023	$ (67,292)

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

		Program Revenues		
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities				
General government	$ 820,763	$ 730,958	$ -	$ -
Public safety	3,034,473	831,656	5,500	25,000
Public works	3,145,844	47,435	1,445,360	-
Judicial	792,520	-	-	-
Health and welfare	1,289,486	-	-	-
Culture and recreation	388,189	105,425	172,837	52,966
Housing and development	65,693	-	-	-
Total governmental activities	9,536,968	1,715,474	1,623,697	77,966
Business-type Activities				
Landfill	436,959	394,004	-	-
Total business-type activities	436,959	394,004	-	-
Total Primary Government	$ 9,973,927	$ 2,109,478	$ 1,623,697	$ 77,966
Component Units:				
Board of Health	$ 393,653	$ 137,740	$ 278,162	$ -
Total Component Units	$ 393,653	$ 137,740	$ 278,162	$ -

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

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position (Deficit) - Beginning of Year

Net Position (Deficit) - End of Year

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

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2016
(CONTINUED)

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Board of Health
$ (89,805)	$ -	$ (89,805)	
(2,172,317)	-	(2,172,317)	
(1,653,049)	-	(1,653,049)	
(792,520)	-	(792,520)	
(1,289,486)	-	(1,289,486)	
(56,961)	-	(56,961)	
(65,693)	-	(65,693)	
(6,119,831)	-	(6,119,831)	
-	(42,955)	(42,955)	
-	(42,955)	(42,955)	
(6,119,831)	(42,955)	(6,162,786)	
			$ 22,249
			22,249
2,735,685	-	2,735,685	-
1,325,511	-	1,325,511	-
1,563,965	-	1,563,965	-
27,336	795	28,131	27
94,636	5,814	100,450	-
5,747,133	6,609	5,753,742	27
34,650	(34,650)	-	-
5,781,783	(28,041)	5,753,742	27
(338,048)	(70,996)	(409,044)	22,276
28,235,637	583,430	28,819,067	(89,568)
$ 27,897,589	$ 512,434	$ 28,410,023	$ (67,292)

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

OGLETHORPE COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	General Fund	Transportation Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 9,607,366	$ 587,782	$ 525,614	$ 10,720,762
Certificates of deposit	3,000,000	-	15,162	3,015,162
Receivables, net of allowance				
Taxes	292,777	-	-	292,777
Accounts	31,751	-	42,469	74,220
Accrued interest	5,866	-	-	5,866
Due from other governments	134,021	-	59,419	193,440
Due from other funds	100,539	-	-	100,539
Inventory	43,386	-	-	43,386
Total Assets	$13,215,706	$ 587,782	$ 642,664	$ 14,446,152
LIABILITIES				
Accounts payable	$ 60,017	$ 26,515	$ 2,805	$ 89,337
Accrued payroll deductions	82,143	-	5,184	87,327
Due to other funds	-	41,262	49,550	90,812
Total Liabilities	142,160	67,777	57,539	267,476
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	125,401	-	-	125,401
Total Deferred Inflows of Resources	125,401	-	-	125,401
FUND BALANCE				
Nonspendable	43,386	-	-	43,386
Restricted	-	520,005	585,125	1,105,130
Assigned	306,763	-	-	306,763
Unassigned	12,597,996	-	-	12,597,996
Total Fund Balances	12,948,145	520,005	585,125	14,053,275
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$13,215,706	$ 587,782	$ 642,664	$ 14,446,152

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

OGLETHOPE COUNTY, GEORGIA

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION FOR THE YEAR ENDED DECEMBER 31, 2016

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

Total Fund Balances - Governmental Funds	$ 14,053,275
Capital Assets	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Cost of the assets	23,262,313
Accumulated depreciation	(9,426,739)
Deferred outflows of resources	
Related to pensions	366,726
Long-term Liabilities	
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. All liabilities both current and long-term are reported in the Statement of Net Position. Long-term liabilities at year-end consist of the following:	
Compensated absences	(44,027)
Net pension liability	(439,360)
Revenues	
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	125,401
Net Position of Governmental Activities	$ 27,897,589

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	General Fund	Transportation Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	$ 4,898,380	$ -	$ 696,736	$ 5,595,116
License and permits	83,660	-	-	83,660
Intergovernmental revenue	256,303	1,445,231	-	1,701,534
Charges for services	930,022	-	229,994	1,160,016
Fines and forfeitures	404,633	-	67,165	471,798
Interest income	26,664	344	457	27,465
Other revenues	94,636	-	-	94,636
Total Revenues	6,694,298	1,445,575	994,352	9,134,225
Expenditures:				
Current:				
General government	1,236,479	-	15,255	1,251,734
Judicial	792,520	-	-	792,520
Public safety	2,293,275	-	489,944	2,783,219
Public works	623,439	1,469,516	226,565	2,319,520
Health and welfare	1,256,424	-	-	1,256,424
Culture and recreation	386,838	-	25,755	412,593
Housing and development	65,693	-	-	65,693
Capital Outlay	-	-	476,576	476,576
Total Expenditures	6,654,668	1,469,516	1,234,095	9,358,279
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,630	(23,941)	(239,743)	(224,054)
Other Financing Sources (Uses):				
Transfers from other funds	34,650	-	356,322	390,972
Transfers to other funds	(356,322)	-	-	(356,322)
Total other financing sources (uses)	(321,672)	-	356,322	34,650
Net change in fund balances	(282,042)	(23,941)	116,579	(189,404)
Fund Balance, beginning of year	13,230,187	543,946	468,546	14,242,679
Fund Balance, end of year	$ 12,948,145	$ 520,005	$ 585,125	$ 14,053,275

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

OGLETHORPE COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2016

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

Net Change in Fund Balances - Total Governmental Funds	$ (189,404)
Capital Assets	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeded capital outlays in the current period.	
Total capital outlays	793,452
Total depreciations	(883,822)
Deferred outflows of resources related to pensions is not available during the current period and therefore is not reported in the funds	
Change in deferred outflows of resources related to pension	253,907
Long-term Debt	
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The adjustments for these items are as follows:	
Compensated absences	(2,374)
Net pension liability	(339,852)
Revenues	
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	30,045
Change in Net Position of Governmental Activities	$ (338,048)

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

OGLETHORPE COUNTY, GEORGIA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016

	General Fund Original Budget	General Fund Final Budget	General Fund Actual	Variance with Final Budget
Revenues:				
Taxes				
Property taxes	$ 2,646,579	$ 2,646,579	$ 2,705,640	$ 59,061
Sales tax	601,875	601,875	628,775	26,900
Motor vehicle taxes	560,000	560,000	517,267	(42,733)
Insurance premium taxes	650,089	650,089	740,807	90,718
Alcoholic beverage taxes	52,000	52,000	62,736	10,736
Recording intangibles	50,000	50,000	53,325	3,325
Penalties and interest	-	-	94,989	94,989
Other taxes	81,500	81,500	94,841	13,341
Licenses and permits	47,000	47,000	83,660	36,660
Intergovernmental revenues	130,000	512,000	256,303	(255,697)
Charges for services	1,203,590	1,088,590	930,022	(158,568)
Fines and forfeitures	355,000	355,000	404,633	49,633
Investment earnings	30,000	30,000	26,664	(3,336)
Miscellaneous	14,000	14,000	94,636	80,636
Total Revenues	6,421,633	6,688,633	6,694,298	5,665
Expenditures:				
Current:				
General government				
General administration	250,000	-	-	-
Board of commissioners	434,759	616,759	594,863	21,896
Tax commissioner	249,388	249,388	244,407	4,981
Tax assessor	156,950	156,950	145,880	11,070
Tax equalization	3,825	3,825	2,529	1,296
Coroner	21,502	21,502	18,238	3,264
Elections	25,610	25,610	17,634	7,976
Voter registrar	63,950	63,950	54,574	9,376
Cooperative extension service	46,980	46,980	44,929	2,051
Planning and zoning	105,000	115,000	113,425	1,575
Total general government	1,357,964	1,299,964	1,236,479	63,485
Judicial				
Superior court	208,670	223,000	209,094	13,906
Probate court	196,124	205,000	206,765	(1,765)
Magistrate court	198,666	205,000	204,238	762
Other judicial	174,100	174,100	172,423	1,677
Total judicial	777,560	807,100	792,520	14,580

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

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016
(CONTINUED)

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget
Public safety				
Sheriff's office	1,167,756	1,167,756	1,144,680	23,076
Jail	1,000,353	962,828	914,101	48,727
Emergency management agency	30,980	30,980	28,152	2,828
Local fire departments	168,343	168,343	168,342	1
Animal shelter	38,000	38,000	38,000	-
Total public safety	2,405,432	2,367,907	2,293,275	74,632
Public works				
Public works camp	565,269	572,000	570,136	1,864
Recycling	61,726	61,726	53,303	8,423
Total public works	626,995	633,726	623,439	10,287
Health and welfare				
Ambulance service	879,232	895,000	895,997	(997)
Senior center	230,000	265,000	263,035	1,965
Child Development Center	4,000	4,000	3,502	498
Board of Health	96,540	96,540	93,890	2,650
Total health and welfare	1,209,772	1,260,540	1,256,424	4,116
Culture and recreation				
Library	76,279	76,279	75,635	644
Recreation	357,514	333,000	311,203	21,797
Total culture and recreation	433,793	409,279	386,838	22,441
Housing and development				
Forestry	24,000	24,000	23,659	341
Development Authority	72,000	72,000	42,034	29,966
Total housing and development	96,000	96,000	65,693	30,307
Total Expenditures	6,907,516	6,874,516	6,654,668	219,848
Excess of Revenue Over (Under) Expenditures	(485,883)	(185,883)	39,630	225,513
Other Financing Sources (Uses):				
Transfer from other funds	25,000	25,000	34,650	9,650
Transfer to other funds	(56,322)	(356,322)	(356,322)	-
Total Other Financing Sources (Uses)	(31,322)	(331,322)	(321,672)	9,650
Net change in fund balance	(517,205)	(517,205)	(282,042)	235,163
Fund balance, beginning of year	13,230,187	13,230,187	13,230,187	-
Fund balance, end of year	$ 12,712,982	$ 12,712,982	$ 12,948,145	$ 235,163

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds
	Landfill Fund
ASSETS	
Current assets:	
Cash and cash equivalents	$ 1,562,605
Accounts receivable (net of allowance for uncollectibles)	50,180
Total current assets	1,612,785
Noncurrent assets:	
Capital assets:	
Nondepreciable	1,190,716
Depreciable, net	88,740
Total capital assets	1,279,456
Total noncurrent assets	1,279,456
Total assets	2,892,241
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	7,485
Total deferred outflows of resources	7,485
LIABILITIES	
Current liabilities:	
Accounts payable	2,389
Accrued liabilities	1,900
Due to other funds	9,727
Compensated absences	1,604
Post-closure costs	21,354
Total current liabilities	36,974
Noncurrent liabilities	
Net pension liability	8,967
Post-closure costs	2,341,351
Total noncurrent liabilities	2,350,318
Total liabilities	2,387,292
NET POSITION	
Investment in capital assets	1,279,456
Unrestricted	(767,022)
Total net position	$ 512,434

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds
	Landfill Fund
Operating Revenues:	
Charges for services	$ 394,004
Other revenue	5,814
Total operating revenues	399,818
Operating Expenses:	
Personal services	122,673
Purchased services	38,434
Closure and postclosure	151,955
Materials and supplies	97,852
Depreciation	26,045
Total Operating Expenses	436,959
Operating Income (Loss)	(37,141)
Non-Operating Revenues (Expenses):	
Interest revenue	795
Total Non-Operating Revenues (Expenses)	795
Net Income (Loss) before Transfers	(36,346)
Transfers out	(34,650)
Change in net position	(70,996)
Net position - beginning of year	583,430
Net position - end of year	$ 512,434

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Business-type Activities - Enterprise Funds
	Landfill Fund
Cash Flows from Operating Activities:	
Cash received from customers	$ 375,676
Cash paid to suppliers for good and services	(125,000)
Cash paid to employees	(120,393)
Net Cash Provided by (Used for) Operating Activities	130,283
Cash Flows from Noncapital Financing Activities:	
Transfer from General Fund	(34,650)
Net Cash Provided by (Used for) Noncapital Financing Activities	(34,650)
Cash Flows from Capital and Related Financing Activities:	
Purchases of capital assets	(995,085)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(995,085)
Cash Flows from Investing Activities:	
Proceeds from sale of certifcate of deposit	1,753,018
Interest received	4,023
Net Cash Provided by (Used for) Investing Activities	1,757,041
Net Increase (Decrease) in Cash and Cash Equivalents	857,589
Cash and Cash Equivalents - Beginning of Year	705,016
Cash and Cash Equivalents - End of Year	$ 1,562,605

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2016
(CONTINUED)

	Business-type Activities - Enterprise Funds
	Landfill Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Operating Income (Loss)	$ (37,141)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:	
Depreciation	26,045
Changes in Assets and Liabilities:	
(Increase) decrease in accounts receivables	(24,142)
(Increase) decrease in deferred outflows of resources	(5,183)
Increase (decrease) in accounts payable	1,936
Increase (decrease) in accrued liabilities	445
Increase (decrease) in due to other funds	9,349
Increase (decrease) in compensated absences	82
Increase (decrease) in net pension liability	6,936
Increase (decrease) in postclosure costs	151,956
Total adjustments	167,424
Net Cash Provided by (Used for) Operating Activities	$ 130,283

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

OGLETHORPE COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIDUCIARY FUNDS
DECEMBER 31, 2016

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 790,009
Total Assets	$ 790,009
LIABILITIES	
Due to other governments	$ 501,641
Funds held in escrow	182,516
Due to others	105,852
Total Liabilities	$ 790,009

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting Policies

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

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

A. Reporting Entity

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

The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards Board (GASB) No. 61 "The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and 34," the County's relationships with other governments and agencies have been examined. The financial statements of each component unit have been included as a discretely presented component unit. The component unit column in the combined financial statements includes the financial data for the County's component unit, as reflected in their most recent audited financial statements for June 30, 2016. This audit is reported in a column separate from the County's financial information to emphasize that it is legally separate from the County.

Oglethorpe County Board of Health

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

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

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

Development Authority of Oglethorpe County

The Authority exists for the purpose of promoting and developing for the public good and general welfare, industry and trade, trade commerce and employment opportunity in the County. The County makes all appointments to the Board. The board was re-established during 2014. The Development Authority had no financial activity during 2016. The Development Authority does not issue a separate financial statement.

A joint venture has the following characteristics:

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

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

Government-Wide Financial Statements

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

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

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

Fund Financial Statements

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

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

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

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

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

The government reports the following major governmental funds:

> General Fund – The General Fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
>
> Transportation Fund – is used to account for grant monies received for street improvements.

The government reports the following major proprietary fund:

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

Additionally, the government reports the following fund types:

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

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

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

D. Deposits and Investments

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

E. Receivables

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

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

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

F. Inventories

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

G. Prepaid Items

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

H. Capital Assets

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

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

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

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

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

Building	39 years
Land improvements	10-20 years
Equipment	5-25 years
Infrastructure	50 years
Furniture	5 years
Vehicles	5 years

I. Compensated Absences

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

J. Deferred Inflows / Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period or periods and so will not be recognized as an outflow of resources (expense / expenditures) until then. The County has one item that qualifies for reporting in this category. The deferred outflow of resources related to the pension plans. This amount is deferred and will be recognized as a reduction of the net pension liability in future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

K. Long-Term Obligations

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

L. Net Position Flow Assumption

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

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

M. Fund Equity

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

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

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

- Committed
- Assigned
- Unassigned

The County does not have a formal minimum fund balance policy. The following is a summary of the fund balance classifications as of December 31, 2016:

Fund Balances	General Fund	Transportation Fund	Nonmajor Governmental	Total
Nonspendable:				
Inventory	$ 43,386	$ -	$ -	$ 43,386
Restricted for:				
Law enforcement	-	-	142,743	142,743
Law library	-	-	21,380	21,380
Drug awareness	-	-	104,211	104,211
Road improvements	-	520,005	-	520,005
Capital outlay	-	-	316,791	316,791
Assigned for:				
Fund balance appropriation	306,763	-	-	306,763
Unassigned	12,597,996	-	-	12,597,996
Total fund balances	$ 12,948,145	$ 520,005	$ 585,125	$ 14,053,275

N. Risk Management

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

The County has joined together with other municipalities in the state as part of the ACCG Group Self Insurance Workers' Compensation Self Insurance Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments. The Fund is to defend, in the name of and on behalf of the members, any suits or other proceedings, which may at any time be instituted against them on account of injuries or death within the preview of the Workers' Compensation Law of Georgia, or on the basis of employer's liability. The Fund is to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense. For the year ending December 31, 2016, the County's total contribution was $0 for the Workers Compensation Fund.

The County is a member of the ACCG Interlocal Risk Management Agency (ACCG-IRMA). This agency functions as a risk sharing arrangement among Georgia County governments and is administered by the Association of County Commissioners of Georgia (ACCG). The purpose of ACCG-IRMA is to establish and administer one or more group self-insurance funds; to establish and administer a risk management service; and to prevent or lessen the incidence or severity of casualty and property losses. Each member pays an annual contribution established by the Board of ACCG-IRMA. For the period December 1, 2015 - December 1, 2016, the County's total contribution was $106,303.ACCG-IRMA may develop and issue such self-insurance coverage descriptions, as it deems necessary. The current coverage provides a $3,000,000 general liability limit with a $1,000 per occurrence deductible.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pools' agents and attorneys to represent the Government in investigation, settlement discussions and all levels of litigation arising out of any claim made against the Government within the scope of loss protection furnished by the funds.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

A. Budget Process

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

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

Formal budgetary integration is employed as a management control device during the year. The budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The General Fund is subject to budgetary control on a departmental basis, while the Special Revenue funds are subject to budgetary control on an individual fund basis. Budgets are prepared for the Capital Projects Funds on a project basis, which usually covers two or more fiscal years. Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. Individual amendments are not material in relation to the original appropriations.

B. Excess of Expenditures Over Appropriations

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

Probate court	$ 1,765
Ambulance service	997

NOTE 3 – DEPOSITS AND INVESTMENTS

Custodial Credit Risk - Deposits

The custodial credit risk of deposits is the risk that in the event of the failure of a bank, the government will not be able to recover deposits. The County's bank balances of deposits as of December 31, 2016 are entirely insured or collateralized with securities held by the County's agent in the County's name. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

At December 31, 2016, the County's certificates of deposit were as follows:

Investment	Maturity	Amount
Certificates of deposit – General Fund	6-12 months	$ 3,000,000
Certificates of deposit – Nonmajor Governmental	0-6 months	15,162
		$ 3,015,162

At June 30, 2016, the carrying amount of deposits for the Oglethorpe County Board of Health, a discretely presented component unit, was $259,103, and the bank balance was $263,526. All of the bank balance was covered by federal depository insurance or by collateral held.

NOTE 4 – PROPERTY TAXES

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

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

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

The Oglethorpe County Tax Commissioner distributes tax notices and collects tax payments. Motor vehicle taxes are due based upon the birthday of the owner. The 2016 property taxes were mailed (levied) as of August 10th with a due date of December 20th.

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

The tax billing cycle for 2016 is as follows:

Assessment Date	January 1, 2016
Levy Date	August 10, 2016
Due Date and Collection Date	December 20, 2016
Tax Execution Date/Lien Date	December 21, 2016

NOTE 5 – OTHER RECEIVABLES

Receivables at December 31, 2016, consist of the following:

	General Fund	Nonmajor Governmenta	Landfill Fund	Total
Receivables:				
Taxes	$ 349,920	$ -	$ -	$ 349,920
Accounts	929,783	42,469	72,838	1,045,090
Other	5,866	-	-	5,866
Gross Receivables	1,285,569	42,469	72,838	1,400,876
Less: Allowance for uncollectibles	(955,175)	-	(22,658)	(977,833)
Net Total Receivables	$ 330,394	$ 42,469	$ 50,180	$ 423,043

The accounts receivable balance in the General Fund is made up of the uncollected billings for EMS charges as of December 31, 2016. The County has estimated an allowance for uncollectibles against these receivables based on the historical collection rates of the EMS charges.

NOTE 6 – DUE FROM OTHER GOVERNMENTS

Amounts due from other governments at December 31, 2016, are as follows:

	Federal	State	Other	Total
Fund:				
General	$ 25,599	$ 61,649	$ 46,773	$ 134,021
Nonmajor	-	59,419	-	59,419
Total	$ 25,599	$ 121,068	$ 46,773	$ 193,440

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

NOTE 7 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Due to/from other funds:

Receivable Fund	Payable Fund		Amount
General Fund	Landfill Fund	$	9,727
	Transportation Fund		41,262
	Nonmajor Governmental Fund		49,550
Total		$	100,539

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

Interfund transfers:

		General Fund		Nonmajor Governmental Fund		Total
Transfer out:						
General Fund	$	-	$	356,322	$	356,322
Landfill Fund		34,650		-		34,650
Total	$	34,650	$	356,322	$	390,972

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

NOTE 8 – CAPITAL ASSETS

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

	Beginning Balance	Increase	Decrease	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 1,090,167	$ 3,000	$ -	$ -	$ 1,093,167
Construction in progress	462,472	444,311	-	(878,648)	28,135
Total capital assets, not being depreciated	1,552,639	447,311	-	(878,648)	1,121,302
Capital assets being depreciated:					
Buildings	9,441,536	-	-	834,366	10,275,902
Furniture and Fixtures	501,980	5,145	-	-	507,125
Machinery and Equipment	3,142,806	174,621	-	-	3,317,427
Infrastructure	6,404,836	-	-	-	6,404,836
Vehicles	1,451,911	166,375	(84,400)	-	1,533,886
Land Improvements	57,553	-	-	44,282	101,835
Total capital assets being depreciated	21,000,622	346,141	(84,400)	878,648	22,141,011
Less accumulated depreciation for:					
Buildings	(2,973,116)	(202,385)	-	-	(3,175,501)
Furniture and Fixtures	(440,701)	(22,630)	-	-	(463,331)
Machinery and Equipment	(2,554,464)	(148,918)	-	-	(2,703,382)
Infrastructure	(1,557,676)	(327,106)	-	-	(1,884,782)
Vehicles	(1,086,539)	(175,962)	84,400	-	(1,178,101)
Land Improvements	(14,821)	(6,821)	-	-	(21,642)
Total accumulated depreciation	(8,627,317)	(883,822)	84,400	-	(9,426,739)
Total capital assets, being depreciated, net	12,373,305	(537,681)	-	878,648	12,714,272
Governmental activities capital assets, net	$ 13,925,944	$ (90,370)	$ -	$ -	$ 13,835,574

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

Governmental activities:	
General government	$ 46,534
Public safety	273,854
Public works	527,758
Health and welfare	33,062
Recreation	2,614
Total depreciation expense - governmental activities	$ 883,822

	Beginning Balance	Increase	Decrease	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 231,160	$ 959,556	$ -	$ 1,190,716
Total capital assets, not being depreciated	231,160	959,556	-	1,190,716
Capital assets, being depreciated:				
Furniture and Fixtures	17,293	-	-	17,293
Machinery and equipment	320,247	35,529	-	355,776
Total capital assets being depreciated	337,540	35,529	-	373,069
Less accumulated depreciation for:				
Furniture and Fixtures	(17,293)	-	-	(17,293)
Machinery and equipment	(240,991)	(26,045)	-	(267,036)
Total accumulated depreciation	(258,284)	(26,045)	-	(284,329)
Total capital assets, being depreciated, net	79,256	9,484	-	88,740
Business-type activities capital assets, net	$ 310,416	$ 969,040	$ -	$ 1,279,456

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

Business-type activities:	
Landfill	$ 26,045
Total depreciation expense - business-type activities	$ 26,045

Board of Health	Beginning Balance	Increase	Decrease	Ending Balance
Component Unit activities:				
Capital assets, being depreciated:				
Equipment	$ 10,496	$ 3,684	$ -	$ 14,180
Total capital assets being depreciated	10,496	3,684	-	14,180
Less accumulated depreciation for:				
Equipment	(2,881)	(2,160)	-	(5,041)
Total accumulated depreciation	(2,881)	(2,160)	-	(5,041)
Total capital assets, being depreciated, net	7,615	1,524	-	9,139
Component Unit activities capital assets, net	$ 7,615	$ 1,524	$ -	$ 9,139

NOTE 9 – LONG-TERM DEBT

Changes in Long-term Liability

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Net pension liability	$ 99,508	$ 339,852	$ -	$ 439,360	$ -
Compensated absences	41,653	45,731	(43,357)	44,027	43,358
Governmental activity Long-term liabilities	$ 141,161	$ 385,583	$ (43,357)	$ 483,387	$ 43,358

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Net pension liability	$ 2,031	$ 6,936	$ -	$ 8,967	$ -
Compensated absences	1,522	2,903	(2,821)	1,604	1,604
Landfill closure	2,210,749	173,310	(21,354)	2,362,705	21,354
Business-type activity Long-term liabilities	$2,214,302	$ 183,149	$ (24,175)	$2,373,276	$ 22,958

For the business-type activities, long-term liabilities are liquidated by the Landfill Fund.

NOTE 10 – COMMITMENTS

Landfill Closure Costs

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

The current County landfill activities are to receive inert material and construction/demolition debris. The current operation of the landfill is to fulfill an agreement with Athens-Clarke County in which the County is allowed to transport solid waste materials from Oglethorpe County to the Athens-Clark County landfill. County management is of the opinion that the only additional costs to be associated with final landfill closure will be monitoring and maintenance of solid waste materials. The County has estimated the closure and post closure costs associated with the landfill to be $2,852,119. The County has no responsibility for closure costs associated with Athens-Clarke County landfill. The percentage of landfill capacity used as of December 31, 2016, is

67%, and the estimated remaining landfill life is 12 years. As of December 31, 2016, the County had recorded a liability for closure and post closure costs totaling $2,362,705.

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

NOTE 11 – EMPLOYEE RETIREMENT PLANS

A. ACCG Defined Benefit Plan

Plan Description

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan ("Plan"), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating Counties in Georgia. ACCG issues a publicly available financial report that includes financial statements and required supplementary information (RSI) for the Plan. That report may be obtained by writing to GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339 or by calling (800) 736-7166.

Participation

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

Retirement Benefits

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

Plan Membership

As of January 1, 2016, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Retires and beneficiaries currently receiving benefits	32
Terminated employees entitled to benefits but not yet receiving them	50
Current active employees	43
Disabled in Pay Status	4
Total Membership in the plan	129

Contributions

The plan members are not required to contribute to the plan. The County is required to contribute at an actuarially determined rate; the current rate is 6.3% of annual covered payroll. The contribution requirements of the County are established and may be amended by the ACCG Board of Trustees.

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

At December 31, 2016, the County reported a net pension liability. The net pension liability was measured as of December 31, 2015. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2016. An expected total pension liability as of December 31, 2015 was determined using standard roll-forward techniques.

For the year ended December 31, 2016, the County recognized pension expense relative to ACCG in the amount of $178,013. At December 31, 2016, the County reported deferred outflows of resources related to the Pension from the following sources:

	Deferred Outflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 206,233
Changes of assumptions	77,664
Employer contributions subsequent to the measurement date	90,314
	$ 374,211

County contributions subsequent to the measurement date of December 31, 2015 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

Year ended December 31:	
2017	$ 77,062
2018	77,062
2019	77,063
2020	52,709

Actuarial Assumptions: The total pension liability as of December 31, 2016 was determined by an actuarial valuation as of January 1, 2016 using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The mortality and economic actuarial assumptions used in the January 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2010 to June 30, 2014.

Net Pension Liability:

Changes in the Net Pension Liability:	Total Pension Liability	Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2015	$ 2,876,427	$ 2,774,888	$ 101,539
Changes for the year:			
Service cost	69,199	-	69,199
Interest	210,118	-	210,118
Liability experience (gain)/loss	51,226	-	51,226
Assumption change	100,506	-	100,506
Employer Contributions	-	100,452	(100,452)
Net investment income	-	23,472	(23,472)
Benefit payments	(149,694)	(149,694)	-
Administrative expense	-	(11,946)	11,946
Other	-	(27,717)	27,717
Net changes	281,355	(65,433)	346,788
Balance at December 31, 2016	$ 3,157,782	$ 2,709,455	$ 448,327

The County's net pension liability is recorded in the Government-Wide Statement of Net Position in the amounts of $439,360, and in the Landfill Fund in the amount of $8,967. The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as the forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS.

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

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

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

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

	1% Decrease (6.50%)	Current discount rate (7.50%)	1% Increase (8.50%)
Sensitivity of the Net Pension Liability to Changes in the Discount Rate	$ 857,311	$ 448,327	$ 107,903

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

B. Defined Contribution Retirement Plan

The County has established the Oglethorpe County 401(a) Defined Contribution Plan through adoption of the ACCG 401(a) Defined Contribution Program. The plan was established to provide benefits at retirement to Oglethorpe County employees. The County contributes 5% on behalf of all full-time employees hired after January 1, 2012 with mandatory employee contribution of 5%. The County will additionally contribute half of the first 4% if the employee contributes to the 457(b) plan. Total contributions for the year ended December 31, 2016 were $178,647.

NOTE 12 – SPECIAL FUNDING DEFINED BENEFIT PENSION PLANS

A. Employees' Retirement System

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

B. Sheriffs' Retirement Fund of Georgia

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

C. Judges of the Probate Courts Retirement Fund of Georgia

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

D. Magistrates Retirement Fund of Georgia

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

E. Georgia Firefighters' Pension Fund

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

F. Peace Officers' Annuity and Benefit Fund of Georgia

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

NOTE 13 – CONTINGENT LIABILITIES

A. Litigation

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

B. Federal Grants

The County participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives, and the audits of these programs for or including the year ended December 31, 2016, have not yet been conducted. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

C. GEFA Loans

The County has entered into an agreement with the City of Crawford whereby the County has guaranteed the payment of a $259,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City. As of December 31, 2016 the outstanding loan balance was $114,003.

The County has entered into an agreement with the City of Arnoldsville whereby the County has guaranteed the payment of a $259,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City. As of December 31, 2016 the outstanding loan balance was $106,257.

The County has entered into an agreement with the City of Lexington whereby the County has guaranteed the payment of a $259,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City. As of December 31, 2016 the outstanding loan balance was $112,897.

The County has entered into an agreement with the City of Maxeys whereby the County has guaranteed the payment of a $565,000 GEFA loan. The County is liable to cover any shortfall in the loan payments made by the City. As of December 31, 2016 the outstanding loan balance was $275,256.

NOTE 14 – EVALUATION OF SUBSEQUENT EVENTS

The County has evaluated subsequent events through June 13, 2017 the date which the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2016

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

	2016	2015
Total pension liability		
Service cost	$ 69,199	$ 72,924
Interest on total pension liability	210,118	200,678
Difference between expected and actual experience	51,226	-
Changes of assumptions	100,506	-
Benefit payments, including refunds of employee contributions	(149,694)	(145,759)
Net change in total pension liability	281,355	127,843
Total pension liability - beginning of year	2,876,427	2,748,584
Total pension liability - end of year	$ 3,157,782	$ 2,876,427
Plan fiduciary net position		
Contributions - employer	$ 100,452	$ 104,390
Net investment income	23,472	192,207
Benefit payments, including refunds of member contributions	(149,694)	(145,759)
Administrative expenses	(11,946)	(12,092)
Other expenses	(27,717)	(28,243)
Net change in plan fiduciary net position	(65,433)	110,503
Plan fiduciary net position - beginning of year	2,774,888	2,664,385
Plan fiduciary net position - end of year	$ 2,709,455	$ 2,774,888
County's net pension liability (asset)	$ 448,327	$ 101,539
Plan fiduciary net position as a percentage of the total pension liability	85.80%	96.47%
Covered-employee payroll	1,735,758	1,834,855
Net pension liability as a percentage of covered-employee payroll	25.83%	5.53%

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

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

OGLETHORPE COUNTY, GEORGIA

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2016

SCHEDULE OF COUNTY CONTRIBUTIONS

	2016	2015
Actuarially determined contributions	$ 90,314	$ 100,452
Contributions in relation to the actuarially determined contribution	90,314	100,452
Contribution deficiency (excess)	$ -	$ -
County's covered-employee payroll	1,735,758	1,834,855
Contributions as a percentage of covered-employee payroll	5.20%	5.47%

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

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

Changes of assumptions:

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

Valuation date	The actuarially determined contribution rate was determined as of January 1, 2015, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the year ending December 31, 2016.

Methods and assumptions used to determine contribution rates:

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

SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

CAPITAL PROJECTS FUND

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

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

OGLETHORPE COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2016

	Special Revenue Funds					Capital Project Fund	Total Nonmajor Governmental Funds
	Drug Abuse & Treatment	Jail	E911	Law Library	Drug Seizure	2012 SPLOST	
ASSETS							
Cash and cash equivalents	$ 104,211	$ 73,217	$ 73,162	$ 6,218	$ 11,434	$ 257,372	$ 525,614
Certificates of deposit	-	-	-	15,162	-	-	15,162
Receivables, net of allowance							
Accounts	-	-	42,469	-	-	-	42,469
Due from other governments	-	-	-	-	-	59,419	59,419
Total Assets	$ 104,211	$ 73,217	$ 115,631	$ 21,380	$ 11,434	$ 316,791	$ 642,664
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	$ -	$ 985	$ 1,820	$ -	$ -	$ -	$ 2,805
Accrued expenses	-	-	5,184	-	-	-	5,184
Due to other funds	-	-	49,550	-	-	-	49,550
Total Liabilities	-	985	56,554	-	-	-	57,539
Fund Balances:							
Restricted	104,211	72,232	59,077	21,380	11,434	316,791	585,125
Total Fund Balances	104,211	72,232	59,077	21,380	11,434	316,791	585,125
Total Liabilities and Fund Balances	$ 104,211	$ 73,217	$ 115,631	$ 21,380	$ 11,434	$ 316,791	$ 642,664

OGLETHORPE 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					Capital Projects Fund	Total Nonmajor Governmental Funds
	Drug Abuse & Treatment	Jail	E911	Law Library	Drug Seizure	2012 SPLOST	
Revenues:							
Taxes	$ -	$ -	$ -	$ -	$ -	$ 696,736	$ 696,736
Charges for services	-	-	229,994	-	-	-	229,994
Fines	18,317	22,236	-	5,380	21,232	-	67,165
Investment earnings	154	69	89	16	-	129	457
Total Revenues	18,471	22,305	230,083	5,396	21,232	696,865	994,352
Expenditures:							
Current:							
General government	-	-	-	9,770	-	5,485	15,255
Public safety	25,600	15,556	422,720	-	22,553	3,515	489,944
Public works	-	-		-	-	226,565	226,565
Culture and recreation	-	-	-	-	-	25,755	25,755
Capital Outlay	-	-	-	-	-	476,576	476,576
Total Expenditures	25,600	15,556	422,720	9,770	22,553	737,896	1,234,095
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,129)	6,749	(192,637)	(4,374)	(1,321)	(41,031)	(239,743)
Other Financing Sources (Uses):							
Transfer from other funds	-	-	156,322	-	-	200,000	356,322
Total other financing sources (uses)	-	-	156,322	-	-	200,000	356,322
Net change in fund balances	(7,129)	6,749	(36,315)	(4,374)	(1,321)	158,969	116,579
Fund Balance, beginning of year	111,340	65,483	95,392	25,754	12,755	157,822	468,546
Fund Balance, end of year	$ 104,211	$ 72,232	$ 59,077	$ 21,380	$ 11,434	$ 316,791	$ 585,125

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
DRUG ABUSE & TREATMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 15,000	$ 18,317	$ 3,317
Interest income	-	154	154
Total Revenues	15,000	18,471	3,471
Expenditures:			
Current:			
Public Safety	123,000	25,600	97,400
Total Expenditures	123,000	25,600	97,400
Net change in fund balance	(108,000)	(7,129)	100,871
Fund Balance - Beginning of Year	111,340	111,340	-
Fund Balance - End of Year	$ 3,340	$ 104,211	$ 100,871

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 18,000	$ 22,236	$ 4,236
Interest income	-	69	69
Total Revenues	18,000	22,305	4,305
Expenditures:			
Current:			
Public Safety	78,000	15,556	62,444
Total Expenditures	78,000	15,556	62,444
Net change in fund balance	(60,000)	6,749	66,749
Fund Balance - Beginning of Year	65,483	65,483	-
Fund Balance - End of Year	$ 5,483	$ 72,232	$ 66,749

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
E-911 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Charges for services	$ 260,000	$ 229,994	$ (30,006)
Interest income	-	89	89
Total Revenues	260,000	230,083	(29,917)
Expenditures:			
Current:			
Public Safety	425,000	422,720	2,280
Total Expenditures	425,000	422,720	2,280
Excess of Revenue Over (Under) Expenditures	(165,000)	(192,637)	(27,637)
Other Financing Sources (Uses)			
Transfer from other funds	156,322	156,322	-
Total Other Financing Sources (Uses)	156,322	156,322	-
Net change in fund balance	(8,678)	(36,315)	(27,637)
Fund Balance - Beginning of Year	95,392	95,392	-
Fund Balance - End of Year	$ 86,714	$ 59,077	$ (27,637)

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Fines and forfeitures	$ 4,000	$ 5,380	$ 1,380
Interest income	-	16	16
Total Revenues	4,000	5,396	1,396
Expenditures:			
Current:			
General government	16,000	9,770	6,230
Total Expenditures	16,000	9,770	6,230
Net change in fund balance	(12,000)	(4,374)	7,626
Fund Balance - Beginning of Year	25,754	25,754	-
Fund Balance - End of Year	$ 13,754	$ 21,380	$ 7,626

OGLETHORPE COUNTY, GEORGIA

SPECIAL REVENUE FUNDS
DRUG SEIZURES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2016

	Final Budget	Actual	Variance with Final Budget
Revenue:			
Confiscated funds	$ 29,000	$ 21,232	$ (7,768)
Total Revenues	29,000	21,232	(7,768)
Expenditures:			
Current:			
Public Safety	29,000	22,553	6,447
Total Expenditures	29,000	22,553	6,447
Net change in fund balance	-	(1,321)	(1,321)
Fund Balance - Beginning of Year	12,755	12,755	-
Fund Balance - End of Year	$ 12,755	$ 11,434	$ (1,321)

AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2016

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
Total - All Agency Funds				
Assets				
Cash and cash equivalents	$ 1,702,803	$ 10,918,451	$ 11,831,245	$ 790,009
Total Assets	$ 1,702,803	$ 10,918,451	$ 11,831,245	$ 790,009
Liabilities				
Due to State of Georgia	$ 111,219	$ 1,777,339	$ 1,761,950	$ 126,608
Due to Board of Education	1,357,342	8,406,169	9,389,611	373,900
Due to other governments	1,518	16,157	16,542	1,133
Funds held in escrow	165,670	131,928	115,082	182,516
Due to others	67,054	586,858	548,060	105,852
Total Liabilities	$ 1,702,803	$ 10,918,451	$ 11,831,245	$ 790,009

OGLETHORPE COUNTY, GEORGIA

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
Superior Court				
Assets				
Cash and cash equivalents	$ 111,643	$ 231,981	$ 224,006	$ 119,618
Total Assets	$ 111,643	$ 231,981	$ 224,006	$ 119,618
Liabilities				
Funds held in escrow	$ 67,378	$ 37,554	$ 23,055	$ 81,877
Due to others	44,265	194,427	200,951	37,741
Total Liabilities	$ 111,643	$ 231,981	$ 224,006	$ 119,618
Magistrate Court				
Assets				
Cash and cash equivalents	$ 1,780	$ 89,742	$ 88,742	$ 2,780
Total Assets	$ 1,780	$ 89,742	$ 88,742	$ 2,780
Liabilities				
Due to others	$ 1,780	$ 89,742	$ 88,742	$ 2,780
Total Liabilities	$ 1,780	$ 89,742	$ 88,742	$ 2,780

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016
(CONTINUED)

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
Probate Court				
Assets				
Cash and cash equivalents	$ 50,041	$ 194,122	$ 175,901	$ 68,262
Total Assets	$ 50,041	$ 194,122	$ 175,901	$ 68,262
Liabilities				
Funds held in escrow	$ 29,992	$ 26,301	$ 53,115	$ 3,178
Due to others	20,049	167,821	122,786	65,084
Total Liabilities	$ 50,041	$ 194,122	$ 175,901	$ 68,262
Sheriff's Department				
Assets				
Cash and cash equivalents	$ 1,008	$ 72,059	$ 72,842	$ 225
Total Assets	$ 1,008	$ 72,059	$ 72,842	$ 225
Liabilities				
Other	$ 1,008	$ 72,059	$ 72,842	$ 225
Total Liabilities	$ 1,008	$ 72,059	$ 72,842	$ 225

AGENCY FUNDS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES BY DEPARTMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016
(CONTINUED)

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
Tax Commissioner's Office				
Assets				
Cash and cash equivalents	$ 1,538,331	$ 10,330,547	$ 11,269,754	$ 599,124
Total Assets	$ 1,538,331	$ 10,330,547	$ 11,269,754	$ 599,124
Liabilities				
Due to State of Georgia	$ 111,219	$ 1,777,339	$ 1,761,950	$ 126,608
Due to Board of Education	1,357,342	8,406,169	9,389,611	373,900
Due to other governments	1,518	16,157	16,542	1,133
Funds held in Escrow	68,300	68,073	38,912	97,461
Other	(48)	62,809	62,739	22
Total Liabilities	$ 1,538,331	$ 10,330,547	$ 11,269,754	$ 599,124

OGLETHORPE COUNTY, GEORGIA

SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
YEAR ENDED DECEMBER 31, 2016

Project	Original Estimated Cost	Expenditures Prior Year(s)	Current Year	Total
2012 SPLOST				
Roads and bridges	$ 3,904,000	$ 1,061,456	$ 203,609	$ 1,265,065
Public Safety:				
Sheriff Vehicles	464,000	139,631	50,925	190,556
Ambulance	224,000	134,990	-	134,990
Emergency Services	279,200	21,939	3,515	25,454
Infrastructure:				
Water Reservoir	344,000	-	-	-
Facilities Improvement	2,000,000	592,594	443,462	1,036,056
Sewage startup	128,800	-	-	-
Computer update	152,000	14,989	10,630	25,619
Recreation	504,000	122,701	25,755	148,456
Totals	$ 8,000,000	$ 2,088,300	$ 737,896	$ 2,826,196

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GOVERNMENTAL REPORT

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

To The Board of Commissioners
of Oglethorpe County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Oglethorpe County, Georgia (the "County") as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 13, 2017. Our report includes a reference to other auditors who audited the financial statements of Oglethorpe County Board of Health, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Clifton, Lipford, Hardison & Parker, LLC

Macon, Georgia
June 13, 2017