



Audit Summary

December 31, 2016

Presented by Beth Grimes

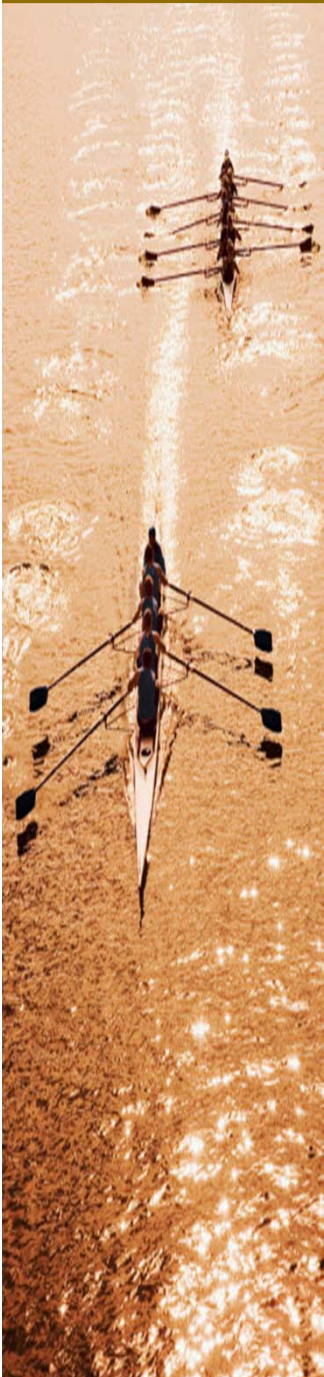
Bates, Carter & Co., LLP


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Auditors' Report on the Financial Statements

- Issued an "Unmodified" or "Clean Opinion"
 - Financial statements are presented fairly with generally accepted accounting principles
- Referenced other reports issued
 - Report on internal control and compliance in accordance to "*Government Auditing Standards*"
 - We tested internal controls to ensure controls are effective
 - We included findings related to internal controls in our report



What Is Included In The Financial Statement Audit?

- All departments, funds and elected officials
- Development Authority as of December 31, 2016
- Relied on another independent auditor's report for the Department of Public Health as of June 30, 2016





Comments on Income Statements General Fund

see page 5 of financial statements

- Revenues exceeded expenditures by \$1.1 million
- Revenues increased 4% from prior year
 - Property taxes increased \$885 thousand
 - Charges for services increased \$421 thousand
 - Capital lease proceeds decreased \$430 thousand
 - Intergovernmental (Grants) decreased \$758 thousand
- Overall revenues over final budget \$359 thousand
 - Capital lease proceeds under budget \$518 thousand
 - Taxes over budget \$547 thousand
 - Charges for services over budget \$138 thousand



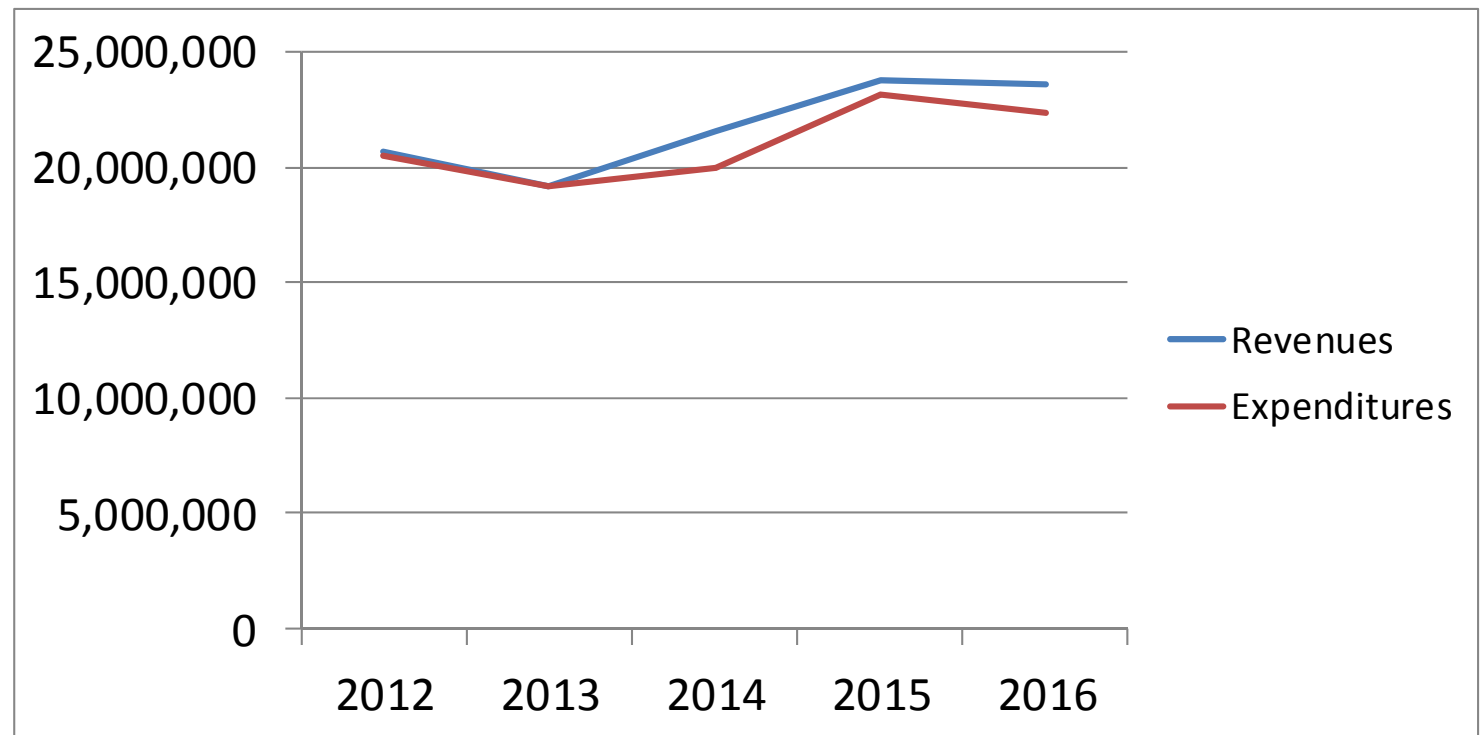
Comments on Income Statements

General Fund

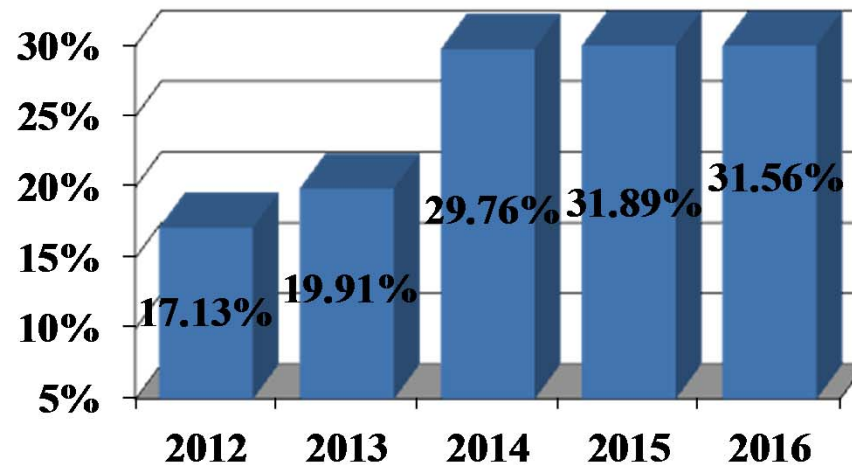
see page 5 of financial statements

- Expenditures decreased compared to 2015 expenditures by \$851 thousand
- Overall expenditures were below final budget \$1.4 million
 - Transfers out budgeted for \$294 thousand more than actually spent
 - Public safety under budget \$149 thousand primarily due to salaries recorded in other funds
 - Public works under budget \$146 thousand mainly due to fewer capital lease and repairs & maintenance expenditures than expected

Ratio of Revenues to Expenditures General Fund



General Fund Unreserved, Unassigned Fund Balance/Prior Year Operating Expenditures



SPLOST

see page 5 of financial statements

- Collected \$4 million in revenues
- \$3.5 million spent during 2016
 - Paid for various County Projects





Long-Term Debt Governmental Activities

- Long-term debt of \$1.9 million
 - Notes Payable \$860 thousand
 - Community Center – interest 3.0%
 - \$860 thousand at 12/31/2016
 - Matures FY 2019
 - Capital leases \$1 million
 - Matures FY 2020



Long-Term Debt Governmental Activities

- \$8.6 million is average G.O. debt for counties of similar size:
 - 2016 Fiscal Planning Guide prepared by DCA
 - Similar size based upon populations from 25,000 to 49,999
 - Counties included in this group:
 - Chattooga County
 - Habersham County
 - Gilmer County
 - Lumpkin County
 - Murray County
 - White County



Business-Type Activities Water Fund

- Operating income of \$248 thousand
 - Includes depreciation costs of \$621 thousand
 - Does not include debt service payments of \$471 thousand
- Long Term Debt \$7 million
 - Bonds payable \$7.2 million
 - Water-line infrastructure acquisition and construction
 - Interest rate 2.35%
 - Matures 2029



Business-Type Activities Airport Authority

- Operating loss of \$56 thousand
 - Includes depreciation costs of \$91 thousand
 - Does not include debt service payments of \$487 thousand
- Long Term Debt \$3.6 million
 - Bonds payable \$3.6 million
 - Airport taxiway construction
 - Variable Interest rate – 4.00% as of end of 1st Quarter 2017
 - Matures 2019

Other Issues

- Pension liability accrued at the entity wide level for the first time in 2015
- Net pension liability as of 12/31/2016 was \$3.2 million



Questions???



BUSINESS ADVISORS AND CPAS

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