COLQUITT COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2015

COLQUITT COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Colquitt County, Georgia
Moultrie, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of **Colquitt County, Georgia (the "County")**, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Colquitt County, Georgia'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 Colquitt County Health Department, which represents 45%, (74%), and 74% of the assets, net position, and revenues, respectively, of the discretely presented component units. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Colquitt County Health Department, 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.

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 the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Colquitt County, Georgia as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 9 and Note 14, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 68, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of July 1, 2014. Our opinion is not modified with respect to this matter.

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 13), the Schedule of Changes in the County's Net Pension Liability and Related Ratios (on page 67) and the Schedule of County Contributions (on page 68) 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 Colquitt County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, and the schedule of state awards expended as listed in the table of contents, 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 and schedules, the schedules of expenditures of special purpose local option sales tax proceeds, and the schedule of state awards expended are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the schedule of expenditures of special purpose local option sales tax proceeds, and the schedule of state awards 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 24, 2016, on our consideration of Colquitt 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 Colquitt County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Albany, Georgia
June 24, 2016

COLQUITT COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

As management of Colquitt County, Georgia, (the County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Colquitt County, Georgia for the fiscal year ended June 30, 2015. We encourage readers to read the information presented here in conjunction with the County's financial statements, which follow this narrative.

FINANCIAL HIGHLIGHTS

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by $82,543,194 (net position). Of this amount, $10,212,449 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- The County's total net position increased by $2,029,161. The increase primarily occurred both in the Governmental and Proprietary funds.
- As of close of the current fiscal year, the County's governmental funds reported combined ending fund balances of $28,443,636, an increase of $2,761,810.
- At the close of the current fiscal year, unassigned fund balance of the general fund was $12,600,998 or 65 percent of the General Fund's expenditures.
- The County's total long-term debt decreased by $809,744 during the current year. The decrease is the result of the paying down of the long term debt being incurred.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The *statement of net position* presents information on all of the County's assets, deferred outflows of resources (if any), deferred inflows of resources (if any), and liabilities, with the difference between these items reported as *net position.* Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the County'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 the related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the 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 user fees and charges *(business-type activities).* The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, culture and recreation, and housing and development. The business-type activities of the County include solid waste collection and disposal system.

The government-wide financial statements include not only the County itself (known as the *primary government)*, but also the Health Department and Public Library for which the County financially supports and is able to impose its will. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself. The government-wide financial statements can be found on pages 14 through 17 of this report.

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

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide 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 fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of 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. Both 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.*

The County maintains 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Projects Fund, 2013 SPLOST Fund, and 2007 SPLOST Fund, all of which are considered to be major funds. Data from the other nine governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The County adopts an annual appropriated budget for its General Fund and other special revenue funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with the budget.

Basic governmental fund financial statements can be found on pages 18 through 22 of this report.

Proprietary funds. The County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for its solid waste collection and disposal activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses an internal service fund to account for its employee health and life insurance benefits. Because these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide the information for the Solid Waste Fund, the County's only enterprise fund. It is considered a major fund for the County.

The basic proprietary fund financial statements can be found on pages 26 through 29 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary financial statements can be found on page 30 of this report.

Notes to the financial statements. The notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 31 through 66 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the County's budget process and the County's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found on pages 67 through 70 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 71 through 74 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table presents a summary of the Statement of Net Position for the County as of June 30, 2015 and 2014.

Summary of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Current & other assets	$ 29,976,006	$ 27,707,628	$ 672,346	$ 342,402	$ 30,648,352	$ 28,050,030
Capital assets	58,187,926	60,149,227	1,198,389	1,082,365	59,386,315	61,231,592
Total assets	88,163,932	87,856,855	1,870,735	1,424,767	90,034,667	89,281,622
Deferred outflows of resources	879,488	786,845	56,815	50,830	936,303	837,675
Long-term debt	1,629,385	2,070,924	94,425	281,394	1,723,810	2,352,318
Other liabilities	6,301,608	6,763,930	402,358	489,016	6,703,966	7,252,946
Total liabilities	7,930,993	8,834,854	496,783	770,410	8,427,776	9,605,264
Net position:						
Net investment in capital assets	56,170,950	57,714,521	1,076,840	739,316	57,247,790	58,453,837
Restricted	15,082,955	13,902,760	-	-	15,082,955	13,902,760
Unrestricted (deficit)	9,858,522	8,191,565	353,927	(34,129)	10,212,449	8,157,436
Total net position	$ 81,112,427	$ 79,808,846	$ 1,430,767	$ 705,187	$ 82,543,194	$ 80,514,033

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $82,543,194 at the close of the most recent fiscal year.

By far, the largest component of the County's net position (70 percent) reflects its investment in capital assets such as land, buildings, equipment, and infrastructure, less any related debt used to acquire or construct the assets that is still outstanding. The County uses these capital assets to provide services to the citizens and businesses in the County; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (18 percent) represents resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The remaining portion of net position is *unrestricted*, which can be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County is able to report positive balances in all three categories of net position for the governmental activities. Primary government unrestricted net position totaled $10,212,449, a 25 percent increase compared to the prior year. Total net position increased by approximately $2,029,161 from the prior year.

The following table summarizes the changes in position for the primary government for the fiscal years ended June 30, 2015 and 2014. The Statement of Net Position for June 30, 2014 has been restated for the implementation of GASB 68, *Accounting and Financial Reporting for Pensions* and GASB 71, *Pension Transition for Contributions made Subsequent to the Measurement Date*.

Changes in Net Position

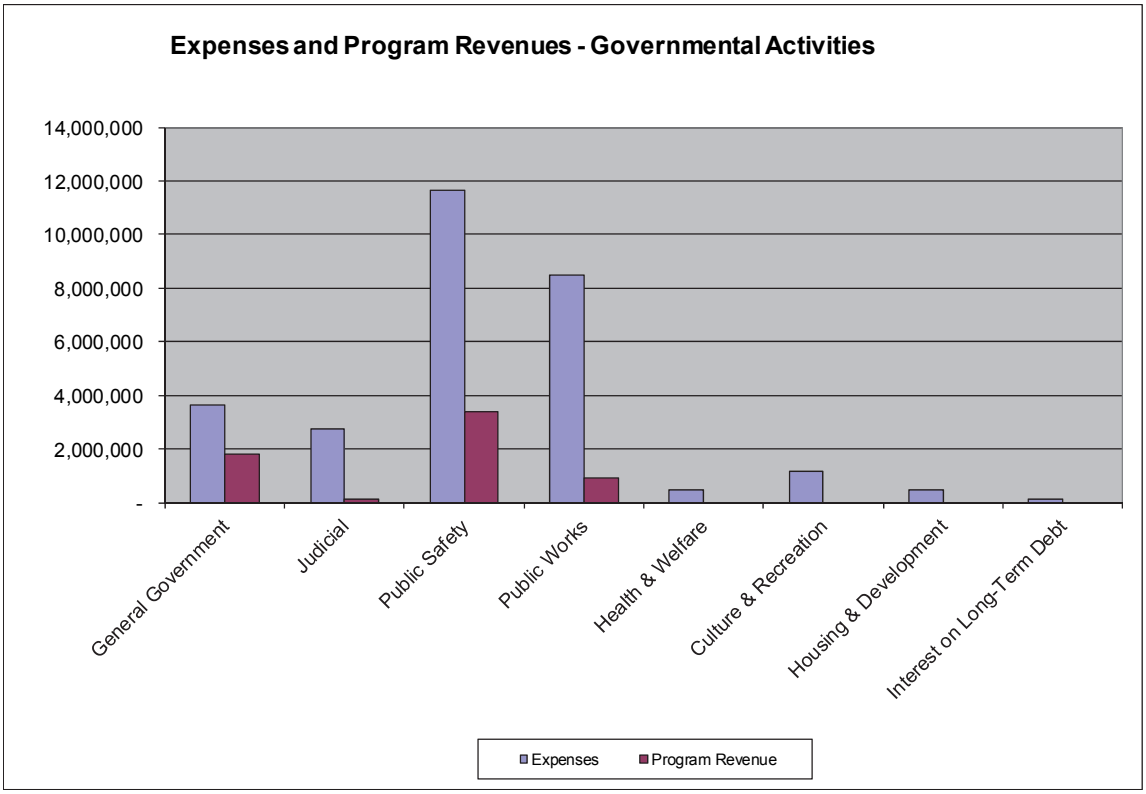
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues:						
Charges for services	$ 5,043,200	$ 5,624,951	$ 2,881,040	$ 2,603,201	$ 7,924,240	$ 8,228,152
Operating grants and contributions	394,464	468,906	-	-	394,464	468,906
Capital grants and contributions	830,240	1,258,430	-	-	830,240	1,258,430
General Revenues:						
Property taxes	16,448,390	16,470,573	-	-	16,448,390	16,470,573
Sales taxes	5,407,585	5,222,206	-	-	5,407,585	5,222,206
Business taxes	1,508,708	1,428,989	-	-	1,508,708	1,428,989
Other taxes	248,638	285,706	-	-	248,638	285,706
Unrestricted investment earnings	27,895	13,657	808	701	28,703	14,358
Gain on sale of capital assets	156,328	20,723	66,415	-	222,743	20,723
Total revenues	$ 30,065,448	$ 30,794,141	$ 2,948,263	$ 2,603,902	$ 33,013,711	$ 33,398,043
Program Expenses:						
General government	$ 3,640,254	$ 3,745,964	$ -	$ -	$ 3,640,254	$ 3,745,964
Judicial	2,730,643	2,634,125	-	-	2,730,643	2,634,125
Public safety	11,672,454	10,907,727	-	-	11,672,454	10,907,727
Public works	8,477,301	7,951,882	-	-	8,477,301	7,951,882
Health and welfare	488,387	793,912	-	-	488,387	793,912
Culture and recreation	1,179,259	1,208,690	-	-	1,179,259	1,208,690
Housing and development	465,938	458,899	-	-	465,938	458,899
Interest on long-term debt	107,631	124,303	-	-	107,631	124,303
Solid waste	-	-	2,222,683	2,272,469	2,222,683	2,272,469
Total expenses	$ 28,761,867	$ 27,825,502	$ 2,222,683	$ 2,272,469	$ 30,984,550	$ 30,097,971
Change in net position	$ 1,303,581	$ 2,968,639	$ 725,580	$ 331,433	$ 2,029,161	$ 3,300,072

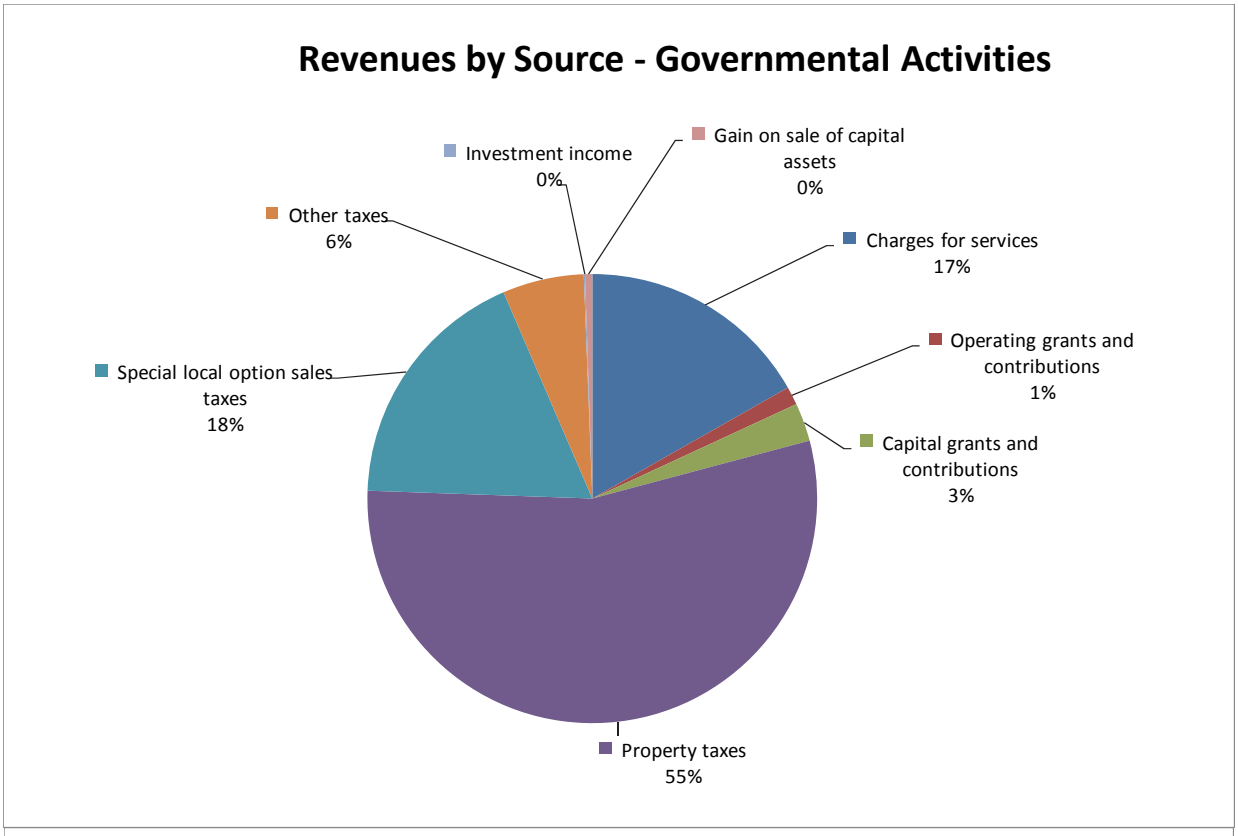
Governmental activities. Governmental activities increased the County's net position by $1,303,581, thereby accounting for 64 percent of the total increase in the net position of the County for 2015.

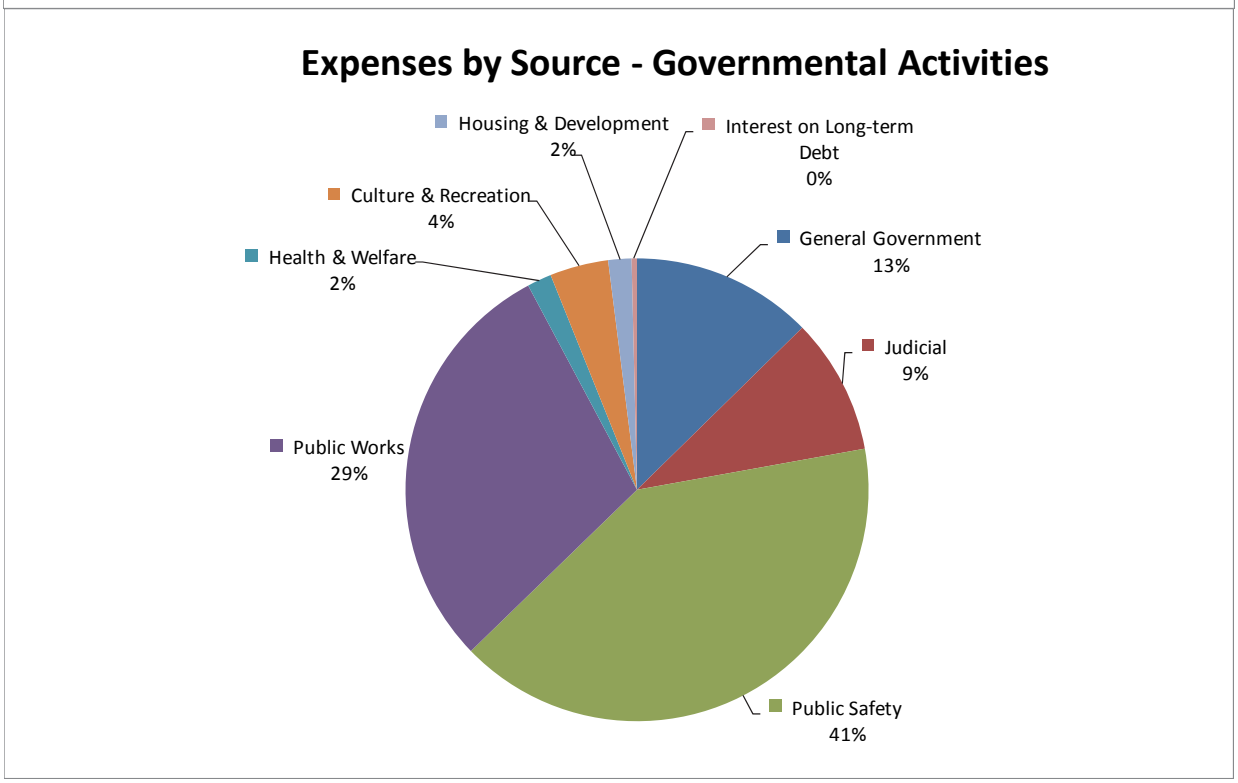
- Revenues outpaced spending. Included in revenues is a special purpose local option sales tax (1 percent) that is used to fund a variety of capital projects. Spending for the projects vary from the revenue collections as many of the projects take several years to complete.
- Higher tax revenue in 2015. Overall tax revenues increased $1,261,659 from the prior year. Property taxes increased by $1,258,823 and special local option sales taxes decreased by $125,487, respectively. Other taxes decreased by $19,463 in total.

Approximately 55 percent of the County's governmental activities total revenues were derived from property taxes and approximately 24 percent came from taxes other than property taxes. Charges for services provided approximately 18 percent of the total revenues. The County's expenses cover a range of services. The largest expenses are related to public safety (approximately 41 percent), which include the Sheriff's office, E-911 services, county prison, ambulance service, animal control and the Coroner's office, and public works (approximately 29 percent), which include roads and bridges, landfill closure and the county maintenance shop.

For the fiscal year ended June 30, 2015, governmental activities expenses exceeded program revenues, resulting in the use of approximately $22.5 million of general tax and other revenues.




Revenues by Source - Governmental Activities
Investment income 0%
Gain on sale of capital assets 0%
Other taxes 6%
Charges for services 17%
Special local option sales taxes 18%
Operating grants and contributions 1%
Capital grants and contributions 3%
Property taxes 55%


Expenses by Source - Governmental Activities
Housing & Development 2%
Interest on Long-term Debt 0%
Culture & Recreation 4%
General Government 13%
Health & Welfare 2%
Judicial 9%
Public Works 29%
Public Safety 41%

Business-type activities. Business-type activities increased the County's net position by $725,580, thereby accounting for 36 percent of the growth in the County's net position for 2015. The key element of this increase is that the Solid Waste Fund revenues increased approximately $300,000 and expenses were decreased by approximately $425,000.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Colquitt County utilizes 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 resources available for spending. Such information is useful in assessing the County's financing requirements. In particular, *unreserved, undesignated fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the year.

At the end of the current year, the County's governmental funds reported a combined ending fund balance of $28,443,636, an increase of $2,761,810 in comparison to the restated prior year. Approximately 44 percent of this total amount ($12,600,998) constitutes *unassigned fund balance* that is available for spending in futures years without restrictions that are more limited than the purpose of the fund. The restricted portions of fund balance totaling $15,082,955 represent funding for capital projects, economic development, public safety, and the judicial system. Most of these projects are funded by special purpose local option sales tax, a legally restricted revenue source. The remainder of the fund balance is either *nonspendable* to indicate that it is not available for new spending because it has already been (1) paid for prepaid assets ($59,683); or *committed* for future retirement benefits ($200,000); or assigned for budget stabilization ($500,000).

The General Fund is the main operating fund of the County. At the end of the current year, unassigned fund balance of the General Fund was $12,600,998, while total fund balance was $13,359,921. 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 65 percent of the total General Fund expenditures, as compared to 55 percent in 2014. The total fund balance represents 69 percent of the same amount, compared to 62 percent in the prior year.

The fund balance of the County's General Fund increased $1,596,254 during the current fiscal year. Key factors in this increase are as follows:

- The County's General Fund revenues outpacing spending for the year. The increase was due to an increase in tax revenues and departments being under budget for the year.

The Capital Projects Fund has total fund balance of $649,074, all of which is restricted for capital outlay. The increase is from revenues being more than expenditures for the year.

The 2013 SPLOST fund has a total fund balance of $6,558,747, all of which is restricted for capital outlay. The net increase in fund balance of $2,183,544 during the current year was the result of revenues being collected to complete projects funded by special purpose local option sales taxes in future years before the projects occurred.

The 2007 SPLOST fund has a total fund balance of $4,626,013, all of which is restricted for capital outlay. The County began receiving revenue from this tax in fiscal year 2007 and the decrease of $1,552,503 was the result of utilizing revenue collected in prior years for capital projects.

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Solid Waste Fund at the end of the current year amounted to $353,927, an increase of $148,972 from the prior year. Operating revenues were approximately $300,000 more than the prior year. Operating expenses were approximately $425,000 less than the prior year because of increased efficiency and a decrease in cost of services provided.

GENERAL FUND BUDGETARY HIGHLIGHTS

Generally, budget amendments fall into one of the following categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services.

The actual revenues of the General Fund were less than final budgeted amounts by $123,973 for the current year. The major factors contributing to this difference was receiving less miscellaneous revenue than budgeted.

The actual expenditures of the General Fund were less than final budgeted amounts by $1,701,048 for the current year. The major factors contributing to this difference were the net positive variances in budgeted expenditures for general government, judicial, public safety and roads & bridges.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. As of June 30, 2015, the County's investment in capital assets for its governmental and business-type activities amounts to $59,386,315 (net of depreciation). This investment includes land, buildings and improvements, machinery and equipment, infrastructure, and construction in progress. Construction in progress was retained in the 2007 SPLOST fund and Capital Projects fund and as those projects are completed they are transferred to the appropriate capital asset category. The net decrease in the County's investment in capital assets for the current fiscal year was $1,806,479 or 0.64 percent (a 2.99 percent decrease for governmental activities and a 0.01 percent increase for business-type activities).

Major capital asset transactions during the year included the purchase of a new garbage truck for Residential Waste, a bull dozer, loader and 2 dump trucks for Roads & Bridges, an ambulance for EMS, and 6 patrol cars for the Sheriff. Refer to Note 6 of the Notes to Financial Statements on pages 46 and 47 for additional information on capital assets.

Long-term debt. At the end of the current year, the County had one outstanding loan in the amount of $1,813,688 secured by a building. The County also has capital leases with a balance of $324,837 at year end. The building loan is for a building that is leased to the Georgia Department of Human Services. The rent payments from the Georgia Department of Human Services are pledged for the debt service payments of the building loan. The capital leases are secured by a van, a wheeled loader, and a phone system. Refer to Note 7 of the Notes to Financial Statements on pages 48 through 50 for additional information on long-term debt.

NEXT YEAR'S BUDGET

The 2016 General Fund budget contains total expenditures of $21,063,559, a 0.03% increase over the 2015 final budgeted amounts. The County appropriated $500,000 of unassigned fund balance to fund the 2016 fiscal year expenditures.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of Colquitt County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Colquitt County Finance Director, P. O. Box 517, Moultrie, Georgia 31776 – 0517.

COLQUITT COUNTY, GEORGIA

STATEMENT OF NET POSITION

JUNE 30, 2015

	Primary Government		
ASSETS	**Governmental Activities**	**Business-type Activities**	**Total**
Cash and cash equivalents	$ 11,949,559	$ 1,246,083	$ 13,195,642
Investments	16,411,329	-	16,411,329
Taxes receivable	468,538	-	468,538
Accounts receivable	259,818	100,962	360,780
Internal balances	678,149	(678,149)	-
Due from other governments	95,843	-	95,843
Due from primary government	-	-	-
Prepaid items	59,683	3,450	63,133
Restricted cash	53,087	-	53,087
Capital assets, non-depreciable	2,932,063	573,485	3,505,548
Capital assets, depreciable, net of accumulated depreciation	55,255,863	624,904	55,880,767
Total assets	88,163,932	1,870,735	90,034,667
DEFERRED OUTFLOWS OF RESOURCES			
County contributions subsequent to the measurement date	786,809	50,828	837,637
Net differences between projected and actual earnings on pension plan investments	92,679	5,987	98,666
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	-	-
Total deferred inflows of resources	879,488	56,815	936,303
LIABILITIES			
Accounts payable	940,394	122,337	1,062,731
Accrued liabilities	441,439	426	441,865
Due to other governments	490,847	-	490,847
Due to component units	19,158	-	19,158
Unearned revenues	45,587	-	45,587
Capital leases due within one year	49,360	29,515	78,875
Capital leases due in more than one year	153,928	92,034	245,962
Notes payable due within one year	388,923	-	388,923
Notes payable due in more than one year	1,424,765	-	1,424,765
Compensated absences due within one year	202,770	9,564	212,334
Compensated absences due in more than one year	50,692	2,391	53,083
Net pension liability	3,723,130	240,516	3,963,646
Total liabilities	7,930,993	496,783	8,427,776
DEFERRED INFLOWS OF RESOURCES			
Net differences between projected and actual earnings on pension plan investments	-	-	-
Total deferred inflows of resources	-	-	-
NET POSITION			
Net investment in capital assets	56,170,950	1,076,840	57,247,790
Restricted for:			
Judicial	23,959	-	23,959
Public safety	506,033	-	506,033
Economic development	910,942	-	910,942
Capital outlay	13,642,021	-	13,642,021
Special use	-	-	-
Unrestricted	9,858,522	353,927	10,212,449
Total net position	$ 81,112,427	$ 1,430,767	$ 82,543,194

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

Component Units	
Colquitt County Health Department	Moultrie - Colquitt County Library
$ 879,247	$ 1,045,945
-	175,283
-	-
825	-
-	-
92,429	-
19,158	-
-	-
-	-
-	-
21,000	715
1,012,659	1,221,943
171,346	-
-	-
3,404	-
174,750	-
29,438	4,531
32	11,882
-	-
-	-
-	-
-	-
-	-
-	-
-	-
9,871	-
88,833	-
1,263,696	-
1,391,870	16,413
308,429	-
308,429	-
21,000	715
-	-
-	-
-	-
-	-
791,435	-
(1,325,325)	1,204,815
$ (512,890)	$ 1,205,530

COLQUITT COUNTY, GEORGIA

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 3,640,254	$ 1,618,570	$ 207,406	$ 507
Judicial	2,730,643	148,951	-	17
Public safety	11,672,454	3,186,843	187,058	4,382
Public works	8,477,301	88,836	-	825,334
Health and welfare	488,387	-	-	-
Culture and recreation	1,179,259	-	-	-
Housing and development	465,938	-	-	-
Interest on long-term debt	107,631	-	-	-
Total governmental activities	28,761,867	5,043,200	394,464	830,240
Business-type activities:				
Solid waste	2,222,683	2,881,040	-	-
Total business-type activities	2,222,683	2,881,040	-	-
Total primary government	$ 30,984,550	$ 7,924,240	$ 394,464	$ 830,240
Component units:				
Colquitt County Health Department	$ 2,214,771	$ 895,542	$ 1,345,100	$ -
Moultrie - Colquitt County Library	722,229	123,592	643,084	-
Total component units	$ 2,937,000	$ 1,019,134	$ 1,988,184	$ -
General revenues:				
Property taxes				
Sales taxes				
Business taxes				
Other taxes				
Unrestricted investment earnings				
Gain on sale of capital assets				
Total general revenues				
Change in net position				
Net position, (deficit) beginning of year, as restated				
Net position, (deficit) end of year				

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

Net (Expenses) Revenues and Changes in Net Position					
				Component Units	
Governmental Activities	Business-type Activities	Total	Colquitt County Health Department	Moultrie - Colquitt County Library
$ (1,813,771)	$ -	$ (1,813,771)	$ -	$ -
(2,581,675)	-	(2,581,675)	-	-
(8,294,171)	-	(8,294,171)	-	-
(7,563,131)	-	(7,563,131)	-	-
(488,387)	-	(488,387)	-	-
(1,179,259)	-	(1,179,259)	-	-
(465,938)	-	(465,938)	-	-
(107,631)	-	(107,631)	-	-
(22,493,963)	-	(22,493,963)	-	-
-	658,357	658,357	-	-
-	658,357	658,357	-	-
$ (22,493,963)	$ 658,357	$ (21,835,606)	$ -	$ -
$ -	$ -	$ -	$ 25,871	$ -
-	-	-	-	44,447
$ -	$ -	$ -	$ 25,871	$ 44,447
$ 16,448,390	$ -	$ 16,448,390	$ -	$ -
5,407,585	-	5,407,585	-	-
1,508,708	-	1,508,708	-	-
248,638	-	248,638	-	-
27,895	808	28,703	-	1,997
156,328	66,415	222,743	-	-
23,797,544	67,223	23,864,767	-	1,997
1,303,581	725,580	2,029,161	25,871	46,444
79,808,846	705,187	80,514,033	(538,761)	1,159,086
$ 81,112,427	$ 1,430,767	$ 82,543,194	$ (512,890)	$ 1,205,530

COLQUITT COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS

JUNE 30, 2015

ASSETS	General	Capital Projects Fund	2013 SPLOST Fund	2007 SPLOST Fund
Cash and cash equivalents	$ 7,568,899	$ 588,627	$ 84,945	$ 1,260,306
Investments	5,532,677	-	6,794,343	3,615,472
Taxes receivable	4,983	-	462,780	-
Accounts receivable	131,174	-	-	-
Due from other funds	1,518,083	44,409	-	-
Due from other governments	77,326	16,038	-	-
Prepaid items	58,923	-	-	-
Restricted cash	53,087	-	-	-
Total assets	$ 14,945,152	$ 649,074	$ 7,342,068	$ 4,875,778
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 393,673	$ -	$ 72,229	$ 12,354
Accrued expenditures	432,890	-	-	-
Due to other funds	656,972	-	293,711	237,411
Due to other governments	32,911	-	417,381	-
Due to component unit	19,158	-	-	-
Unearned revenue	45,587	-	-	-
Total liabilities	1,581,191	-	783,321	249,765
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	4,040	-	-	-
Total deferred inflows of resources	4,040	-	-	-
FUND BALANCES				
Nonspendable:				
Prepaid items	58,923	-	-	-
Restricted for:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	-	-
Capital outlay	-	649,074	6,558,747	4,626,013
Committed to:				
Retirement benefits	200,000	-	-	-
Assigned for:				
Budgetary stabilization	500,000	-	-	-
Unassigned	12,600,998	-	-	-
Total fund balances	13,359,921	649,074	6,558,747	4,626,013
Total liabilities, deferred inflows of resources, and fund balances	$ 14,945,152	$ 649,074	$ 7,342,068	$ 4,875,778

Amounts reported for governmental activities in the statement of net position are different because:

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

Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred inflows of resources in the funds.

Deferred outflows of resources related to the net difference between projected and actual earnings on pension plan investments and contributions subsequent to the measurement date are not available to pay for current resources and, therefore, are not reported in the governmental funds.

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities.

The net pension liability is not due and payable in the current period and, therefore, is not reported in governmental funds.

Net position of governmental activities

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

Nonmajor Governmental Funds	Total
$ 2,399,083	$ 11,901,860
467,721	16,410,213
775	468,538
128,644	259,818
889,479	2,451,971
2,479	95,843
760	59,683
-	53,087
$ 3,888,941	$ 31,701,013
$ 6,937	$ 485,193
-	432,890
591,568	1,779,662
40,555	490,847
-	19,158
-	45,587
639,060	3,253,337
-	4,040
-	4,040
760	59,683
23,959	23,959
506,033	506,033
910,942	910,942
1,808,187	13,642,021
-	200,000
-	500,000
-	12,600,998
3,249,881	28,443,636
$ 3,888,941	
	58,187,926
	4,040
	879,488
	(2,278,987)
	(400,546)
	(3,723,130)
	$ 81,112,427

COLQUITT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	General	Capital Projects Fund	2013 SPLOST Fund	2007 SPLOST Fund
Revenues:				
Property taxes	$ 14,525,788	$ -	$ -	$ -
Sales taxes	-	-	5,407,585	-
Business taxes	1,508,708	-	-	-
Other taxes	248,638	-	-	-
Licenses and permits	176,621	-	-	-
Intergovernmental	207,406	809,695	-	-
Charges for services	2,550,016	-	-	-
Fines and forfeitures	599,805	-	-	-
Interest income	26,475	750	10,528	8,449
Other revenues	800,440	-	-	-
Total revenues	20,643,897	810,445	5,418,113	8,449
Expenditures:				
Current:				
General government	3,526,644	-	-	-
Judicial	2,513,926	-	-	-
Public safety	8,617,365	-	-	-
Public works	3,273,375	-	-	-
Health and welfare	327,550	-	-	-
Culture and recreation	432,911	-	-	-
Housing and development	185,132	-	-	-
Intergovernmental payments	-	18,868	2,152,561	95,516
Capital outlay	-	527,275	1,082,006	1,465,436
Debt service:				
Principal	374,496	-	-	-
Interest	104,979	-	-	-
Total expenditures	19,356,378	546,143	3,234,567	1,560,952
Excess (deficiency) of revenues over (under) expenditures	1,287,519	264,302	2,183,546	(1,552,503)
Other financing sources (uses):				
Proceeds from sale of capital assets	154,618	9,305	-	-
Transfers in	170,000	15,883	-	-
Transfers out	(15,883)	-	-	-
Total other financing sources (uses)	308,735	25,188	-	-
Net change in fund balances	1,596,254	289,490	2,183,546	(1,552,503)
Fund balances, beginning of year	11,763,667	359,584	4,375,201	6,178,516
Fund balances, end of year	$ 13,359,921	$ 649,074	$ 6,558,747	$ 4,626,013

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

Nonmajor Governmental Funds	Total
$ 1,926,009	$ 16,451,797
-	5,407,585
-	1,508,708
-	248,638
-	176,621
187,058	1,204,159
675,577	3,225,593
240,741	840,546
2,212	48,414
26	800,466
3,031,623	29,912,527
-	3,526,644
12,827	2,526,753
1,637,885	10,255,250
-	3,273,375
7,490	335,040
662,493	1,095,404
244,585	429,717
-	2,266,945
4,054	3,078,771
43,234	417,730
4,032	109,011
2,616,600	27,314,640
415,023	2,597,887
-	163,923
280,587	466,470
(450,587)	(466,470)
(170,000)	163,923
245,023	2,761,810
3,004,858	25,681,826
$ 3,249,881	$ 28,443,636

COLQUITT COUNTY, GEORGIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	2,761,810
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between depreciation expense and capital outlay in the current period.		(1,953,706)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(7,595)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(3,407)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources. Neither transaction, however, has any effect on net position. This is the amount of principal payments made on long-term debt.		417,730
The internal service fund is used by management to charge the cost of employee health insurance to individual funds. The net expense of the internal service fund is reported with governmental activities.		(127,775)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		216,524
Net change in net position - governmental activities	$	1,303,581

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (GAAP) BASIS AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Property taxes	$ 13,741,000	$ 13,741,000	$ 14,525,788	$ 784,788
Business taxes	1,390,000	1,390,000	1,508,708	118,708
Other taxes	245,000	245,000	248,638	3,638
Licenses and permits	140,900	140,900	176,621	35,721
Intergovernmental	255,000	255,000	207,406	(47,594)
Charges for services	2,600,800	2,600,800	2,550,016	(50,784)
Fines and forfeitures	665,000	665,000	599,805	(65,195)
Interest income	20,000	20,000	26,475	6,475
Miscellaneous	1,418,350	1,710,170	800,440	(909,730)
Total revenues	20,476,050	20,767,870	20,643,897	(123,973)
Expenditures:				
Current:				
General government:				
County commissioners	218,071	223,071	219,959	3,112
Administrator and county clerk	209,941	210,561	202,774	7,787
Registrar	66,091	66,091	60,824	5,267
Finance	461,588	483,188	402,329	80,859
Purchasing	97,423	98,423	68,774	29,649
Legal services	40,000	80,000	65,559	14,441
Information systems	135,096	138,165	124,358	13,807
Human resources	170,144	173,144	119,636	53,508
Tax commissioner	504,288	504,288	500,152	4,136
Tax assessor	596,996	625,524	590,559	34,965
Risk management	280,000	280,000	223,223	56,777
Technical maintenance	802,161	869,081	826,299	42,782
General administration	331,200	281,191	122,198	158,993
Total general government	3,912,999	4,032,727	3,526,644	506,083
Judicial:				
Superior court	244,026	244,026	200,125	43,901
Substance abuse/mental health court	155,580	155,580	150,505	5,075
Clerk of courts	614,890	622,898	577,151	45,747
District attorney	307,532	307,532	306,993	539
State court	274,102	274,602	266,394	8,208
Magistrate court	262,981	263,181	262,591	590
Probate court	312,841	315,011	254,612	60,399
Juvenile court	148,652	236,652	183,468	53,184
Public defender	316,532	317,282	312,087	5,195
Total judicial	2,637,136	2,736,764	2,513,926	222,838

(Continued)

COLQUITT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (GAAP) BASIS AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Current: (Continued)				
Public safety:				
Law enforcement administration	$ 742,622	$ 743,072	$ 584,772	$ 158,300
Criminal investigation	380,474	380,474	371,913	8,561
Drug enforcement team	381,854	394,054	362,137	31,917
Uniform patrol	1,183,104	1,183,104	1,163,088	20,016
Records and identification	125,060	125,060	106,097	18,963
Youth investigations	335,229	335,229	319,850	15,379
Jail	3,258,046	3,267,546	3,252,138	15,408
Court services	348,472	348,472	301,781	46,691
Correctional institute	1,847,858	1,934,846	1,840,237	94,609
Ambulance services	256,000	256,000	188,565	67,435
Coroner	58,149	58,149	47,551	10,598
Animal control	65,014	65,014	63,803	1,211
Emergency management	18,247	20,247	15,433	4,814
Total public safety	9,000,129	9,111,267	8,617,365	493,902
Public works:				
Roads and bridges	3,259,442	3,339,602	2,929,332	410,270
Shop	347,695	354,077	344,043	10,034
Total public works	3,607,137	3,693,679	3,273,375	420,304
Health and welfare:				
Public health administration	229,900	229,900	229,900	-
Mental health	10,000	10,000	10,000	-
Welfare administration	71,162	71,162	44,061	27,101
Welfare general assistance	42,500	45,500	43,589	1,911
Total health and welfare	353,562	356,562	327,550	29,012
Culture and recreation:				
Museum	11,400	11,400	11,400	-
Library	421,511	421,511	421,511	-
Total culture and recreation	432,911	432,911	432,911	-
Housing and development:				
Agricultural resources - county agents	194,076	194,076	166,695	27,381
Forestry resources	16,500	16,500	16,500	-
Economic development	1,600	1,940	1,937	3
Total housing and development	212,176	212,516	185,132	27,384

(Continued)

COLQUITT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET (GAAP) BASIS AND ACTUAL GENERAL FUND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Current: (Continued)				
Debt service:				
Principal	$ 376,000	$ 376,000	$ 374,496	$ 1,504
Interest	105,000	105,000	104,979	21
Total debt service	481,000	481,000	479,475	1,525
Total expenditures	20,637,050	21,057,426	19,356,378	1,701,048
Excess (deficiency) of revenues over (under) expenditures	(161,000)	(289,556)	1,287,519	1,577,075
Other financing sources (uses):				
Proceeds from sale of capital assets	10,000	143,650	154,618	10,968
Transfers in	170,000	170,000	170,000	-
Transfers out	(19,000)	(24,094)	(15,883)	8,211
Total other financing sources (uses)	161,000	289,556	308,735	19,179
Net change in fund balances	-	-	1,596,254	1,596,254
Fund balance, beginning of year	11,763,667	11,763,667	11,763,667	-
Fund balance, end of year	$ 11,763,667	$ 11,763,667	$ 13,359,921	$ 1,596,254

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS

JUNE 30, 2015

	Major Enterprise Fund Solid Waste Fund	Governmental Activities- Internal Service Funds
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	$ 1,246,083	$ 47,699
Investments	-	1,116
Accounts receivable, net of allowances	100,962	-
Due from other funds	-	5,840
Prepaid items	3,450	-
Total current assets	1,350,495	54,655
NONCURRENT ASSETS		
Capital assets:		
Nondepreciable	573,485	-
Depreciable, net of accumulated depreciation	624,904	-
Total noncurrent assets	1,198,389	-
Total assets	2,548,884	54,655
DEFERRED OUTFLOWS OF RESOURCES		
County contributions subsequent to the measurement date	50,828	-
Net differences between projected and actual earnings on pension plan investments	5,987	-
Total deferred inflows of resources	56,815	-
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable	$ 122,337	$ 15,201
Claims payable	-	440,000
Accrued expenses	426	-
Due to other funds	678,149	-
Current portion - compensated absences	9,564	-
Current portion - capital lease	29,515	-
Total current liabilities	839,991	455,201
LONG-TERM LIABILITIES		
Compensated absences, net of current portion	2,391	-
Capital lease, net of current portion	92,034	-
Net pension liability	240,516	-
Total long-term liabilities	334,941	-
Total liabilities	1,174,932	455,201
NET POSITION (DEFICIT)		
Net investment in capital assets	1,076,840	-
Unrestricted (deficit)	353,927	(400,546)
Total net position (deficit)	$ 1,430,767	$ (400,546)

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Major Enterprise Fund Solid Waste Fund	Governmental Activities- Internal Service Funds
OPERATING REVENUES		
Charges for services	$ 2,813,797	$ 4,108,792
Miscellaneous	67,243	320
Total operating revenues	2,881,040	4,109,112
OPERATING EXPENSES		
Salaries and benefits	780,195	-
Cost of sales and services	1,018,441	179,489
Supplies	224,627	5,505
Claims	-	3,383,571
Insurance	-	23,076
Administration	91,174	645,248
Depreciation	99,733	-
Total operating expenses	2,214,170	4,236,889
Operating income (loss)	666,870	(127,777)
NONOPERATING INCOME (EXPENSE)		
Interest income	808	2
Interest expense	(8,513)	-
Gain on sale of assets	66,415	-
Total nonoperating income (expense)	58,710	2
Change in net position	725,580	(127,775)
NET POSITION (DEFICIT), beginning of year, as restated	705,187	(272,771)
NET POSITION (DEFICIT), end of year	$ 1,430,767	$ (400,546)

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Major Enterprise Fund Solid Waste Fund	Governmental Activities- Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and users	$ 3,257,366	$ 4,158,649
Payments to suppliers	(1,290,119)	(830,465)
Payments for insurance claims	-	(3,396,647)
Payments to employees	(794,394)	-
Net cash provided by (used in) operating activities	1,172,853	(68,463)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(320,176)	-
Principal paid on capital lease	(261,299)	-
Proceeds from sale of assets	170,834	-
Interest paid	(10,727)	-
Net cash used in capital and related financing activities	(421,368)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments	-	(2)
Interest on investments	808	2
Net cash provided by investing activities	808	-
Net increase (decrease) in cash and cash equivalents	752,293	(68,463)
Cash and cash equivalents:		
Beginning of year	493,790	116,162
End of year	$ 1,246,083	$ 47,699

(Continued)

COLQUITT COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Major Enterprise Fund Solid Waste Fund	Governmental Activities- Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:		
Operating income (loss)	$ 666,870	$ (127,777)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
Depreciation expense	99,733	-
Decrease in accounts receivable	19,461	49,538
Increase in due from other funds	-	(1)
Decrease in prepaid items	46,023	-
Increase in deferred outflows related to pension items	(5,985)	-
Decrease in accounts payable	(1,900)	(223)
Increase in claims payable	-	10,000
Increase in due to other funds	356,865	-
Increase in compensated absences	1,385	-
Decrease in net pension liabilty	(9,599)	-
Net cash provided by (used in) operating activities	$ 1,172,853	$ (68,463)

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

COLQUITT COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS

JUNE 30, 2015

	Agency Funds
ASSETS	
Cash	$ 1,109,346
Taxes receivable	7,382
Total assets	$ 1,116,728
LIABILITIES	
Due to others	$ 1,109,346
Uncollected taxes	7,382
Total liabilities	$ 1,116,728

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

Colquitt County was created on February 25, 1856 under the laws of the State of Georgia. The County operates under a commission-administrator form of government, and provides the following services: public safety (police and fire), courts, public works, culture and recreation, public health and welfare, and general administrative services.

Based upon criteria set forth by Governmental Accounting Standards Board (GASB) Statement 14, "The Financial Reporting Entity" and Statement 61 "The Financial Reporting Entity: Omnibus on Amendment of GASB Statements No. 14 and 34", the financial statements of the reporting entity include those of Colquitt County, Georgia (the "primary government") and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

Discretely Presented Component Units

The Colquitt County Health Department (the "Board of Health") is governed by a seven-member board consisting of four members appointed by the County Commissioners. The County provides funding annually in an amount sufficient to satisfy the local matching funds as required by the Georgia Department of Human Resources. The County has the authority to modify and approve the Board of Health's budget and the ability to approve health service fees. The Board of Health has a June 30th year-end.

The Board of Health's financial statements can be obtained by writing to the Colquitt County Health Department, P.O. Box 639, Moultrie, Georgia 31776.

The Moultrie-Colquitt County Library provides public library services with funding primarily by participating local governmental agencies and grants from the State of Georgia. The County appoints a majority of the Library's Board members and provides a majority of funding for its operations. Separate financial statements are not issued.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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

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

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and the fiduciary fund financial statements, although the agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the 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 service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The County reports the following major governmental funds:

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

The ***Capital Projects Fund*** is used to account for the County's construction projects.

The ***2013 SPLOST Fund*** is a capital projects fund used to account for the County's receipt and expenditure of special purpose sales tax from the 2013 sales tax referendum.

The ***2007 SPLOST Fund*** is a capital projects fund used to account for the County's receipt and expenditure of special purpose sales tax from the 2007 sales tax referendum.

The County reports the following major proprietary fund:

The ***Solid Waste Fund*** is used to account for the operations related to the County's solid waste collections.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for specific revenues that are legally either restricted or committed to expenditures for particular purposes.

The ***capital project funds*** account for the acquisition or construction of capital facilities.

The ***internal service fund*** accounts for a self-insured program for health insurance. This Fund was created to accommodate the payment of claims and administrative expenses for the self-insured program.

The ***agency funds*** are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals, such as cash bonds, traffic fines, support payments and ad valorem and property taxes.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the County's solid waste function and various other functions of the County. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (Continued)

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

D. Cash, Cash Equivalents and Investments

The County considers highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

State statutes authorize the County to invest in obligations of the State of Georgia or other states, obligations issued by the U.S. Government, obligations fully insured or guaranteed by the U.S. Government or by a government agency of the United States, prime bankers' acceptances, the local government investment pool established by state law, repurchase agreements and obligations of other political subdivisions of the State of Georgia.

The investment in the Georgia Fund 1 represents the County's portion of a pooled investment account operated by the office of the State treasurer. The pool consists of U.S. Treasury obligations, securities issued or guaranteed by the U.S. Government or any of its agencies or instrumentalities, banker's acceptances, overnight and term repurchase agreements with highly rated counterparties, and collateralized bank accounts. The investment in the Georgia Fund 1 is valued at fair market value.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. For the most part, the effect of interfund activity has been removed from the government-wide statement of net position. Any residual balances outstanding between the governmental and business-type activities are reported in the government-wide statement of net position as “internal balances.” In the major fund balance sheets, these receivables and payables are classified as “due from other funds” and “due to other funds” (i.e., current portion of interfund loans) or advances to/from other funds (i.e., the non-current portion of interfund loans).

F. Prepaid Items

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

G. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. In accordance with GASB 34, infrastructure assets acquired after June 30, 1980 have been capitalized. Capital assets are defined by the County as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend useful lives are expensed as incurred.

Major outlays for capital assets and major improvements are capitalized as projects are constructed. Interest incurred during the construction period of capital assets is included as part of the capitalized value of the assets constructed. No interest expense was capitalized during the fiscal year ended June 30, 2015.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

Capital assets are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Primary Government	
Buildings	25 - 40
Infrastructure	40
Machinery and equipment	5 - 10
Colquitt County Board of Health	
Machinery and equipment	5 - 10
Moultrie-Colquitt County Library	
Machinery and equipment	5 - 10

H. 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 County does not have a policy to pay any amounts when the employees separate from service with the County. Therefore, all sick pay is expensed when incurred. The County does allow for employees to accumulate earned but unused vacation time with such time being fully vested when earned. For the County's government-wide funds, an expense and a liability for compensated absences and the salary-related payments are recorded as the leave is earned. 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.

I. 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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as expenses in the year the debt is issued.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. Long-Term Obligations (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on the issue are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net 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(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County does not have any items that qualify for reporting in this category, other than the items related to the changes in the net pension liability which are discussed below.

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

The County also has deferred outflows related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of plan members. These experience gains or losses are recorded as deferred outflows of resources and are amortized into pension expense over the expected remaining service lives of plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five year period.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Colquitt County, Georgia Retirement Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

L. Fund Equity and Net Position

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

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

- ***Nonspendable*** - Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- ***Restricted*** - Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- ***Committed*** - Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment by passage of a subsequent ordinance.
- ***Assigned*** - Fund balances are reported as assigned when amounts are constrained by the County’s intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County Administrator to assign fund balances for particular purposes.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Fund Equity and Net Position (Continued)

- ***Unassigned*** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances (or deficits of fund balances) may be reported in all funds when there are fund deficits after all other spendable forms of fund balance have been exhausted.

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

Net Position - Net position represents the difference between assets/deferred outflows of resources and liabilities/deferred inflows of resources in reporting which utilizes the economic resources measurement focus. Net position invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Restrictions on the government-wide statement of net position respresent amount segregaed to meet debt covenants and capital projects as restricted by Federal and State laws.

M. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred inflows or resources, deferred outflow of resources, and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from these estimates.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $2,278,987 difference are as follows:

Notes payable	$ (1,813,688)
Capital leases	(203,288)
Accrued interest	(8,549)
Compensated absences	(253,462)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position* - governmental activities	$ (2,278,987)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their useful lives and reported as depreciation expense." The details of this $1,953,706 difference are as follows:

Capital outlay	$ 1,252,747
Depreciation expense	(3,206,453)
Net adjustment to decrease *net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities*	$ (1,953,706)

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS (CONTINUED)

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities (Continued)

Another element of that reconciliation explains that "Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds." The details of this $216,524 difference are as follows:

Accrued interest	$	1,380
Change in net pension liability and related deferred outflows of resources		241,242
Compensated absences		(26,098)
Net adjustment to increase *net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities*	$	216,524

NOTE 3. BUDGETS AND BUDGETARY ACCOUNTING

Budget Policies

Formal budgetary accounting is employed as a management control device for the General Fund and special revenue funds. Annual operating budgets are adopted each fiscal year through passage of an annual budget ordinance and amended as required for all governmental funds. The GAAP basis of accounting is used in preparing the budgets of all budgeted funds. The GAAP basis of accounting is used to reflect actual revenues and expenditures/expenses recognized which is not consistent with accounting principles generally accepted in the United States of America. Budgets for Capital Project Funds are adopted on a project length basis, spanning more than one fiscal year. Budgetary control is exercised at the departmental level or by projects.

NOTE 3. BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

Budget Process

The County distributes budget forms to all department managers for their preparation and the requests are submitted to the Finance Director. The department budgets are formed during the various work sessions that include the department managers, elected officials, the Finance Director and the County Administrator. Prior to June 1, the County Administrator submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public notice of budget and tax proposals is provided in compliance with State of Georgia law. Public hearings are conducted to obtain taxpayer comments. Prior to July 1, the final budget is adopted by the County Commission.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by Colquitt County.

Excess of Expenditures Over Appropriations

For the year ended June 30, 2015, there were no expenditures which exceeded budget.

NOTE 4. DEPOSITS AND INVESTMENTS

At June 30, 2015, the County had the following investments:

Investments	Maturities	Rating	Fair Value
Primary government:			
Amounts as presented in the entity-wide statement of net assets:			
Certificates of deposit	7 months weighted average	N/A	$ 8,523,424
Georgia Fund 1	56 days weighted average	AAAf	7,887,905
Component unit: Moultrie - Colquitt County Library			
Certificates of deposit	1 month weighted average	N/A	175,283
Total			$ 16,586,612

Interest Rate Risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U.S. government or by a government agency of the United States; obligations of any corporation of the U.S. government; prime bankers' acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial Credit Risk – Deposits. The County does not have a formal custodial credit risk policy. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2015, the County had no uncollateralized deposits.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

Interest Rate Risk – Colquitt County Health Department. The Board of Health does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – Deposits – Colquitt County Health Department. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Board of Health will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2015, the Health Department did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

NOTE 5. RECEIVABLES

Receivables at June 30, 2015, for the County's individual major and nonmajor funds in the aggregate are as follows:

	General	2013 SPLOST Fund	Nonmajor Governmental Funds	Solid Waste Fund	Total
Receivables:					
Taxes	$ 7,422	$ 462,780	$ 775	$ -	$ 470,977
Accounts	131,174	-	128,644	722,640	982,458
Gross receivables	138,596	462,780	129,419	722,640	1,453,435
Less allowance for uncollectibles	(2,439)	-	-	(621,678)	(624,117)
Net receivables	$ 136,157	$ 462,780	$ 129,419	$ 100,962	$ 829,318

Property taxes were levied on October 1, 2014. Bills are payable on or before December 10, 2014, after which the applicable property is subject to lien and penalties and interest as assessed. The County bills and collects its own property taxes. Property taxes levied for 2014 are recorded as receivables, net of estimated uncollectibles. The net receivables collected during the fiscal year ended June 30, 2015, and collected by August 31, 2015, are recognized as revenues in the fiscal year ended June 30, 2015. Net receivables estimated to be collected subsequent to August 31, 2015 are recorded as revenue when received. Prior year levies were recorded using substantially the same principles, and remaining receivables are reevaluated annually. Property taxes attached as an enforceable lien on property as of January 1, 2014.

NOTE 6. CAPITAL ASSETS

A. Primary Government

Capital asset activity for the fiscal year ended June 30, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land and improvements	$ 2,904,577	$ -	$ -	$ -	$ 2,904,577
Construction in progress	27,486	-	-	-	27,486
Total capital assets, not being depreciated	2,932,063	-	-	-	2,932,063
Capital assets, being depreciated:					
Buildings	37,796,180	17,995	-	-	37,814,175
Infrastructure	58,397,175	45,967	-	-	58,443,142
Machinery and equipment	12,072,300	1,188,785	(631,119)	-	12,629,966
Total capital assets, being depreciated	108,265,655	1,252,747	(631,119)	-	108,887,283
Less accumulated depreciation for:					
Buildings	(19,064,509)	(1,046,621)	-	-	(20,111,130)
Infrastructure	(22,147,856)	(1,465,506)	-	-	(23,613,362)
Machinery and equipment	(9,836,126)	(694,326)	623,524	-	(9,906,928)
Total accumulated depreciation	(51,048,491)	(3,206,453)	623,524	-	(53,631,420)
Total capital assets, being depreciated, net	57,217,164	(1,953,706)	(7,595)	-	55,255,863
Governmental activities capital assets, net	$ 60,149,227	$ (1,953,706)	$ (7,595)	$ -	$ 58,187,926
Business-type Activities:					
Capital assets, not being depreciated:					
Land	$ 573,485	$ -	$ -	$ -	$ 573,485
Total capital assets, not being depreciated	573,485	-	-	-	573,485
Capital assets, being depreciated:					
Equipment and vehicles	1,553,750	320,176	(338,731)	-	1,535,195
Total	1,553,750	320,176	(338,731)	-	1,535,195
Less accumulated depreciation for:					
Equipment and vehicles	(1,044,870)	(99,733)	234,312	-	(910,291)
Total	(1,044,870)	(99,733)	234,312	-	(910,291)
Total capital assets, being depreciated, net	508,880	220,443	(104,419)	-	624,904
Business-type activities capital assets, net	$ 1,082,365	$ 220,443	$ (104,419)	$ -	$ 1,198,389

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

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

Governmental activities:	
General government	$ 219,119
Judicial	205,630
Public safety	772,767
Public works	1,738,816
Health and welfare	153,347
Culture and recreation	83,855
Housing and development	32,919
Total depreciation expense - governmental activities	$ 3,206,453

B. Discretely Presented Component Unit – Colquitt County Health Department

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Machinery and equipment	$ 88,673	$ -	$ -	$ 88,673
Total capital assets, being depreciated	88,673	-	-	88,673
Less accumulated depreciation for:				
Machinery and equipment	(66,273)	(1,400)	-	(67,673)
Total accumulated depreciation	(66,273)	(1,400)	-	(67,673)
Total capital assets, net	$ 22,400	$ (1,400)	$ -	$ 21,000

C. Discretely Presented Component Unit – Moultrie – Colquitt County Library

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, being depreciated:				
Machinery and equipment	$ 31,421	$ -	$ -	$ 31,421
Total capital assets, being depreciated	31,421	-	-	31,421
Less accumulated depreciation for:				
Machinery and equipment	(29,276)	(1,430)	-	(30,706)
Total accumulated depreciation	(29,276)	(1,430)	-	(30,706)
Total capital assets, net	$ 2,145	$ (1,430)	$ -	$ 715

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2015:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable	$ 2,183,001	$ -	$ (369,313)	$ 1,813,688	$ 388,923
Capital lease payable	251,705	-	(48,417)	203,288	49,360
Compensated absences	227,364	207,989	(181,891)	253,462	202,770
Net pension liability	3,871,729	1,665,920	(1,814,519)	3,723,130	-
Governmental activities long-term liabilities	$ 6,533,799	$ 1,873,909	$ (2,414,140)	$ 5,993,568	$ 641,053
Business-type activities:					
Capital lease payable	$ 382,848	$ -	$ (261,299)	$ 121,549	$ 29,515
Compensated absences	10,570	14,400	(13,015)	11,955	9,564
Net pension liability	250,115	107,618	(117,217)	240,516	-
Business-type activities long-term liabilities	$ 643,533	$ 122,018	$ (391,531)	$ 374,020	$ 39,079
Colquitt County Health Department:					
Compensated absences	$ 98,759	$ -	$ (55)	$ 98,704	$ 9,871
Health Department long-term liabilities	$ 98,759	$ -	$ (55)	$ 98,704	$ 9,871

Compensated absences. For governmental funds, compensated absences are liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Solid Waste Fund. For the Colquitt County Health Department, compensated absences are liquidated by the Health Department.

Notes payable. The County has incurred debt to a local financial institution for a building and equipment purchases. These notes are as follows at June 30, 2015:

Purpose	Original Amount	Interest Rate	Due Date	Balance at June 30, 2015
Building purchase	$ 5,052,000	5.19%	2020	$ 1,813,688
				1,813,688
			Less current maturities	(388,923)
				$ 1,424,765

NOTE 7. LONG-TERM DEBT (CONTINUED)

Notes payable (Continued)

Annual debt service requirements are as follows:

	Principal	Interest	Total
Fiscal Year Ending June 30,			
2016	$ 388,923	$ 84,883	$ 473,806
2017	409,575	64,232	473,807
2018	431,324	42,483	473,807
2019	454,227	19,580	473,807
2020	129,639	1,175	130,814
	$ 1,813,688	$ 212,353	$ 2,026,041

Capital Leases. The County has entered into a lease agreement as lessee for financing the acquisition of various types of equipment. The lease agreement qualifies as a capital lease for accounting purposes (titles transfer at the end of the lease term) and, therefore, has been recorded at the present value of the future minimum lease payments as of the date of inception. Depreciation on the leased asset under capital lease was $81,579 as of June 30, 2015.

The following is an analysis of leased assets under capital lease as of June 30, 2015:

	Governmental Activities	Business-type Activities
Equipment	$ 251,705	$ 150,500
Less: Accumulated depreciation	(61,512)	(20,067)
	$ 190,193	$ 130,433

NOTE 7. LONG-TERM DEBT (CONTINUED)

Capital Leases (Continued)

The following is a schedule of future minimum lease payments together with the present value of net minimum lease payments as of June 30, 2015:

	Governmental Activities	Business-type Activities
Fiscal Year Ending June 30,		
2016	$ 52,932	$ 31,651
2017	52,932	31,651
2018	52,932	31,650
2019	52,942	31,650
Total minimum lease payments	211,738	126,602
Less: Amount representing interest	(8,450)	(5,053)
Present value of future minimum lease payments	$ 203,288	$ 121,549

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2015, is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	2007 SPLOST Fund	$ 237,411
General Fund	2013 SPLOST Fund	293,711
General Fund	Nonmajor Governmental Funds	308,812
General Fund	Solid Waste Fund	678,149
Capital Projects Fund	General Fund	44,409
Nonmajor Governmental Funds	General Fund	606,723
Internal Service Fund	General Fund	5,840
Nonmajor Governmental Funds	Nonmajor Governmental Funds	282,756
		$ 2,457,811

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

These balances resulted 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. Advances to/from other funds represent amounts not expected to be repaid within one year from the date of the financial statements. The advance will be paid back through increased user charges.

Interfund transfers:

	Transfers Out		
Transfers In	General Fund	Nonmajor Governmental Funds	Total
General Fund	$ -	$ 170,000	$ 170,000
Capital Projects Fund	15,883	-	15,883
Nonmajor Governmental Funds	-	280,587	280,587
Total	$ 15,883	$ 450,587	$ 466,470

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that the statute or budget requires to expend them and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9. RETIREMENT PLANS

A. Defined Contribution Plan – Primary Government

The County maintains a defined contribution plan, the ACCG 457 Deferred Compensation Plan for Colquitt County (the “Plan”). The Plan is administered by GEBCorp. At June 30, 2015, there were 65 active participants. The County does not make any contributions to the Plan. Plan participants can contribute up to the annual ceiling established by the Internal Revenue Service. All contributions vest at the time they are made. All employees are eligible to participate in the Plan. Plan provisions and contribution requirements are established by and may be amended by the Colquitt County Board of Commissioners. For the fiscal year ended June 30, 2015, the County employees contributed $74,376.

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, The Colquitt County Defined Benefit Plan (the Plan), covering substantially all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. Plan benefits are provided for Plan participants who were participants in the Plan before January 1, 2004 whereby retirees receive between 1% and 1.75% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. Plan benefits are provided for Plan participants who were participants in the Plan on or after January 1, 2004 whereby retirees receive 1% multiplied by the average of the highest five consecutive years of earnings multiplied by the total credited years of service. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at **www.gebcorp.com** or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership

As of January 1, 2015, the date of the most recent actuarial valuation date, pension plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	93
Inactive plan members entitled to but not receiving benefits	95
Active plan members	200
	388

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government (Continued)

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of the ACCG Plan has adopted a recommended actuarial funding policy for the plan which meets state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy for the Plan, as adopted by the County Commission, is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. No contributions are made by plan participants. For the year ended June 30, 2015, the County's contribution rate was 15.12% of annual payroll. County contributions and employee contributions to the Plan were $837,675 and $191,146, repectively, for the year ended June 30, 2015.

Net Pension Liability of the County

Effective July 1, 2014, the County implemented the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, which significantly changed the County's accounting for pension amounts. The information disclosed below is presented in accordance with this new standard.

The County's net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as January 1, 2015 with update procedures performed by the actuary to roll forward to the total pension liability measured as of December 31, 2014.

Actuarial Assumptions. The total pension liability in the January 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3%
Salary increases	3% - 5.5%, including inflation
Investment rate of return	7.75 %, net of pension plan investment expense, including inflation

Mortality rates for were based on the RP-2000 Combined Healthy Mortality Table.

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government (Continued)

Net Pension Liability of the County (Continued)

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

The long-term expected rate of return on pension plan investments was determined through a blend of using a building-block method based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. Expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

Asset class	Target Allocation	Long-term expected real rate of return *
Fixed income	30 %	6.78 %
Large Cap equity	30	9.77
International equity	15	7.48
Other equity	20	9.23
Real estate	5	10.63
	100 %	

* Rates shown are net of the 3.00% assumed rate of inflation

Discount Rate. The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that County contributions will be made based on the average County contribution made to the Plan over the prior five years. Based on this assumption, 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 of the projected benefit payments to determine the total pension liability.

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government (Continued)

Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County. The changes in the components of the net pension liability of the County for the year ended June 30, 2015, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2014	$ 16,884,218	$ 12,762,374	$ 4,121,844
Changes for the year:			
Service cost	367,559	-	367,559
Interest	1,237,810	-	1,237,810
Contributions - employer	-	837,675	(837,675)
Contributions - employee	-	191,146	(191,146)
Net investment income	-	902,915	(902,915)
Benefit payments, including refunds of employee contributions	(760,160)	(760,160)	-
Administrative expense	-	(34,614)	34,614
Other charges	-	(133,555)	133,555
Net changes	845,209	1,003,407	(158,198)
Balances at June 30, 2015	$ 17,729,427	$ 13,765,781	$ 3,963,646

The required schedule of changes in the County's net pension liability and related ratios immediately following the notes to the financial statements presents multiyear trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.5 percent, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5 percent) or 1-percentage-point higher (8.5 percent) than the current rate.

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
County's net pension liability	$ 6,298,808	$ 3,963,646	$ 2,033,827

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Primary Government (Continued)

Net Pension Liability of the County (Continued)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of December 31, 2014 and the current sharing pattern of costs between employer and employee

Pension Expense and Deferred Outflows of Resources Related to Pensions

For the year ended June 30, 2015, the County recognized pension expense of $837,637. At June 30, 2015, the County reported deferred outflows of resources related to pensions from the following sources

	Deferred Outflows of Resources
Contributions subsequent to the measurement date	$ 837,637
Net difference between projected and actual earnings on pension plan investments	98,666
	$ 936,303

County contributions subsequent to the measurement date of $837,637 will be recognized as a reduction of the net pension liability in the year ending June 30, 2016. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:	
2016	$ 24,667
2017	24,667
2018	24,667
2019	24,665
Total	$ 98,666

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Discretely Presented Component Unit – Colquitt County Health Department

Plan Description

The employees of the Colquitt County Board of Health participate in the Employees' Retirement System of Georgia (the "Plan"), a cost-sharing multi-employer defined contribution plan, established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees and has the powers and privileges of a corporation. The Plan is administered by the Employees' Retirement System of Georgia. The System is being funded in conformity with the minimum funding standard set forth in Code Section 47-20-10 of the Public Retirement Systems Standards Law and the funding policy adopted by the Board. Each plan and fund, including benefit contributions provisions, was established and can be amended by state law. The Plan issues a publicly available financial report that can be obtained at **www.ers.ga.gov**.

Benefits Provided

The ERS Plan supports three benefits tiers: Old Plan, New Plan, and Georgia State Employees' Pension and Savings Plan (GSEPS). Employees under the Old Plan started membership prior to July 1, 1982 and are subject to plan provisions in effect prior to July 1, 1982. Members hired on or after July 1, 1982 but prior to January 1, 2009 are New Plan members subject to modified plan provisions. Effective January 1, 2009, new state employees and rehired state employees who did not retain membership rights under the Old or New Plans are members of GSEPS. ERS member hired prior to January 1, 2009 also have the option to irrevocably change their memberships to GSEPS.

Under the Old Plan, the New Plan, and GSEPS, a member may retire and receive normal retirement benefits after completion of 10 years of creditable service and attainment of age 60 or 30 years of creditable service regardless of age. Additionally, there are some provisions allowing for early retirement after 25 years of creditable service for member under age 60.

Retirement benefits paid to members are based upon the monthly average of the member's highest 24 consecutive calendar months, multiplied by the number of years of creditable service, multiplied by the applicable benefit factor. Annually, postretirement cost-of-living adjustments may also be made to member's benefits, provided the members were hired prior to July 1, 2009. The normal retirement pension is payable monthly for life: however, options are available for distribution of the member's monthly pension, at reduced rates, to a designated beneficiary upon the member's death. Death and disability benefits are also available through ERS.

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Discretely Presented Component Unit – Colquitt County Health Department (Continued)

Contributions

Member contributions under the Old Plan are 4% of annual compensation, up to $4,200, plus 6% of annual compensation in excess of $4,200. Under the Old Plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the Old Plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the New Plan and GSEPS are 1.25% of annual compensation.

The Health Department's contractually required contribution rate, actuarially determined annually, for the year ended June 30, 2015 was 21.96T of annual covered payroll for old and new plan members and 18.87% for GSEPS members.

The employees of the Colquitt County Health Department are covered by the Employees' Retirement System of the State of Georgia. Total retirement contributions for the year ended June 30, 2015 were $171,346 based on qualifying salaries of $799,003.

GASB 68 Implementation

Effective July 1, 2014, the Colquitt County Board of Health implemented the provisions of GASB 68, as required by the Governmental Accounting Standard Board. In conjunction with the implementation of Government Accounting Standards Board (GASB) No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27, as well as Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – and amendment of GASB Statement No. 68,* the Board of Health is required to change its accounting treatment of pensions. The new standard establishes standards for measuring and recognizing liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures.

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Discretely Presented Component Unit – Colquitt County Health Department (Continued)

GASB 68 Implementation (Continued)

The following Schedules reflect the implementation of GASB Statement No. 68 and information concerning this implementation:

Contributions made during the measurement period (fiscal year ended June 30, 2014)	$	140,048
Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions		
Employer's proportionate share of net pension liability	$	1,263,696
Employer's proportion of net pension liability		.033693%
Increase/(decrease) form proportion measured as of June 30, 2013		.000114%
Employer's recognized pension expense	$	79,299

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

For the year ended June 30, 2015, the Department recognized pension expense of $72,299. At June 30, 2015, the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ -	$ 308,429
Changes in proportion and differences between Employers contributions and proportionate share of contributions	3,404	-
Employer contributions subsequent to the measurement date	171,346	-
	$ 174,750	$ 308,429

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Discretely Presented Component Unit – Colquitt County Health Department (Continued)

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

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ending June 30:		
2016		$ (74,980)
2017		(75,831)
2018		(77,107)
2019		(77,107)
	Total	$ (305,025)

The schedule above does not include employer contributions subsequent to the measurement date of $171,346, which will be recognized in the fiscal year ended June 30, 2016.

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2013, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary increase	5.45-9.25%, including inflation
Investment rate of return	7.50%, net pension plan investment expense, including inflation

Mortality rates were based on the RP-2000 Combined Mortality Table for the periods after service retirement, for dependent beneficiaries, and for deaths in active service, and the RP-2000 Disabled Mortality Table set back eleven years for males for the period after disability retirement.

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period of July 1, 2004 – June 30, 2009.

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Discretely Presented Component Unit – Colquitt County Health Department (Continued)

Actuarial Assumptions (Continued)

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

Asset class	Target Allocation	Long-term expected real rate of return *
Fixed income	30.00 %	3.00 %
Domestic large stocks	39.70	6.50
Domestic mid stocks	3.70	10.00
Domestic small stocks	1.60	13.00
International developed market stocks	18.90	6.50
International emerging market stocks	6.10	11.00
Total	100.00 %	

* Rates shown are net of the 3.00% assumed rate of inflation

Discount Rate

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

NOTE 9. RETIREMENT PLANS (CONTINUED)

B. Defined Benefit Plan – Discretely Presented Component Unit – Colquitt County Health Department (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Employers' proportionate share net pension liability	$ 1,842,719	$ 1,263,696	$ 770,812

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued ERS Comprehensive Annual Report for the fiscal year ended June 30, 2014. The supporting actuarial information is included in the GASB Statement No. 67 Report for the ERS prepared as of June 30, 2014. The auditor's report dated October 31, 2014 on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, total pension expense for the sum of all participating entities as of June 30, 2014, along with supporting schedules is also available. The additional financial and actuarial information is available at **www.ers.ga.gov**.

NOTE 10. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County participates in the Association of County Commissioners of Georgia (ACCG) Group Self-Insurance Workers' Compensation Fund and the Interlocal Risk Management Agency Property and Liability Insurance Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments.

NOTE 10. RISK MANAGEMENT (CONTINUED)

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 County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the Workers' Compensation Law of Georgia. The funds are 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.

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

The County maintains a self-insured medical benefit plan for their employees. The Plan is accounted for as an internal service fund of the County, is funded according to Plan experience, and serves to reduce overall healthcare costs of the County and their employees. The County purchases specific and aggregate stop loss insurance coverage to protect itself in unusual circumstances. Claims payable at June 30, 2015 were estimated based on the loss analysis report provided by a third-party administrator and pending specific stop loss reimbursements.

Changes in medical claims payable for the fiscal years ended June 30 are as follows:

	June 30, 2015	June 30, 2014
Unpaid claims, beginning of fiscal year	$ 459,278	$ 391,639
Incurred claims and changes in estimates	3,364,293	3,247,001
Claim payments	(3,383,571)	(3,179,362)
Unpaid claims, end of fiscal year	$ 440,000	$ 459,278

NOTE 11. COMMITMENTS AND CONTINGENCIES

Litigation:

The County is involved in several pending lawsuits. Liability, if any, which might result from these proceedings, would not, in the opinion of management and legal counsel, have a material adverse effect on the financial position of the County.

Grant Contingencies:

The County has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, County management believes such disallowances, if any, will not be significant.

Environmental Matters:

The County is involved in an environmental remediation action to clean up hazardous waste at a former manufacturing facility located in Moultrie, Georgia. The County completed the corrective action plan necessary to bring the site into compliance as of June 30, 2015, however, final review and approval by the Georgia Environmental Protection Division has not been obtained. The County is, therefore, subject to the environmental laws and regulations and the related compliance costs arising from the Georgia Environmental Protection Division's review. At this time, the County does not anticipate that any additional costs associated with corrective action will be incurred.

NOTE 12. JOINT VENTURES

Under Georgia law, the County, in conjunction with other cities and counties in the Southwest Georgia area, is a member of the Southwest Georgia Regional Commission (RC) and is required to pay annual dues thereto. During the fiscal year ended June 30, 2015, the County paid $31,394 in such dues. Membership in the RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of regional commissions in Georgia.

The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a regional commission. Separate financial statements may be obtained from Southwest Georgia Regional Commission, 30 West Broad Street, Camilla, Georgia 31730.

NOTE 13. DEFICIT NET POSITION

The Self Insurance Fund reported a deficit net position balance of $400,546 at June 30, 2015. The Self Insurance Fund deficit is intended to be eliminated through increased charges to other funds and increases in employee premiums.

NOTE 14. CHANGE IN ACCOUNTING PRINCIPLE

A. Primary Government

The County has determined that restatements to the July 1, 2014 beginning net position of the County's governmental and business-type activities were required to recognize the change in accounting principle for implementation of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No, 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, through which accounting for pension plans and the related disclosure requirements were modified.

The adjustment resulted in changes to the beginning net positions as follows:

Governmental activities net position, as previously reported	$ 82,967,953
Adjustment needed to properly remove net pension asset	(74,223)
Adjustment needed to properly report net pension liability	(3,871,729)
Adjustment needed to properly report the County's contribution as deferred outflows of resources	786,845
Governmental activities net position, as restated for the fiscal year ended July 1, 2014	$ 79,808,846

Business-type activities net position, as previously reported	$ 904,472
Adjustment needed to properly report net pension liability	(250,115)
Adjustment needed to properly report the County's contribution as deferred outflows of resources	50,830
Business-type activities net position, as restated for the fiscal year ended July 1, 2014	$ 705,187

NOTE 14. CHANGE IN ACCOUNTING PRINCIPLE (CONTINUED)

A. Primary Government (Continued)

Additionally, the following proprietary fund was required to record this adjustment, which resulted in a change to the beginning net position as follows:

	Solid Waste
Business-type activities net position, as previously reported	$ 904,472
Adjustment needed to properly report net pension liability	(250,115)
Adjustment needed to properly report the County's contribution as deferred outflows of resources	50,830
Business-type activities net position, as restated for the fiscal year ended July 1, 2014	$ 705,187

B. Discretely Presented Component Unit – Colquitt County Health Department

The net position-beginning is restated due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. This statement requires the recording of the Employer Proportion of the Net Pension Liability for Defined Benefit Pension Plans. The implementation of GASB No. 68 required retroactive application and restatement of all periods presented.

The effect of this change on Net Position-Beginning is:

Net position as originally reported June 30, 2014	$ 950,661
Effect of restatement:	
Net pension liability	(1,629,470)
Deferred outflows of pension contributions	140,048
Net position as restated June 30, 2014	$ (538,761)

REQUIRED SUPPLEMENTARY INFORMATION

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

	2015
Total pension liability	
Service cost	$ 367,559
Interest on total pension liability	1,266,316
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	(788,666)
Net change in total pension liability	845,209
Total pension liability - beginning	16,884,218
Total pension liability - ending (a)	$ 17,729,427
Plan fiduciary net position	
Contributions - employer	837,675
Contributions - employee	191,146
Net investment income	902,915
Benefit payments, including refunds of employee contributions	(760,160)
Administrative expenses	(34,614)
Other	(133,555)
Net change in plan fiduciary net position	1,003,407
Plan fiduciary net position - beginning	12,762,374
Plan fiduciary net position - ending (b)	$ 13,765,781
County's net pension liability - ending (a) - (b)	$ 3,963,646
Plan fiduciary net position as a percentage of the total pension liability	77.6%
Covered-employee payroll	$ 6,803,091
County's net pension liability as a percentage of covered-employee payroll	58.3%

Notes to the Schedule
The schedule will present 10 years of information once it is accumulated.

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF COUNTY CONTRIBUTIONS

	2015	2014
Actuarially determined contribution	$ 836,721	$ 1,033,826
Contributions in relation to the actuarially determined contribution	837,675	1,038,160
Contribution deficiency (excess)	$ (954)	$ (4,334)
Covered-employee payroll	$ 6,803,091	$ 8,109,836
Contributions as a percentage of covered -employee payroll	12.3%	12.8%

Notes to the Schedule

Valuation date	January 1, 2014
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing perio
Assumed Rate of Return on Investments	7.75%
Projected Salary Increases	3% - 5.5% (including 3% for inflation)
Amortization Period	Closed level dollar for unfunded liability
Remaining Amortization Period	None remaining

REQUIRED SUPPLEMENTARY INFORMATION

COMPONENT UNIT – COLQUITT COUNTY HEALTH DEPARTMENT
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EMPLOYEES' RETIREMENT SYSTEM

		2015
Employer's proportion of the net pension liability		0.033693%
Employer's proportionate share of the net pension liability	$	1,263,696
Employer's covered-employee payroll during measurement period	$	799,003
Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll		158.16%
Plan fiduciary net position as a percentage of the total pension liability		77.99%

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

REQUIRED SUPPLEMENTARY INFORMATION

COMPONENT UNIT – COLQUITT COUNTY HEALTH DEPARTMENT
SCHEDULE OF CONTRIBUTIONS
EMPLOYEES' RETIREMENT SYSTEM

	2015	2014	2013	2012	2011
Contractually required contribution	$ 171,346	$ 141,055	$ 116,130	$ 96,159	$ 86,724
Contributions in relation to the contractually required contribution	171,346	141,055	116,130	96,159	86,724
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Employer's covered-employee payroll	$ 799,003	$ 781,225	$ 804,687	$ 854,156	$ 851,558
Contributions as a percentage of covered-employee payroll	21.44%	18.06%	14.43%	11.26%	10.18%

	2010	2009	2008	2007	2006
Contractually required contribution	$ 89,074	$ 83,892	$ 75,824	$ 97,131	$ 101,533
Contributions in relation to the contractually required contribution	89,074	83,892	75,824	97,131	101,533
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Employer's covered-employee payroll	$ 865,378	$ 804,850	$ 726,358	$ 1,011,965	$ 979,443
Contributions as a percentage of covered-employee payroll	10.29%	10.42%	10.44%	9.60%	10.37%

Notes to the Schedule of Employer Contributions

Valuation date	June 30, 2013
Actuarial cost method	Entry age
Amortization method	Level dollar, open
Remaining amortization period	30 years
Asset valuation method	Seven-year smoothed market
Inflation rate	3.00%
Salary increases	2.75%-4.625% for FY2012-2013, 5.45%-9.25% for FY2014+
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Service District Fund is used to account for the receipts and expenditures of additional taxes from unincorporated areas restricted to pay for fire protection, economic development and recreation.

Confiscated Assets Fund is used to account for confiscated assets awarded to the County that are restricted on law enforcement expenditures at the discretion of the Sheriff.

E-911 Fund is used to account for the County's emergency communications operations by providing an open channel between citizens and public safety providers.

Jail Fund is used to account for revenues collected by the imposition of a 10% add-on fine as provided for and restricted by the Georgia Jail Construction and Staffing Act.

Drug Fund is used to account for the collection of additional penalties for certain drug related crimes, donations related to drug education, and for expenditure of those funds solely and exclusively for drug abuse treatment and education programs relating to controlled substances and marijuana (OCGA 15-21-100).

Law Library Fund is used to account for the resources received from the various courts of Colquitt County and disbursements for the support of a centralized law library.

Juvenile Service Fund is used to account for the County's funds collected for the support of juvenile services in the County.

Capital Projects Funds

1999 SPLOST Fund is used to account for courthouse renovations and annex construction financed by a special purpose sales and use tax.

2002 SPLOST Fund is a capital projects fund used to account for the County's receipt and expenditure of special purpose sales tax from the 2002 sales tax referendum.

COLQUITT COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

JUNE 30, 2015

	Special Revenue Funds				
ASSETS	**Special Service District Fund**	**Confiscated Assets Fund**	**E911 Fund**	**Jail Fund**	**Drug Fund**
Cash and cash equivalents	$ 21,515	$ 134,455	$ 517,866	$ 234,306	$ 114,961
Investments	-	-	-	-	-
Taxes receivable	775	-	-	-	-
Accounts receivable	-	-	128,644	-	-
Due from other funds	888,935	-	-	-	-
Due from other governments	-	-	-	2,301	178
Prepaid items	137	-	623	-	-
Total assets	$ 911,362	$ 134,455	$ 647,133	$ 236,607	$ 115,139
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 283	$ -	$ 6,654	$ -	$ -
Due to other funds	-	-	392,927	130,000	68,641
Due to other governments	-	-	40,555	-	-
Total liabilities	283	-	440,136	130,000	68,641
FUND BALANCES					
Nonspendable:					
Prepaid items	137	-	623	-	-
Restricted for:					
Judicial	-	-	-	-	-
Public safety	-	134,455	206,374	106,607	46,498
Economic development	910,942	-	-	-	-
Capital outlay	-	-	-	-	-
Total fund balances	911,079	134,455	206,997	106,607	46,498
Total liabilities and fund balances	$ 911,362	$ 134,455	$ 647,133	$ 236,607	$ 115,139

		Capital Projects Funds		
Law Library	Juvenile Services Fund	1999 SPLOST Fund	2002 SPLOST Fund	Total
$ 23,959	$ 11,555	$ 856	$ 1,339,610	$ 2,399,083
-	-	21	467,700	467,721
-	-	-	-	775
-	-	-	-	128,644
-	544	-	-	889,479
-	-	-	-	2,479
-	-	-	-	760
$ 23,959	$ 12,099	$ 877	$ 1,807,310	$ 3,888,941
$ -	$ -	$ -	$ -	$ 6,937
-	-	-	-	591,568
-	-	-	-	40,555
-	-	-	-	639,060
-	-	-	-	760
23,959	-	-	-	23,959
-	12,099	-	-	506,033
-	-	-	-	910,942
-	-	877	1,807,310	1,808,187
23,959	12,099	877	1,807,310	3,249,881
$ 23,959	$ 12,099	$ 877	$ 1,807,310	$ 3,888,941

COLQUITT COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Special Revenue Funds				
	Special Service District Fund	Confiscated Assets Fund	E911 Fund	Jail Fund	Drug Fund
Revenues:					
Property taxes	$ 1,926,009	$ -	$ -	$ -	$ -
Intergovernmental	-	-	187,058	-	-
Charges for services	-	-	675,577	-	-
Fines and forfeitures	-	91,790	-	87,710	46,266
Interest income	-	-	401	163	78
Other revenues	-	-	26	-	-
Total revenues	1,926,009	91,790	863,062	87,873	46,344
Expenditures:					
Current:					
Judicial	-	-	-	-	-
Public safety	518,730	22,772	1,096,383	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	662,493	-	-	-	-
Housing and development	244,585	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal	-	-	43,234	-	-
Interest	-	-	4,032	-	-
Total expenditures	1,425,808	22,772	1,143,649	-	-
Excess (deficiency) of revenues over (under) expenditures	500,201	69,018	(280,587)	87,873	46,344
Other financing sources (uses):					
Transfers in	-	-	280,587	-	-
Transfers out	(280,587)	-	-	(130,000)	(40,000)
Total other financing sources (uses)	(280,587)	-	280,587	(130,000)	(40,000)
Net change in fund balances	219,614	69,018	-	(42,127)	6,344
Fund balances, beginning of year	691,465	65,437	206,997	148,734	40,154
Fund balances, end of year	$ 911,079	$ 134,455	$ 206,997	$ 106,607	$ 46,498

	Capital Projects Funds			
Law Library	Juvenile Services Fund	1999 SPLOST Fund	2002 SPLOST Fund	Total
$ -	$ -	$ -	$ -	$ 1,926,009
-	-	-	-	187,058
-	-	-	-	675,577
9,684	5,291	-	-	240,741
29	-	3	1,538	2,212
-	-	-	-	26
9,713	5,291	3	1,538	3,031,623
12,827	-	-	-	12,827
-	-	-	-	1,637,885
-	7,490	-	-	7,490
-	-	-	-	662,493
-	-	-	-	244,585
-	-	4,054	-	4,054
-	-	-	-	43,234
-	-	-	-	4,032
12,827	7,490	4,054	-	2,616,600
(3,114)	(2,199)	(4,051)	1,538	415,023
-	-	-	-	280,587
-	-	-	-	(450,587)
-	-	-	-	(170,000)
(3,114)	(2,199)	(4,051)	1,538	245,023
27,073	14,298	4,928	1,805,772	3,004,858
$ 23,959	$ 12,099	$ 877	$ 1,807,310	$ 3,249,881

COLQUITT COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
1999 REFERENDUM					
Courthouse Renovations	$ 6,000,000	$ 6,000,000	$ 8,860,662	$ 4,054	$ 8,864,716
2002 REFERENDUM					
Moultrie - Colquitt County Library	$ 249,600	$ 249,600	$ 480,906	$ -	$ 480,906
Sheriff's Department	271,200	271,200	964,338	-	964,338
County Records Repository	249,600	249,600	-	-	-
Sunset Airport	249,600	249,600	249,599	-	249,599
County Museum	100,800	100,800	100,800	-	100,800
Economic Development Authority	4,999,200	4,999,200	3,802,819	-	3,802,819
Roads, Streets and Bridges	10,701,600	10,701,600	10,701,600	-	10,701,600
City of Berlin Projects	151,200	151,200	152,188	-	152,188
City of Doerun Projects	499,200	499,200	499,199	-	499,199
City of Ellenton Projects	124,800	124,800	124,799	-	124,799
City of Funston Projects	100,800	100,800	100,800	-	100,800
City of Moultrie Projects	5,892,000	5,892,000	5,892,001	-	5,892,001
City of Norman Park Projects	374,400	374,400	374,400	-	374,400
City of Riverside Projects	36,000	36,000	36,000	-	36,000
Totals	$ 24,000,000	$ 24,000,000	$ 23,479,449	$ -	$ 23,479,449
2007 REFERENDUM					
Moultrie - Colquitt County Library	$ 75,000	$ 75,000	$ 44,948	$ -	$ 44,948
Sheriff Administration Building	1,000,000	1,000,000	1,190,133	-	1,190,133
CCCI Prison Project	1,000,000	1,000,000	1,537,892	61,443	1,599,335
Moultrie Municipal Airport	275,000	275,000	212,278	-	212,278
Economic Development Authority	2,000,000	2,000,000	749,970	-	749,970
Roads, Streets and Bridges	12,500,000	12,500,000	11,436,848	1,403,993	12,840,841
City of Berlin Projects	176,000	176,000	152,701	360	153,061
City of Doerun Projects	600,000	600,000	541,336	-	541,336
City of Ellenton Projects	130,000	130,000	109,301	13,299	122,600
City of Funston Projects	126,000	126,000	122,340	1,964	124,304
City of Moultrie Projects	11,725,000	11,725,000	11,403,122	-	11,403,122
City of Norman Park Projects	353,000	353,000	267,302	79,893	347,195
City of Riverside Projects	40,000	40,000	40,488	-	40,488
Totals	$ 30,000,000	$ 30,000,000	$ 27,808,659	$ 1,560,952	$ 29,369,611

(Continued)

COLQUITT COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Project Description	Original Costs	Estimated Costs	Expenditures		
			Prior Years	Current Year	Total
2013 REFERENDUM					
Public Safety and Public Works Vehicles and Equipment	$ 4,000,000	$ 4,000,000	$ 393,166	$ 963,500	$ 1,356,666
County Buildings	1,000,000	1,000,000	109,835	79,000	188,835
Roads, Streets and Bridges	13,998,500	13,998,500	-	-	-
Technology Equipment and Upgrades	500,000	500,000	3,134	39,506	42,640
City of Moultrie Projects	11,391,000	11,391,000	2,313,677	1,691,162	4,004,839
City of Norman Park Projects	722,000	722,000	35,850	90,251	126,101
City of Doerun Projects	652,000	652,000	15,634	13,109	28,743
City of Funston Projects	290,000	290,000	59,000	-	59,000
City of Berlin Projects	375,000	375,000	71,102	14,906	86,008
City of Ellenton Projects	231,500	231,500	53,790	42,954	96,744
Town of Riverside Projects	40,000	40,000	-	3,250	3,250
Hospital Authority Projects	2,000,000	2,000,000	407,833	296,929	704,762
Development Authority Projects	1,000,000	1,000,000	-	-	-
Airport Authority Projects	150,000	150,000	-	-	-
Totals	$ 36,350,000	$ 36,350,000	$ 3,463,021	$ 3,234,567	$ 6,697,588

COLQUITT COUNTY, GEORGIA

SCHEDULE OF STATE AWARDS EXPENDED

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

State Department and Program Name	Grant Contract Number	Unearned Revenue 6/30/2014	Revenues	Expenditures	Unearned Revenue 6/30/2015
Georgia Department of Human Resources:					
Family Connection Program	427-93-10100267-99	$ 38,297	$ 28,189	$ 20,899	$ 45,587
Total expenditures					

Notes to the Schedule of State Awards Expended

1. The Schedule of State Awards Expended includes the state grant activity of Colquitt County, GA and is presented on the modified accrual basis of accounting.

AGENCY FUNDS

Tax Commissioner – This fund is used to account for all real, personal and intangible taxes collected and forwarded to the County and other government units.

Jail Inmate Fund – This fund accounts for jail inmate funds while in custody, and for the purchase of items from the Jail Commissary and related activities on behalf of inmates and the correctional institution.

The following agency funds are used to account for fines, fees and other monies collected by the courts and Sheriff's Office and remitted to other parties in accordance with court orders and state law:

Clerk of Superior Court
Probate Court
Sheriff's Office
Magistrate Court

COLQUITT COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS

JUNE 30, 2015

ASSETS	Tax Commissioner	Jail Inmate	Clerk of Superior Court	Probate Court
Cash	$ 505,180	$ 53,450	$ 311,769	$ 3,845
Taxes receivable	7,382	-	-	-
Total assets	$ 512,562	$ 53,450	$ 311,769	$ 3,845
LIABILITIES				
Due to others	$ 505,180	$ 53,450	$ 311,769	$ 3,845
Uncollected taxes	7,382	-	-	-
Total liabilities	$ 512,562	$ 53,450	$ 311,769	$ 3,845

Sheriff's Office	Magistrate Court	Total
$ 192,615	$ 42,487	$ 1,109,346
-	-	7,382
$ 192,615	$ 42,487	$ 1,116,728

$ 192,615	$ 42,487	$ 1,109,346
-	-	7,382
$ 192,615	$ 42,487	$ 1,116,728

COLQUITT COUNTY, GEORGIA

BALANCE SHEET
MOULTRIE – COLQUITT COUNTY LIBRARY

JUNE 30, 2015

ASSETS		
Cash and cash equivalents	$	1,045,945
Investments		175,283
Total assets	$	1,221,228
LIABILITIES AND FUND BALANCE		
Accounts payable	$	4,531
Accrued expenditures		11,882
Total liabilities		16,413
Fund balance, assigned for library activities		1,204,815
Total liabilities and fund balance	$	1,221,228

COLQUITT COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
MOULTRIE – COLQUITT COUNTY LIBRARY
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Revenues:		
Intergovernmental	$	643,084
Charges for services		123,592
Interest revenue		1,997
Total revenues		768,673
Expenditures		720,799
Net change in fund balances		47,874
Fund balance, beginning of year		1,156,941
Fund balance, end of year	$	1,204,815

COMPLIANCE SECTION

MAULDIN & JENKINS

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

Board of Commissioners
of Colquitt County, Georgia
Moultrie, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Colquitt County, Georgia (the "County") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Colquitt County, Georgia's basic financial statements and have issued our report thereon dated June 24, 2016. Our report includes a reference to other auditors who audited the financial statements of the Colquitt County Health Department, as described in our report on Colquitt County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. Our report includes a reference to the change in accounting principle resulting from the implementation of Governmental Accounting Standards Board Statement No 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27,* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68.*

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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described as item 2015-001 in the accompanying schedule of findings and responses that we consider to be a significant deficiency.

Compliance and Other Matters

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

Colquitt County, Georgia's Response to Finding

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Albany, Georgia
June 24, 2016

COLQUITT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

SECTION I
SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	____yes ___X__no
Significant deficiencies identified not considered to be material weaknesses?	___X_yes ____none reported
Noncompliance material to financial statements noted?	____yes ___X__no

Federal Awards

There was not an audit of major federal award programs as of June 30, 2015 due to the total amount expended being less than $500,000.

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

2015 - 001. Segregation of Duties

Criteria: Internal controls should be in place to provide reasonable assurance that an individual cannot misappropriate funds without such actions being detected during the normal course of business.

Condition: For the fiscal year ended June 30, 2015, we noted a lack of proper segregation of duties within several areas of Colquitt County, Georgia's operations, including the Clerk of Court, Probate Court, Magistrate Court, Sheriff's Office and the County's finance department.

Context: Several instances of overlapping duties were noted during interviews regarding internal control procedures.

Effect: Failure to properly segregate duties between recording, distribution and reconciliation of accounts can lead to misappropriation of funds that is not detected during the normal course of business.

Recommendation: The duties of recording, distribution and reconciliation of accounts should be segregated between employees.

Views of Responsible Officials and Planned Corrective Action: We concur. We will work with staff to segregate duties and apply compensating controls to the extent possible.

COLQUITT COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND RESPONSES

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

SECTION III
FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

Not applicable.

COLQUITT COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

2014 - 001. Segregation of Duties

Criteria: Duties should be segregated between employees so that the responsibility for authorizing transactions, approving transactions and maintaining custody of assets are assigned to different personnel.

Condition: Colquitt County, Georgia is a small local government and has a limited amount of resources and employees. Therefore, the County does not have an adequate number of employees to provide for proper segregation of duties.

Auditee Response/Status: Unresolved – See current year financial audit finding 2015-001.

2014 - 002. Maintenance of Records of Agency Fund Accounts

Criteria: Agency funds are used to account for resources held by the County in a purely custodial capacity, which means that all funds held are owed to other governments, organizations, or individuals. Due to the nature of these funds, it is important that adequate records be maintained to account for receipts, disbursements, and any residual funds that are held to be paid at a later date. Such listings should be reconciled to the respective cash balances maintained.

Condition: During our audit of the Clerk of the Superior Court as of June 30, 2015, we noted the detail listing of amounts payable to (or on behalf of) various parties were either nonexistent or not being reconciled to the respective recorded cash balances.

Auditee Response/Status: Resolved.

2014 - 003. Management of Accounts Payable

Criteria: Generally accepted accounting principles require reporting of all current liabilities whose liquidation is expected to require the use of current assets when the goods have been received or services have been performed.

Condition: The County did not properly address the above criteria as of June 30, 2015, as it relates to accounts payable within the General Fund, Capital Projects Fund, and Solid Waste Fund.

Auditee Response/Status: Resolved.

COLQUITT COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

2014 - 004. Debt Transactions

Criteria: Proprietary funds use the economic resources measurement focus, which requires those funds to report all assets and liabilities, including long-term debt. As part of that reporting process, the County should record the issuance of debt and debt related items in the statement of net position for all proprietary funds.

Condition: The County did not properly record the issuance of capital leases and related accrued interest in the Solid Waste Fund.

Auditee Response/Status: Resolved.

2014 - 005. Management of Audit Adjusting Entries

Criteria: Significant balances and transactions in operation should be recorded, reconciled, reviewed, and adjusted on a monthly basis. Specifically, recording of accepted audited adjusting entries should be recorded in the accounting records.

Condition: The audit adjusting entries for the Moultrie – Colquitt County Library, a discretely presented component unit, were not recorded in the fiscal year ended June 30, 2013.

Auditee Response/Status: Resolved.

MAULDIN & JENKINS

June 27, 2016

Mr. Wayne Putnal
Colquitt County Board of Commissioners
101 East Central Avenue
Room 206
Moultrie, Georgia 31768

Dear Wayne:

We are enclosing twelve (12) bound copies of the Financial Report of Colquitt County, Georgia for the year ended June 30, 2015.

Call me should you have any questions.

Sincerely,

MAULDIN & JENKINS, LLC

Meredith Lipson

Meredith Lipson

ML:kh
Enclosures