CRISP COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED
JUNE 30, 2014

CRISP COUNTY, GEORGIA

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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CRISP COUNTY, GEORGIA

LIST OF PRINCIPAL OFFICIALS

JUNE 30, 2014

ELECTED

Arthur James Nance, County Commissioner

Clark Henderson, County Commissioner

Wallace Mathis, County Commissioner

Sam Farrow, Jr., County Commissioner

Larry Felton, County Commissioner

STAFF

Tom L. Patton, County Administrator

Sherrie Leverett, Finance Director

FINANCIAL SECTION

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
of Crisp County, Georgia
Cordele, 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 **Crisp County, Georgia (the "County")**, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Crisp 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 Crisp Regional Health Services, Inc. or the Crisp County Department of Public Health, which represents 69%, 61%, and 71%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Crisp Regional Health Services, Inc. and the Crisp County Department of Public Health, is based solely on the reports 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 reports 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 Crisp County, Georgia as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, CDBG Revolving Loan Fund, and Special Service District Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis (on pages 4 through 13) and the Schedule of Funding Progress (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 Crisp County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of special purpose local option sales tax proceeds, as required by the Official Code of Georgia 48-8-121, 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 accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements of Crisp County, Georgia.

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 expenditures of federal awards 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 expenditures of federal 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 May 29, 2014 on our consideration of Crisp 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 Crisp County, Georgia's internal control over financial reporting and compliance.

Mauldin & Jenkins, LLC

Albany, Georgia
December 15, 2014

CRISP COUNTY, GEORGIA

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

As management of Crisp County, Georgia, (the County) we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the Crisp County, Georgia for the fiscal year ended June 30, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in the financial statements and the notes to the financial statements.

Financial Highlights

The Primary Government's total assets exceeded its liabilities at June 30, 2014, by $65,235,053 (net position). Of this amount, $8,626,201 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.

- The Primary Government's total net position increased by $242,107 for the fiscal year ended June 30, 2014.
- Included in the total net position of the Primary Government, is an investment of $47,457,929 in capital assets net of related debt.
- The County's General Fund unassigned fund balance increased by $907,401 to $5,723,302 for the fiscal year. Including fund transfers, this equates to 43.5% of total General Fund expenditures.
- The fund balances of $10,368,994 from SPLOST and other governmental fund balances brings the County's combined ending fund balance to $16,287,450 as of the close of fiscal year 2014. This represents a decrease from the previous fiscal year in the amount of $298,521 or approximately 1.2%.
- The County's capital lease, notes payable and revenue bond debt balance reported at June 30, 2014 was decreased by $597,407 over this fiscal period.
- Beginning in FYE 06/30/13 the County elected to record activity related to services provided only to the unincorporated area into a separate fund, the Special Services District Fund. The services provided by this fund include planning and zoning, fire protection and residential solid waste collection incurred cost of approximately $1.5 million for FY 14. Funding is provided through a Special Service District Tax and other revenues generated only by the citizens located in the unincorporated area of the County. During FY 14, the County elected to outsource its solid waste collection services, thereby significantly reducing the Special Service District Ad Valorem Tax Rate.

Overview of the Financial Statements

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

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of Crisp County's finances, in a manner similar to a private-sector business. All governmental and business-type activities are consolidated to arrive at a total for the Primary Government. There are two government-wide statements, the statement of net position and the statement of activities, which are described next.

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. It is important to note that this statement consolidates the governmental fund's current financial resources (short-term) with capital assets and long-term liabilities.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through administrative fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, public works, health and welfare, parks and recreation, housing and community development and economic development. The business-type activities of the County include the water system, the municipal solid waste landfill and the self-insurance health benefit fund.

The government-wide financial statements include not only Crisp County itself (known as the primary government), but also a legally separate board of health, a hospital authority, and an electric power commission. The County is financially accountable for each of these entities. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 14 - 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. Crisp County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three (3) 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.

For the fiscal year ended June 30, 2014, the County maintained fourteen (14) individual governmental funds to account for the following activities: General Fund, Law Library Fund, Asset Forfeiture Fund, DARE Fund, Jail Fund, E-911 Fund, CDBG Revolving Loan Fund, Northside Water Distribution Fund, 2000 Sales Tax Fund, 2005 Sales Tax Fund and 2011 Sales Tax Fund Funds, Special Services District Fund, TSPLOST Fund and Hotel/Motel Tax Fund. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Special Service District Fund, the CDBG Revolving Loan Fund and the 2005 & 2011 Sales Tax Funds, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for all General and Special Revenue Funds. Budgetary comparison statements have been provided for the General Fund and Major Special Revenue Fund to demonstrate compliance with budget. Budgets for capital project funds are adopted on a project-length basis, however, they are reviewed and updated as needed during the annual budget process.

Proprietary Funds. There are two (2) 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 enterprise funds to account for water distribution and solid waste operations.

Internal service funds are an accounting devise used to accumulate and allocate cost internally among the County's various departments and divisions. The County has no internal service funds.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water System Fund, the Landfill Fund and the Self-Insurance Health Benefit Fund. All three funds are considered major funds of the County.

The basic proprietary fund financial statements can be found on pages 27 - 30 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held by agencies for benefit of parties outside the government. Those agencies include the Clerk of Superior Court, the Probate Judge, the Crisp County Sheriff, the Jail Inmate Fund, the Tax Commissioner and the Magistrate Court. 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 Statement of Fiduciary Assets and Liabilities – Agency funds financial statements can be found on page 31 of this report. The combining statement of assets and liabilities for agency funds is located on pages 76 - 77.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 - 67 of this report.

Other Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 69 - 72 of this report.

Government-Wide Financial Analysis

Net positon amounts generally serve over time as a useful indicator of a government's financial status. In the case of Crisp County, assets exceed liabilities by $65,235,053 at the close of the most recent fiscal year.

The largest portion of the County's net position (73%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; 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.

CRISP COUNTY'S NET POSITION
JUNE 30, 2014

	Governmental Activities		Business-type Activities		Total	
	FY2013	FY2014	FY2013	FY2014	FY2013	FY2014
Current and other assets	$ 18,763,172	$ 18,522,402	$ 3,255,682	$ 3,221,190	$ 22,018,854	$ 21,743,592
Capital assets	43,136,442	43,496,517	10,211,921	9,938,508	53,348,363	53,435,025
Total assets	$ 61,899,614	$ 62,018,919	$ 13,467,603	$ 13,159,698	$ 75,367,217	$ 75,178,617
Long-term liabilities outstanding	$ 460,967	$ 578,330	$ 7,783,106	$ 7,382,161	$ 8,244,073	$ 7,960,491
Other liabilities	1,318,461	1,282,043	809,508	701,030	2,127,969	1,983,073
Total liabilities	$ 1,779,428	$ 1,860,373	$ 8,592,614	$ 8,083,191	$ 10,372,042	$ 9,943,564
Net position:						
Net investment in capital assets	$ 42,850,545	$ 43,391,281	$ 3,923,315	$ 4,066,648	$ 46,773,860	$ 47,457,929
Restricted	10,679,022	9,094,445	57,712	56,478	10,736,734	9,150,923
Unrestricted	6,588,390	7,672,820	893,962	953,381	7,482,352	8,626,201
Total net position	$ 60,117,957	$ 60,158,546	$ 4,874,989	$ 5,076,507	$ 64,992,946	$ 65,235,053

The remaining balance of unrestricted net position of $8,626,201 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, Crisp County is able to report positive balances in all three (3) categories of net positon for the governmental and business-type activities.

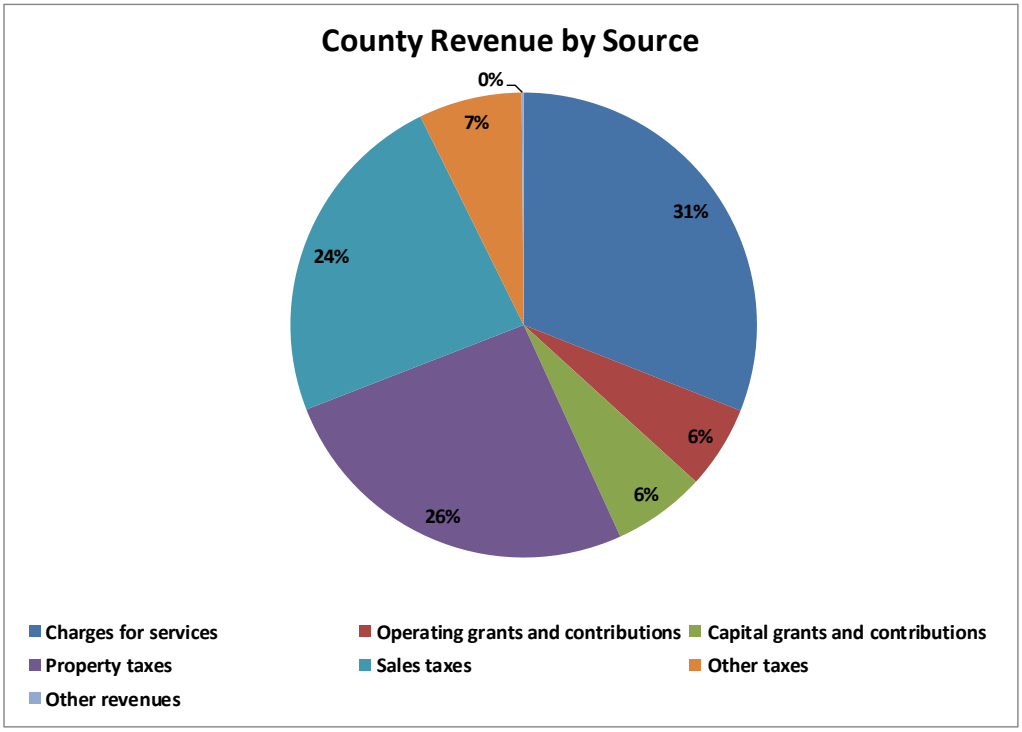
Governmental Activities. The County's net position was decreased by governmental activities for the fiscal year. As indicated by the following chart, governmental activities expenses were under program revenues by only $40,589, less than 1% for the twelve-month period of July 1, 2013 through June 30, 2014.

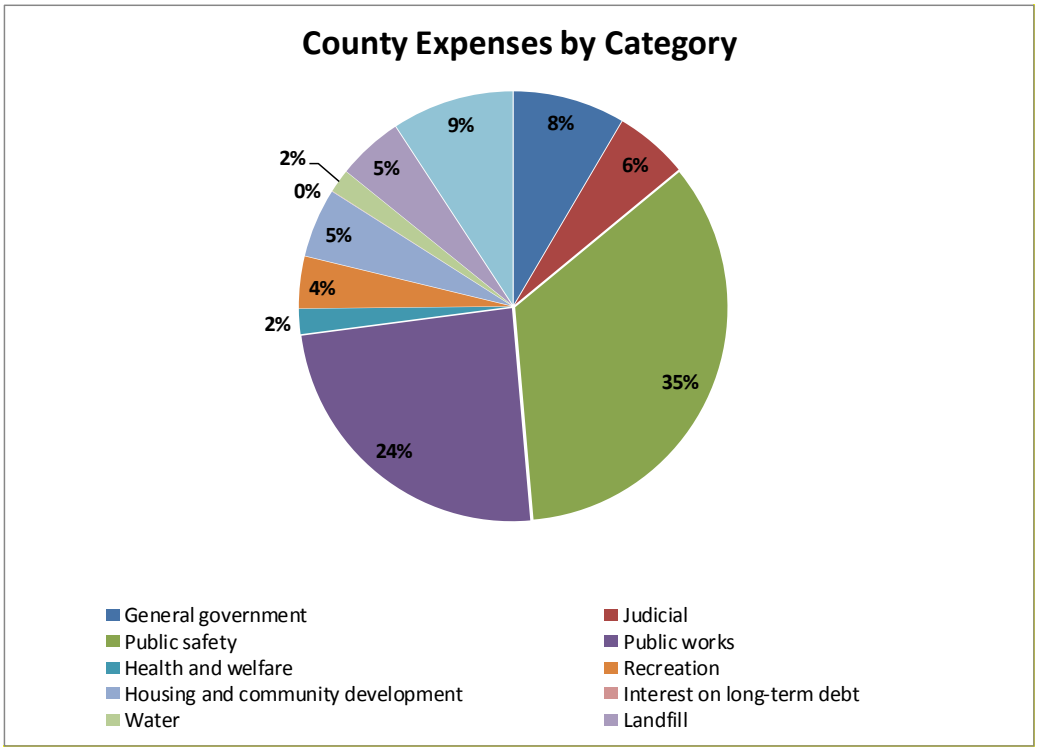
Business-type activities. Business-type activities increased the County's net positions by $76,871 for fiscal year 2014. Charges for services represented 98% of the total program revenue. Unrestricted investment earnings and transfers combined for the remaining 2%. The following table also indicates the changes in net positon for business-type activities for the 2014 fiscal year:

CRISP COUNTY'S CHANGES IN NET POSITION
June 30, 2014

	Governmental Activities		Business-type Activities		Total	
	FY 2013	FY 2014	FY 2013	FY 2014	FY 2013	FY 2014
Revenues:						
Program revenues:						
Charges for services	$ 4,320,169	$ 4,016,069	$ 4,927,169	$4,451,530	$ 9,247,338	$ 8,467,599
Operating grants and contributions	816,868	1,575,275	-	-	816,868	1,575,275
Capital grants and contributions	490,422	1,754,915	128,500	-	618,922	1,754,915
General revenues:						
Property taxes	6,573,740	7,067,777	-	-	6,573,740	7,067,777
Sales taxes	6,300,373	6,450,262	-	-	6,300,373	6,450,262
Franchise taxes	937,420	996,196	-	-	937,420	996,196
Insurance premium tax	572,662	597,487	-	-	572,662	597,487
Other taxes	222,326	361,829	-	-	222,326	361,829
Unrestricted investment earnings	71,850	28,590	9,548	9,590	81,398	38,180
Gain on sale of capital assets	-	-	-	-	-	-
Transfers	(13,552)	(67,281)	13,552	67,281	-	-
Total revenues	20,292,278	22,781,119	5,078,769	4,528,401	25,371,047	27,309,520
Expenses:						
General government	2,336,946	2,296,114	-	-	2,336,946	2,296,114
Judicial	1,518,677	1,508,086	-	-	1,518,677	1,508,086
Public safety	8,760,935	9,356,105	-	-	8,760,935	9,356,105
Public works	5,882,136	6,580,182	-	-	5,882,136	6,580,182
Health and welfare	510,937	516,051	-	-	510,937	516,051
Recreation	1,032,128	1,062,569	-	-	1,032,128	1,062,569
Housing and community development	432,578	1,414,540	-	-	432,578	1,414,540
Interest on long-term debt	3,119	6,883	-	-	3,119	6,883
Water	-	-	579,771	478,804	579,771	478,804
Landfill	-	-	1,349,729	1,346,253	1,349,729	1,346,253
Self insurance health benefit	-	-	3,063,385	2,501,826	3,063,385	2,501,826
Total expenses	20,477,456	22,740,530	4,992,885	4,326,883	25,470,341	27,067,413
Total increase (decrease) in net position	(185,178)	40,589	85,884	201,518	(99,294)	242,107
Net position, beginning of year	60,303,135	60,117,957	4,789,105	4,874,989	65,092,240	64,992,946
Net position, end of year	$60,117,957	$60,158,546	$ 4,874,989	$5,076,507	$64,992,946	$ 65,235,053

Approximately 31% of the County's total revenue came from charges from services, 26% from property taxes, 24% from sales tax, while the remaining 19% came from various other revenues. The County's expenses cover a range of services. The largest expenses, 35%, are related to providing public safety, which includes law enforcement, fire protection, E-911 services, ambulance services, animal control, coroner and detention facility services.





Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the County's governmental funds reported a decrease in combined ending fund balances from the previous year of $298,521 reducing that total by 1.8% down to $16,287,450.

The General Fund is the chief operating fund of Crisp County and ended the fiscal year with a fund balance of $5,918,456. Of that amount $195,154 was nonspendable for prepaid items and inventory. The remaining $5,723,302 remains unassigned. As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 45% of total General Fund expenditures.

The remaining governmental funds which include the Special Service District Fund, the CDBG Revolving Loan Fund, the 2005, 2011 Sales Tax Funds and the Nonmajor Governmental Funds have a combined total fund balance of $10,368,994, of which $9,094,445 is restricted.

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

Unrestricted net position of the Water Fund at the end of the year amounted to $1,507,051. The Water Fund recorded an operating income of $112,410 for fiscal year 2014. Combined with net non-operating expenses of $47,893, this fund's net position increased by $64,517 during fiscal year 2014.

Unrestricted net position of the Landfill Fund at the end of the year amounted to a negative $1,137,485. The Landfill Fund's operating income of $194,787 combined with net non-operating expenses of $152,403 and capital contributions of $67,281 provided an increase of $109,665 over the previous year's net position balance.

Capital Asset and Debt Administration

Capital Assets. Crisp County's investment in capital assets for its governmental and business-type activities as of June 30, 2014, amounts to $53,435,025 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, machinery and equipment, infrastructure, and construction in progress.

Crisp County's Capital Assets
(Net of Depreciation)

	Governmental Activities 2014	Business-type Activities 2014	Total
Land	$ 2,498,665	$ 765,223	$ 3,263,888
Construction in progress	1,890,747	115,435	2,006,182
Land improvements	4,435,677	-	4,435,677
Infrastructure	12,465,862	-	12,465,862
Plant and buildings	18,072,780	8,699,682	26,772,462
Furniture, machinery and equipment	4,132,786	247,213	4,379,999
System Improvements	-	110,955	110,955
Total	$ 43,496,517	$ 9,938,508	$ 53,435,025

Major capital asset events during the current fiscal year included the following:

- $1.6 million was expended on the IDA/Darton College project, funded by SPLOST and County in-kind.
- $381,958 was expended on completion of E-911 Communications upgrades and enhancements, funded by SPLOST.
- Security systems and system enhancements were purchased for the Crisp County Courthouse, the Crisp County Government Center and the Crisp County Recreation Department at a cost of $85,869 funded by SPLOST.
- A new Fire Truck was purchased for $230,323, funded by SPLOST
- The $208,440 in SPLOST dollars spent on Crisp County Airport improvements, included completion of resurfacing runway and taxiway projects, funded by FAA/GDOT Grants and SPLOST.
- A new ambulance was purchased for the Crisp County EMS Department at a cost of $107,840, funded by SPLOST.
- $169,863 was expended on projects for and upgrades to Crisp County Recreation Department facilities.
- There were nine vehicles purchased for the fiscal year for a total of $217,153, all for the Crisp County Sheriff's Department, funded through SPLOST, General Fund and Asset Forfeiture Funds.
- Two (2) new tractors were purchased for Public Works at a cost of $82,800, funded by SPLOST.
- $1,295,207 was expended on enhancement and/or improvement to County Roads, funded through GDOT Grants/Programs, SPLOST and TSPLOST..
- A new Track Loader was purchased for the Solid Waste Department at a cost of $67,281, funded by SPLOST.
- $423,705 was expended for storm water drainage improvements to the Omar Heights area, funded by General and Community Development Block Grant funds.
- Additional information on the County's capital assets can be found in Note 6 on pages 48 - 51 of this report.

Long-Term Debt. As of June 30, 2014, Crisp County's long-term debt consisted of notes payable, capital lease payable, compensated absences, revenue bonds payable and landfill closure and postclosure care.

The County recorded net decreases in total long-term debt for both its governmental and business-type activities of $52,471 and $388,142, respectively, during fiscal year ending June 30, 2014.

Additional information on the County's long-term debt can be found in Note 7 on pages 52 - 56 of this report.

Economic Factors

- Crisp County, as included in the River Valley Regional Commission of the State of Georgia, reports an unemployment rate of 10.2%, which exceeds both the rate for the State of Georgia of 7.7% and the national average of 5.9%.

Requests for Information

This financial report is designed to provide a general overview of Crisp County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Sherrie Leverett, Finance Director, 210 South 7th Street, Suite 309, Cordele, Georgia 31015 or sleverett@crispcounty.com.

CRISP COUNTY, GEORGIA

STATEMENT OF NET POSITION
JUNE 30, 2014

ASSETS	Primary Government		
	Governmental Activities	Business-type Activities	Total
Cash and cash equivalents	$ 11,178,395	$ 2,545,936	$ 13,724,331
Investments	3,319,767	133,489	3,453,256
Taxes receivable	1,308,022	-	1,308,022
Accounts receivable, net of allowances	226,641	395,138	621,779
Notes receivable	1,260,994	-	1,260,994
Internal balances	18,457	(18,457)	-
Due from other governments	481,760	-	481,760
Due from component unit	14,073	-	14,073
Inventories	10,868	-	10,868
Prepaid items	262,535	15,577	278,112
Other assets	440,890	4,739	445,629
Restricted assets:			
Cash	-	144,768	144,768
Assets limited as to use	-	-	-
Goodwill	-	-	-
Deferred financing costs	-	-	-
Investment in affiliated companies	-	-	-
Capital assets:			
Nondepreciable	4,389,412	880,658	5,270,070
Depreciable, net of accumulated depreciation	39,107,105	9,057,850	48,164,955
Long-term intangible asset	-	-	-
Total assets	62,018,919	13,159,698	75,178,617
LIABILITIES			
Accounts payable	705,621	29,551	735,172
Accrued liabilities	211,840	21,869	233,709
Customer deposits payable	-	56,450	56,450
Claims payable	-	130,000	130,000
Other payables	-	-	-
Due to other governments	229,687	25,504	255,191
Due to primary government	-	-	-
Notes payable due within one year	25,429	392,358	417,787
Notes payable due in more than one year	79,807	3,960,752	4,040,559
Bonds payable due within one year	-	39,290	39,290
Bonds payable due in more than one year	-	1,479,460	1,479,460
Compensated absences due within one year	109,466	6,008	115,474
Compensated absences due in more than one year	498,523	20,080	518,603
Closure and postclosure care costs	-	1,921,869	1,921,869
Total liabilities	1,860,373	8,083,191	9,943,564
NET POSITION			
Net investment in capital assets	43,391,281	4,066,648	47,457,929
Restricted for:			
Debt service	-	56,478	56,478
Judicial	146,045	-	146,045
Public safety	553,403	-	553,403
Economic development	650,311	-	650,311
Capital outlay	7,744,686	-	7,744,686
Unrestricted	7,672,820	953,381	8,626,201
Total net position	$ 60,158,546	$ 5,076,507	$ 65,235,053

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

Component Units		
Crisp County Power Commission	Crisp Regional Health Service, Inc.	Crisp County Board of Health
$ 4,470,359	$ 2,592,000	$ 346,182
15,892,093	-	-
-	-	-
3,908,585	10,729,000	-
-	862,000	-
-	-	-
-	-	-
-	-	-
872,855	1,422,000	-
164,450	-	-
1,433,151	3,111,000	-
-	-	-
574,408	42,906,000	-
-	3,507,000	-
-	1,313,000	-
-	416,000	-
1,014,822	2,155,000	-
17,530,861	35,396,000	-
481,994	-	-
46,343,578	104,409,000	346,182
2,513,888	1,837,000	-
358,709	4,331,000	-
574,360	-	-
-	-	-
-	1,000	-
-	-	-
-	14,000	-
-	-	-
-	-	-
-	1,430,000	-
-	29,185,000	-
-	-	8,933
-	-	16,630
-	-	-
3,446,957	36,798,000	25,563
18,545,683	6,936,000	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	183,795
24,350,938	60,675,000	136,824
$ 42,896,621	$ 67,611,000	$ 320,619

CRISP COUNTY, GEORGIA

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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	$ 2,296,114	$ 762,733	$ 6,427	$ 122
Judicial	1,508,086	56,125	-	145
Public safety	9,356,105	3,060,245	541,135	840,834
Public works	6,580,182	5,046	1,027,713	11,016
Health and welfare	516,051	-	-	-
Parks and recreation	1,062,569	122,440	-	480
Housing and development	1,414,540	9,480	-	902,318
Interest on long-term debt	6,883	-	-	-
Total governmental activities	22,740,530	4,016,069	1,575,275	1,754,915
Business-type activities:				
Water system	478,804	541,188	-	-
Landfill	1,346,253	1,385,701	-	-
Self-insurance health benefit	2,501,826	2,524,641	-	-
Total business-type activities	4,326,883	4,451,530	-	-
Total primary government	$ 27,067,413	$ 8,467,599	$ 1,575,275	$ 1,754,915
Component units:				
Crisp County Power Commission	$ 35,412,535	$ 38,868,071	$ -	$ -
Crisp Regional Health Services, Inc.	88,801,000	92,043,000	226,000	-
Crisp County Board of Health	623,170	226,529	416,482	-
Total component units	$ 124,836,705	$ 131,137,600	$ 642,482	$ -
General revenues:				
Property taxes				
Sales taxes				
Franchise fees				
Business taxes				
Other taxes				
Unrestricted investment earnings				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year				
Net position, end of year				

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

Net (Expenses) Revenues and Changes in Net Position						
Primary Government			Component units			
Governmental Activities	Business-type Activities	Total	Crisp County Power Commission	Crisp Regional Health Services, Inc.	Crisp County Board of Health	
$ (1,526,832)	$ -	$ (1,526,832)	$ -	$ -	$ -	
(1,451,816)	-	(1,451,816)	-	-	-	
(4,913,891)	-	(4,913,891)	-	-	-	
(5,536,407)	-	(5,536,407)	-	-	-	
(516,051)	-	(516,051)	-	-	-	
(939,649)	-	(939,649)	-	-	-	
(502,742)	-	(502,742)	-	-	-	
(6,883)	-	(6,883)	-	-	-	
(15,394,271)	-	(15,394,271)	-	-	-	
-	62,384	62,384	-	-	-	
-	39,448	39,448	-	-	-	
-	22,815	22,815	-	-	-	
-	124,647	124,647	-	-	-	
$ (15,394,271)	$ 124,647	$ (15,269,624)	$ -	$ -	$ -	
$ -	$ -	$ -	$ 3,455,536	$ -	$ -	
-	-	-	-	3,468,000	-	
-	-	-	-	-	19,841	
$ -	$ -	$ -	$ 3,455,536	$ 3,468,000	$ 19,841	
$ 7,067,777	$ -	$ 7,067,777	$ -	$ -	$ -	
6,450,262	-	6,450,262	-	-	-	
996,196	-	996,196	-	-	-	
597,487	-	597,487	-	-	-	
361,829	-	361,829	-	-	-	
28,590	9,590	38,180	-	740,000	205	
(67,281)	67,281	-	-	-	-	
15,434,860	76,871	15,511,731	-	740,000	205	
40,589	201,518	242,107	3,455,536	4,208,000	20,046	
60,117,957	4,874,989	64,992,946	39,441,085	63,403,000	300,573	
$ 60,158,546	$ 5,076,507	$ 65,235,053	$ 42,896,621	$ 67,611,000	$ 320,619	

CRISP COUNTY, GEORGIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2014

	General	Special Service District Fund	CDBG Revolving Loan Fund	2011 Sales Tax Fund
ASSETS				
Cash and cash equivalents	$ 2,738,141	$ 37,969	$ 650,311	$ 1,489,773
Investments	2,372,834	-	-	-
Receivables, net of allowance:				
Taxes	808,661	30,675	-	343,928
Accounts	159,035	14,562	-	-
Notes	-	-	1,260,994	-
Due from other funds	287,414	-	-	-
Due from other governments	366,115	-	-	-
Due from component unit	14,073	-	-	-
Prepaid items	184,286	14,761	-	-
Inventory	10,868	-	-	-
Total assets	$ 6,941,427	$ 97,967	$ 1,911,305	$ 1,833,701
LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 226,698	$ 5,658	$ -	$ 106,661
Accrued liabilities	153,469	35,783	-	-
Due to other funds	-	64,971	-	95,121
Due to other governments	12,300	-	-	217,387
Total liabilities	392,467	106,412	-	419,169
DEFERRED INFLOW OF RESOURCES				
Unavailable revenue - property taxes	630,504	18,800	-	-
Total deferred inflow of resources	630,504	18,800	-	-
FUND BALANCES				
Nonspendable:				
Prepaid expenditures	184,286	14,761	-	-
Inventory	10,868	-	-	-
Long-term receivable	-	-	1,260,994	-
Restricted for:				
Judicial	-	-	-	-
Public safety	-	-	-	-
Economic development	-	-	650,311	-
Capital outlay	-	-	-	1,414,532
Unassigned	5,723,302	(42,006)	-	-
Total fund balances	5,918,456	(27,245)	1,911,305	1,414,532
Total liabilities, deferred inflow of resources, and fund balances	$ 6,941,427	$ 97,967	$ 1,911,305	$ 1,833,701

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 in the funds.

Net pension asset used in governmental activities is not a financial resource and, therefore, is not reported in governmental funds

Certain liabilities are not due and payable in the current period and are, therefore, not reported in the funds.

Net position of governmental activities

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

2005 Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
$ 4,694,486	$ 1,567,715	$ 11,178,395
-	946,933	3,319,767
-	124,758	1,308,022
-	53,044	226,641
-	-	1,260,994
-	120	287,534
-	115,645	481,760
-	-	14,073
-	63,488	262,535
-	-	10,868
$ 4,694,486	$ 2,871,703	$ 18,350,589
$ 10,063	$ 356,541	$ 705,621
-	20,198	209,450
-	108,985	269,077
-	-	229,687
10,063	485,724	1,413,835
-	-	649,304
-	-	649,304
-	63,488	262,535
-	-	10,868
-	-	1,260,994
-	146,045	146,045
-	553,403	553,403
-	-	650,311
4,684,423	1,645,731	7,744,686
-	(22,688)	5,658,608
4,684,423	2,385,979	16,287,450
$ 4,694,486	$ 2,871,703	
		43,496,517
		649,304
		440,890
		(715,615)
		$ 60,158,546

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	General	Special Service District Fund	CDBG Revolving Loan Fund	2011 Sales Tax Fund
Revenues				
Property taxes	$ 6,767,873	$ 403,833	$ -	$ -
Sales taxes	1,858,862	-	-	3,872,631
Franchise taxes	481,083	515,113	-	-
Business taxes	26,279	571,208	-	-
Other taxes	332,710	3,755	-	-
Licenses and permits	16,933	60,345	-	-
Intergovernmental	570,947	-	500,000	-
Charges for services	1,169,410	-	-	-
Fines and forfeitures	1,675,072	-	-	-
Interest income	9,295	-	17,809	4,283
Other revenues	1,044,081	1,541	-	-
Total revenues	13,952,545	1,555,795	517,809	3,876,914
Expenditures				
Current:				
General government	1,997,990	-	-	-
Judicial	1,407,515	-	-	-
Public safety	6,388,801	1,263,424	-	-
Public works	1,478,566	143,982	-	-
Health and welfare	482,962	-	-	-
Parks and recreation	787,772	-	-	-
Housing and development	244,568	149,628	501,322	-
Intergovernmental payments	-	-	-	2,255,562
Capital outlay	-	-	-	1,599,985
Debt service:				
Principal	-	-	-	180,661
Interest	-	-	-	9,220
Total expenditures	12,788,174	1,557,034	501,322	4,045,428
Excess (deficiency) of revenues over (under) expenditures	1,164,371	(1,239)	16,487	(168,514)
Other financing sources (uses)				
Proceeds from the sale of capital assets	11,200	-	-	-
Transfers in	2,512	-	-	-
Transfers out	(358,129)	-	-	-
Total other financing sources (uses)	(344,417)	-	-	-
Net change in fund balances	819,954	(1,239)	16,487	(168,514)
Fund balances, beginning of year	5,098,502	(26,006)	1,894,818	1,583,046
Fund balances (deficit), end of year	$ 5,918,456	$ (27,245)	$ 1,911,305	$ 1,414,532

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

2005 Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 7,171,706
-	718,769	6,450,262
-	-	996,196
-	-	597,487
-	25,364	361,829
-	-	77,278
304,604	1,205,332	2,580,883
-	509,451	1,678,861
-	269,984	1,945,056
5,264	8,246	44,897
-	2,252	1,047,874
309,868	2,739,398	22,952,329
-	-	1,997,990
-	33,490	1,441,005
-	1,092,475	8,744,700
-	325,896	1,948,444
-	-	482,962
-	-	787,772
-	23,648	919,166
490,000	-	2,745,562
556,322	1,848,261	4,004,568
-	-	180,661
-	-	9,220
1,046,322	3,323,770	23,262,050
(736,454)	(584,372)	(309,721)
-	-	11,200
12,380	358,129	373,021
-	(14,892)	(373,021)
12,380	343,237	11,200
(724,074)	(241,135)	(298,521)
5,408,497	2,627,114	16,585,971
$ 4,684,423	$ 2,385,979	$ 16,287,450

CRISP 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, 2014

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	(298,521)
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.		468,244
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		(108,169)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(103,929)
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 of governmental funds. Neither transaction, however, has any effect on net position. This amount is the principal payment on notes payable.		180,661
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.		(97,697)
Net change in net position - governmental activities	$	40,589

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

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Property taxes	$ 6,744,362	$ 6,746,631	$ 6,767,873	$ 21,242
Sales taxes	1,900,000	1,858,875	1,858,862	(13)
Franchise taxes	350,000	481,080	481,083	3
Business taxes	25,000	26,275	26,279	4
Other taxes	217,000	332,700	332,710	10
Licenses and permits	18,900	16,950	16,933	(17)
Intergovernmental	602,116	570,918	570,947	29
Charges for services	1,209,396	1,166,421	1,169,410	2,989
Fines and forfeitures	1,625,000	1,666,500	1,675,072	8,572
Interest revenue	8,000	9,300	9,295	(5)
Other revenues	194,000	1,044,875	1,044,081	(794)
Total revenues	12,893,774	13,920,525	13,952,545	32,020
Expenditures:				
Current:				
General government:				
Legislative	399,068	389,071	389,153	(82)
Executive	131,161	137,468	137,438	30
Elections	105,012	108,537	108,627	(90)
Financial administration	349,594	321,846	321,744	102
Data processing	68,044	60,469	60,499	(30)
Tax commissioner	291,801	285,398	285,437	(39)
Tax assessor	325,360	301,778	301,852	(74)
General government buildings and plant	391,274	393,234	393,240	(6)
Total general government	2,061,314	1,997,801	1,997,990	(189)
Judicial:				
Judicial administration	279,052	288,092	288,108	(16)
Clerk of superior court	395,965	361,865	361,835	30
District attorney	237,000	181,850	181,845	5
Magistrate court	220,358	217,931	217,875	56
Probate court	271,370	272,882	272,949	(67)
Juvenile court	52,913	51,663	51,695	(32)
Grand jury	22,000	14,100	14,117	(17)
Public defender	33,987	19,162	19,091	71
Total judicial	1,512,645	1,407,545	1,407,515	30
Public safety:				
Sheriff	3,064,979	3,892,965	3,893,656	(691)
Jail operations	2,096,799	1,926,281	1,926,263	18
Fire	10,521	9,346	9,332	14
EMS	423,757	429,232	429,239	(7)
Coroner	41,446	32,796	32,817	(21)
Other protection	114,855	97,505	97,494	11
Total public safety	5,752,357	6,388,125	6,388,801	(676)
Public works:				
Public works administration	1,639,376	1,440,669	1,440,948	(279)
Intergovernmental payments of energy excise tax	11,200	37,575	37,618	(43)
Total public works	1,650,576	1,478,244	1,478,566	(322)

(Continued)

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Expenditures: (Continued)				
Health and welfare:				
Health	$ 246,020	$ 249,920	$ 249,909	$ 11
Welfare	14,750	14,750	14,750	-
Community services	169,190	225,400	217,043	8,357
Public education	1,270	1,270	1,260	10
Total health and welfare	431,230	491,340	482,962	8,378
Parks and recreation:				
Recreation	740,040	704,177	704,557	(380)
Parks	83,725	83,180	83,215	(35)
Total parks and recreation	823,765	787,357	787,772	(415)
Housing and development:				
Conservation	120,483	121,358	121,349	9
Economic development and assistance	112,800	109,765	109,759	6
Economic opportunity	30,900	13,450	13,460	(10)
Total housing and development	264,183	244,573	244,568	5
Total expenditures	12,496,070	12,794,985	12,788,174	6,811
Excess of revenues over expenditures	397,704	1,125,540	1,164,371	38,831
Other financing sources (uses)				
Proceeds from sale of assets	25,000	11,200	11,200	-
Transfers in	-	1,700	2,512	812
Transfers out	(423,804)	(358,113)	(358,129)	(16)
Total other financing sources (uses)	(398,804)	(345,213)	(344,417)	796
Net change in fund balances	(1,100)	780,327	819,954	39,627
Fund balance, beginning of year	5,098,502	5,098,502	5,098,502	-
Fund balance, end of year	$ 5,097,402	$ 5,878,829	$ 5,918,456	$ 39,627

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

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
SPECIAL SERVICE DISTRICT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Property taxes	$ 407,300	$ 404,975	$ 403,833	$ (1,142)
Franchise taxes	584,616	515,109	515,113	4
Business taxes	540,000	571,200	571,208	8
Other taxes	13,750	3,775	3,755	(20)
Licenses and permits	46,700	60,350	60,345	(5)
Other revenues	550	1,550	1,541	(9)
Total revenues	1,592,916	1,556,959	1,555,795	(1,164)
Expenditures:				
Current:				
Public safety:				
Fire	1,331,147	1,263,332	1,263,424	(92)
Total public safety	1,331,147	1,263,332	1,263,424	(92)
Public works:				
Solid waste collection	98,837	143,997	143,982	15
Total public works	98,837	143,997	143,982	15
Housing and development:				
Planning and zoning	162,932	149,630	149,628	2
Total housing and development	162,932	149,630	149,628	2
Total expenditures	1,592,916	1,556,959	1,557,034	(75)
Net change in fund balances	-	-	(1,239)	(1,239)
Fund balance, beginning of year	(26,006)	(26,006)	(26,006)	-
Fund balance (deficit), end of year	$ (26,006)	$ (26,006)	$ (27,245)	$ (1,239)

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

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL
CDBG REVOLVING LOAN FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Budgeted Amounts			Variance with Final
	Original	Final	Actual	Budget
Revenues:				
Intergovernmental	$ -	$ 500,000	$ 500,000	$ -
Interest revenue	20,100	17,675	17,809	134
Total revenues	20,100	517,675	517,809	134
Expenditures:				
Current:				
Housing and development:				
Economic development and assistance	20,100	517,675	501,322	16,353
Total housing and development	20,100	517,675	501,322	16,353
Total expenditures	20,100	517,675	501,322	16,353
Net change in fund balances	-	-	16,487	16,487
Fund balance, beginning of year	1,894,818	1,894,818	1,894,818	-
Fund balance, end of year	$ 1,894,818	$ 1,894,818	$ 1,911,305	$ 16,487

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

CRISP COUNTY, GEORGIA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2014

	Crisp County Water System	Crisp County Landfill	Self-Insurance Health Benefit Fund	Totals
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	$ 1,430,417	$ 485,342	$ 630,177	$ 2,545,936
Investments	-	133,489	-	133,489
Accounts receivable, net of allowances	44,723	266,777	83,638	395,138
Prepaid expenses	6,358	9,219	-	15,577
Restricted assets, cash	144,768	-	-	144,768
Total current assets	1,626,266	894,827	713,815	3,234,908
NONCURRENT ASSETS				
Other assets	-	4,739	-	4,739
Capital assets:				
Nondepreciable	-	880,658	-	880,658
Depreciable, net of accumulated depreciation	3,495,126	5,562,724	-	9,057,850
Total noncurrent assets	3,495,126	6,448,121	-	9,943,247
Total assets	5,121,392	7,342,948	713,815	13,178,155
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	2,409	27,142	-	29,551
Claims payable	-	-	130,000	130,000
Accrued liabilities	3,564	18,305	-	21,869
Due to other funds	2,222	16,235	-	18,457
Due to other governments	-	25,504	-	25,504
Notes payable, current portion	-	392,358	-	392,358
Compensated absences, current portion	1,927	4,081	-	6,008
Payable from restricted assets:				
Customer deposits	49,000	7,450	-	56,450
Revenue bonds payable, current portion	39,290	-	-	39,290
Total current liabilities	98,412	491,075	130,000	719,487
NONCURRENT LIABILITIES				
Notes payable, net of current portion	-	3,960,752	-	3,960,752
Revenue bonds payable, net of current portion	1,479,460	-	-	1,479,460
Compensated absences, net of current portion	3,615	16,465	-	20,080
Closure and postclosure care costs	-	1,921,869	-	1,921,869
Total long-term liabilities	1,483,075	5,899,086	-	7,382,161
Total liabilities	1,581,487	6,390,161	130,000	8,101,648
NET POSITION				
Net investment in capital assets	1,976,376	2,090,272	-	4,066,648
Restricted for debt service	56,478	-	-	56,478
Unrestricted (deficit)	1,507,051	(1,137,485)	583,815	953,381
Total net position	$ 3,539,905	$ 952,787	$ 583,815	$ 5,076,507

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

CRISP COUNTY, GEORGIA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Crisp County Water System	Crisp County Landfill	Self-Insurance Health Benefit Fund	Totals
OPERATING REVENUES				
Charges for services	$ 541,188	$ 1,385,669	$ 2,353,874	$ 4,280,731
Other revenue	-	32	170,767	170,799
Total operating revenues	541,188	1,385,701	2,524,641	4,451,530
OPERATING EXPENSES				
Personal services	134,119	323,375	-	457,494
Cost of sales and services	37,120	497,721	1,997,558	2,532,399
Supplies	47,605	126,870	-	174,475
Administration	20,000	90,000	504,268	614,268
Depreciation and amortization	189,934	152,948	-	342,882
Total operating expenses	428,778	1,190,914	2,501,826	4,121,518
Operating income	112,410	194,787	22,815	330,012
NONOPERATING INCOME (EXPENSES)				
Interest income	2,133	2,936	4,521	9,590
Interest expense	(50,026)	(155,339)	-	(205,365)
Total nonoperating income (expenses)	(47,893)	(152,403)	4,521	(195,775)
Income before capital contributions	64,517	42,384	27,336	134,237
CAPITAL CONTRIBUTIONS	-	67,281	-	67,281
Change in net position	64,517	109,665	27,336	201,518
NET POSITION, beginning of year	3,475,388	843,122	556,479	4,874,989
NET POSITION, end of year	$ 3,539,905	$ 952,787	$ 583,815	$ 5,076,507

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

CRISP COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Crisp County Water System	Crisp County Landfill	Self-Insurance Health Benefit Fund	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from interfund users	$ -	$ -	$ 1,713,703	$ 1,713,703
Receipts from other customers	542,083	1,249,316	881,210	2,672,609
Payments to suppliers	(202,420)	(683,804)	(2,531,826)	(3,418,050)
Payments to employees	(131,387)	(318,968)	-	(450,355)
Net cash provided by operating activities	208,276	246,544	63,087	517,907
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Principal paid on bonds	(38,036)	-	-	(38,036)
Principal paid on notes payable	-	(378,710)	-	(378,710)
Interest paid	(50,033)	(156,579)	-	(206,612)
Net cash used in capital and related financing activities	(88,069)	(535,289)	-	(623,358)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investments	-	(159)	-	(159)
Interest received	2,133	2,936	4,521	9,590
Net cash provided by investing activities	2,133	2,777	4,521	9,431
Increase (decrease) in cash and cash equivalents	122,340	(285,968)	67,608	(96,020)
Cash and cash equivalents:				
Beginning of year	1,452,845	771,310	562,569	2,786,724
End of year	$ 1,575,185	$ 485,342	$ 630,177	$ 2,690,704
Classified as:				
Cash and cash equivalents	$ 1,430,417	$ 485,342	$ 630,177	$ 2,545,936
Restricted assets, cash	144,768	-	-	144,768
	$ 1,575,185	$ 485,342	$ 630,177	$ 2,690,704

(Continued)

CRISP COUNTY, GEORGIA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Crisp County Water System	Crisp County Landfill	Self-Insurance Health Benefit Fund	Totals
Reconciliation of operating income to net cash provided by operating activities				
Operating income	$ 112,410	$ 194,787	$ 22,815	$ 330,012
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation and amortization	189,934	152,948	-	342,882
(Increase) decrease in accounts receivable	70	(166,991)	70,272	(96,649)
Decrease in due from other funds	-	30,206	-	30,206
(Increase) decrease in prepaid expenses	(562)	2,761	-	2,199
Increase (decrease) in accounts payable	(97,133)	4,523		(92,610)
Decrease in claims payable	-	-	(30,000)	(30,000)
Increase (decrease) in accrued liabilities	1,687	(306)	-	1,381
Increase in customer deposits	795	400	-	1,195
Increase in due to other funds	30	657	-	687
Increase in compensated absences	1,045	4,407	-	5,452
Increase in closure and postclosure costs	-	23,152	-	23,152
Net cash provided by operating activities	$ 208,276	$ 246,544	$ 63,087	$ 517,907
Noncash investing, capital, and financing activities:				
Contributions of capital assets from governmental activities	$ -	$ 67,281	$ -	$ 67,281
	$ -	$ 67,281	$ -	$ 67,281

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

CRISP COUNTY, GEORGIA

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2014

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 596,601
Accounts receivable	19,682
Taxes receivable	1,324,122
Total assets	$ 1,940,405
LIABILITIES	
Due to others	$ 616,283
Uncollected taxes	1,324,122
Total liabilities	$ 1,940,405

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Crisp 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

Crisp County, Georgia was incorporated in the State of Georgia on August 17, 1905. The County is governed by an elected board of commissioners and an elected chairman of the board and provides the following services to the citizens of Crisp County: public safety (police and fire), public works, recreation, health and welfare services, education, judicial services, planning and community development, and general administrative services.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the County (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 and financial relationships with the County.

The Board of the **Crisp County Power Commission** (the "Commission") oversees the operations of the Crisp County Power Commission. Three of the seven board members are appointed by the Board of County Commissioners while the other four are appointed by the County grand jury and the County has the ability to impose its will over the organization. The Commission has a December 31 year-end. Complete financial statements can be obtained at the following address: Crisp County Power Commission, 202 South 7th Street, Cordele, GA 31015.

The **Crisp Regional Health Services, Inc.** oversees the hospital facilities and related healthcare support services for the citizens of the County. The board is appointed by the County Commissioners and the County has the ability to impose its will over the organization. Complete financial statements can be obtained at the following address: Crisp Regional Health Services, Inc., 902 7th Street North, Cordele, GA 31015.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The **Crisp County Board of Health** (the "Board of Health") oversees the operations of the Crisp County Department of Public Health. The County provides financial support to the Department of Public Health and appoints a majority of the members of the Board of Health. Complete financial statements can be obtained at the following address: Crisp County Department of Public Health, 111 East 24th Avenue, Cordele, GA 31015.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the government. 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.

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 those 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 grants, 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 ***Special Service District Fund*** is a special revenue fund used to account for the receipt of taxes assessed to a special district that are restricted for expenditures of the district.

The ***CDBG Revolving Loan Fund*** is a special revenue fund used to account for the operations of the County's revolving loans. Original funding was provided by the Department of Housing and Urban Development through the State of Georgia Department of Community Affairs.

The ***2005 Sales Tax Fund*** is a capital projects fund used to account for the acquisition, construction, equipping and installation of certain capital outlay projects for the benefit of all Crisp County citizens. Financing is provided by a special purpose sales and use tax.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The ***2011 Sales Tax Fund*** is a capital projects fund used to account for the acquisition, construction, equipping and installation of certain capital outlay projects for the benefit of all Crisp County citizens. Financing is provided by a special purpose sales and use tax.

The County reports the following major proprietary funds:

The ***Crisp County Water System*** is an enterprise fund used to account for the provision of water services to the citizens of Crisp County. Activities of the fund include water administration, operations, billing and collections.

The ***Crisp County Landfill*** is an enterprise fund used to account for the revenues and expenses associated with the operation of the County's landfill.

The ***Self-Insurance Health Benefit Fund*** is used to account for the self-insured health benefit plan provided for the employees of the County, Crisp County Power Commission, Solid Waste Management Authority, and Southwest Georgia United Empowerment Zone.

Additionally, the County reports the following fund types:

The ***special revenue funds*** account for revenue sources that are legally restricted or committed for expenditures of specific purposes.

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

The ***agency funds*** are used to account for assets held by the County as an agent for individuals, private organizations, other governmental units, and/or other funds.

Amounts reported as *program revenues* include 1) charges for services 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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 and internal service fund are charges to customers for sales and services provided. Operating expenses for the enterprise funds and internal service fund 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.

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 and discretely presented component units' cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County and discretely presented component units to invest in obligations of the U.S. Treasury, certificates of deposit, repurchase agreements, money market accounts, and the local government investment pool of the State of Georgia (Georgia Fund 1). Georgia Fund 1, created by OCGA 36-83-8, is a stable net asset value investment pool which follows Standard and Poor's criterion for AAAf rated money market funds and is regulated by the Georgia Office of the Treasurer. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes earnings net of management fees on a monthly basis and determines participants' shares sold and redeemed based on $1.00 per share.

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 fund financial statements, these receivables and payables are classified as “due from other funds” or “due to other funds”.

F. Inventory and Prepaid Items

Inventory in the governmental funds is valued and the lower of cost or market. The County accounts for inventory on the purchase basis. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

G. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported 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 more than $1,500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of assets constructed. No interest expense was capitalized during the fiscal year ended June 30, 2014.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Capital Assets (Continued)

Capital assets of the primary government, the Crisp County Board of Health (component unit) and Crisp Regional Health Services, Inc. (component unit) are depreciated using the straight line method over the following useful lives:

Asset Category	Years
Primary Government	
Furniture, machinery and equipment	5-15
System improvements	35
Plant and buildings	20-50
Infrastructure	20
Land improvements	2-50
Crisp County Board of Health	
Machinery and equipment	10
Computers	5
Crisp Regional Health Service, Inc.	
Buildings and improvements	20-40
Fixed equipment	15-25
Movable equipment	3-15

Capital assets for the Crisp County Power Commission (component unit) include an electric plant that is stated at original cost, which includes applicable general and administrative costs. Plant retirements are charged against appropriate accumulated depreciation accounts. Depreciation of the electric plant is computed using the straight-line method over the expected life of the plant. Annual depreciation provisions, expressed as a percentage of average depreciable property, were as follows for 2013:

Intangible Plant	2.50%
Steam and Gas Plant	5.00%
Hydraulic Plant	4.00%
Transmission Plant	3.33%
Distribution Plant	4.00%
General Plant	2.0% - 20.00%
Vehicles	16.66%

The composite electric utility plant depreciation rates are based on engineering studies which are periodically updated.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. 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.

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, arising 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 not received within 60 days after year end. These amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

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.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. 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. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Fund Equity

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 and liabilities 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.

- ***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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. Fund Equity (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 may be reported in all funds.

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 and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets 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 assets are available.

L. Management 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from 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 $715,615 difference are as follows:

Accrued interest payable	$	(2,390)
Notes payable		(105,236)
Compensated absences		(607,989)
Net adjustment to reduce *fund balance - total governmental funds* to arrive at *net position - governmental activities*	$	(715,615)

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 $468,244 difference are as follows:

Capital outlay	$	4,112,528
Depreciation expense		(3,644,284)
Net adjustment to increase *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	468,244

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 states the "The net effect of various miscellaneous transactions involving capital assets, (i.e. sales, trade-ins, and donations) is to decrease net position." The details of this $108,169 difference are as follows:

Transfers of capital assets to business-type activities	$	(67,281)
Disposals of capital assets		(40,888)
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	(108,169)

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 $97,697 difference are as follows:

Compensated absences	$	(128,190)
Net pension asset		28,156
Accrued interest		2,337
Net adjustment to decrease *net changes in fund balances - total governmental funds* to arrive at *changes in net position of governmental activities*	$	(97,697)

NOTE 3. LEGAL COMPLIANCE - BUDGETS

A. Budgets and Budgetary Accounting

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

1. No later than January 15th of each year, the County Commission shall approve the subsequent fiscal year's budget calendar. This calendar shall include specific dates for completion of each task necessary to prepare, review and approve the County's operating budget. The budget calendar shall establish the date to have a completed budget approved and adopted.

2. After preparation of the departmental budgets by the department heads and the County Administrator, each department head formally presents the budget to the Board of Commissioners. The Board of Commissioners reviews each budget at this time.

NOTE 3. LEGAL COMPLIANCE - BUDGETS (CONTINUED)

A. Budgets and Budgetary Accounting (Continued)

3. After review of each departmental budget and revisions made by the department heads, the budget is adopted by the Board of Commissioners.

4. Formal budgetary integration is the management tool used as a control device during the year for the General Fund. The legal level of budgetary control is the department level.

5. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual appropriated budgets are legally adopted for the General Fund and each special revenue fund.

6. The County budgets the capital projects funds on a project basis with the term of the project being longer than the County's fiscal period.

7. All appropriations lapse at fiscal year-end.

B. Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is not utilized by Crisp County.

NOTE 3. LEGAL COMPLIANCE - BUDGETS (CONTINUED)

C. Excess of Expenditures Over Appropriations

For the year ended June 30, 2014, expenditures exceeded budget as follows:

Department	Excess
General Fund:	
Legislative	$ 82
Elections	90
Data processing	30
Tax commissioner	39
Tax assessor	74
General government buildings and plant	6
Judicial administration	16
Probate court	67
Juvenile court	32
Grand jury	17
Sheriff	691
EMS	7
Coroner	21
Public works administration	279
Intergovernmental payments of energy excise tax	43
Recreation	380
Parks	35
Economic opportunity	10
Special Service District Fund:	
Fire	92

Excess expenditures over budget in both funds were funded by under-expenditures in other departments.

The Special Service District Fund reported a deficit fund balance of $27,245 at June 30, 2014. The deficit is intended to be eliminated through future tax revenues.

NOTE 4. DEPOSITS AND INVESTMENTS

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.

NOTE 4. DEPOSITS AND INVESTMENTS (CONTINUED)

At June 30, 2014, the County had the following investments:

Investments	Maturities	Fair Value
Primary government:		
Georgia Fund 1	62 day weighted average	$ 3,037,674
Certificates of deposit	1 year weighted average	415,582
		$ 3,453,256

As of June 30, 2014, the County's investment in Georgia Fund 1 was rated AAAf by Standard & Poor's.

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.

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, a government 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, 2014, none of the County deposits were exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements.

Interest rate risk – Component Units. Crisp Regional Health Services, Inc., Crisp County Board of Health, and Crisp County Power Commission do 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 – Component Units. 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, 2014, the Crisp County Board of Health and Crisp Regional Health Services, Inc. did not have any balances exposed to custodial credit risk as uninsured and uncollateralized as defined by GASB pronouncements. As of December 31, 2013, the Crisp County Power Commission 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, 2014, for the County's individual major funds and nonmajor funds in the aggregate, are as follows:

	General	Special Service District	CDBG Revolving Loan Fund	SPLOST 2011	Crisp County Water System
Receivables:					
Taxes	$ 847,107	$ 32,133	$ -	$ 343,928	$ -
Accounts	159,035	14,562	-	-	44,723
Notes	-	-	2,261,083	-	-
	1,006,142	46,695	2,261,083	343,928	44,723
Less allowance for uncollectibles	(38,446)	(1,458)	(1,000,089)	-	-
Total receivables	$ 967,696	$ 45,237	$ 1,260,994	$ 343,928	$ 44,723

	Crisp County Landfill	Self-Insurance Health Benefit	Other Governmental Funds	Total
Receivables:				
Taxes	$ -	$ -	$ 124,758	$ 1,347,926
Accounts	277,603	83,638	53,044	632,605
Notes	-	-	-	2,261,083
	277,603	83,638	177,802	4,241,614
Less allowance for uncollectibles	(10,826)	-	-	(1,050,819)
Total receivables	$ 266,777	$ 83,638	$ 177,802	$ 3,190,795

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

The tax billing cycle for fiscal year 2014 is as follows:

Levy date	August 13, 2013
Payment due date	December 20, 2013
Delinquency date	December 21, 2013

Notes receivable consist of community development loans to individuals and businesses. Financing has been provided by various federal and state grants.

NOTE 6. CAPITAL ASSETS

The County's capital asset activity for the fiscal year ended June 30, 2014 was as follows:

A. Primary Government

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 2,481,903	$ 16,762	$ -	$ -	$ 2,498,665
Construction in progress	799,571	1,801,104	-	(709,928)	1,890,747
Total	3,281,474	1,817,866	-	(709,928)	4,389,412
Capital assets, being depreciated:					
Land improvements	7,071,283	372,869	-	423,705	7,867,857
Infrastructure	67,861,905	-	-	55,900	67,917,805
Plant and buildings	24,742,772	30,623	-	-	24,773,395
Furniture, machinery, and equipment	15,804,380	1,891,170	(182,779)	163,042	17,675,813
Total	115,480,340	2,294,662	(182,779)	642,647	118,234,870
Less accumulated depreciation for:					
Land improvements	(3,098,809)	(333,371)	-	-	(3,432,180)
Infrastructure	(53,699,898)	(1,752,045)	-	-	(55,451,943)
Plant and buildings	(5,948,109)	(752,506)	-	-	(6,700,615)
Furniture, machinery, and equipment	(12,878,556)	(806,362)	141,891	-	(13,543,027)
Total	(75,625,372)	(3,644,284)	141,891	-	(79,127,765)
Total capital assets, being depreciated, net	39,854,968	(1,349,622)	(40,888)	642,647	39,107,105
Governmental activities capital assets, net	$ 43,136,442	$ 468,244	$ (40,888)	$ (67,281)	$ 43,496,517

NOTE 6. CAPITAL ASSETS (CONTINUED)

A. Primary Government (Continued)

Business-type activities:					
Capital assets, not being depreciated:					
Land	$ 765,223	$ -	$ -	$ -	$ 765,223
Construction in progress	115,435	-	-	-	115,435
Total capital assets, not being depreciated	880,658	-	-	-	880,658
Capital assets, being depreciated:					
Plant and buildings	16,333,828	-	-	-	16,333,828
Furniture, machinery, and equipment	3,188,565	-	-	67,281	3,255,846
System improvements	342,454	-	-	-	342,454
Total	19,864,847	-	-	67,281	19,932,128
Less accumulated depreciation for:					
Plant and buildings	(7,385,354)	(248,792)	-	-	(7,634,146)
Furniture, machinery, and equipment	(2,930,050)	(78,583)	-	-	(3,008,633)
System improvements	(218,180)	(13,319)	-	-	(231,499)
Total	(10,533,584)	(340,694)	-	-	(10,874,278)
Total capital assets, being depreciated, net	9,331,263	(340,694)	-	67,281	9,057,850
Business-type activities capital assets, net	$ 10,211,921	$ (340,694)	$ -	$ 67,281	$ 9,938,508

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

Governmental activities:	
General government	$ 315,387
Judicial	6,360
Public safety	1,020,477
Public works	1,888,403
Health and welfare	42,539
Parks and recreation	259,907
Housing and development	111,211
Total depreciation expense - governmental activities	$ 3,644,284
Business-type activities	
Water system	$ 189,934
Landfill	150,760
Total depreciation expense - business-type activities	$ 340,694

NOTE 6. CAPITAL ASSETS (CONTINUED)

B. Discretely Presented Component Unit – Crisp County Power Commission

	2013	Additions	Deletions	Transfers	2013
Capital assets, not being depreciated:					
Land and land rights	$ 572,295	$ -	$ -	$ -	$ 572,295
Construction in progress	160,515	1,954,689	-	(1,672,677)	442,527
Total capital assets, not being depreciated	732,810	1,954,689	-	(1,672,677)	1,014,822
Capital assets, being depreciated:					
Intangible plant	1,867,232	-	-	-	1,867,232
Steam and gas plant	6,119,421	-	-	-	6,119,421
Hydraulic plant	7,657,844	-	-	44,063	7,701,907
Transmission plant	2,423,218	-	-	-	2,423,218
Distribution plant	45,874,830	-	(75,019)	1,434,495	47,234,306
General plant	8,730,855	-	(125,131)	194,119	8,799,843
Total capital assets, being depreciated	72,673,400	-	(200,150)	1,672,677	74,145,927
Less accumulated depreciation for:					
Intangible plant	(314,546)	(61,046)	-	-	(375,592)
Steam and gas plant	(6,121,133)	-	-	1,712	(6,119,421)
Hydraulic plant	(6,958,167)	(180,370)	-	-	(7,138,537)
Transmission plant	(2,385,329)	(1,269)	-	-	(2,386,598)
Distribution plant	(32,839,621)	(1,719,829)	75,019	(1,712)	(34,486,143)
General plant	(5,808,220)	(425,686)	125,131	-	(6,108,775)
Total accumulated depreciation	(54,427,016)	(2,388,200)	200,150	-	(56,615,066)
Total capital assets, being depreciated, net	18,246,384	(2,388,200)	-	1,672,677	17,530,861
Total capital assets	$ 18,979,194	$ (433,511)	$ -	$ -	$ 18,545,683

NOTE 6. CAPITAL ASSETS (CONTINUED)

C. Discretely Presented Component Unit – Crisp Regional Health Services, Inc.

Capital assets, not being depreciated:				
Land	$ 2,102,000	$ -	$ -	$ 2,102,000
Construction in progress	6,181,000	1,278,000	(7,406,000)	53,000
Total	8,283,000	1,278,000	(7,406,000)	2,155,000
Capital assets, being depreciated:				
Building and improvements	41,053,000	6,505,000	(1,760,000)	45,798,000
Fixed equipment	11,616,000	638,000	(67,000)	12,187,000
Movable equipment	24,575,000	2,500,000	(2,234,000)	24,841,000
Total	77,244,000	9,643,000	(4,061,000)	82,826,000
Less accumulated depreciation for:				
Building and improvements	(18,334,000)	(1,335,000)	114,000	(19,555,000)
Fixed equipment	(9,756,000)	(642,000)	60,000	(10,338,000)
Movable equipment	(17,511,000)	(2,224,000)	2,198,000	(17,537,000)
Total	(45,601,000)	(4,201,000)	2,372,000	(47,430,000)
Total capital assets, being depreciated, net	31,643,000	5,442,000	(1,689,000)	35,396,000
Total capital assets, net	$ 39,926,000	$ 6,720,000	$ (9,095,000)	$ 37,551,000

D. Discretely Presented Component Unit – Crisp County Board of Health

Capital assets, being depreciated:				
Machinery and equipment	$ 10,300	$ -	$ -	$ 10,300
Computers	9,431	-	-	9,431
Total	19,731	-	-	19,731
Less accumulated depreciation for:				
Machinery and equipment	(10,300)	-	-	(10,300)
Computers	(9,431)	-	-	(9,431)
Total	(19,731)	-	-	(19,731)
Total capital assets, being depreciated, net	-	-	-	-
Crisp County Board of Health capital assets, net	$ -	$ -	$ -	$ -

NOTE 7. LONG-TERM DEBT

The following is a summary of long-term debt activity for the year ended June 30, 2014:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable	$ 285,897	$ -	$ 180,661	$ 105,236	$ 25,429
Compensated absences	479,799	281,014	152,824	607,989	109,466
Governmental activities long-term liabilities	$ 765,696	$ 281,014	$ 333,485	$ 713,225	$ 134,895
Business-type activities:					
Notes payable	$ 4,731,820	$ -	$ 378,710	$ 4,353,110	$ 392,358
Revenue bonds payable	1,556,786	-	38,036	1,518,750	39,290
Compensated absences	20,636	13,499	8,047	26,088	6,008
Closure and postclosure care	1,898,717	23,152	-	1,921,869	-
Business-type activities long-term liabilities	$ 8,207,959	$ 36,651	$ 424,793	$ 7,819,817	$ 437,656
Component unit - Crisp Regional Health Services, Inc.					
Revenue bonds payable	$ 31,970,000	$ -	$ 1,355,000	$ 30,615,000	$ 1,430,000
Crisp Regional Health Services, Inc. long-term liabilities	$ 31,970,000	$ -	$ 1,355,000	$ 30,615,000	$ 1,430,000
Component unit - Crisp County Board of Health:					
Compensated absences	$ 32,175	$ 33,116	$ 39,728	$ 25,563	$ 8,933
Crisp County Board of Health long-term liabilities	$ 32,175	$ 33,116	$ 39,728	$ 25,563	$ 8,933

For governmental activities, compensated absences are generally liquidated by the General Fund. For business-type activities, compensated absences are liquidated by the Crisp County Water System and Crisp County Landfill Funds.

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government

Governmental Activities Debt

Notes Payable. The County has incurred debt to a local financial institution for equipment purchases. These notes are as follows at June 30, 2014:

Purpose	Original Amount	Interest Rate	Due Date	Balance at June 30, 2014
Police Vehicle Camera Equipment	$ 130,000	2.50%	2018	$ 105,236
			Less current maturities	(25,429)
				$ 79,807

Notes payable debt service requirements to maturity are as follows as of June 30, 2014:

Fiscal Year Payable	Total	Principal	Interest
2015	$ 28,065	$ 25,429	$ 2,636
2016	28,064	26,064	2,000
2017	28,065	26,716	1,349
2018	27,708	27,027	681
	$ 111,902	$ 105,236	$ 6,666

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Business Activities Debt

Notes Payable. The County has also incurred debt to the Georgia Environmental Facilities Authority (GEFA) for landfill improvements. These notes are as follows at June 30, 2014:

Purpose	Original Amount	Interest Rate	Due Date	Balance at June 30, 2014
Landfill improvements	$ 1,508,343	2.00%	2020	$ 542,856
Landfill improvements	1,289,280	2.00%	2021	536,176
Landfill improvements	1,417,970	3.98%	2025	864,536
Landfill improvements	2,766,304	3.89%	2027	2,409,542
				4,353,110
			Less current maturities	(392,358)
				$ 3,960,752

Notes payable debt service requirements to maturity are as follows as of June 30, 2014:

Fiscal Year Payable	Total	Principal	Interest
2015	$ 535,289	$ 392,358	$ 142,931
2016	535,289	402,796	132,493
2017	535,289	415,470	119,819
2018	535,289	430,355	104,934
2019	346,873	260,099	86,774
2020 - 2024	2,199,382	1,847,002	352,380
2025 - 2028	634,867	605,030	29,837
	$ 5,322,278	$ 4,353,110	$ 969,168

NOTE 7. LONG-TERM DEBT (CONTINUED)

A. Primary Government (Continued)

Business Activities Debt (Continued)

Revenue Bonds Payable. The County issued Series 1997A Water Revenue bonds in the principal amount of $1,941,340. These bonds matured and were reissued as Series 1999A Water Revenue Bonds in January 1999. Upon their maturity in December 1999, Series 1999B Water Revenue bonds were issued. These bonds were purchased by the United States Department of Agriculture and are being repaid over 40 years beginning December 28, 2000. These bonds are payable in monthly installments of $7,399 including interest at 3.25%. Final payment is due September 28, 2039.

Debt service requirements to maturity on the bonds payable are as follows:

Fiscal Year Payable	Total	Principal	Interest
2015	$ 88,068	$ 39,290	$ 48,778
2016	88,068	40,587	47,481
2017	88,068	41,925	46,143
2018	88,068	43,309	44,759
2019	88,068	44,737	43,331
2020 - 2024	440,340	246,821	193,519
2025 - 2029	440,340	290,309	150,031
2030 - 2034	440,340	341,458	98,882
2035 - 2039	440,340	401,620	38,720
2040	88,068	28,694	59,374
	$ 2,289,768	$ 1,518,750	$ 771,018

NOTE 7. LONG-TERM DEBT (CONTINUED)

B. Component Unit – Crisp Regional Health Services, Inc.

Revenue Bonds Payable. Crisp Regional Health Services, Inc. issued Series 1996 Revenue Bonds in the original principal amount of $16,000,000. Principal payments are due July 1 each year through 2015 with interest rates varying from 4.75% to 5.45%. These bonds are collateralized by the Crisp Regional Health Services, Inc.'s gross revenue and are guaranteed by Crisp County and an insurance policy. Crisp Regional Health Services, Inc. issued Series 2008A Revenue Bonds in the original principal amount of $10,000,000 and Series 2008B Revenue Bonds in the original principal amount of $3,000,000. Principal payments are due July 1 each year through 2027 with interest rates varying from 3.13% to 4.00%. These bonds are collateralized by the Crisp Regional Health Services, Inc.'s gross revenue and are guaranteed by Crisp County and an insurance policy. Crisp Regional Health Services, Inc. issued Series 2013 Revenue Bonds in the original principal amount of $16,500,000. Principal payments are due July 1 each year through 2043 with interest rates varying from 3.50% to 4.15%. These bonds are collateralized by the Crisp Regional Health Services, Inc.'s gross revenue and are guaranteed by Crisp County and an insurance policy.

Debt service requirements to maturity on the bonds payable are as follows:

Fiscal Year Payable	Total	Principal	Interest
2015	$ 2,654,000	$ 1,430,000	$ 1,224,000
2016	2,854,000	1,705,000	1,149,000
2017	1,837,000	760,000	1,077,000
2018	1,841,000	790,000	1,051,000
2019	1,839,000	815,000	1,024,000
2020 - 2024	8,899,000	4,300,000	4,599,000
2025 - 2029	8,887,000	5,150,000	3,737,000
2030 - 2034	7,358,000	4,655,000	2,703,000
2035 - 2039	7,332,000	5,625,000	1,707,000
2040 - 2043	5,847,000	5,385,000	462,000
	$ 49,348,000	$ 30,615,000	$ 18,733,000

NOTE 8. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The composition of interfund balances as of June 30, 2014 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Water System Fund	$ 2,222
General Fund	2011 Sales Tax Fund	95,121
General Fund	Special Service District	64,971
General Fund	Nonmajor Governmental Funds	108,865
General Fund	Landfill Fund	16,235
Nonmajor Governmental Funds	Nonmajor Governmental Funds	120
		$ 287,534

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.

Interfund transfers:

	Transfers Out		
Transfers In	General Fund	Nonmajor Governmental Funds	Total
Nonmajor Governmental Funds	$ 358,129	$ -	$ 358,129
General Fund	-	2,512	2,512
2005 Sales Tax Fund	-	12,380	12,380
Total	$ 358,129	$ 14,892	$ 373,021

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, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

NOTE 9. LANDFILL CLOSURE AND POSTCLOSURE CARE COST

State and federal laws and regulations require the County place a cover on its landfills when they are filled and perform certain maintenance and monitoring functions for 30 years after closure. In addition to operating expenses related to current activities of the landfill, an expense provision is being recognized based on the estimated future closure and postclosure care costs to be incurred near or after the date the landfill no longer accepts waste. A liability equal to estimated future costs related to these requirements is recorded based on the percentage of landfill capacity used to date. The estimated total cost of the landfill closure and postclosure care costs is based on the amount that would be paid if all equipment facilities and services required to close, monitor and maintain the landfill were acquired or incurred as of June 30, 2014. Actual costs may be higher due to changes in inflation, changes in technology, or changes in regulations.

At the present rate of disposal, it is estimated that the remaining lifespan of the Subtitle D Landfill is 23 years.

A summary of the liability recorded at June 30, 2014 for closure and postclosure care costs is as follows:

	Vertical Landfill	Subtitle D Landfill	Total
Estimated closure costs	$ -	$ 3,600,202	$ 3,600,202
Estimated postclosure care costs	661,094	2,742,777	3,403,871
	661,094	6,342,979	$ 7,004,073
Percentage of capacity filled, June 30, 2014	100%	19.88%	
Closure and postclosure care cost liability	$ 661,094	$ 1,260,775	$ 1,921,869

NOTE 10. DEFINED BENEFIT PENSION PLANS

A. Primary Government

Plan Description

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for Crisp County Employees (the "Plan"), which is a defined benefit pension plan. All full-time employees are eligible to participate in the County's noncontributory defined benefit pension plan after completion of three years of service.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document. Complete financial statements for the Association County Commissioners of Georgia (ACCG) Defined Benefit Pension Plan can be obtained from GEBCorp, 1100 Circle 75 Parkway, Suite 300, Atlanta, Georgia 30339.

Funding Policy

The County is required to contribute an actuarially determined amount annually to The Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and intended to satisfy the minimum contribution requirements as set forth in the State of Georgia statutes. Plan participants do not contribute to the plan.

Annual Pension Cost

The County's annual pension cost and net pension asset for the pension plan for the current year is as follows:

	2014
Derivation of Annual Pension Cost	
Annual Required Contribution	$ 854,392
Interest on Net Pension Obligation	(31,987)
Amortization of Net Pension Obligation	34,225
Annual Pension Cost	$ 856,630

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

Derivation of Net Pension Obligation	
Annual Pension Cost for Fiscal Year 2013	$ 856,630
Actual Contributions to Plan for Fiscal Year 2013	884,786
Increase (Decrease) in Net Pension Obligation	(28,156)
Net Pension Obligation (Asset) as of June 30, 2013	(412,734)
Net Pension Obligation (Asset) as of June 30, 2014	$ (440,890)

Basis of Valuation	
Current Valuation Date	January 1, 2014
Annual Return on Invested Plan Assets	7.50%
Projected Annual Salary Increases	3.0% -5.5% based on age
Expected Annual Inflation	3.0%
Actuarial Value of Assets	Market Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (Closed)

The period for amortizing the initial unfunded actuarial accrued liability is 15 years from 1983 and current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, and over 30 years for changes in actuarial assumptions and cost methods.

Trend Information for The Plan				
Fiscal Year Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension Asset Beginning of Year
1/1/2011	$ 743,658	$ 784,602	106 %	$ (362,595)
1/1/2012	780,403	830,542	106	(412,734)
1/1/2013	856,630	884,786	103	(440,890)

As of the most recent valuation date, December 31, 2013, the funded status of the Plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Accrued Liability as a Percentage of Covered Payroll
12/31/2013	$ 11,681,017	$ 14,153,030	$ 2,472,013	82.5%	$ 5,533,554	44.7%

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

A. Primary Government (Continued)

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial liability.

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 long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2013.

B. Discretely Presented Component Unit – Crisp County Power Commission

Plan Description

The Commission sponsors the Association County Commissioners of Georgia Restated Pension Plan for Commission Employees (the "Plan"), which is a defined benefit pension plan. Employees are vested in the plan after 10 years of service.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG Plan), an agent multiple-employer pension plan administered by GEBCorp. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The Commission 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. Complete financial statements for the Association County Commissioners of Georgia (ACCG) Defined Benefit Pension Plan can be obtained from GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Funding Policy

The Commission is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and intended to satisfy the minimum contribution requirements as set forth in the State of Georgia statutes. Plan participants do not contribute to the plan.

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Discretely Presented Component Unit – Crisp County Power Commission (Continued)

Annual Pension Cost

The Commission's annual pension cost and net pension asset for the pension plan for the current and prior years are as follows:

	2013
Derivation of Annual Pension Cost	
Annual Required Contribution	$ 525,745
Interest on Net Pension Obligation	(31,772)
Amortization of Net Pension Obligation	33,995
Annual Pension Cost	$ 527,968

Derivation of Net Pension Obligation	
Annual Pension Cost for 2013	$ 527,968
Actual Contributions to Plan for 2013	600,000
Decrease in Net Pension Obligation	(72,032)
Net Pension Obligation (Asset) as of December 31, 2012	(409,962)
Net Pension Obligation (Asset) as of December 31, 2013	$ (481,994)

Basis of Valuation	
Current Valuation Date	1/1/2013
Annual Return on Invested Plan Assets	7.75%
Projected Annual Salary Increases	3.5% - 6.0% based on age
Expected Annual Inflation	3.0%
Actuarial Value of Assets	Smoothed Market Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (Closed)

The period for amortizing the initial unfunded actuarial accrued liability is 15 years from 1983 and current changes in the unfunded actuarial accrued liability over 15 years for actuarial gains and losses, and over 30 years for changes in actuarial assumptions and cost methods.

Trend Information for The Plan

Fiscal Year Beginning	Annual Pension Cost (APC)	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation (Asset)
1/1/2010	$ 412,158	$ 686,555	167 %	$ (274,397)
1/1/2011	446,747	492,804	110	(320,454)
1/1/2012	475,784	565,292	119	(409,962)
1/1/2013	527,968	600,000	114	(481,994)

NOTE 10. DEFINED BENEFIT PENSION PLANS (CONTINUED)

B. Discretely Presented Component Unit – Crisp County Power Commission (Continued)

Annual Pension Cost (Continued)

Fiscal Year Ended	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded (Overfunded) Accrued Liability	Funded Ratio	Annual Covered Payroll	Actuarial Accrued Liability as a Percentage of Covered Payroll
January 1, 2007	$ 6,222,831	$ 6,718,646	$ 495,815	92.6 %	$ 2,454,362	20.2 %
January 1, 2008	6,532,615	7,064,500	531,885	92.5	2,537,609	21.0
January 1, 2009	5,384,913	7,519,536	2,134,623	71.6	2,600,937	82.1
January 1, 2010	6,817,673	8,882,912	2,065,239	76.8	2,550,064	81.0
December 31, 2010	7,259,243	9,408,037	2,148,794	77.2	2,550,064	84.3
December 31, 2011	7,779,907	9,543,943	1,764,036	81.5	2,601,392	67.8
December 31, 2012	8,421,005	10,002,226	1,581,221	84.2	2,601,579	60.8
December 31, 2013	9,245,500	10,673,588	1,428,088	86.6	2,792,577	51.1

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 long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2013.

C. Discretely Presented Component Unit – Crisp County Board of Health

The employees of the Crisp County Board of Health participate in the Georgia State Employees' Retirement System (the "Plan"), a multi-employer defined contribution plan. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The Georgia State Employees' Retirement System requires 10 years of continuous service to become fully vested. The total retirement contributions to the Georgia State Employees' Retirement System for the year ended June 30, 2014 were $52,885 based on qualifying salaries of $283,488. Ten year historical trend information and relevant actuarial information may be obtained from the Employees' Retirement System of Georgia.

NOTE 11. 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.

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, Crisp County Power Commission, the Solid Waste Management Authority of Crisp County and the Southwest Georgia United Empowerment Zone maintain a self-insured medical benefit plan for their employees. The plan is accounted for as an enterprise fund of the County, is funded according to plan experience, and serves to reduce overall healthcare costs of the County, Power Commission, Solid Waste Management Authority of Crisp County, Southwest Georgia United Empowerment Zone and their employees. The County purchases specific and aggregate stop loss insurance coverage to protect itself in unusual circumstances. Claims payable at June 30, 2014 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 years ended June 30 are as follows:

	2014	2013
Unpaid claims, beginning of fiscal year	$ 160,000	$ 133,290
Incurred claims (including IBNRs)	1,997,558	2,556,772
Claim payments and changes in estimates	(2,027,558)	(2,530,062)
Unpaid claims, end of fiscal year	$ 130,000	$ 160,000

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES

A. 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.

B. 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, management of the County believes such disallowances, if any, will not be significant.

C. Component Unit – Crisp County Power Commission

The Commission has entered into contracts with MEAG which require the Commission to purchase, from MEAG, some of the Commission's bulk power supply, other than power supplied by federally owned generation projects. These contracts contain certain minimum purchase requirements regardless of the Commission's actual usage. MEAG is authorized to establish rates and charges so as to produce revenues sufficient to cover its operating costs and to retire any bonds issued by MEAG. In the event that revenues are insufficient to cover all costs and retire such bonds, the Commission is obligated to pay its entitlement share of the costs of the output and services of generating units acquired or constructed by MEAG. These obligations, which extend through 2054, are general obligations of the Commission to which the Commission's full faith and credit are pledged (generation debt extends to 2024 and transmission debt to 2054). The Commission's obligations to MEAG for power supply costs are based on MEAG's costs and the Commission's demand for bulk power supply, subject to certain minimum amounts. At December 31, 2013, MEAG's bonds were outstanding in the approximate principal amount of $6.01 billion. The Commission's entitlement share of that amount totals approximately $281 million at December 31, 2013.

On January 1, 1999, the Commission approved a resolution adopting the provisions of the Municipal Competitive Trust (the "Trust"), which was created by MEAG for the mutual benefit of MEAG and its wholesale customers which have elected to become beneficiaries. The Trust was established to provide MEAG and the trust's beneficiaries a means to mitigate the expected differential between market rates for power and the costs of power generated by MEAG facilities, after deregulation of the electric industry.

NOTE 12. COMMITMENTS AND CONTINGENT LIABILITIES (CONTINUED)

C. Component Unit – Crisp County Power Commission (Continued)

The Trust includes two (2) types of funds, which are held in the name of the Commission. The first type represents amounts that are available to the Commission for withdrawal without restriction. The second type represents amounts that are available to the Commission in the form of a loan or an off-set to billings from MEAG for power usage if certain criteria related to the difference between the cost of power generated by MEAG facilities and the market rates for power are met.

NOTE 13. JOINT VENTURES

A. River Valley Regional Commission

Under Georgia law, Crisp County, in conjunction with cities and counties in the sixteen-county west central Georgia area, is a member of the River Valley Regional Commission (RVRC). During its year ended June 30, 2014, the County paid $11,841 in such dues. Membership in a regional commission is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RVRC in Georgia. The RVRC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements may be obtained from the River Valley Regional Commission, 1428 Second Avenue, Columbus, Georgia 31902.

B. Crisp/Dooly Joint Development Authority

The County, in conjunction with Dooly County is a member of the Crisp/Dooly Joint Development Authority (the “Authority”). The Authority has fiscal responsibility relative to the strategic plan adopted for the Crisp/Dooly Enterprise Community. The Authority’s board members are appointed in an equal number by the Crisp and Dooly County Commissioners. The County does not have an equity interest in the Crisp/Dooly Joint Development Authority, and the joint venture is not expected to provide a financial benefit or burden to the County. Information concerning the financial statements may be obtained from the Crisp/Dooly Joint Development Authority.

NOTE 14. RELATED ORGANIZATION

Solid Waste Management Authority of Crisp County

The Solid Waste Management Authority (SWMA) is governed by a seven-member board consisting of the Board of Commissioners of Crisp County and two members appointed by the Commissioners. The SWMA was formed to provide solid waste disposal and recycling services to the citizens of the County.

The SWMA recycling facility and equipment were placed in operation in October 1998. Soon thereafter, the facility proved to be inadequate in handling the volume of waste necessary to support itself. Upon default of the bond payments in August 2001, the operations of the SWMA were taken over by its bond insurers, Financial Security Assurance, Inc. Subsequent thereto, the County landfill stopped taking SWMA waste. Because Crisp County has no influence over the operations of the SWMA, it does not have the ability to impose its will on the organization.

REQUIRED SUPPLEMENTARY INFORMATION

DEFINED BENEFIT RETIREMENT PLAN
SCHEDULE OF FUNDING PROGRESS

Required Supplementary Information Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Accrued Liability as a Percentage of Covered Payroll
12/31/2008	$ 6,608,597	$ 9,622,019	$ 3,013,422	68.7%	$ 5,326,001	56.6%
12/31/2009	7,551,435	10,242,435	2,691,000	73.7%	5,102,829	52.7%
12/31/2010	8,546,178	11,328,002	2,781,824	75.4%	5,489,034	50.7%
12/31/2011	9,405,747	12,041,074	2,635,327	78.1%	5,558,819	47.4%
12/31/2012	10,294,573	13,367,052	3,072,479	77.0%	5,636,681	54.5%
12/31/2013	11,681,017	14,153,030	2,472,013	82.5%	5,533,554	44.7%

The assumptions used in preparation of the above schedule are disclosed in Note 10 to the financial statements.

CRISP COUNTY, GEORGIA

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Law Library Fund	To account for revenues generated through special filing charges in the County court system which are used to acquire and maintain law library materials.
Asset Forfeiture Fund	To account for confiscated assets awarded to the Sheriff's Department to be spent on law enforcement at the discretion of the Sheriff.
DARE Fund	To account for the collection of additional penalties for certain drug related crimes 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).
Jail Fund	To account for revenues collected by the imposition of a 10% add-on fine as provided for by the Georgia Jail Construction and Staffing Act.
E-911 Fund	To account for the costs of operating and maintaining the 911 Emergency Communication System for Crisp County. Financing is provided by a charge to each telephone subscriber whose exchange access lines are in areas served by the Crisp County "911" service and by contributions from the City of Cordele.
Hotel/Motel Tax Fund	To account for the collection and disbursement of hotel taxes.

Capital Project Funds

Northside Water Distribution Fund	To account for activities related to the study of distribution of water to the north side of Crisp County and improvements to the system.
2000 Sales Tax Fund	To account for the acquisition, construction, equipping and installation of certain capital outlay projects for the benefit of all Crisp County citizens. Financing is provided by a special purpose sales and use tax.
T-SPLOST Fund	To account for proceeds and disbursements of the Transportation Investment Act of 2010, 1% regional transportation sales and use tax authorized by Georgia House Bill 277.

CRISP COUNTY, GEORGIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2014

ASSETS	Special Revenue Funds: Law Library Fund	Asset Forfeiture Fund	DARE Fund	Jail Fund	E911 Fund
Cash and cash equivalents	$ 146,045	$ 132,804	$ 44,181	$ 9,340	$ 72,367
Investments	-	415,582	-	-	-
Taxes receivable	-	-	-	-	-
Accounts receivable	-	-	-	-	53,044
Due from other funds	-	-	-	-	-
Due from other governments	-	-	408	1,249	18,659
Prepaid items	-	-	-	23,061	40,427
Total assets	$ 146,045	$ 548,386	$ 44,589	$ 33,650	$ 184,497
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ -	$ 67,542	$ 302	$ 18,070	$ 1,942
Accrued liabilities	-	-	-	-	20,198
Due to other funds	-	-	9,465	15,207	84,193
Total liabilities	-	67,542	9,767	33,277	106,333
FUND BALANCES					
Nonspendable:					
Prepaid items	-	-	-	23,061	40,427
Restricted for:					
Judicial	146,045	-	-	-	-
Public safety	-	480,844	34,822	-	37,737
Capital outlay	-	-	-	-	-
Unassigned	-	-	-	(22,688)	-
Total fund balances	146,045	480,844	34,822	373	78,164
Total liabilities and fund balances	$ 146,045	$ 548,386	$ 44,589	$ 33,650	$ 184,497

Hotel/Motel Tax Fund	Capital Projects Funds: Northside Water Distribution Fund	Capital Projects Funds: 2000 Sales Tax Fund	Capital Projects Funds: TSPLOST Fund	Totals
$ 394	$ -	$ 395,313	$ 767,271	$ 1,567,715
-	-	531,351	-	946,933
4,414	-	-	120,344	124,758
-	-	-	-	53,044
-	-	120	-	120
-	-	95,329	-	115,645
-	-	-	-	63,488
$ 4,808	$ -	$ 1,022,113	$ 887,615	$ 2,871,703
$ 4,808	$ -	$ 251,907	$ 11,970	$ 356,541
-	-	-	-	20,198
-	-	-	120	108,985
4,808	-	251,907	12,090	485,724
-	-	-	-	63,488
-	-	-	-	146,045
-	-	-	-	553,403
-	-	770,206	875,525	1,645,731
-	-	-	-	(22,688)
-	-	770,206	875,525	2,385,979
$ 4,808	$ -	$ 1,022,113	$ 887,615	$ 2,871,703

CRISP COUNTY, GEORGIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Special Revenue Funds				
	Law Library Fund	Asset Forfeiture Fund	DARE Fund	Jail Fund	E911 Fund
Revenues:					
Sales taxes	$ -	$ -	$ -	$ -	$ -
Other taxes	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	509,451
Fines and forfeitures	56,125	20,422	36,828	156,609	-
Interest revenue	-	1,447	-	-	13
Other revenues	-	-	-	-	1,827
Total revenues	56,125	21,869	36,828	156,609	511,291
Expenditures:					
Current:					
Judicial	33,490	-	-	-	-
Public safety	-	77,297	18,400	208,448	788,330
Public works	-	-	-	-	-
Housing and development	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	33,490	77,297	18,400	208,448	788,330
Excess (deficiency) of revenues over (under) expenditures	22,635	(55,428)	18,428	(51,839)	(277,039)
Other financing sources (uses):					
Transfers in	-	-	-	51,839	277,000
Transfers out	(9,486)	(3,690)	-	-	-
Total other financing sources (uses)	(9,486)	(3,690)	-	51,839	277,000
Net change in fund balances	13,149	(59,118)	18,428	-	(39)
Fund balances, beginning of year	132,896	539,962	16,394	373	78,203
Fund balances, end of year	$ 146,045	$ 480,844	$ 34,822	$ 373	$ 78,164

	Capital Projects Funds			
Hotel/Motel Tax Fund	Northside Water Distribution Fund	2000 Sales Tax Fund	TSPLOST Fund	Totals
$ -	$ -	$ -	$ 718,769	$ 718,769
25,364	-	-	-	25,364
-	295,499	909,833	-	1,205,332
-	-	-	-	509,451
-	-	-	-	269,984
-	-	5,359	1,427	8,246
-	-	425	-	2,252
25,364	295,499	915,617	720,196	2,739,398
-	-	-	-	33,490
-	-	-	-	1,092,475
-	325,896	-	-	325,896
23,648	-	-	-	23,648
-	-	1,632,760	215,501	1,848,261
23,648	325,896	1,632,760	215,501	3,323,770
1,716	(30,397)	(717,143)	504,695	(584,372)
-	29,290	-	-	358,129
(1,716)	-	-	-	(14,892)
(1,716)	29,290	-	-	343,237
-	(1,107)	(717,143)	504,695	(241,135)
-	1,107	1,487,349	370,830	2,627,114
$ -	$ -	$ 770,206	$ 875,525	$ 2,385,979

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Project Description	Original and Current Estimated Costs	Expenditures		
		Prior Years	Current Year	Total
2000 REFERENDUM				
Airport	$ 375,000	$ 332,564	$ 30,822	$ 363,386
County Buildings	1,517,655	1,480,204	(3,993)	1,476,211
EMS	224,000	330,583	-	330,583
E-911	383,248	380,162	-	380,162
Fire-Rescue	401,925	335,081	-	335,081
Parks and Recreation	2,400,000	3,019,857	-	3,019,857
Public Works/Sanitation	1,685,008	1,800,510	62,364	1,862,874
Sheriff/Jail/Training Facility	682,000	681,977	-	681,977
City of Arabi Projects	500,000	540,833	-	540,833
City of Cordele Projects	3,100,000	3,637,518	-	3,637,518
Industrial Development	855,000	1,097,863	-	1,097,863
County Road Project	3,876,164	2,372,300	633,735	3,006,035
Totals	$ 16,000,000	$ 16,009,452	$ 722,928	$ 16,732,380

Reconciliation of the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds to the Statement of Revenues, Expenditures and Changes in Fund Balance

Total current year expenditures of special purpose local option sales tax proceeds.	$ 722,928
Grant reimbursed costs related to airport project	177,618
Grant & LMIG reimbursed costs related to county road projects	732,214
Total expenditures, per the statement of revenues, expenditures and changes in fund balance	$ 1,632,760

(Continued)

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Project Description	Original and Current Estimated Costs	Expenditures		
		Prior Years	Current Year	Total
2005 REFERENDUM				
Judicial Center Project	$ 6,000,000	$ 9,634,489	$ 57,870	$ 9,692,359
Recreational Department Project	1,000,000	684,520	-	684,520
Airport Project	270,000	7,646	-	7,646
Sheriff Department Project	920,000	1,252,738	-	1,252,738
County Buildings Project	835,000	476,959	52,727	529,686
EMS Project	340,000	133,792	-	133,792
Emergency Management Project	200,000	536,080	(304,604)	231,476
Jail Project	295,000	101,290	-	101,290
Contingency Project	430,000	149,628	-	149,628
Development Authority Project	2,070,000	1,566,500	381,091	1,947,591
Cordele Industrial Project	1,000,000	-	-	-
City of Cordele Projects	2,350,000	3,049,969	450,000	3,499,969
Library Project	300,000	-	-	-
Emergency Signals Project	100,000	-	-	-
City of Arabi Projects	280,000	208,811	40,000	248,811
Fire Department Project	85,000	29,751	6,000	35,751
Animal Control Project	125,000	34,856	-	34,856
County Roads Project	3,400,000	-	58,634	58,634
Totals	$ 20,000,000	$ 17,867,029	$ 741,718	$ 18,608,747

Reconciliation of the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds to the Statement of Revenues, Expenditures and Changes in Fund Balance

Total current year expenditures of special purpose local option sales tax proceeds.	$ 741,718
Reimbursed costs related to public safety projects	304,604
Total expenditures, per the statement of revenues, expenditures and changes in fund balance	$ 1,046,322

(Continued)

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF SPECIAL PURPOSE LOCAL OPTION SALES TAX PROCEEDS FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Project Description	Original and Current Estimated Costs	Expenditures		
		Prior Years	Current Year	Total
2011 REFERENDUM				
Airport Project	90,000	$ -	$ -	$ -
County Buildings Project	380,000	-	-	-
Detention Center Project	2,100,000	2,102,712	-	2,102,712
E911 Project	572,300	28,242	381,958	410,200
Health Department Project	90,000	-	10,921	10,921
Industrial Development Authority Project	9,000,000	1,158,867	1,582,620	2,741,487
Public Safety Project	456,029	-	304,604	304,604
EMS Project	711,000	16,700	107,840	124,540
Fire Department Project	1,152,683	20	236,005	236,025
Recreation Project	2,275,210	67,773	192,169	259,942
County Roads Project	1,000,000	-	-	-
Public Works Project	1,011,500	13,552	174,678	188,230
Sheriff's Department Project	697,000	270,950	191,810	462,760
Sanitary Solid Waste Project	607,000	-	-	-
City of Cordele Project	4,025,000	909,618	627,731	1,537,349
City of Arabi Project	290,000	48,589	45,211	93,800
Water/Storm Water Project	247,000	-	-	-
Contingency Project	570,278	-	-	-
Totals	$ 25,275,000	$ 4,617,023	$ 3,855,547	$ 8,472,570

Reconciliation of the Schedule of Expenditures of Special Purpose Local Option Sales Tax Proceeds to the Statement of Revenues, Expenditures and Changes in Fund Balance

Total current year expenditures of special purpose local option sales tax proceeds.	$ 3,855,547
Payment of principal and interest for expenditures previously included	189,881
Total expenditures, per the statement of revenues, expenditures and changes in fund balance	$ 4,045,428

CRISP COUNTY, GEORGIA

AGENCY FUNDS

Clerk of Superior Court	To account for all monies received by the Clerk of Court on behalf of individuals, private organizations, other governmental units, and other funds.
Probate Court	To account for the collection of fees for firearms licenses, certificates, marriage licenses, passports, etc., which are disbursed to other parties.
Sheriff's Office	To account for all monies received by the Sheriff's Department on behalf of individuals, private organizations, other governmental units, and other funds.
Jail Inmate	To account for all monies held on behalf of the inmates of Crisp County Jail.
Tax Commissioner	To account for the collection and payment to Crisp County and other taxing units of the property taxes levied, billed, and collected by the Tax Commissioner on behalf of Crisp County and other taxing units.
Magistrate Court	To account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.

CRISP COUNTY, GEORGIA

COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS
JUNE 30, 2014

ASSETS	Clerk of Superior Court	Probate Court	Sheriff's Office
Cash and cash equivalents	$ 47,948	$ 164,021	$ 212,330
Accounts receivable	-	19,682	-
Taxes receivable	-	-	-
Total assets	$ 47,948	$ 183,703	$ 212,330
LIABILITIES			
Due to others	$ 47,948	$ 183,703	$ 212,330
Uncollected taxes	-	-	-
Total liabilities	$ 47,948	$ 183,703	$ 212,330

Jail Inmate	Tax Commissioner	Magistrate Court	Total
$ 7,633	$ 140,511	$ 24,158	$ 596,601
-	-	-	19,682
-	1,324,122	-	1,324,122
$ 7,633	$ 1,464,633	$ 24,158	$ 1,940,405
$ 7,633	$ 140,511	$ 24,158	$ 616,283
-	1,324,122	-	1,324,122
$ 7,633	$ 1,464,633	$ 24,158	$ 1,940,405

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 Crisp County, Georgia
Cordele, 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 Crisp County, Georgia (the "County") as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Crisp County, Georgia's basic financial statements and have issued our report thereon dated December 15, 2014. Our report includes a reference to other auditors who audited the financial statements of Crisp Regional Health Services, Inc., and the Crisp County Department of Public Health, as described in our report on Crisp County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered 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. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described as item 2014-1 in the accompanying schedule of findings and questioned costs that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Crisp 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 an instance of noncompliance that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of schedule of findings and questioned costs as item 2014-2.

Crisp County, Georgia's Responses to Findings

Crisp County, Georgia's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Crisp 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
December 15, 2014

MAULDIN & JENKINS

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Commissioners
of Crisp County, Georgia
Cordele, Georgia

Report on Compliance for Each Major Federal Program

We have audited Crisp County, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Crisp County, Georgia's major federal programs for the fiscal year ended June 30, 2014. Crisp County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Crisp County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Crisp County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, Crisp County, Georgia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the fiscal year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of Crisp County, Georgia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Crisp County, Georgia's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Crisp County, Georgia's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Mauldin & Jenkins, LLC

Albany, Georgia
December 15, 2014

CRISP COUNTY, GEORGIA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Federal Grantor/Pass-through Grantor/Program Title	Federal CFDA Number	Agency or Pass-through Number	Federal Expenditures
U.S. Department of Justice			
Direct Award			
Bulletproof Vest Partnership Program	16.607	2012-BU-BX-1206	$ 269
Passed through Criminal Justice Coordinating Council			
Crime Victims Assistance Program-DA VWAP	16.575	2012-VA-GX-0035	24,934
Crime Victims Assistance Program-VAWA	16.575	2013-WF-AX-0013	37,496
Total Crime Victims Assistance Program			62,430
2012 Justice Assistance Grant (JAG)	16.738	2012-DJ-BX-0847	7,711
2013 Justice Assistance Grant (JAG)	16.738	2013-DJ-BX-0917	5,012
Justice Assistance Grant (JAG) Server	16.803	2011-DJ-BX-3221	415
Justice Assistance Grant (JAG) MSNTF	16.803	B12-8-012	31,790
Justice Assistance Grant (JAG) MSNTF	16.803	B13-8-004	34,902
Total JAG Program Cluster			79,830
Violence Against Women Act (VAWA Prosecution)	16.588	W12-8-014	34,188
Total U.S. Department Justice			176,717
U.S. Department of Transportation			
Passed through Georgia Department of Transportation			
Section 5311 Operating Assistance	20.509	T004743	199,092
Highway Planning and Construction Cluster	20.205	PI0010947	101,568
Airport Improvement Grant	20.106	AP013-9021-27(081)	168,278
Total U.S. Department of Transportation			468,938
U.S. Department of Homeland Security			
Passed through Georgia Emergency Management Agency			
Local EMA Partnership Performance	97.042	OEM13-042S01	8,727
Total U.S. Department of Homeland Security			8,727
U.S. Department of Housing & Urban Development			
Passed through Georgia Department of Community Affairs			
CDBG - State Administered CDBG Cluster	14.228	10P-Y-040-1-5274	295,499
CDBG - State Administered CDBG Cluster	14.228	09Q-Y-040-1-5204	500,000
Total CDBG - State Administered CDBG Cluster			795,499
Total U.S. Department of Housing & Urban Development			795,499
Total Expenditures of Federal Awards			$ **1,449,881**

CRISP COUNTY, GEORGIA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

NOTE 1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Crisp County, Georgia and is prepared on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

CRISP COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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?	__X__ yes ____ no

Federal Awards

Internal Control over major programs:	
Material weaknesses identified?	___ yes __X__ no
Significant deficiencies identified not considered to be material weaknesses?	___ yes __X__ none reported
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, Section 510(a)?	___ yes __X__ no

Identification of major program:

CFDA Number	Name of Federal Program or Cluster
14.228	CDBG – State Administered CDBG Cluster

Dollar threshold used to distinguish between Type A and Type B programs:	$300,000
Auditee qualified as low-risk auditee?	__X__ yes ___ no

SECTION II
FINANCIAL STATEMENTS FINDINGS AND RESPONSES

2014-1. Segregation of Duties

Criteria: Internal controls should be in place that 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, 2014, we noted a lack of proper segregation of duties within several areas of Crisp County, Georgia's operations, including the Clerk of Court, Magistrate Court, Probate Court, Tax Commissioner's office, Sheriff's office, and County finance department. Examples of segregation of duties issues are as follows:

- Cash receipts are handled by the same individual(s) who also makes bank deposits, reconciles the bank accounts, and posts activity to the general ledger.
- Authorized check signers are not independent of voucher preparation and approval.
- Department heads are responsible for the purchasing function, receipt of goods and services and approval of invoices.
- Individuals responsible for maintaining personnel records are also responsible for the preparation of the County payroll.
- Individuals responsible for employee timekeeping also distribute paychecks.
- Property taxes and special assessments are billed by employees not independent of the collection function.
- Individuals responsible for monthly water system and landfill account billings are also involved in the receipt of customer payments and posting to customer accounts.
- Individuals responsible for the processing of invoices and related payables are also involved in the disbursement process and general ledger functions.
- Individuals responsible for maintaining the detail capital asset records are also involved with the general ledger, cash, purchasing, payable, and authorization functions.

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

Effect: The failure of Crisp County, Georgia to have a proper segregation of duties could lead to undetected misappropriation of funds or other irregularities.

Cause: The lack of segregation of duties is due to the limited number of individuals in each office to perform all of the duties.

Recommendation: Crisp County, Georgia should work to immediately eliminate the above deficiency.

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.

SECTION II
FINANCIAL STATEMENTS FINDINGS AND RESPONSES (Continued)

2014-2. Special Purpose Local Option Sales Tax Proceeds

Criteria: In accordance with the Official Cod of Georgia (OCGA) Section 48-8-121, Special Local Option Sales Tax proceeds shall be used exclusively for the purpose or purposes specified in the resolution or ordinance calling for imposition of the tax. Such proceeds shall be kept in a separate account from other funds of such County receiving proceeds of the sales and use tax and shall not in any manner be commingled with other funds.

Condition: For the fiscal year ended June 30, 2014, the County did not comply with OCGA Section 48-8-121 by transferring funds between the Transportation Sales Tax Fund and the 2005 Sales Tax Fund.

Context: See above condition.

Effect: By transferring Sales Tax proceeds to the Transportation Sales Tax Fund, the County commingled the funds, therefore is not in compliance with state law.

Cause: The County transferred proceeds from the 2005 Sales Tax Fund to the Transportation Sales Tax Fund.

Recommendation: The County should transfer the proceeds back to the 2005 Sales Tax Fund.

Views of Responsible Officials and Planned Corrective Action: We concur. The funds have been paid back to the 2005 Sales Tax Fund.

CRISP COUNTY, GEORGIA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

SECTION III
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported.

CRISP COUNTY, GEORGIA

SCHEDULE OF PRIOR YEAR FINDINGS

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

2013-1. 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, 2013, appropriate segregation of duties did not exist within several areas of Crisp County, Georgia's operations, including the Clerk of Court, Magistrate Court, Probate Court, Tax Commissioner's office, Sheriff's office, and County finance department.

Auditee Response/Status: Unresolved – See current year audit finding 2014-1.