ELBERT COUNTY, GEORGIA
FINANCIAL STATEMENTS

For the fiscal year ended June 30, 2015

WALKER, PIERCE & TUCK, CPA'S, PC

ELBERT COUNTY, GEORGIA

Fiscal Year Ended June 30, 2015

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Walker Pierce & Tuck
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Elbert County, 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 unit, each major fund, and the aggregate remaining fund information of Elbert County, Georgia as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Elbert County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Elbert County Board of Health, a discretely presented component unit, which represent 100% of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it related to the amounts included for the Elbert County Board of Health, is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 upon our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Elbert County, Georgia, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-8 and 47-50 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 Elbert County, Georgia's basic financial statements. The introductory section, combining and individual non-major fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of *Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, the Schedule of Expenditures of Federal Awards and the Special Local Option Sales Tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements 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.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 13, 2016, on our consideration of the Elbert County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Elbert County, Georgia's internal control over financial reporting and compliance.

Walker, Pierce, & Tuck, CPA's, P.C.

Walker, Pierce, & Tuck, CPA's, P.C.

Gainesville, Georgia
May 13, 2016

Management's Discussion and Analysis

Management's discussion and analysis provides a narrative overview and an analysis of the Government's financial activities. The analysis provides summary financial information for Elbert County and should be read in conjunction with the Government's financial statements.

FINANCIAL HIGHLIGHTS

- The County's assets and deferred outflows exceeded its liabilities and deferred inflows at the close of the fiscal year by $19,529,243 (net position).
- The government's total net position decreased by $164,720 due to prior period adjustments and increased by $674,974 due to the current fiscal years operations.
- The General Fund had $1,799,264 in Total Fund Balance and a balance of $1,526,340 in Unassigned Fund Balance at the close of the fiscal year.
- The General Fund experienced a net increase of $180,784 in fund balance during the fiscal year. That amount represents 1.8% of total General Fund revenues during the fiscal year.
- A significant transfer from the General Fund to the E-911 (Dispatch) Fund in the amount of $352,790 was made during the fiscal year. During the fiscal year, the cost of the E-911 current operations was $708,340. This cost was more than twice the amount of the revenues ($331,396). The administrative staff has noted that E-911 communication revenues have leveled off in part due to a change in the nature of communications technology.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Government's basic financial statements comprise three components:

1. Government-wide financial statements,
2. Fund financial statements,
3. Notes to the financial statements.

The Government-wide financial statements present an overall picture of the Government's financial position and results of operations. The Fund financial statements present financial information for the Government's major funds. This report also contains other supplementary information in addition to the basic financial statements themselves.

The Government-wide financial statements are the Statement of Net Position and the Statement of Activities. Emphasis is placed on the net position of governmental activities and business-type activities and the change in net position. Governmental activities are primarily supported by property taxes, sales taxes, other taxes, fines, charges for services and federal and state grants. The business-type activities include the Solid Waste operations and the Transit operations.

The statement of net position presents the County's assets and liabilities, with the difference between the two reported as net position. Over time the change in net position is an indicator of the improvement (an increase) or deterioration (a decrease) in the County's financial condition.

The statement of activities presents the revenues and expenses of the County. The difference between these is the change in net position for the year.

Both of the government-wide financial statements identify the various functions of Elbert County that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through charges and user fees.

The governmental activities of Elbert County include:

- General government,
- Judicial,
- Public health and welfare,
- Public safety,
- Public works,
- Culture and recreation,
- Housing and development.

The government-wide financial statements include not only the County itself, but also the Elbert County Health department. The Elbert County Health department is a legally separate entity that is a component unit of the County due to the significance of its operational and financial relationship with the County. Financial information for this component unit is reported separately from the financial information presented for the primary government.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Elbert County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds. These statements provide financial information for the major funds of Elbert County. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures) and current available resources. The proprietary funds financial statements provide information on all assets and liabilities of the funds, changes in the economic resources (revenues and expenses), and total economic resources.

Fund financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances of all governmental funds. A statement of revenues, expenditures, and changes in fund balances-budget and actual, is provided for the Government's General Fund. For the proprietary funds (Solid Waste and Transportation), a statement of net position; a statement of revenues, expenses, and changes in net position; and a statement of cash flows are presented.

Fund financial statements provide more detailed information about the Government's activities. Individual funds are established to track revenues that are restricted to certain uses, comply with legal requirements, or account for the use of state and federal grants.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to the County's own programs.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The government-wide financial statements and the fund financial statements, provide different pictures of the Government. The government-wide financial statements provide an overall picture of the Government's financial standing, split between Governmental Activities and Business-type Activities. These statements are comparable to private-sector companies and give a good understanding of the Government's overall financial health and how the Government paid for the various activities or functions, provided by the Government.

Net Position as of June 30, 2015 and June 30, 2014

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Capital Assets	$ 17,580,854	$ 17,504,902	$ 581,337	$ 600,352	$ 18,162,191	$ 18,105,254
Other Assets	4,856,477	5,250,863	643,082	458,995	5,499,559	5,709,858
Total Assets	22,437,331	22,755,765	1,224,419	1,059,347	23,661,750	23,815,112
Long-term liabilities outstanding	403,578	626,012	973,586	1,015,596	1,377,164	1,641,608
Other liabilities	2,716,931	1,583,016	117,809	88,499	2,834,740	1,671,515
Total Liabilities	3,120,509	2,209,028	1,091,395	1,104,095	4,211,904	3,313,123
Net Position:						
Invested in capital assets, net of related debt	17,036,680	16,784,003	581,337	600,352	17,618,017	17,384,355
Restricted	2,199,513	2,416,232	-	-	2,199,513	2,416,232
Unrestricted	160,026	1,346,502	(448,313)	(645,100)	(288,287)	701,402
Total Net Position:	$ 19,396,219	$ 20,546,737	$ 133,024	$ (44,748)	$ 19,529,243	$ 20,501,989

The business-type activities deficit primarily results from the accrual of long-term expenses, including a required 30-year landfill post-closure care costs totaling $1,024,827. In the current year the county's business-type entities reported revenues exceeding expenditures by $177,772.

Changes in Net Position

The County's total revenues before transfers for the fiscal year ended June 30, 2015 totaled $15,695,582 with $14,773,343 in governmental activities, and $1,186,837 in business-type activities. Expenses were $15,137,629 in total, with $14,276,141 for governmental activities and $1,009,065 for business-type activities. The overall change in net position was $810,448.

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program Revenues						
Charges for services	$ 2,629,339	$ 2,197,018	$ 706,593	$ 764,302	$ 3,335,932	$ 2,961320
Operating grants and contributions	1,090,370	628,652	322,674	162,856	1413,044	791508
Capital grants and contributions	599,081	337,111	-	-	599,081	337,111
General Revenues:						
Property taxes	6,448,335	6,066,839	-	-	6,448,335	6,066,839
Sales tax	3,055,379	3,196,717	-	-	3,055,379	3,196,717
Other taxes	904,711	852,362	-	-	904,711	852,362
Unrestricted investment earnings	1470	1001	81	51	1551	1052
Gain on sale of capital assets	4,970	-				
Miscellaneous	39,688	36,137	157,489	-	197,177	36,137
Total Revenues	14,773,343	13,315,837	1,186,837	927,209	15,955,210	14,243,046
Expenses:						
General Government	3,204,165	3,192,324	-	-	3,204,165	3,192,324
Public Safety	7,306,598	6,484,389	-	-	7,306,598	6,484,389
Public Works	2,338,612	1539,505	-	-	2,338,612	1539,505
Health and welfare	568,282	850,000	-	-	568,282	850,000
Culture and recreation	378,261	451473	-	-	378,261	451473
Housing and development	453,897	475,777	-	-	453,897	475,777
Interest expense	26,326	38,843	-	-	26,326	38,843
Solid Waste	-	-	722,037	712,616	722,037	712,616
Bobby Brown Park	-	-	31036	-	31036	-
Public Transportation	-	-	255,992	148,872	255,992	148,872
Total Expenses	14,276,141	13,032,311	1,009,065	861488	15,285,206	13,893,799
Increase in net position before transfers	497,202	283,526	177,772	65,721	674,974	349,247
Transfers	-	(247,525)	-	247,525	-	-
Change in net Position	497,202	36,001	177,772	313,246	674,974	349,247
Net Position, July 1	20,546,737	20,510,736	(44,748)	(357,994)	20,501989	20,152,742
Prior Year Adjustments	-	-	-	-	-	-
Net Position, June 30	$ 21043,939	$ 20,546,737	$ 133,024	$ (44,748)	$ 21176,963	$ 20,501989

FUND FINANCIAL INFORMATION

Major Governmental Funds

General Fund

The General Fund is used to account for all governmental financial resources not restricted by local, state, or federal laws. As of June 30, 2015, the General Fund had assets and deferred outflows of $2,873,782 and liabilities and deferred inflows of $1,074,518. The liabilities included short-term debt of $530,358.

The budget for the General Fund increased by $55,079 from fiscal year 2014 to fiscal year 2015 and increased $60,300 from fiscal year 2013 to fiscal year 2014. The County continues to experience a slight overall decline in property values which affects the property tax revenues. The County is also experiencing a decline in retail sales and this affects the General Fund Budget and the Capital Project Budget.

Other Major Governmental Funds

As of July 1, 2011, the taxes under the 2011 Special Local Option Sales Tax began. The county projected the annual SPLOST collections to average $2,200,000 per year. During the fiscal year ended June 30, 2015 the SPLOST revenues were $1,910,985 or $289,015 less than projected. This difference can be attributed to a decline in the local economy.

Major Proprietary Funds

Solid Waste Fund

This fund is used to account for the operations of the sanitary transfer station. Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by $67,576 at June 30, 2015. The county has studied this mater and has made some adjustments to number of centers and the number of hours the remaining centers will operate.

Budgetary Approval

Each year the board of commissioners approves annual budgets for the governmental funds and for the enterprise funds. At the conclusion of each month, a budgetary financial report is presented to the board for review. For the General Fund, the budgetary presentation is by department and is presented in both object detail and in summary format. The board usually concludes its review by examining whether the total of the General Fund expenditures is within the approved annual budget. In order to be in compliance with the applicable laws and regulations, it is necessary that the Board take official action instead of implied consent to make modifications to the budgetary categories for those items that are overspent.

In a related matter, the Board approved for certain capital projects to be started and completed with the intent that they would be paid for from the 2011 Special Local Option Sales Tax (SPLOST) Funds. These projects were completed prior to the 2011 SPLOST funds being collected and were financed by the General Fund. These activities resulted in an advance of funds from the General Fund to the SPLOST Capital Projects Fund and with the result that the SPLOST capital projects fund operated in a deficit during fiscal year 2012. The Board of Commissioners approved a reimbursement schedule for the SPLOST funds to pay back monthly to the General Fund until the advanced balance was paid off.

Capital Assets Activity

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 20, 2015 was $17,036,680 and $581,337 respectively. The change in net capital assets was a 0.43% increase in governmental activities and an 3.17% decrease in business-type activities. Further detail on capital assets is provided in the notes to the financial statements.

Long-Term Debt

	Governmental Activities		Business-Type Activities		Totals	
	2015	2014	2015	2014	2015	2014
Compensated Absences	$ 85,735	$ 82,937	$ 6,252	$ 5,914	$ 91,987	$ 88,851
USDA Loan	311,546	361,655	-	-	311,546	361,655
Capital Leases	232,628	359,244	-	-	232,628	359,244
Solid Waste Post Closure Liability	-	-	1,024,827	1,060,166	1,024,827	1,060,166
	$ 629,909	$ 803,836	$ 1,031,079	$ 1,066,080	$ 1,660,988	$ 1,869,916

Additional information regarding the County's long-term debt can be found in Notes to the Financial Statements, Note 9.

ECONOMIC FACTORS AND FUTURE BUDGETS

Elbert County experienced a reduction in population from the 2000 census to the 2010 census. The local board of education has seen a reduction in student counts (FTE) and with that loss coupled with a reduction in funding, approved the closure of elementary schools and the consolidation of students in the remaining facilities. A number of local businesses have been forced to close and there is number of vacant commercial buildings with Elbert County. The Board of Commissioners are currently exploring ways the County government can address helping improve the economic climate in Elbert County.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Elbert County's finances for those interested. Questions should be addressed to the Finance Director at the following address:

Elbert County Board of Commissioners
Mr. Phil Pitts, Finance Director
PO Box 6109
Elberton, Georgia 30635

Elbert County, Georgia

Statement of Net Position
June 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Elbert County Health Dept.
Assets				
Cash and cash equivalents	$ 3,118,149	$ 176,551	$ 3,294,700	$ 390,266
Accounts receivable (net)	1,104,896	69,681	1,174,577	9,480
Intergovernmental receivables	403,911	578,065	981,976	24,711
Internal balances	181,215	(181,215)	-	-
Prepaid expenses	48,306	-	48,306	-
Capital assets not being depreciated	1,686,008	193,190	1,879,198	-
Capital assets, net of accumulated depreciation	15,894,846	388,147	16,282,993	37,145
Total assets	22,437,331	1,224,419	23,661,750	461,602
Deferred outflows of resources	79,397	-	79,397	33,028
Liabilities				
Accounts payable and accrued expenses	932,814	60,316	993,130	38,184
Accrued expenditures	67,611	-	67,611	-
Compensated absences	2,400	6,252	8,652	4,815
Net Pension Obligation	1,490,175	-	1,490,175	294,273
Noncurrent liabilities:				
Compensated Absences	83,335	-	83,335	-
Due within one year	140,596	51,241	191,837	-
Due in more than one year	403,578	973,586	1,377,164	14,680
Total liabilities	3,120,509	1,091,395	4,211,904	351,952
Deferred inflows of resources	-	-	-	156,304
Net position				
Net investment in capital assets	17,036,680	581,337	17,618,017	37,145
Restricted for:				
Public safety	596,898	-	596,898	-
Public Works	533,452	-	533,452	-
Health and welfare	402,137	-	402,137	-
Culture and Recreation	76,000	-	76,000	-
Housing and Development	388,516	-	388,516	-
Loan Program	34,722	-	34,722	-
Tourism	23,709	-	23,709	-
Capital Projects	406,494	-	406,494	-
Committed For:				
Fire Insurance	221,995	-	221,995	-
Unrestricted (Deficit)	(324,384)	(448,313)	(772,697)	(50,771)
Total net position	$ 19,396,219	$ 133,024	$ 19,529,243	$ (13,626)

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

Elbert County, Georgia
Statement of Activities
For the Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants & Contributions	Net (Expenses) Revenues and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Unit
Primary Government:								
Governmental Activities								
General Government	$ 3,204,165	$ 92,208	$ -	$ 97,784	$ (3,014,173)	$ -	$ (3,014,173)	$ -
Public Safety	7,306,598	2,481,659	15,466	59,305	(4,750,168)	-	(4,750,168)	
Public Works	2,338,612	-	904,995	-	(1,433,617)	-	(1,433,617)	
Health and Welfare	568,282	25,967	169,909	-	(372,406)	-	(372,406)	
Culture and Recreation	378,261	29,505	-	106,842	(241,914)	-	(241,914)	
Housing and Development	453,897	-	-	335,150	(118,747)	-	(118,747)	
Interest Expense	26,326	-	-	-	(26,326)	-	(26,326)	
Total Governmental Activities	14,276,141	2,629,339	1,090,370	599,081	(9,957,351)	-	(9,957,351)	-
Business-Type Activities:								
Solid Waste Fund	722,037	693,003	-	-	-	(29,034)	(29,034)	
Bobby Brown Park	31,036	-	-	-	-	(31,036)	(31,036)	
Public Transportation	255,992	13,590	322,674	-	-	80,272	80,272	
Total Business-Type Activities	1,009,065	706,593	322,674	-	-	20,202	20,202	-
Total Primary Government	$ 15,285,206	$ 3,335,932	$ 1,413,044	$ 599,081	(9,957,351)	20,202	(9,937,149)	
Component Units:								
Health Department	$ 389,585	$ 102,306	$ 365,563	$ -				78,284
Total Component Units	$ 389,585	$ 102,306	$ 365,563	$ -				78,284
General Revenues:								
Taxes:								
Property Taxes					6,448,335	-	6,448,335	-
Sales Taxes					3,055,379	-	3,055,379	-
Other Taxes					904,711	-	904,711	-
Unrestricted Investment Earnings					1,470	81	1,551	255
Gain on sale of capital asset					4,970	-	4,970	-
Miscellaneous					39,688	157,489	197,177	-
Total General Revenues Extraordinary, Speicla Items and Transfers					10,454,553	157,570	10,612,123	255
Changes in Net Position					497,202	177,772	674,974	78,539
Net position - Beginning					20,546,737	(44,748)	20,501,989	393,243
Prior Year Adjustments					(1,647,720)	-	(1,647,720)	(485,408)
Net position - Ending					$ 19,396,219	$ 133,024	$ 19,529,243	$ (13,626)

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

Elbert County, Georgia
Balance Sheet
Governmental Funds
June 30, 2015

	General Fund	Senior Center	Capital Projects Fund	Multi-Grant Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and Cash Equivalents	$ 832,414	$ 401,915	$ 199,380	$ 696,248	$ 988,192	$ 3,118,149
Receivables (net)	1,060,687	-	-	21,725	22,484	1,104,896
Due From Other Governments	106,691	21,171	157,925	89,184	28,940	403,911
Due From Other Funds	597,695	7,041	-	600	31,437	636,773
Advances to Other funds	224,618	-	-	-	-	224,618
Prepaid Expenditures	48,306	-	-	-	-	48,306
Total Assets	2,870,411	430,127	357,305	807,757	1,071,053	5,536,653
Deferred outflows of resources	-	-	-	-	-	-
Total assets and deferred outflows	$ 2,870,411	$ 430,127	$ 357,305	$ 807,757	$ 1,071,053	$ 5,536,653
Liabilities						
Non-Current Liabilities						
Accounts Payable	$ 433,098	$ 9,046	$ 318,196	$ 48,077	$ 60,280	$ 868,697
Due to Other Governments	-	-	64,117	-	-	64,117
Due to Other Funds	36,290	15,711	15,000	195,178	229,968	492,147
Accrued Expenditures	60,970	3,233	-	-	5,808	70,011
Total current liabilities	530,358	27,990	397,313	243,255	296,056	1,494,972
Long Term Liabilities						
Advances from Other Funds	-	-	179,129	8,700	200	188,029
Total Long Term Liabilities	-	-	179,129	8,700	200	188,029
Total Liabilities	530,358	27,990	576,442	251,955	296,256	1,683,001
Deferred inflows of resources	540,789	-	-	-	-	540,789
Total liabilities and deferred inflows	1,071,147	27,990	576,442	251,955	296,256	2,223,790
Fund balances						
Nonspendable:						
Prepaid expenditures	48,306	-	-	-	-	48,306
Long term interfund receivables	224,618	-	-	-	-	224,618
Restricted For:						
Public Safety/Law Enforcement	-	-	-	25,520	494,371	519,891
Health and Welfare	-	402,137	-	-	-	402,137
Housing and Development	-	-	-	(4,170)	-	(4,170)
Culture and Recreation	-	-	-	1,000	-	1,000
Public Works	-	-	-	533,452	-	533,452
Loan Program	-	-	-	-	34,722	34,722
Tourism	-	-	-	-	23,709	23,709
Capital Projects	-	-	(219,137)	-	-	(219,137)
Committed For:						
Fire Insurance Fund	-	-	-	-	221,995	221,995
Unassigned	1,526,340	-	-	-	-	1,526,340
Total Fund Balances	1,799,264	402,137	(219,137)	555,802	774,797	3,312,863
Total liabilities, deferred inflows and Fund Balances	$ 2,870,411	$ 430,127	$ 357,305	$ 807,757	$ 1,071,053	$ 5,536,653

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

Elbert County, Georgia

Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position
June 30, 2015

Total fund balances - governmental funds	$ 3,312,863
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 governmental funds.	
Governmental capital assets	28,621,981
Less: Accumulated depreciation	(11,041,127)
Compensated absences not reported in governmental funds	(83,335)
Long term debt not presented in governmental funds	(544,174)
Some of the County's revenues will be collected after year-end but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred inflows of resources on the fund financial statements.	540,789
Pension items not included in fund financial statements	
Deferred Outflows of Resources	79,397
Net Pension Liability	(1,490,175)
Net position of governmental activities	$ 19,396,219

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

Elbert County, Georgia

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2015

	General Fund	Senior Center	Capital Projects Fund	Multi-Grant Fund	Other Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes	$6,132,315	$ -	$ -	$ -	$ -	$ 6,132,315
Sales Taxes	1,204,790	-	1,814,359	-	-	3,019,149
Other Taxes	1,039,530	-	-	-	36,230	1,075,760
Fines and Forfeitures	430,086	-	-	-	180,914	611,000
Intergovernmental	84,750	169,909	-	1,435,830	438,119	2,128,608
Charges for Services	1,290,325	25,967	-	-	332,945	1,649,237
Interest	953	-	-	26	491	1,470
Contributions and Donations	1,995	-	-	2,000	500	4,495
Miscellaneous	28,827	-	-	5,730	-	34,557
Total Revenues	10,213,571	195,876	1,814,359	1,443,586	989,199	14,656,591
EXPENDITURES						
Current Operating:						
General Government	2,602,231	-	47,401	-	-	2,649,632
Judicial	935,946	-	-	79,707	592,224	1,607,877
Public Safety	4,423,949	-	34,125	9,965	777,162	5,245,201
Public Works	870,303	-	541,684	736,109	-	2,148,096
Health and Welfare	174,064	235,362	-	-	-	409,426
Housing and Development	337,906	-	-	2,796	38,936	379,638
Culture and Recreation	384,242	-	-	23	662	384,927
Intergovernmental	-	-	723,322	-	-	723,322
Debt Service						
Principal	-	-	105,416	-	35,673	141,089
Interest	1,679	-	12,723	-	9,287	23,689
Capital Outlay	-	-	484,579	493,284	41,334	1,019,197
Total Expenditures	9,730,320	235,362	1,949,250	1,321,884	1,495,278	14,732,094
Excess (Deficiency) of Revenues over/(under) Expenditures	483,251	(39,486)	(134,891)	121,702	(506,079)	(75,503)
OTHER FINANCING SOURCES AND (USES)						
Sale of County Property	45,717	-	-	-	-	45,717
Transfers In	156,347	-	-	59,155	445,376	660,878
Transfers Out	(504,531)	(156,347)	-	-	-	(660,878)
Total Other Financing Sources and Uses	(302,467)	(156,347)	-	59,155	445,376	45,717
Net Change in Fund Balance	180,784	(195,833)	(134,891)	180,857	(60,703)	(29,786)
Fund Balances - Beginning	1,618,480	597,970	(84,246)	374,945	835,500	3,342,649
Fund Balances - Ending	$1,799,264	$ 402,137	$(219,137)	$ 555,802	$ 774,797	$ 3,312,863

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

Elbert County, Georgia

Reconciliation of the Statement of Revenues, Expenditures, and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net change in fund balances-total governmental funds	$	(29,786)
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the statement of activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay ($1,085,480) exceeded depreciation ($968,781) in the current period.		116,699
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position		176,725
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase (decrease) net assets		(40,747)
Because some revenues will not be collected for several months after the County's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds, but are considered as revenues in the government-wide financial statements. This amount represents the change in deferred revenue from the prior year.		111,782
Net pension obligation is not available during the current period and therefore is not reported in the funds change from beginning of the year to end of the year		163,727
Long term liability for compensated absences. This represents the change in the vested benefit of employees for vacation pay earned but not taken from the prior year.		(1,198)
Net change in position of governmental activities	$	497,202

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

Elbert County, Georgia
Statement of Net Position
Proprietary Funds
June 30, 2015

	Solid Waste Fund	Nonmajor Funds	Total
Assets			
Current assets:			
Cash and cash equivalents	$ 35,992	$ 140,559	$ 176,551
Accounts receivables (net)	69,681	-	69,681
Intergovernmental receivables	521,338	56,727	578,065
Total current assets	627,011	197,286	824,297
Noncurrent assets:			
Capital assets not being depreciated	193,190	-	193,190
Capital assets net of accumulated depreciation	298,574	89,573	388,147
Total noncurrent assets	491,764	89,573	581,337
Total assets	1,118,775	286,859	1,405,634
Liabilities			
Current liabilities:			
Accounts payable	40,227	20,089	60,316
Due to other funds	121,297	23,329	144,626
Total current liabilities	161,524	43,418	204,942
Noncurrent liabilities:			
Advances to other funds	-	36,589	36,589
Compensated Absences	-	6,252	6,252
Due within one year	51,241	-	51,241
Due in more than one year	973,586	-	973,586
Total noncurrent liabilities	1,024,827	42,841	1,067,668
Total liabilities	1,186,351	86,259	1,272,610
Net position			
Net investment in capital assets	491,764	89,573	581,337
Unrestricted	(559,340)	111,027	(448,313)
Total net position	(67,576)	200,600	133,024
Total liabilities and net position	$ 1,118,775	$ 286,859	$ 1,405,634

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

Elbert County, Georgia

Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2015

	Solid Waste Fund	Nonmajor Funds	Total
OPERATING REVENUES			
Charges for services	684,228	13,590	697,818
Donations	-	1,000	1,000
Total operating revenues	684,228	14,590	698,818
OPERATING EXPENSES			
Personal services	227,944	152,883	380,827
Operating expenses	462,900	114,003	576,903
Depreciation and amortization	31,193	20,142	51,335
Total operating expenses	722,037	287,028	1,009,065
Operating income (loss)	(37,809)	(272,438)	(310,247)
NON-OPERATING REVENUES (EXPENSES)			
Intergovernmental	165,264	322,674	487,938
Interest income	81	-	81
Total non-operating revenues (expenses)	165,345	322,674	488,019
Income (loss) before transfers	127,536	50,236	177,772
Change in net position	127,536	50,236	177,772
Total net position - beginning	(195,112)	150,364	(44,748)
Total net position - ending	$ (67,576)	$ 200,600	$ 133,024

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

Elbert County, Georgia

Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2015

	Solid Waste Fund	Nonmajor Proprietary Funds	Totals
Cash flows from operating activities:			
Receipts from customers	$ 694,197	$ 23,357	$ 717,554
Payments to suppliers	(476,064)	(129,645)	(605,709)
Payments to employees	(227,944)	(152,883)	(380,827)
Net cash provided (used) by operating activities	(9,811)	(259,171)	(268,982)
Cash flows from noncapital financing activities:			
Advances from other funds	-	36,589	36,589
Purchase of capital assets	-	(32,320)	(32,320)
Intergovernmental	8,775	322,674	331,449
Net cash provided (used) by noncapital financing activities	8,775	326,943	335,718
Cash flows from investing activities:			
Interest on investments	81	-	81
Net cash provided by investing activities	81	-	81
Net increase (decrease) in cash and cash equivalents	(955)	67,772	66,817
Cash and cash equivalents - beginning of year	36,947	72,787	109,734
Cash and cash equivalents - end of year	$ 35,992	$ 140,559	$ 176,551
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	$ (37,809)	$ (272,438)	$ (310,247)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	31,193	20,142	51,335
Changes in assets and liabilities:			
Receivables	(6,343)	(30,919)	(37,262)
Other liabilties	(10,016)	21,090	11,074
Accounts payable	13,164	2,954	16,118
Net cash provided (used) by operating activities	$ (9,811)	$ (259,171)	$ (268,982)

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

Elbert County, Georgia
Statement of Fiduciary Assets and Liabilities
June 30, 2015

	Agency Funds
ASSETS	
Cash and cash equivalents	$ 188,932
Taxes Receivable	891,889
Total Assets	$ 1,080,821
LIABILITIES	
Due to others	$ 1,080,821
Total Liabilities	$ 1,080,821

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

NOTE 1: REPORTING ENTITY

Elbert County, Georgia was incorporated in 1803 in the State of Georgia. The County operates under a six-member commission and County Administrator form of Government. Other officials elected by citizens of the county that manage various segments of the County's operations are the Clerk of Court, District Attorney, Chief Magistrate, Probate Judge, Sheriff, and Tax Commissioner. Although the elected officials manage the internal operations of their respective departments, the County Commissioners authorize expenditures as well as serve as the budget and taxing authority, contracting body, and the chief administrators of public services for the entire county.

A reporting entity is composed of the primary government, component units, and other organizations that are included to ensure the financial statements of the County are not misleading. The primary government of the County consists of all funds, departments, boards, and agencies that are not legally separate from the County. Component units are legally separate organizations for which the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services provided by the organization; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units may also include organizations for which the County approves the budget, the issuance of debt, or the levying of taxes.

Discretely Presented Component Units

The component unit column on the combined financial statements includes the financial data of the County's discretely presented component unit. It is reported in a separate column to emphasize it is legally separate from the County. Discretely presented component units include the following:

Elbert County Health Department – The Health Department was constituted and is operated in accordance with the Georgia Health Code, Chapter 88-2, Georgia Laws 1964. The District Health Director is the Executive Officer of the Elbert County Health Department and is responsible for the overall coordination of local health activities. The center operates under the supervision of the local Board of Health, which is appointed by the Elbert County Board of Commissioners and the City of Elberton. Elbert County provides the facilities for the Health Department and provides matching funds for its operation. The Health Department issues separately audited financial statements. Copies of the audit may be obtained from the Health Department at the following address:

Elbert County Public Health Department
618 Jones Street, SW, Elberton, Ga. 30635

Other Entities

Other entities, which are excluded from the reporting entity because the County is unable to impose its will on the entities governing board or does not receive specific financial benefits or incur specific financial burdens from the entities, include the following:

- The Board of Education of Elbert County
- The Development Authority of Elbert County, Elberton and Bowman
- The Elbert County Hospital Authority
- The Department of Family and Children Services
- The City of Elberton Housing Authority
- The Elbert County Library Board

Related Organization

Elbert County Richard B. Russell Development Authority – The Authority is a related organization to the County. The Board of Commissioners appoints the board but is not financially or operationally accountable to the Authority. The Authority does not meet the criteria for inclusion as a component unit.

Joint Ventures - The County participates in the following joint venture:

Elbert County, in conjunction with cities and counties in the twelve county Northeast Georgia regions are members of the Northeast Georgia Regional Commission. Membership in the Commission is automatic for each municipality and county in the state. The Official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the Commissions. Each county and municipality in the state is required by law to pay minimum annual dues. The Commission's board membership includes the chief elected official of each county and the chief elected official of each municipality. The county board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from a County. The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines Commissions as "public agencies and instrumentalities of their member". Georgia laws also provide that the member governments are liable for any debts or obligations of a Commission beyond its resources, (O.C.G.A. 50-8-39.1). Complete financial statements of the Northeast Georgia Regional Commission can also be obtained directly from their office at:

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

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Elbert County, Georgia have been prepared in conformity with generally accepted accounting principles 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 government's accounting policies are described below.

Basis of Presentation

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The Statement of Net Position presents the financial condition of the governmental and business-type activities of the County at year end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

The County uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. There are three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

- General Fund – This is the County's primary operating fund. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the county for any purposes provided it is expended or transferred according to the general laws of Georgia.
- Senior Center Fund – The Senior Center fund is used to account for fees from senior adults to pay for activities and home delivered meals as well as on site meals. The Senior Center also receives various donations for individuals and organizations in the community.
- Capital Projects Fund – This fund is used to account for revenue and expenditures resulting from several Special Purpose Local Option Sales Tax referendums. The primary revenue sources are one percent (1%) sales taxes and the primary expenditures are capital outlay projects, primarily for road and bridge repairs, County facility improvements, County equipment purchases, City of Elberton projects, and City of Bowman projects.
- Multi-Grant Fund-This fund is used to account for revenue and expenditures resulting from several grant projects that span several years. The grants are from state, federal and private sources and are for capital projects and operational functions.

The non-major governmental funds are combined and reported in a single column in the fund financial statements.

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The County's proprietary funds may be used to account for any activity for which a fee is charged to external users for goods or services.

Receivables from and payables to external parties are reported separately and not offset in the proprietary fund financial statements and business-type activities of the government-wide financial statements, unless a right of offset exists.

The County reports the following major proprietary fund:

- Solid Waste – This entity was established for the collection and disposal of solid waste. This entity is responsible for the closure care of the old landfill.

The non-major proprietary funds are combined and reported in a single column in the fund financial statements.

Fiduciary Funds

The County has five agency fiduciary funds, Probate Court, Magistrate Court, Sheriff, Clerk of Court, and the Tax Commissioner. These agency funds are unlike all other types of funds in that they report only assets and liabilities and do not have a measurement focus. The accrual basis of accounting is utilized in these funds to recognize receivables and payables.

Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using the flow of economic resources measurement focus and the accrual basis of accounting. All assets and all liabilities associated with the operation of the County are included on the Statement of Net Position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of government-wide financial statements are prepared. Governmental fund financial statements, therefore, includes a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the proprietary funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The Statement of Cash Flows reflects how the County finances and meets the cash flow needs of its proprietary activities.

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide, proprietary and fiduciary fund financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses verses expenditures.

Revenues – Exchange and Non-exchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty-days after year end. Property taxes, sales taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, includes property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility

requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section of 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.

In addition to liabilities, the 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 net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently the County has two resources that qualify as deferred inflows in the governmental funds, due to availability. They are property taxes and grants.

Expenses / Expenditures

On the accrual basis, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred if measurable. Allocations of cost, such as depreciation and amortization are not recognized in governmental funds.

Budgetary Process

All funds, except agency funds, are legally required to be budgeted and appropriated. The procedures for establishing the General Fund budget are as follows:

Each department furnishes its budget request to the County Administrator. The County finance officer compiles these requests into a comprehensive general fund budget. The Commissioners review the budget requests in a budget workshop that is open to the public. The budget is adopted by the Board of Commissioners in a public meeting held by the Board prior to July 1st. All budgetary appropriations, except for open projects, lapse at year end. The level of budgetary control is at the department level.

Cash and Investments

Cash and cash equivalents are cash on hand as well as demand deposits, investments and certificates of deposit included in pooled cash and non-pooled investments with original maturities of three months or less. Cash and cash equivalents on the Statement of Cash Flows for proprietary funds represent available cash on hand and demand deposits. Investments include pooled investments and certificates of deposit (with original maturities of three months or greater). The County maintained no cash funds in investment accounts at June 30, 2015.

Georgia law authorizes the County to invest in the following type of obligations:

- Obligations of the State of Georgia, or of any other state
- Obligations of the United States Government or any corporation of the US government
- Obligations fully insured or guaranteed by the U.S. government or by a governmental agency of the U.S.
- Prime bankers' acceptances
- The State of Georgia local government investment pool
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

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

Non-spendable - Fund balances are reported as non-spendable 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 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 it can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. The County Commission also 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's finance officer to assign fund balances.

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

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 residual of all other elements presented in the Statement of Net Position. Net position is reported as Net investment in Capital Assets, balances restricted by enabling legislation and unrestricted balances. The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted balances are available.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2015, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of the fund balance is reserved as this amount is not available for general appropriation.

Inventory

Expendable supplies are recorded as expenditures at the time the items are purchased. The County does not record inventories of supplies at year end in governmental funds due to the lack of materiality. The proprietary fund inventory is stated at the lower of cost or market on a first-in, first-out basis.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide Statement of Net Position, but does not report these assets in the governmental fund financial statements. Capital assets utilized by proprietary funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the proprietary funds' Statement of Net Position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County's capitalization threshold is $5,000. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are reported as expenses. The County has recorded the value of infrastructure assets (roads, bridges and water lines, etc.) for additions made since July 1, 2003.

All capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Buildings	25-50 years
Improvements	10-50 years
Machinery and Equipment	7-20 years
Vehicles	7 years
Infrastructure	25-50 years

Interfund Receivables/Payables

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

Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide Statement of Net Position. The only interfund balances which remain on the government-wide Statement of Net Position are those between governmental and business-type activities. These amounts are reflected as Internal Balances.

Compensated Absences

Effective January 1, 2006, the County adopted a new policy for compensated absences. Under the new policy, an employee is awarded annual leave based on the number of years of continuous employment from 12 days up to 24 days leave. All unused leave remaining at the end of the calendar year is forfeited. Leave accrued under the old policy will be honored by the County and can be used by the employee in addition to all current leave awarded to that employee. Employees may purchase annual leave that they have accumulated under the old system once per year not to exceed $800. Upon termination, any remaining hours of accrued leave are to be paid out to the employee.

On governmental fund financial statements, compensated absences are recognized as a liability and expenditure to the extent payments come due each period upon the occurrence of employee resignation and retirements, or through the annual leave pay-out provision. On the government-wide financial statements, the balance of compensated absences is recorded as a noncurrent liability and disclosed as a long term debt.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. Loans and capital leases are recognized as a liability on the fund financial statements when due.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services in the Solid Waste Proprietary Fund and charges for public transportation in the Public Transportation Proprietary Fund. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of each fund. Revenues and expenses not meeting these definitions are reported as non-operating.

Interfund Transactions

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.

This government reports interfund transfers between several of its funds. Some of the transfers are considered immaterial and are aggregated into a single column or row titled *All Others*. The sum of all transfers presented in the table agrees

with the sum of interfund transfers presented in the governmental and proprietary fund financial statements. These transfers have been eliminated from the government- wide financial statements.

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

Estimates

The preparation of the 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 amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Property Tax Calendar

Property taxes were levied on September 3, 2015, billed on October 3, 2015, and were due on December 4, 2015. Unpaid property taxes were considered delinquent on December 5, 2015. Property taxes attach as an enforceable lien ninety days later on March 5, 2016, which is considered as the lien date.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section of 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. Currently the County does not have any items that qualify for reporting in this category.

In addition to liabilities, the 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 net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently the County does not have any items that qualify for reporting in this category.

The County's governmental funds report unavailable revenues as deferred inflows of resources. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The amounts are reported as follows:

General Fund:	
Property taxes	$540,789
Total	$540,789

On-Behalf Payments for Fringe Benefits

The County receives on-behalf payments from the State of Georgia to be used for the Georgia Firefighters' Pension Fund and the Judges of The Probate Courts Retirement Fund of Georgia contributions. On-behalf payments to the County totaled $141,792 for the fiscal year ended June 30, 2014. Such payments are recorded as intergovernmental revenue and expenditures in the GAAP basis government-wide and general fund financial statements, but are not budgeted and therefore are not included in the general fund budgetary basis financial statements.

NOTE 3: CASH AND CASH EQUIVALENTS

Primary Government

The County's cash balance is classified into three categories of credit risk: 1) cash that is insured or collateralized with securities held by the County or by its agent in its name, 2) cash collateralized with securities held by the pledging financial institution's trust department or agent in the County's name, and 3) uncollateralized bank accounts including any bank balance that is collateralized with securities held by the pledging institution's trust department or agent but not in the County's name.

At June 30, 2015, the carrying amount of the County's deposits was $3,294,700, and the related bank balance totaled $3,279,763. Of these bank balances, $519,099 was fully covered by FDIC insurance. The remainder, $2,760,664, was collateralized.

Cash	$ 3,294,700
Agency Funds	$ 188,932

The County's custodial credit risk policy is to require all banks to collateralize the County's deposits at 110% of account balances and to have a perfected security agreement supporting the collateral agreement with the bank. The County does not have a foreign credit risk.

Component Unit

The Elbert County Health Department has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agents. The carrying amount of the Health Department's deposits as of June 30, 2015, was $390,266 and the bank balances were $396,583.

NOTE 4: RECEIVABLES

Primary Government

Receivables at June 30, 2015, at the fund level, consisted of taxes, accounts (billings for user charges), intergovernmental receivables arising from sales tax collections and interfund receivables.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation but also by a reasonable, systematic method of determining their existence, completeness, valuation and, in the case of receivables, collectability.
Receivables are reported net of an allowance for doubtful accounts. Those allowances are:

General Fund - Property taxes	$ 12,865
EMS - Service charges	$ 221,552

Component Unit

The Elbert County Health Department has an amount due from the Georgia Department of Public Health of $24,711 which represents the May and June 2015 amount in aid reimbursement requests.

NOTE 5: RETIREMENT PLANS

Defined Benefit Retirement Plan

Plan Description

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia as defined in the Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans*.

The specific benefit provisions of the Elbert County Defined Benefit Plan was established by an adoption agreement executed by the County Board of Commissioners. The Plan provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met. The Board of Trustees for the ACCG Pension Plan and Trust oversees the administration, investment and funding of the ACCG Retirement Program for member employers. The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time the contribution rates for the County and its plan participants. The pension plan's financial report is included in the report of the ACCG Elbert County Defined Benefit Plan prepared by GEBCorp.

A copy of the Pension Plan financial reports can be obtained from:

GEBCorp
400 Galleria Parkway
Atlanta, Georgia 30339-3194

Employee membership data related to the Plan, as of January 1, 2014 (the most recent actuarial valuation date are shown below:

Active participants	156
Deferred Vested Participants	91
Retirees	54
Beneficiaries	3
Disabled Participants Receiving Benefits	3

Funding Policy

The County is required to contribute at 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 must satisfy the minimum contribution requirement contained in Section 47-20 of the Georgia Code. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement. The required annual contributions for Elbert County is $640,583 for FY 2014, which is 12.27% of fiscal year 2014's covered payroll.

The estimate of recommended contribution for fiscal year 2015 is shown below:

Estimate of Recommended Contribution

	Year Beginning 1/1/2015	1/1/2014
Covered Compensation for Active Participants	$ 5,403,013	
Total Amortizations	317,014	
Normal Cost for Plan Year	319,615	
Pre-Retirement Death Benefit Expense	$ 14,041	
Administrative Expenses for Plan Year	$ 28,453	
Employer Contribution	525,030	
Estimated Employee Contribution	$ 154,093	
Total Contribution	679,123	
Employer Contribution as a percentage of payroll	9.70%	$ -

Note: Cost estimate for budgeting purposes only, actual contributions requirements will be determined when January 1, 2015 actuarial valuation is completed. Actual contribution requirements will reflect actual plan experience with respect to newly eligible plan participants, salary increases, employee turnover, mortality and disability.

Plan Benefits and Eligibility

The Plan went effective on December 1, 1968 and was last amended and restated on January 1, 2011. Any full-time employee meeting the provisions as set out in the Adoption Agreement are eligible upon employment. The normal form of benefit is a straight life annuity. Other forms of payment are available and are actuarially equivalent to the normal form. There have been no substantive changes since the last actuarial valuation.

Benefits

Normal Retirement	Attained age 65 & 5 years of service.
Late Retirement	Any date subsequent to Normal Retirement.
Early Retirement	Attained age 50 and 25 years of Service or age 60 & 10 years of Service.
	Prior Contributory Plan participants are eligible at age 55 with 25 years of Service at no reduction.
Disability Retirement	10 years of Service, deemed to be totally disabled by the Federal Social Security Adminisration.
Vested Termination	100% vested after 5 years of Service.
Pre-Retirement Death Benefit	Lump Sum for active Participants & terminated vested Participants receiving a Disability Retirement benefit and not yet age 65.
Post-Retirement Death Benefit	Termination of employment due to Early, Normal or Late Retirement. Participants receiving a Disability Retirement benefit and who have attained normal retirement age are also eligible.

Benefit Amounts

Normal Retirement	Benefit payable monthly for life - Participant's Accrued Benefit at Normal Retirement
Late Retirement	Benefit payable monthly for life - Participant's Accrued Benefit at Late Retirement
Early Retirement	Benefit payable monthly for life - Participant's Accrued Benefit actuarially reduce at Early Retirement Prior Contributory Plan: 25 years of Service with minimum age 55, unreduced benefit.
Disability Retirement	Benefit payable monthly for life equal to the Participant's Accrued Disability at Disability Retirement
Vested Termination	Benefit payable monthly for life equal to the Participant's Accrued Benefit at termination. Participants with 25 years of Service or 10 years of Service may elect to receive benefits at an Early Retirement date calculated in the same manner as an early retirement benefit:
Pre-Retirement Death Benefit	Lump-Sum (i) 100 times the projected monthly benefit based on level earnings and continued Service to Normal Retirement (ii) 50 times the participant's monthly pension benefit limited to $50,000
Post-Retirement Death Benefit	Termination of employment due to Early, Normal or Late Retirement. Participants receiving a Disability Retirement benefit and who have attained normal retirement age are also eligible.

The following chart shows the historical funding information. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Funding History

Actuarial Valuation Date	1/1/2014
Actuarial Value of Assets (a)	$ 14,268,276
Actuarial Accrued Liability (b)	$ 15,758,451
Underfunded/(Surplus) (b) - (a)	$ 1,490,175
Funded Ratio (a) / (b)	90.54%
Covered Payroll	$ 5,220,302
Underfunded Actuarial Accrued Liability as a Percentage of Covered Payroll	28.55%

Actuarial Cost Method. Entry Age Normal: A method under which actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age(s).

Amortization Method. Closed level percentage of pay.

Asset Valuation Method. Smoothed market value with a 5-year smoothing period.

Actuarial assumptions. The total pension liability in the January 1, 2014 actuarial valuation date was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Investment Rate of Return	7.50%
Future Salary Increases	3.50% per year with an age based scale
Mortality Rates	RP-2000, Combined
Cost of Living Adjustment	N/A

Termination rates were determined from an experienced based, age and service based set of rates; sample rates as follows:

Age	Probability of Termination
25	10.8%
35	8.3%
45	5.5%
55	0.0%

Years of Service	Probability of Termination
3 or less	175% of the age-based assumption
4	150% of the age-based assumption
5	125% of the age-based assumption
6	Same as the age-based assumption

Disability rates for both sexes were determined from a 1977 Social Security Administration study. For valuation purposes, rate are used with a one-year set forward. Incidence of disability resulting in eligibility for both disability benefits under the County retirement plan and the Social Security samples rates as follows:

Age	Probability of Termination
Under 20	0.0000%
20	0.0100%
25	0.1131%
30	0.1900%
35	0.2712%
40	0.4000%
45	0.6331%
50	1.0400%
55 & Over	0.0000%

Asset Allocation Policy. The Trustees shall rebalance the portfolio at least annually for asset allocation purposes. The guidelines for allocation are: equities shall not exceed 70% of total Plan assets, valued at cost. Fixed Income shall be targeted at 30% of total Plan assets, valued at cost.

The Trustee's guidelines for asset allocation are as follows:

Asset Class	Target Allocation	Range
Fixed Income:	30%	25%-35%
Equities:	70%	65%-75%
Large Cap	30%	25%-35%
Mid Cap	5%	2.5%-10%
Small Cap	5%	2.5%-10%
REIT	5%	2.5%-10%
International	15%	10%-20%
Multi Cap	5%	2.5%-10%
Global Allocation	5%	2.5%-10%

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent. The discount rate is determined through a blend of using a building blocks approach based on a 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as the forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by the UBS.

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

	Discount Rate	Net Pension Liability
1% Decrease	6.50%	$ 3,561,642
Current Discount Rate	7.50%	$ 1,490,175
1% Increase	8.50%	$ (238,415)

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

Net Pension Liability. The County's net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2014. At June 30, 2015, the County reported a net pension liability. Changes in the County's net pension liability for the year ended December 31, 2014 were as follows:

Changes in the Net Pension Liability

	Total Pension Liability (TPL) (a)	Plan Net Position (FNP) (b)	Net Pension Liability (NPL) (a)-(b)
Balances at December 31, 2013	15,002,670	13,354,950	1,647,720
			-
Changes for the Year:			
Service Cost	$ 297,316	$ -	$ 297,316
Interest Expense	1,125,200	-	1,125,200
Benefit Changes (Changes of benefit terms)	-	-	-
Experience Losses (Gains)	-	-	-
(Amortized over avg remain svc period of actives & inactives)			
Changes of Assumptions	-	-	-
Contributions - Employer/Nonemployer	-	640,583	(640,583)
Contributions - Employee	-	148,882	(148,882)
Contributions - State	-	-	-
Other Changes - Contribution timing differences	-	-	-
Net Investment Income	-	970,933	(970,933)
Expected Return on Plan Investments	-	-	-
Amortized Portion of Current-period	-	-	-
Differences between Actual			
and Expected Returns on Plan Investments	-	-	-
Refunds of Contributions	-	(45,465)	45,465
Benefits Paid	(666,735)	(642,636)	(24,099)
Plan Administrative Expenses	-	(27,491)	27,491
Contributions for Specific Liabilities	-	-	-
Other Changes	-	(131,480)	131,480
Amortization of or Change in Beginning Balances of Deferred Outflow	-	-	-
NET CHANGES:	$ 755,781	$ 913,326	$ (157,545)
Balances at December 31, 2014	$ 15,758,451	$ 14,268,276	$ 1,490,175

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued GEBCorp financial report.

Pension Expense for the Year Ended June 30, 2015

Service Cost	$ 297,316	
Interest on TPL	1,101,101	
Employee Contributions	(148,882)	
Administrative Expenses	27,491	
Expected Return on Assets	(1,003,660)	
Other Changes - Investment Expense, Post-Retirement & Pre-Retirement Death Benefits	64,961	
Refunds of Employee Contributions	45,465	
Expensed Portion of Current Year Period Differences Between Projected and Actual Investment Earnings	19,849	
Current Year Recognition of Deferred Inflows and Outflows Established in Prior Years	-	
Total Pension Expense		$403,641

For the year ended June 30, 2015, Elbert County, Georgia recognized pension expense of $403,641.

At December 30, 2014, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows/Inflows of Resources Related to Pensions

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected And Actual Experience	-	-
Changes of Assumptions	-	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	79,397	-
County Contributions Subsequent to the Measurement Date	-	-
Total	$ 79,397	$ -

Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in the pension expense as follows:

		Outstanding Amount Recognized		Outstanding	Deferred Outflows/(Inflows) Recognized in Future Years					
	Year Established	Balance at 1-Jul-14	During FYE 30-Jun-15	Balance at 30-Jun-15	2016	2017	2018	2019	2020	2021 and thereafter
Fiscal Year Outflow:										
Demographics	2015	-	-	-	-	-	-	-	-	-
Investment	2015	99,246	19,849	79,397	19,849	19,849	19,849	19,849	-	-
Assumption Change	2015	-	-	-	-	-	-	-	-	-
Total Outflows		99,246	19,849	79,397	19,849	19,849	19,849	19,849	-	-
Fiscal Year Inflows										
Total Inflows		-	-	-	-	-	-	-	-	-
Total		$ 99,246	$ 19,849	$ 79,397	$19,849	$19,849	$19,849	$19,849	$ -	$ -

Other Retirement Plans

Certain qualified employees of the County are included in one of the seven retirement plans in which the County participates. These retirement plans are the Georgia Firefighters' Pension Fund and the Judges of The Probate Courts Retirement Fund of Georgia. The County does not maintain the accounting records, hold the investments or administer these retirement funds.

A summary of significant information for each of the retirement plans follows.

Plan Description

The Georgia Firefighters' Pension Fund was created in 1955 by an act of the Georgia General Assembly to provide retirement benefits for qualified firefighters. The fund administers a cost-sharing, multiple-employer define benefit pension plan as defined in the Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25.* Any person employed as a firefighter or enrolled as a volunteer firefighter within the State of Georgia or any regular employee of the Fund is eligible for membership in the Fund.

The Judges of The Probate Courts Retirement Fund of Georgia was created in 1958 by the General Assembly of Georgia for the purpose of paying retirement benefits to judges of the probate courts of the State of Georgia. The Funds administers a cost-sharing, multiple-employer defined benefit pension plan as defined in the Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25.* Each County in the state of Georgia has a judge of the probate court who is eligible to be a member of the fund.

Contributions

Special Funding Situation. The State of Georgia provides non-employer contributions directly to the abovementioned retirement funds through the collection of insurance premium tax, court fines and filing fees, court fines and forfeitures as well as membership dues. The various county departments, as the employers of the Fund, do not make contributions to the Fund. The County is not legally responsible for contributions to the fund and does not recognize net pension liability. Therefore, these non-employer contributions are recognized as revenue and expenditures by the County. See Note 16: On-Behalf Payments for further disclosure.

Actuarial Valuation Date

The collective total pension liability used to calculate the net pension liability is based upon the June 30, 2013 actuarial valuation for the Georgia Judicial Retirement System Fund and June 30, 2014 for all other retirement funds.

Pension Liabilities, Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* requires participating employers and non-employers contributing entities to recognize their proportionate share of collective net pension liability and pension expense. As discussed above, the County departments, as employers of the Fund's members, do not make contributions to the Fund; therefore, the proportionate share of collective net pension liability for Elbert County, Georgia is 0%. Elbert County, Georgia does not recognize any net pension liability (asset) or deferred inflows or outflows of resources in the financial statements.

However, the County is required to disclose the portion of the non-employer contributing entities' total proportionate share of the collective net pension liability (asset) associated with the County as follows:

Retirement Plan	County's Proportionate Share of the Net Pension Liability	State's Proportionate Share of the Net Pension Liablity
Georgia Firefighters' Pension Fund	-	733,764
Judges of The Probate Courts Retirement Fund of Georgia	-	116,505
Total	**$**	**850,269**

The net pension liability was measured as of June 30, 2014.

In accordance with GASB 68, Elbert County, Georgia is required to disclose the deferred inflows and outflows of resources allocated to the County. The County does not recognize any amounts in the financial statements. The deferred inflows of resources and outflows of resources allocated to Elbert County, Georgia are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources	
Retirement Plan	Changes in Assumptions	Difference Between Expected & Actual Experience	Difference Between Expected & Actual Investment Earnings
Firefighters' Pension Fund	-	-	465,276.03
Judges of The Probate Courts	19,793.38	(1,546.83)	40,282.28
Total	**$ 19,793.38**	**$ (1,546.83)**	**$ 505,558.31**

NOTE 6: CAPITAL ASSETS

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

Governmental activities:		Business-Type activities:	
General Government	$ 134,694		
Public Safety	486,520	Solid Waste	$31,194
Housing & Development	74,614	Transit Fund	20,141
Public Works	192,552		
Health & Welfare	50,625		
Culture & Recreation	29,776		
Total Depreciation	$ 968,781	Total Depreciation	$51,335

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

Governmental Activities:	Beginning Balances 6/30/2014	Increases	Decreases	Reclassifications	Ending Balances 6/30/2015
Primary Government:					
Non-Depreciable Assets:					
Construction in Progress	$ 14,161	$ 75,000	$ -	$ -	$ 89,161
Land	1,289,263	307,584	-	-	1,596,847
Total Non-Depreciable Capital Assets	$1,303,424	382,584	-	-	1,686,008
Depreciable Assets:					
Buildings	13,066,519	-	-	-	13,066,519
Land Improvements	184,565	-	-	-	184,565
Equipment	10,725,215	617,794	(429,436)	-	10,913,573
Infrastructure	2,686,214	85,102	-	-	2,771,316
Total Depreciable Capital Assets	26,662,513	702,896	(429,436)	-	26,935,973
Accumulated Depreciation:					
Buildings	2,357,390	287,339	-	-	2,644,729
Land Improvements	32,299	4,614	-	-	36,913
Equipment	7,844,398	612,285	(388,689)		8,067,994
Infrastructure	226,948	64,543	-	-	291,491
Total Accumulated Depreciation	10,461,035	968,781	(388,689)	-	11,041,127
Total Depreciable Capital Assets, Net	16,201,478	(265,885)	(40,747)	-	15,894,846
Governmental Activities Capital Assets, Net	$17,504,902	$116,699	$(40,747)	$ -	$17,580,854

Business-Type Activities:	Beginning Balances 6/30/2014	Increases	Decreases	Reclassifications	Ending Balances 6/30/2015
Proprietary Funds:					
Non-Depreciable Assets:					
Land	$ 193,190	$ -	$ -	$ -	$ 193,190
Total Non-Depreciable Assets	193,190	-	-		193,190
Depreciable assets:					
Buildings	383,761	-	-	-	383,761
Equipment	494,544	32,320	(600)	-	526,264
Total Depreciable Capital Assets	878,305	32,320	(600)	-	910,025
Accumulated Depreciation					
Buildings	133,709	9,594	-	687	143,990
Equipment	337,434	41,741	(600)	(687)	377,888
Total Accumulated Depreciation	471,143	51,335	(600)	-	521,878
Total Depreciable Capital Assets, Net	407,162	(19,015)	-	-	388,147
Business-Type Activities Capital Assets, Net	$ 600,352	$(19,015)	$ -	$ -	$ 581,337

Component Unit - Health Department	Ending Balances 6/30/2014	Increases	Decreases	Reclassifications	Ending Balances 6/30/2015
Governmental					
Capital Assets Being Depreciated					
Office and Medical Equipment	$ 119,833	$ 12,273	$ 14,219	$ -	$ 117,887
Total Capital Assets	119,833	12,273	14,219	-	117,887
Accumulated Depreciation					
Equipment	87,779	7,182	14,219	-	80,742
Total Accumulated Depreciation	87,779	7,182	14,219		80,742
Net Capital Assets	$ 32,054	$ 5,091	$ -	$ -	$ 37,145

Depreciation expense was charged to functions/programs of the Health Department as follows:
Governmental activities - Health $7,182

NOTE 7: SHORT TERM DEBT

The County issues tax anticipation notes in advance of property tax collections, depositing the proceeds into its General Fund. The notes are necessary because the County does not currently possess sufficient resources to carry it from one year to the next. For the year ending June 30, 2015, the County had a no short term debt balance.

	Beginning Balances July 1, 2014	Issued	Redeemed	Ending Balance June 30, 2015
2014 Tax Anticipation Note:	$ -	$2,355,761	$ 2,355,761	$ -
	$ -	$2,355,761	$ 2,355,761	$ -

NOTE 8: LONG TERM DEBT

The retirement cost of debt, pension liabilities, and compensated absences is typically charged to the general fund.

Governmental Activities-Capital Leases:

On July 19, 2011, the County financed the purchase of a motor grader with John Deere Credit through a 48 month capital lease. The lease is payable in monthly installments of $3,254. The original lease was for $148,670 at an interest rate of 2.55% with a maturity in July 2015 with a purchase option of $1 at lease end. The lease is secured by the equipment and payments are made out of the Capital Projects Fund. Interest expense paid in 2015 was $533.

On June 12, 2013, the County financed the purchase of a John Deere 310SK Backhoe through a 36 month capital lease. The lease is payable in monthly installments of $1,574. The original lease was for $54,040 at an interest rate of 3.3% with a maturity in May 2016. The lease is secured by the equipment and payments are made out of the Capital Projects Fund. Interest expense paid in 2015 was $886.

On June 6, 2013, the County financed the purchase of an Interact E-911 System through a 60 month capital lease. The lease is payable in monthly installments of $6,497. The original lease was for $355,591 at an interest rate of 3.675% with a maturity in June 2018. The lease is secured by the equipment and payments will be made out of the Capital Projects Fund. Interest expense paid in 2015 was $9,496.

Expense resulting from amortization of assets recorded under capital leases is included with depreciation expense.

The assets acquired through capital leases are as follows:

Asset:	Governmental Activities
Machinery and Equipment	$ 659,717
Less: Accumulated Depreciation	(221,628)
Total	$ 438,089

Payout schedule:

Year Ending	Total Payments	Principal	Interest
2016	95,279	88,558	6,721
2017	77,960	73,902	4,058
2018	77,960	70,167	7,793
Totals	$ 251,199	$ 232,628	$ 18,571

Governmental Activities-Intergovernmental loans:

On December 16, 2010, the County financed the purchase of fire trucks through a USDA loan. The original loan amount was $523,037 with an interest rate of 3.75% and matures January 16, 2021. The loan is amortized with 120 monthly payments of $5,236 each. The loan is secured by the fire trucks. Interest expense paid in 2015 was $12,706.

Asset:	Governmental Activities
Machinery and Equipment	$ 650,100
Less: Accumulated Depreciation	(464,355)
Net	$ 185,745

Year Ending	Total Payments	Principal	Interest
2016	62,832	52,038	10,794
2017	62,832	54,023	8,809
2018	62,832	56,084	6,748
2019	62,832	58,224	4,608
2020-2021	93,873	91,177	2,696
	$345,201	$ 311,546	$ 33,655

Changes in other long term debt:

	July 1, 2014	Additions	Reductions	June 30, 2015	Due within 12 Months
Governmental activities					
Compensated absences	$ 82,937	85,735	$ 82,937	$ 85,735	$ 2,400
USDA Loan	361,655	0	50,109	311,546	52,038
Capital leases	359,244	0	126,616	232,628	88,558
Total Governmental Activities	$ 803,836	$ 85,735	$259,662	$ 629,909	$ 142,996

	July 1, 2014	Additions	Reductions	June 30, 2015	Due within 12 Months
Business-Type Activities					
Compensated absences	$ 5,914	$ 338	$ -	$ 6,252	$ 6,252
Closure Liability	1,060,166	-	35,339	1,024,827	51,241
Total Business-Type Activities	$ 1,066,080	$ 338	$ 35,339	$ 1,031,079	$ 57,493

Component Unit

	July 1, 2014	Additions	Reductions	June 30, 2015	Due within 12 Months
Compensated absences	$ 18,662	$ 15,515	$ 14,682	$ 19,495	$ 4,815
Total Component Unit Liabilities	$ 18,662	$ 15,515	$ 14,682	$ 19,495	$ 4,815

NOTE 9: INTERFUND BALANCES AND TRANSFERS

Due To/Due From other funds:

	Due To:					
Due From:	General Fund	Fire Insurance Fund	Senior Center Fund	Grant Fund	E-911 Fund	Totals
General Fund	$ -	$ -	$ 6,291	$ 600	$ 29,399	$ 36,290
Victim's Assistance Fund	1,507	-	-	-		1,507
Public Defender Fund	8,695	-	-	-	-	8,695
E-911 Fund	80,212	-	-	-	-	80,212
Capital Projects Fund	15,000	-	-	-	-	15,000
Jail Fund	-	2,038	-	-	-	2,038
Grant Fund	195,178	-	-	-	-	195,178
Rock Gym Fund	137,516	-	-	-	-	137,516
Senior Center Fund	15,711	-	-	-	-	15,711
Solid Waste Fund	121,297	-	-	-	-	121,297
Transportation Fund	22,579	-	750	-	-	23,329
Totals	$ 597,695	$ 2,038	$ 7,041	$ 600	$ 29,399	$ 636,773

Advances To/Advances From other funds:

	Advances To:					
Advances From	General Fund	Grant Fund	Revolving Loan Fund	Bobby Brown Park Fund	Capital Projects Fund	Total
General Fund	$ -	$ 8,700	$ 200	$ 36,589	$ 179,129	$ 224,618
Totals	$ -	$ 8,700	$ 200	$ 36,589	$ 179,129	$ 224,618

Interfund balances at June 30, 2015, consisted of the following amounts and represent charges for services or reimbursable expenses and expenditures out of capital outlay (SPLOST) funds for operating expenses in the general fund occurring in prior years. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting records, and (3) payments between funds are made. The County expects to repay some of the interfund balances within one year. The General Fund receivables from the E-911, Airport Grant Fund and Solid Waste Funds are considered as being long term interfund receivables.

Interfund Transfers:

		Transfer From		
		General Fund	Senior Center Fund	Total
Transfer To	E-911 Fund	$ 352,790	$ -	$ 352,790
	Go Fish Grant	600	-	600
	Airport	58,555	-	58,555
	Rock Gym	17,586	-	17,586
	General Fund		156,347	156,347
	Fire Ins. Fund	75,000		75,000
	Total	$ 504,531	$ 156,347	$ 660,878

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and provide unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is complete.

NOTE 10: LANDFILL CLOSURE AND POSTCLOSURE COST

Closure and Post-closure care is required by both federal and state regulations. The estimate for post closure liability is for the cost of monitoring for thirty years after landfill closure. In 2000, the County closed its solid waste landfill and is now in the post-closure phase. The post-closure estimate will be amortized over a 30 year period following closure. These costs and estimates are recognized in the government-wide financial statements. The actual post-closure cost will be met by resources out of the general fund. The unamortized balance of post-closure cost at June 30, 2015 was $1,024,827. The estimated costs are based on what it would cost to perform all closure and post-closure in 2015. Actual cost may be higher due to inflation, changes in technology, or changes in regulations. Should any problems occur during this period, the costs and time period required for maintenance and monitoring functions may increase.

NOTE 11: HOTEL/MOTEL TAX COMPLIANCE – PRIMARY GOVERNMENT

Elbert County, Georgia collects five percent (5%) hotel/motel tax. State statutes require the County to contract with a not for profit organization and fund that organization with a minimum of 40% of collections which must be expended on the promotion of tourism and trade. The County has a working relationship with Elbert County Chamber of Commerce and funds that organization with hotel/motel tax collections.

For the fiscal year ending June 30, 2015:

Tax collections	$ 36,230
Amount provided to:	
Chamber of Commerce	4,211
Promotion expenditures	8,750
Georgia DNR	25,975
Total Tax and Investment Earnings Disbursements:	$ 38,936

NOTE 12: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which, except as described in the following paragraph, the County carries commercial insurance with Travelers Corporation in amounts deemed prudent by County management. The County participates in the Association of the County Commissioners of Georgia Group Self-Insurance Worker's Compensation Fund public entity risk pools, currently operating as a 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 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.

There have been no significant reductions of insurance coverage from coverage in the prior years, and settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE 13: COMMITMENTS AND CONTINGENCIES

Litigation and Assessments

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

Grant Contingencies

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

NOTE 14: COMPLIANCE

At June 30, 2015, the County was not in compliance with the following statutes:

OCGA 36-81-3 Relating to expenditures in excess of budgeted amounts.

At June 30, 2015, the County was in compliance with O.C.G.A 36-81-7:

E-911 Funds: All E-911 funds collected by Elbert County were expended in accordance with state statutes.

NOTE 15. ON-BEHALF PAYMENTS

For 2014, the County received payments from the State to be used for the retirement plan contributions on-behalf of the County's employees as follows:

Retirement Plan		Nonemployer Contribution Amount
Georgia Firefighters' Pension Fund		87,154
Judges of The Probate Courts Retirement Fund of Georgia		54,638
Total	**$**	**141,792**

These total nonemployer contribution amount of $141,792 is recorded in the General Fund as intergovernmental revenue and pension expense. The County is not legally responsible for these contributions.

NOTE 16. PRIOR PERIOD ADJUSTMENT

During fiscal year 2015, the County adopted GASB Statement No. 68 for Accounting and Reporting for Pensions. In accordance with GASB 68, a prior period adjustment was recorded to establish the County's beginning net pension liability to $1,647,720 as calculated by the Elbert County Georgia Defined Benefit Retirement Plan Actuarial Valuation and Review Report prepared by GEBCorp. The amount of the prior period adjustment is $1,647,720.

NOTE 17: SUBSEQUENT EVENT

Subsequent events have been evaluated through May 13, 2016.

NOTE 18: BUDGETS

The following are Governmental Funds for which expenditures exceeded appropriations:

	Budgeted Expenditures and Other Financing Uses	Actual Expenditures and Other Financing Uses	Actual in Excess of Appropriations
General Fund			
Public Safety	$ 4,380,110	$ 4,423,949	$ 43,839
Public Works	772,150	870,303	98,153
Culture and Recreation	346,340	384,242	37,902
Transfers	427,790	504,531	76,741
Senior Center			
Transfers Out	-	156,347	156,347
Multi-Grant Fund			
Judicial	63,724	79,707	15,983
Public Safety	-	9,965	9,965
Housing and Development	-	2,796	2,796
Culture and Recreation	-	23	23
Capital Outlay	72,000	493,284	421,284
Fire Insurance Fund	78,680	90,059	11,379
Law Library	-	4,732	4,732
E-911	697,490	708,340	10,850
Victim's Assistance Fund	157,680	283,789	126,109

The County's legal level of control is at the department level.

ELBERT COUNTY, GEORGIA
Required Supplementary Information
Defined Benefit Retirement Plan
June 30, 2015

Schedule of Changes in the Net Pension Liability and Related Ratios
Elbert County, Georgia Retirement Plan
Last 10 Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Pension Liability										
Service Cost	$ 297,316									
Interest	1,101,101									
Differences Between Expected and Actual Experience	-									
Changes of Assumptions	-									
Changes of Benefit Terms	-									
Other Changes										
Benefit Payments, Including Refunds of Employee Contributions	(642,636)									
Net Change in Total Pension Liability	755,781									
Total Pension Liability - Beginning	15,002,670									
Total Pension Liability - Ending (a)	$ 15,758,451									
Plan Fiduciary Net Position										
Contributions - Employer	$ 640,583									
Contributions - Employee	148,882									
Net Investment Income	904,414									
Benefit Payments, Including Refunds of Employee Contributions	(688,101)									
Administrative Expense	(27,491)									
Other Changes	(64,961)									
Net Change in Fiduciary Net Position	913,326									
Plan Fiduciary Net Position - Beginning	13,354,950									
Plan Fiduciary Net Position - Ending (b)	$ 14,268,276									
Net Pension Liability - Ending: (a)-(b)	$ 1,490,175									
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	90.50%									
Covered-Employee Payroll (Prior Year)	$ 5,220,302									
Net Pension Liability as a Percentage of Covered-Employee Payroll	28.55%									

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

ELBERT COUNTY, GEORGIA
Required Supplementary Information
Defined Benefit Retirement Plan
June 30, 2015

Schedule of Contributions
Elbert County, Georgia Retirement Plan
Last 10 Fiscal Years

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Actuarially Determined Contribution	$ 640,583									
Contributions in Relation to the Actuarially	-									
Determined Contribution	640,583									
Contribtuion Deficiency (Excess)	-									
Covered-Employee Payroll	5,220,302									
Contributions as a Percentage of										
Covered-Employee Payroll	12%									

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

Changes of Benefit Terms

There was no substantive changes in benefit terms for the year ended 2015.

Changes of Assumptions

1) Investment return was changed from 7.75% to 7.5% since prior valuation.
2) Age banded salary increase rates were changed from 5.0%-7.5% to 2.5%-5.0%.
3) Age and service based employee termination rates were changed
4) Mortality table was changed to RP-2000, Combined.
5) Retirement rates were revised.
6) Funding method was changed from Projected Unit Credit to Entry Age Normal.

Factors That Affect Trends

Trends in the Net Pension Liability and annual covered payroll are both affected by inflation. Expressing the Net Pension Liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids the analysis of the Plan's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Plan.

Elbert County, Georgia
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with Final Budget
REVENUES	Original	Final	Budgetary Basis	Over / (Under)	GAAP Basis	Over / (Under)
Property Taxes	$ 6,171,200	$ 6,171,200	$ 6,132,315	$ -	$ 6,132,315	$ (38,885)
Sales Taxes	1,300,000	1,300,000	1,204,790	-	1,204,790	(95,210)
Other Taxes	942,000	942,000	1,039,530	-	1,039,530	97,530
Fines and Forfeitures	335,600	335,600	430,086	-	430,086	94,486
Intergovernmental	76,820	76,820	84,750	-	84,750	7,930
Charges for Services	1,285,000	1,285,000	1,290,325	-	1,290,325	5,325
Interest	440	440	953	-	953	513
Contributions and donations	3,200	3,200	1,995	-	1,995	(1,205)
Miscellaneous	9,500	9,500	28,827	-	28,827	19,327
Total Revenues	10,123,760	10,123,760	10,213,571	-	10,213,571	89,811
EXPENDITURES						
Current Operating:						
General Government	2,613,460	2,613,460	2,602,231	-	2,602,231	(11,229)
Judicial	980,660	980,660	935,946	-	935,946	(44,714)
Public Safety	4,380,110	4,380,110	4,423,949	-	4,423,949	43,839
Public Works	772,150	772,150	870,303	-	870,303	98,153
Health and Welfare	224,550	224,550	174,064	-	174,064	(50,486)
Housing and Development	370,360	370,360	337,906	-	337,906	(32,454)
Culture and Recreation	346,340	346,340	384,242	-	384,242	37,902
Debt Service Interest	16,340	16,340	1,679	-	1,679	(14,661)
Total Expenditures	9,703,970	9,703,970	9,730,320	-	9,730,320	26,350
Excess (Deficiency) of Revenues Over (Under) Expenditures	419,790	419,790	483,251	-	483,251	63,461
Other Financing Sources (Uses)						
Transfers in	-	-	156,347	-	156,347	156,347
Transfers Out	(427,790)	(427,790)	(504,531)	-	(504,531)	(76,741)
Gain on sale of assets	8,000	8,000	45,717	-	45,717	37,717
Total Other Financing Sources (Uses)	(419,790)	(419,790)	(302,467)	-	(302,467)	117,323
Net Change in Fund Balance	$ -	$ -	180,784	$ -	180,784	$ 180,784
Fund Balance - Beginning			1,618,480		1,618,480	
Fund Balance - Ending			$ 1,799,264		$ 1,799,264	

Elbert County, Georgia

Budgetary Comparison Schedule

Senior Center Fund

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with Final Budget
	Original	Final	Budgetary Basis	Over / (Under)	GAAP Basis	Over / (Under)
REVENUES						
Charges for Services	12,700	12,700	25,967	-	25,967	13,267
Intergovernmental	360,000	360,000	169,909	-	169,909	(190,091)
Total Revenues	372,700	372,700	195,876	-	195,876	(176,824)
EXPENDITURES						
Current Operating:						
Health and Welfare	310,000	310,000	235,362	-	235,362	(74,638)
Fund Balance	62,700	62,700	-	-	-	(62,700)
Total Expenditures	372,700	372,700	235,362	-	235,362	(137,338)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(39,486)	-	(39,486)	(39,486)
Other Financing Sources (Uses)						
Transfers out	-	-	(156,347)	-	(156,347)	(156,347)
Total Other Financing Sources (Uses)	-	-	(156,347)	-	(156,347)	(156,347)
Net Change in Fund Balance	$ -	$ -	(195,833)	$ -	(195,833)	$ (195,833)
Fund Balance - Beginning			597,970	-	597,970	
Fund Balance - Ending			$ 402,137		$ 402,137	

Elbert County, Georgia

Budgetary Comparison Schedule

Multi-Grant Fund

For the Year Ended June 30, 2015

	Budgeted Amounts		Actual Amounts	Budget to GAAP Differences	Actual Amounts	Variance with Final Budget
REVENUES	Original	Final	Budgetary Basis	Over / (Under)	GAAP Basis	Over / (Under)
Intergovernmental	695,000	695,000	1,435,830	-	1,435,830	740,830
Interest	-	-	26	-	26	26
Contributions and donations	-	-	2,000	-	2,000	2,000
Miscellaneous	-	-	5,730	-	5,730	5,730
Fund Balance	752,000	752,000	-	-	-	(752,000)
Total Revenues	1,447,000	1,447,000	1,443,586	-	1,443,586	(3,414)
EXPENDITURES						
Current Operating:						
Judicial	63,724	63,724	79,707	-	79,707	15,983
Public Safety	-	-	9,965	-	9,965	9,965
Public Works	1,311,276	1,311,276	736,109	-	736,109	(575,167)
Housing and Development	-	-	2,796	-	2,796	2,796
Culture and Recreation	-	-	23	-	23	23
Capital Outlay	72,000	72,000	493,284	-	493,284	421,284
Total Expenditures	1,447,000	1,447,000	1,321,884	-	1,321,884	(125,116)
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	121,702	-	121,702	121,702
Other Financing Sources (Uses)						
Transfers in	-	-	59,155	-	59,155	59,155
Total Other Financing Sources (Uses)	-	-	59,155	-	59,155	59,155
Net Change in Fund Balance	$ -	$ -	180,857	$ -	180,857	$ 180,857
Fund Balance - Beginning			374,945		374,945	
Fund Balance - Ending			$ 555,802		$ 555,802	

Elbert County, Georgia

Notes to Required Supplementary Information
On Budgetary Accounting and Control
Year Ended June 30, 2015

BUDGETARY ACCOUNTING AND CONTROL

Budget Law

The County prepares its annual operating budget under the provisions of the official Code of Georgia. In accordance with those provisions, the following process is used to adopt the annual budget:

(a). Prior to June 1, the County Finance Officer submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
(b). Public hearings are conducted at regular Commission meetings to obtain taxpayer comments. Public hearings are normally scheduled no later than 15 days prior to the beginning of the budget year.
(c). Subsequent to the public hearings, the budget is legally enacted through the passage of a resolution by the County Commissioners.

All governmental funds with revenues and/or expenditures as defined by State law are required to have annual budgets. The legal level of control at which expenditures may not legally exceed appropriations is at the department level within a fund.

Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. All annual appropriations lapse at fiscal yearend. The appropriated budget is prepared by fund, function, and department. The government's department heads may make transfers of appropriations within a department. Transfers of appropriations between departments require the approval of commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the department level.

Budget Requirements

There were no budget amendments by the County Commissioners for the year ended June 30, 2015.

Major Fund Type	Original Budget	Supplemental Appropriations	Supplemental Decreases	Revised Appropriations
General Fund	$ 10,131,760	$ -	$ -	$ 10,131,760
Senior Center Fund	372,700	-	-	372,700
Multi-Grant Fund	1,447,000	-	-	1,447,000
	$ 11,951,460	$ -	$ -	$ 11,951,460

Elbert County, Georgia

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2015

Assets	Law Library	E-911 Fund	10% Fines Jail Fund	Special Drug Fund	Hotel/Motel Tax Fund	Revolving Loan Fund	Fire Insurance Fund	Victims Assistance Fund	Public Defender	Rock Gym Fund	Nonmajor Governmental Funds
Cash and cash equivalents	$ 6,577	$ 92,634	$ 33,788	$ 36,927	$ 21,643	$ 34,922	$ 220,403	$ 348,913	$ 54,869	$ 137,516	$ 988,192
Accounts receivable, net	569	9,590	3,208	2,434	5,228	-	-	1,455	-	-	22,484
Due from other governments	-	13,110	15	385	-	-	-	8,730	6,700	-	28,940
Due from other funds	-	29,399	-	-	-	-	2,038	-	-	-	31,437
Total assets	7,146	144,733	37,011	39,746	26,871	34,922	222,441	359,098	61,569	137,516	1,071,053
Deferred outflows of resources	-	-	-	-	-	-	-	-	-	-	-
Total assets and deferred outflows of resources	$ 7,146	$ 144,733	$ 37,011	$ 39,746	$ 26,871	$ 34,922	$ 222,441	$ 359,098	$ 61,569	$ 137,516	$ 1,071,053
Liabilities											
Accounts payable	$ -	$ 6,991	$ -	$ 613	$ 3,162	$ -	$ 446	$ 22,196	$ 26,872	$ -	$ 60,280
Accrued Expenditures	-	5,462	-	-	-	-	-	-	346	-	5,808
Advances from other funds	-	-	-	-	-	200	-	-	-	-	200
Due to other funds	-	80,212	2,038	-	-	-	-	1,507	8,695	137,516	229,968
Total Liabilities	-	92,665	2,038	613	3,162	200	446	23,703	35,913	137,516	296,256
Deferred inflows of resources	-	-	-	-	-	-	-	-	-	-	-
Total liabilities and deferred inflows	-	92,665	2,038	613	3,162	200	446	23,703	35,913	137,516	296,256
Fund balance											
Restricted for:											
Law enforcement	7,146	52,068	34,973	39,133	-	-	-	335,395	25,656	-	494,371
Loan program	-	-	-	-	-	34,722	-	-	-	-	34,722
Tourism	-	-	-	-	23,709	-	-	-	-	-	23,709
Committed for:											
Fire Insurance Fund	-	-	-	-	-	-	221,995	-	-	-	221,995
Total Fund balances	7,146	52,068	34,973	39,133	23,709	34,722	221,995	335,395	25,656	-	774,797
Total liabilities, deferred inflows and fund balance	$ 7,146	$ 144,733	$ 37,011	$ 39,746	$ 26,871	$ 34,922	$ 222,441	$ 359,098	$ 61,569	$ 137,516	$ 1,071,053

Elbert County, Georgia

Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2015

	Law Library	E-911 Fund	10% Fines Jail Fund	Special Drug Fund	Hotel/Motel Tax Fund	Revolving Loan Fund	Fire Insurance Fund	Victims Assist Fund	Public Defender	Rock Gym Fund	Total Nonmajor Governmental Funds
Revenues											
Taxes	$ -	$ -	$ -	$ -	$ 36,230	$ -	$ -	$ -	$ -	$ -	36,230
Fines and forfeitures	6,821	-	31,707	21,986	-	-	-	120,400	-	-	180,914
Charges for services	-	331,235	-	-	-	-	1,710	-	-	-	332,945
Intergovernmental	-	-	-	3,410	-	-	5,000	59,016	370,693	-	438,119
Contributions and donations	-	-	-	-	-	-	500	-	-	-	500
Interest	-	161	28	25	27	-	250	-	-	-	491
Total Revenues	6,821	331,396	31,735	25,421	36,257	-	7,460	179,416	370,693	-	989,199
Expenditures											
Current											
Public safety	-	663,380	19,439	4,284	-	-	90,059	-	-	-	777,162
Judicial	4,732	-	-	-	-	-	-	242,455	345,037	-	592,224
Housing and development	-	-	-	-	38,936	-	-	-	-	-	38,936
Culture and Recreation	-	-	-	-	-	-	-	-	-	662	662
Principal	-	35,673	-	-	-	-	-	-	-	-	35,673
Interest	-	9,287	-	-	-	-	-	-	-	-	9,287
Capital Outlay	-	-	-	-	-	-	-	41,334	-	-	41,334
Total Expenditures	4,732	708,340	19,439	4,284	38,936	-	90,059	283,789	345,037	662	1,495,278
Excess revenues/(expenditures)	2,089	(376,944)	12,296	21,137	(2,679)	-	(82,599)	(104,373)	25,656	(662)	(506,079)
Other financing sources/(uses)											
Transfer in	-	352,790	-	-	-	-	75,000	-	-	17,586	445,376
Total Other Financing Sources (Uses)	-	352,790	-	-	-	-	75,000	-	-	17,586	445,376
Net Changes in Fund Balances	2,089	(24,154)	12,296	21,137	(2,679)	-	(7,599)	(104,373)	25,656	16,924	(60,703)
Fund balance-beginning	5,057	76,222	22,677	17,996	26,388	34,722	229,594	439,768	-	(16,924)	835,500
Fund balance-ending	$ 7,146	$ 52,068	$ 34,973	$ 39,133	$ 23,709	$ 34,722	$ 221,995	$ 335,395	$ 25,656	$ -	$ 774,797

Elbert County, Georgia

Combining Statement of Net Assets
Nonmajor Proprietary Funds
June 30, 2015

	Public Transportation Fund	Bobby Brown Park Fund	Nonmajor Proprietary Funds Totals
Assets			
Current Assets			
Cash and cash equivalents	$ 130,476	$ 10,083	$ 140,559
Intergovernmental receivables	56,727	-	56,727
Total current assets	187,203	10,083	197,286
Noncurrent Assets			
Capital assets, net of depreciation	89,573	-	89,573
Total noncurrent assets	89,573	-	89,573
Total assets	$ 276,776	$ 10,083	$ 286,859
Liabilities and net assets			
Current Liabilities			
Accounts payable	$ 16,559	$ 3,530	$ 20,089
Due to other funds	23,329	-	23,329
Total Current liabilities	39,888	3,530	43,418
Noncurrent Liabilities			
Compensated absences	6,252	-	6,252
Advances to other funds	-	36,589	36,589
Total noncurrent liabilities	6,252	36,589	42,841
Total Liabilities	46,140	40,119	86,259
Net Position			
Invested in capital assets	89,573	-	89,573
Unrestricted	141,063	(30,036)	111,027
Total Net Position	230,636	(30,036)	200,600
Total liabilities and net position	$ 276,776	$ 10,083	$ 286,859

Elbert County, Georgia

Combining Statement of Revenues, Expenses and Changes in Fund Net Assets

Nonmajor Proprietary Funds

For the Year Ended June 30, 2015

	Public Transportation Fund	Bobby Brown Park Fund	Nonmajor Proprietary Funds Totals
Operating revenues			
Charges for services	$ 13,590	$ -	$ 13,590
Donations	-	1,000	1,000
Total operating revenues	13,590	1,000	14,590
Operating expenses			
Personal services	145,249	7,634	152,883
Operating expenses	90,601	23,402	114,003
Depreciation and amortization	20,142	-	20,142
Total operating expenses	255,992	31,036	287,028
Operating income (loss)	(242,402)	(30,036)	(272,438)
Non-operating revenues/(expenses)			
Intergovernmental	322,674	-	322,674
Total non-operating revenues (expenses)	322,674	-	322,674
Income (loss) before transfers	80,272	(30,036)	50,236
Change in net position	80,272	(30,036)	50,236
Total net position-beginning	150,364	-	150,364
Total net position-ending	$ 230,636	$ (30,036)	$ 200,600

Elbert County, Georgia

Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For The Year Ended June 30, 2015

	Public Transportation Fund	Bobby Brown Park Fund	Nonmajor Proprietary Fund Totals
Cash flows from operating activities:			
Receipts from customers	$ 22,357	$ 1,000	$ 23,357
Payments to suppliers	(109,773)	(19,872)	(129,645)
Payments to employees	(145,249)	(7,634)	(152,883)
Net cash provided (used) by operating activities	(232,665)	(26,506)	(259,171)
Cash flows from noncapital financing activities:			
Increase in advances to other funds	-	36,589	36,589
Purchase of capital assets	(32,320)	-	(32,320)
Intergovermental	322,674	-	322,674
Net cash provided (used) by noncapital financing activities	290,354	36,589	326,943
Net increase (decrease) in cash and cash equivalents	57,689	10,083	67,772
Cash and cash equivalents - beginning of year	72,787	-	72,787
Cash and cash equivalents - end of year	130,476	10,083	140,559
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	(242,402)	(30,036)	(272,438)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	20,142	0	20,142
Changes in assets and liabilities:			
Receivables	(30,919)	0	(30,919)
Liabilities	20,677	413	21,090
Accounts payable	(163)	3,117	2,954
Net cash provided (used) by operating activities	$ (232,665)	$ (26,506)	$ (259,171)

Elbert County, Georgia

Combining Statement of Fiduciary Assets and Liabilities
All Agency Funds
June 30, 2015

	Tax Commissioner	Probate Court	Magistrate Court	Clerk of Court	Sheriff	Totals
ASSETS						
Cash and cash equivalents	$ 121,471	$ 1,943	$ 4,337	$ 56,800	$ 4,381	$ 188,932
Taxes Receivable	891,889	-	-	-	-	891,889
Total Assets	$ 1,013,360	$ 1,943	$ 4,337	$ 56,800	$ 4,381	$ 1,080,821
LIABILITIES						
Due to others	$ 1,013,360	$ 1,943	$ 4,337	$ 56,800	$ 4,381	$ 1,080,821
Total Liabilities	$ 1,013,360	$ 1,943	$ 4,337	$ 56,800	$ 4,381	$ 1,080,821

Walker Pierce & Tuck
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

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

To the Commissioners of
Elbert County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Elbert County, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Elbert County, Georgia's basic financial statements, and have issued our report thereon dated May 13, 2016.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. 2015-1 thru 2015-3.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Elbert County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under

Government Auditing Standards and which are described in the accompanying schedule of findings and questioned costs as item 2015-4.

Purpose of this Report

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

Walker, Pierce, & Tuck CPA's, P.C.

Walker, Pierce, & Tuck CPA's, P.C.

Gainesville, Georgia
May 13, 2016

Elbert County, Georgia
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2015

Summary of Auditor's Results:

1. The auditor's report expresses an unmodified opinion on the financial statements of Elbert County, Georgia.

2. Significant deficiencies relating to the audit of the financial statements are reported in this schedule under the caption "Findings-Financial Statement Audit". Findings 2015-1 through 2015-4 are considered significant deficiencies.

3. No instances of noncompliance material to the financial statements of Elbert County, Georgia were disclosed during the audit.

4. No significant deficiencies or material weaknesses relating to the audit of the major federal award programs in this schedule were reported.

5. The auditor's report on compliance for the major federal award program for Elbert County, Georgia expresses an unmodified opinion on all major federal programs.

6. Audit findings required to be reported under A133 Section 510(a)

   a) Significant deficiencies in internal controls over major programs – none reported
   b) Material noncompliance related to major programs – none reported
   c) Known questioned costs greater than $10,000 for major programs – none reported
   d) Known questioned costs great than $10,000 for a program not audited as major – none reported
   e) Circumstances if report on compliance is other than unqualified – N/A
   f) Known fraud – N/A
   g) Misrepresentation in schedule of prior audit findings – none reported

7. The program tested as major programs include:
   US Federal Aviation Administration Airport Improvement Program CFDA # 20.106
   US Department of Transportation Transit Service Program CFDA # 20.513
   US Department of Transportation Transit Service Program CFDA # 20.509
   US Department of Agriculture Rural Business Enterprise Grant CFDA #10.769

8. The threshold used for distinguishing between Type A and B programs was $300,000.

9. Elbert County, Georgia did not qualify as a low-risk auditee.

Findings-Financial Statement Audit

Internal Control
2015-1 (Previous year finding)

Condition: The County finance department staff performs duties that are conflicting from an internal control perspective. Overlapping of duties exists in the areas of cash receipts, cash disbursements and payroll.

Criteria: An individual employee's duties should not include all aspects of a transaction.

Cause: The County's finance department has limited staff to perform all accounting functions.

Effect: Inadequate segregation of duties presents a risk of unauthorized or incorrect transactions occurring and not being detected within a timely period.

Recommendation: Compensating controls should be established to reduce the inherent risks created by the lack of segregation of duties. These controls may include items such as continual supervision of employees, rotation of duties and periodic internal review by others not directly involved in the daily operations.

Response: The County agrees with this finding but is unable to make changes due to staffing levels.

2015-2 (Previous year finding)

Condition: The Clerk of Court's office did not complete bank reconciliations on a timely basis each month.

Criteria: Internal control procedures should be in place to require the timely completion of bank reconciliations each month.

Cause: There are no procedures in place to require the timely completion of bank reconciliations.

Effect: Because of the failure to require timely bank reconciliations, the Clerk of Court's office does not possess the ability to detect errors and omissions in a timely manner.

Recommendation: Procedures should be developed to require the timely completion of bank reconciliations on a monthly basis.

Response: The County agrees with this finding. Management will discuss this finding with the Clerk.

2015-3 (Previous year finding)

Condition: The Tax Commissioner's office does not employ internal control procedures to verify receipts, deposits and changes in the tax accounts due the County.

Criteria: Internal control procedures should be in place that provide reasonable assurance that all changes in the tax balances due to the County are reconciled on a monthly basis

Cause: There are no procedures in place to require the reconciliations.

Effect: Due to the lack of reconciliation procedures, the Tax Commissioner's office does not possess the ability to detect errors and omissions in a timely manner.

Recommendation: Procedures should be developed and training provided to the Tax Commissioner's staff on how to reconcile receipts, bank deposits, and authorized changes in outstanding tax accounts to changes in tax receivable on a monthly basis.

Response: The County agrees with this finding. Management will discuss this finding with the Commissioner.

Compliance

2015-4

Condition: The County had expenditures in excess of appropriations in the General Fund, Senior Center, Multi-Grant Fund, Fire Insurance Fund, Law Library, E-911 and Victim's Assistance Fund.

Criteria: Georgia code OCGA 36-81-3 requires limiting expenditures to the legally approved budget amounts.

Cause: The County did not amend its budget to authorize expenditures in excess of the original budget.

Effect: At June 30, 2015, the County was not in compliance with OCGA 36-81-3.

Recommendation: We recommend the County comply with all relevant statues concerning the operation of a local government in order to reduce the risk of litigation and other unforeseen actions.

Response: The County agrees with this finding and will amend its budget.

Walker Pierce & Tuck
CERTIFIED PUBLIC ACCOUNTANTS, P.C.

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

To the Board of Commissioners of
Elbert County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Elbert 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 Elbert County, Georgia's major federal programs for the year ended June 30, 2015. Elbert 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 Elbert County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and 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 Elbert 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 Elbert County, Georgia's compliance.

Opinion on Each Major Federal Program

In our opinion, Elbert County, Georgia, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control over Compliance

Management of Elbert 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 Elbert 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 Elbert 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.

Walker, Pierce, & Tuck, CPA's, P.C.

Walker, Pierce, & Tuck, CPA's, P.C.

Gainesville, Georgia
May 13, 2016

Elbert County, Georgia

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2015

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-through Entity Identifying Number	Federal Expenditures
U.S. Federal Aviation Administration			
Pass-through programs			
Georgia Department of Transportation			
Airport Improvement Program	20.106	AP100-9016-18(105)	$ 40,992
Total Pass-through programs			40,992
Total U.S. Federal Aviation Administration			40,992
U.S. Department of Transportation			
Pass-through programs			
Transit Services Programs	20.513	FTA-5311	112,149
Transit Services Programs	20.509	GA-18-4033	65,174
Total Pass-through programs			177,323
Total U.S. Department of Transportation			177,323
U.S. Department of Health and Human Services			
Pass-through programs			
Georgia Department of Human Services			
Aging Cluster			
Special Program for the Aging	93.044	42700-373-0000000-5063	20,697
Special Program for the Aging	93.045	42700-373-0000000-5063	72,935
Nutrition Services Incentive Program	93.053	72700-373-0000000-5063	10,458
Total Aging Cluster			104,090
Total Pass-through programs			104,090
Total U.S. Department of Health and Human Services			104,090
U.S. Department of Justice			
Pass-through programs			
Georgia Criminal Justice Coordinating Council			
Crime Victims Assistance Program	16.575	C-13-8-048	1,216
Crime Victims Assistance Program	16.575	C-13-8-102	57,210
Total Pass-through programs			58,426
Total U.S.Department of Justice			58,426
U.S. Department of Homeland Security			
Pass-through programs			
Georgia Emergency Management Agency			
Homeland Security Grant Program	97.042	OEM-11-054S01	6,821
Total Pass-through programs			6,821
Total U.S.Department of Homeland Security			6,821
U.S. Department of Agriculture			
Pass-through programs			
Georgia Department of Community Health			
Special Supplement Nutrition Program for Women, Infants, and Children (WIC)	10.557	Elbert County Health Dept	85,771
Georgia Forestry Commission	10.664	none	5,000
Rural Development Enterprise Grant	10.769	none	75,023
Total Pass-through programs			165,794
Total U.S. Department of Agriculture			165,794
Total expenditures of federal awards			$ 553,446

Elbert County, Georgia

Notes to Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2015

Note 1- Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Flowery Branch, Georgia and is presented 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*. Because the Schedule presents only a selected portion of the operations of Elbert County, Georgia, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Elbert County, Georgia.

Note 2 – Summary of Significant Accounting Policies

a. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-122, *Cost Principles for Non-Profit Organizations,* wherein certain types of expenditures are not allowable or are limited as to reimbursement.

b. Pass-through entity identifying numbers are presented where available.

Elbert County, Georgia

Schedule of Special Purpose Local Option Sales Tax Estimated Cost and Expenditure Summary

For the year ended June 30, 2015

	Estimated Cost		Expenditures			
	Original	Current	Prior Years	Current Year	Total	Completion
2011 Projects						
Capital Projects						
Road, Street & Bridges	$ 4,800,000	$ 4,800,000	$ 2,572,225	$ 676,856	$ 3,249,081	68%
Total	4,800,000	4,800,000	2,572,225	676,856	3,249,081	
Vehicles and Equipment						
Computer Equipment & Software	130,000	130,000	27,484	11,308	38,792	30%
Parks & Recreation	110,000	110,000	34,032	-	34,032	31%
Fire Department	250,000	250,000	277,761	-	277,761	111%
Emergency Services	997,000	997,000	500,782	349,775	850,557	85%
E911 Department	165,000	165,000	49,536	33,000	82,536	50%
Sheriff's Department	396,000	396,000	146,611	58,701	205,312	52%
Senior Center	40,000	40,000	40,000	-	40,000	100%
Building & Maintenance	32,000	32,000	9,684	-	9,684	30%
Cooperative Extension/4-H Dept	61,000	61,000	10,652	-	10,652	17%
Board of Assessors	145,000	145,000	65,251	259	65,510	45%
Total Vehicles and Equipment	2,326,000	2,326,000	1,161,793	453,043	1,614,836	
Repayment of Debt						
Fire Station Construction Loan	800,000	800,000	162,319	62,832	225,151	28%
Total Repayment of General Obligation Debt	800,000	800,000	162,319	62,832	225,151	
County Facilities & Infrastructure						
Construct/Improve Complex & Courthouse	60,000	60,000	31,679	33,197	64,876	108%
Total Facilities & Infrastructure	60,000	60,000	31,679	33,197	64,876	
Total County Projects	7,986,000	7,986,000	3,928,016	1,225,928	5,153,944	
Elberton Projects	3,828,000	3,828,000	1,771,987	524,125	2,296,112	60%
Elberton Projects County Hospital Authority	726,000	726,000	268,398	108,831	377,229	52%
Bowman Projects	660,000	660,000	305,513	90,366	395,879	60%
Total	$ 13,200,000	$ 13,200,000	$ 6,273,914	$ 1,949,250	$ 8,223,164	