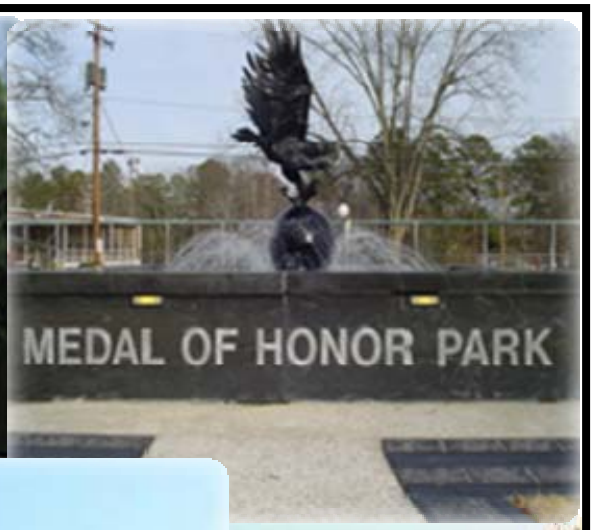
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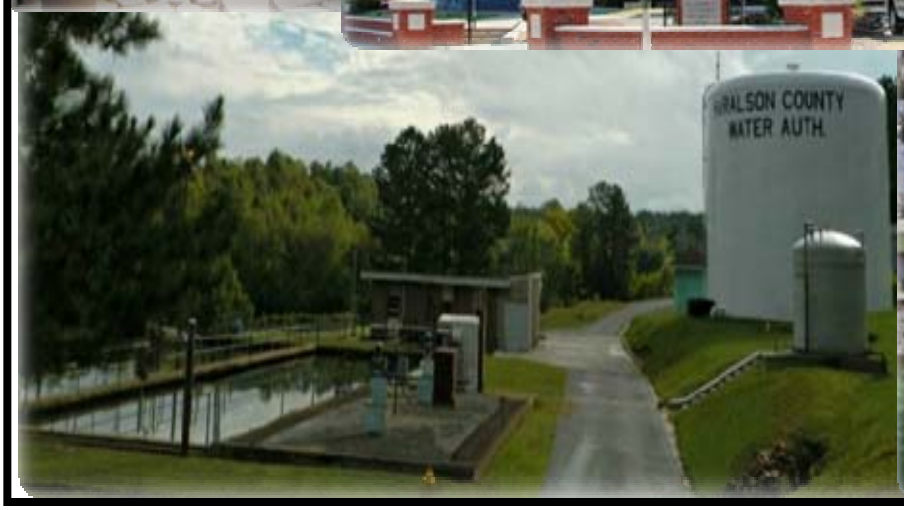


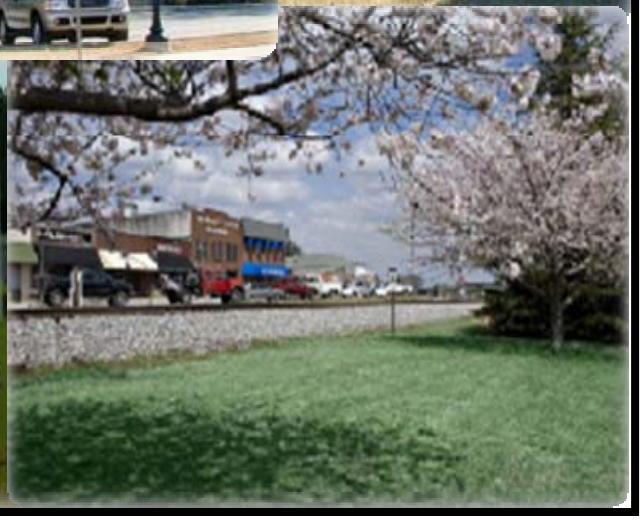












Comprehensive Annual Financial Report

For The Fiscal Year Ended June 30, 2015

HARALSON COUNTY, GEORGIA

Comprehensive Annual Financial Report

For The Fiscal Year Ended June 30, 2015



Prepared By:
Alison Palmer, County Clerk
County Clerk's Office

HARALSON COUNTY, GEORGIA

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015

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HARALSON COUNTY, GEORGIA

Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015

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INTRODUCTORY SECTION





Haralson County
Board of Commissioners
H. Allen Poole
Chairman/C.E.O.

January 29, 2016

The Honorable H. Allen Poole, Chairman/C.E.O.
Members of the Haralson County Board of Commissioners
and Citizens of Haralson County, Georgia

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year, unless an extension has been approved, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Haralson County, Georgia (County) for the fiscal year ended June 30, 2015.

This report consists of management's representations concerning the finances of Haralson County, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Haralson County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Haralson County financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the county's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The county's financial statements have been audited by Will M. Robinson, CPA, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year ended June 30, 2015 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the County's financial statements for the fiscal year ended June 30, 2015 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Haralson County is located in the northwest portion of Georgia. It is considered the economic hub of this region with easy access to Interstate Highway I-20. The County is approximately one hour west of downtown Atlanta and Hartsfield Jackson Atlanta International Airport. The County occupies a land area of 283 square miles and serves a population of 28,727. The County is empowered to levy a property tax on both real and personal properties located within its boundaries.

In 1856, an Act was approved by the Georgia General Assembly creating the Board of Commissioners of Haralson County. The County operates under a Chairman/County Commission form of government. Policy-making and legislative authority are vested in the Board of Commissioners consisting of five commissioners elected at-large on a partisan basis. The commissioners serve four-year staggered terms. The Board of Commissioners is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the government's manager, attorney and auditors. The County Manager is responsible for carrying out the policies and ordinances of the county commission, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

Haralson County provides a full range of services, including maintenance of roads and other infrastructures; court services; jail and prison, fire protection; recreational services planning; building inspection; E911; emergency management; recycling and animal control services, which are provided countywide.

The annual budget serves as the foundation for Haralson County's financial planning and control. All departments of the County are required to submit requests for appropriation to the County Clerk, who in turn shall submit a recommended budget for the Board of Commissioners. The Board of Commissioners may then hold a budget hearing with each department. After holding a public hearing on the proposed budget, the final budget must be adopted no later than June 30th of each year. The appropriated budget is prepared by fund and by department. Department heads may make transfers of appropriations within a department with the exception of salaries, travel and equipment. Transfers of appropriations to salary or equipment line items or between departments, however, require the special approval of the governing board. Budget-to-actual comparisons are provided in a report for each individual governmental fund for which an appropriated annual budget has been adopted.

The financial statements contained herein include all activities and functions of Haralson County that are under the jurisdiction of the Board of Commissioners, as set forth in state and local law. Additionally, two component units are included in these financial statements because of their operational and financial relationships to the County. Those are the Haralson County Health Department, which provides a variety of health related services in the County, as well as the Development Authority of Haralson County.

Factors Affecting Financial Conditions

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Haralson County operates. Also, during the fiscal year ending June 30, 2015 the County's financial condition was impacted significantly by any financial policies.

Local Economy. Haralson County saw its total tax digest decrease for the second consecutive year. The decrease was 3.48% compared to the previous year. Sales tax collections decreased in 2015 by 4.8%. This decrease shows the local area is still experiencing a down economy.

On a positive note, the population of the County increased from 2014. Unemployment rate is down 2.10% to 6.3% for 2015 with job growth of 1.77%. The County issued 269 building permits with an estimated construction cost of $4,500,000 for 2015.

As in previous years, a large number of city and county capital projects are being completed locally as a result of a special purpose local option sales tax (SPLOST) that is in effect. Several school projects, recreational facilities and road projects were completed as well as part of the overall SPLOST packages.

Long Term Outlook. With hopes that a rebound in the economy would occur, the reality of the matter is that a rebound is very slow for our area. However, we are seeing some improvement by the decreased unemployment rate. Because of this, we expect modest improvement in our local economy in the near future. We do anticipate a slight increase in the ad valorem digest for 2016. The County's diverse tax base and strong manufacturing industry will still provide a measure of economic stability locally.

The largest special purpose local option sales tax project, the new recreation complex, was still being constructed at the end of 2015. The completion date is estimated to be in 2016.

In general, 2015 was another year of economic challenges, however, there still continues to be several bright spots and the county is positioned to take advantage of any improvements in the economy as they occur.

Risk Management. The County has joined together with other counties in the state as part of the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The County is also to allow the pool's 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 fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The fund is to pay all cost 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.

Other Information

Independent Audit. Georgia Code requires an annual audit of the books of account, financial records, and transactions of all administrative departments of the county by independent certified public accountants selected by the Haralson County Board of Commissioners. This requirement has been met and the auditor's unqualified opinion has been included in this report.

Awards. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements. We are submitting it to GFOA to determine its eligibility for the County's first certificate.

Acknowledgments

The preparation of this comprehensive annual financial report could not have been accomplished without the dedication and contributions of the entire finance department staff, the auditors for the County and the cooperation of the various elected officials and appointed management.

In closing, we also wish to acknowledge the valuable contribution of the Board of Commissioners. Their guidance and leadership in conducting the financial affairs of Haralson County in a responsible and progressive manner is greatly appreciated.

Respectfully submitted,

H. Allen Poole
Chairman/CEO

Alison Palmer
County Clerk

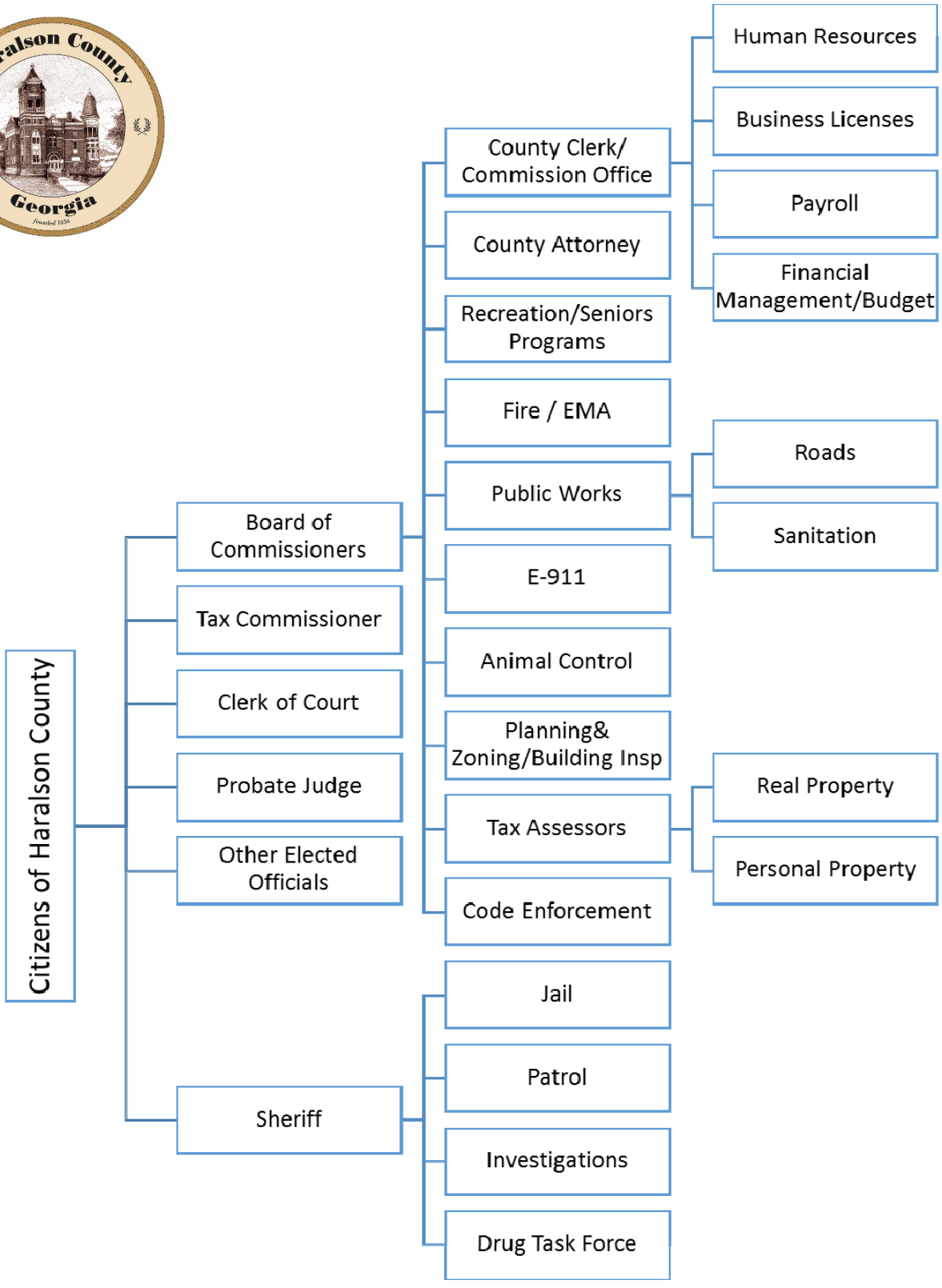
HARALSON COUNTY, GEORGIA

List of Principal County Officials
For the Fiscal Year Ended June 30, 2015

Board of Commissioners	
H. Allen Poole	Chairman / CEO
Kenneth Smith	District #1
Jamie Bennett	District #2
John Dobbs	District #3 / Vice Chairman
Sammy Robinson	District #4
Other Elected Officials	
Barbara Ridley	Tax Commissioner
Hoyt Edward Mixon, Jr.	Sheriff
Becky Robinson	Clerk of Superior Court
J. Edward Hulsey, Jr.	Probate Judge
Mark Murphy	Juvenile Judge
Brandon Heath	Magistrate Judge
Meng Lim	Judge, Superior Court of Haralson County
Michael Murphy	Judge, Superior Court of Haralson County
Oliver J. Browning	District Attorney
Danny Hutcheson	Coroner
Greg Dewberry	County Surveyor
Appointed Officials	
Alison Palmer	Clerk
Hubert Sparks	Tax Assessor
Julie Cain	Attorney

HARALSON COUNTY, GEORGIA

Organizational Chart
For the Fiscal Year Ended June 30, 2015



FINANCIAL SECTION



WILL M. ROBINSON, CPA, P.C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Haralson County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haralson County, Georgia, (the County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

103 Rejen Drive, Carrollton, GA 30117
Phone (770) 836-4943 * FAX (678) 839-7250

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haralson County, Georgia, as of June 30, 2015, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 5, the County implemented Governmental Accounting Standards Board (GASB) Statement 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, as of July 1, 2014. The standards significantly changed the accounting for the County's net pension liability and the related disclosures. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and defined benefit pension plan information on pages 4–10, 51–54, and 55–57, respectively, 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 the County's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section, and the schedule of expenditures of special local option sales tax proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and the schedule of expenditures of special local option sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of special local option sales tax proceeds 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 January 29, 2016, on our consideration of the County'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 County's internal control over financial reporting and compliance.

Will M Robinson, CPA, P.C.

Carrollton, Georgia
January 29, 2016

Our discussion and analysis of Haralson County's financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the County's basic financial statements, which begin on page 11.

Overview of the Financial Statements

Management's Discussion and Analysis introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of internal activities.

The first of these government-wide statements is the *Statement of Net Position*. This is the County-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities* which reports how the County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Under this reporting model, the County is required to distinguish between governmental activities that are principally supported by taxes and user charges and business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, health and welfare, and culture and recreation. The County does not have any business-type activities to report. The County's fiduciary activities simply hold resources temporarily for others and are not included in the government-wide statements since these assets are not available to fund County programs.

The County's financial reporting includes the funds of the County (primary government) and additionally, organizations for which the County is accountable (component units). These component units operate independently or provide services directly to the citizens, though the County remains accountable for their activities. The County's component units are the Haralson County Development Authority and the Haralson County Health Department. These organizations are reported separately from the primary government though included in the County's overall reporting entity.

The government-wide financial statements are presented on pages 11 through 13 of this report.

Fund Financial Statements
A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The County has two kinds of funds:

Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 14 through 17 of this report.

Fiduciary funds (i.e. the agency funds) are reported in the fiduciary fund financial statements, but are excluded from the government-wide reporting. Fiduciary fund financial statements report resources that are not available to fund County programs.

The basic fiduciary fund financial statement is presented on page 18 of this report.

Notes to the Basic Financial Statements
The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements are on pages 19 to 50 of this report.

Financial Analysis of the County as a Whole

The County's net position at fiscal year-end was $18,216,072. This is a $124,367 decrease from last year's net position of $18,340,439. This decrease was mainly due to the implementation of

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* resulting in a decrease to the County's net position of $602,653.

The following table provides a summary of the County's net position for the current and prior year:

Summary of Net Position

	Governmental Activities	
	2015	**2014**
Assets:		
Current and other assets	$ 12,467,229	$ 5,391,256
Capital assets	15,125,102	15,197,264
Total assets	27,592,331	20,588,520
Total deferred outflows of resources	318,423	-
Liabilities:		
Current liabilities	2,588,589	2,185,070
Long-term liabilities	7,106,093	63,011
Total liabilities	9,694,682	2,248,081
Net position:		
Investment in capital assets	15,125,102	15,197,264
Restricted	1,277,060	1,444,461
Unrestricted	1,813,910	1,698,714
Total net position	$ 18,216,072	$ 18,340,439

The following table provides a summary of changes in net position for the current and prior year:

Summary of Changes in Net Position

	Governmental Activities	
	2015	**2014**
Revenues:		
Program:		
Charges for services	$ 1,631,020	$ 1,761,745
Operating grants	395,850	443,230
Capital grants	753,707	552,111
General:		
Property taxes	9,946,899	9,030,012
Sales taxes	4,911,499	5,165,469
Insurance premium taxes	872,453	827,037
Other taxes	163,428	169,261
Unrestricted investment earnings	12,168	11,652
Miscellaneous revenue	79,486	53,786
Total revenues	18,766,510	18,014,303
Program expenses:		
General government	2,204,151	2,228,789
Judicial	1,580,122	1,484,771
Public safety	7,862,861	7,379,715
Public works	4,804,025	4,067,816
Health and welfare	1,181,536	1,151,568
Culture and recreation	348,722	318,966
Housing and development	259,758	246,571
Interest on long-term debt	47,049	-
Total expenses	18,288,224	16,878,196
Change in net position	478,286	1,136,107
Change in accounting principles	(602,653)	-
Net position, beginning of year	18,340,439	17,204,332
Net position, end of year	$ 18,216,072	$ 18,340,439

Financial Analysis of the County's Funds

Governmental funds

Governmental funds are reported in the fund statements with a short-term inflow and outflow of expendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of $10,741,327 an increase of $7,765,045 in comparison with the prior year. The increase is mainly due to the issuance of bonds to fund SPLOST projects.

The major governmental funds of the County are the General Fund, SPLOST V Fund, SPLOST VI Fund, the Drug Task Force Fund, and the Emergency Telephone System (E-911) Fund.

The General Fund is the government's primary operating fund and the largest source of day-to-day service delivery. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund reported an ending fund balance of $1,330,858. Of this year-end total, $1,284,153 is unassigned indicating availability for continuing County service requirements. Nonspendable fund balances include: $46,705 set aside for inventory. The fund balance of the General Fund on June 30, 2015 was $1,330,858 compared to $651,220 on June 30, 2014 an increase of $679,638.

The General Fund expenditures increased $327,535 in 2015 from the previous year.

1. The General Government category decreased by approximately $118,000 during 2015. The majority of the decrease was due to a reallocation of group insurance and workers' compensation insurance to other departments.
2. The Judicial category increased by approximately $110,000 during 2015. The majority of the increase was due to an increase in salaries, FICA, retirement benefits. Due to more court cases from 2014 to 2015 there was also an increase in jury fees.
3. The Public Safety category increased approximately $249,000. Of this increase, almost $147,000 of it is due to increase in jail operations with increases in group insurance, workers' compensation insurance, utilities, boarding inmates, and inmate medical expenditures. The fire operations increased by $82,000 in the areas of salaries, repairs and maintenance and utilities.
4. The Public Safety category increased approximately $249,000. Of this increase, almost $147,000 of it is due to increase in jail operations with increases in group insurance, workers' compensation insurance, utilities, boarding inmates, and inmate medical expenditures. The fire operations increased by $82,000 in the areas of salaries, repairs and maintenance and utilities.
5. The remaining categories increased approximately $86,000 during 2015. The majority was an increase in repairs and maintenance in various departments.

The General Fund revenues increased $720,973 in 2015 from the previous year.

1. Taxes category increased by approximately $747,000 due mainly to an increase in motor vehicle TAVT revenue of approximately $651,000 and an increase in current year property tax collections of approximately $134,000. All other taxes revenue were comparable to prior year.

2. All other revenue categories decreased in total by approximately $26,000 compared to 2014. No significant variances in specific line items compared to 2014.

The SPLOST V Fund accounts for the financial resources provided from the one-percent special purpose local option sales tax. Such resources are to be used for water, public safety, roads, recreation and government building capital projects. The fund balance of the SPLOST Fund on June 30, 2015 was $1,265,740 compared to $1,433,452 on June 30, 2014. The decrease is due to the collection period of SPLOST monies for the SPLOST V Fund ended during the year ended June 30, 2015. The fund balance of the SPLOST V Fund will continue to decrease over the next few years as the County completes the remaining SPLOST projects.

The SPLOST VI Fund accounts for the financial resources provided from the one-percent special purpose local option sales tax. Such resources are to be used for water, public safety, roads, recreation and government building capital projects. The fund balance of the SPLOST Fund on June 30, 2015 was $7,135,665. The SPLOST VI Fund was created during the year ended June 30, 2015 to account for the new one-percent special purpose local option sales tax that was approved by the County voters. The SPLOST VI Fund issued $7,110,000 in bonds during the current year to fund capital outlay purchases and construction projects. The one-percent special purpose local option sales tax revenue will be used to pay the debt service payments as they come due.

The Drug Task Force Fund accounts for grants, income and expenditures related to the Drug Task Force. The fund balance of this fund was $168,764 on June 30, 2015 compared to $38,933 on June 30, 2014.

The Emergency Telephone System (E-911) Fund accounts for the monies collected under Georgia law by the telephone companies on behalf of Haralson County. These monies are remitted to the County and are restricted to providing emergency 911 services to the residents of the County. The fund balance of this fund was $53,147 on June 30, 2015 compared to $73,388 on June 30, 2014.

General Fund Budgetary Highlights

The original adopted budget did anticipate no change in its total fund balance. The budget was subsequently revised to reflect an anticipated increase of $261,780 in its total fund balance. The actual total fund balance increased $679,638. This increase is largely due to the motor vehicle TAVT revenue mentioned.

The 2015 General Fund budget variances are as follows:

1. The total revenues were less than the final budget by $89,658. Taxes were almost $242,000 less than the final budget with current and prior year property taxes being $305,000 less than the final budget. In addition, Fines and Forfeiture were also below the final budget.
2. All expenditure categories were less than projected in the final budget by a combined $474,500. All departments met the challenge of providing services at basically the same service level but with fewer funds available to spend.

Capital Asset and Debt Administration

Capital assets

The County's investment in capital assets as of June 30, 2015 amounts to $15,125,102. This investment in capital assets includes land, buildings and improvement and machinery and equipment. It also includes infrastructure (roads) constructed over the past eight years, as well as retroactive infrastructure constructed since 1980.

The following is a summary of the County's capital assets for the year ended June 30, 2015:

Capital Assets
(Net of Accumulated Depreciation)

	Governmental Activities	
	2015	**2014**
Land	$ 898,258	$ 878,603
Construction in progress	218,894	6,825
Buildings and improvements	9,716,154	9,818,939
Furniture and equipment	1,958,728	2,019,685
Vehicles	2,333,068	2,473,212
Total	$15,125,102	$15,197,264

See Note 3 of this report for additional information about the County's capital assets.

Long-term debt

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

Outstanding Debt

	Governmental Activities	
	2015	**2014**
Compensated absences	$ 155,815	$ 147,029
Bonds payable	7,110,000	-
Net pension liability	1,004,093	1,008,921
Total	$ 8,269,908	$ 1,155,950

The SPLOST VI Fund issued $7,110,000 in bonds during the current year to fund capital outlay purchases and construction projects.

See Note 3 of this report for additional information about the County's long-term debt.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information contact, Allen Poole, Chairman and CEO, Commission Office, 155 Van Wert Street, Buchanan, Georgia 30113, 770-646-2002.

BASIC FINANCIAL STATEMENTS



HARALSON COUNTY, GEORGIA

Statement of Net Position
June 30, 2015

	Primary Government Governmental Activities	Haralson County Health Department	Development Authority of Haralson County
ASSETS			
Cash	$ 10,961,454	$ 208,772	$ 491,227
Taxes receivable, net of allowance	922,713	-	-
Accounts receivable, net of allowance	82,695	-	87,084
Interest receivable	498	-	-
Note receivables	250,312	-	-
Prepaid items	-	500	-
Inventories	46,705	2,571	-
Due from other governments	202,852	68,982	-
Capital assets:			
Nondepreciable capital assets	1,117,152	-	707,791
Depreciable capital assets, net	14,007,950	5,809	1,923,449
Total assets	27,592,331	286,634	3,209,551
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	318,423	57,931	-
Total deferred outflows of resources	318,423	57,931	-
LIABILITIES			
Accounts payable	184,613	73	-
Accrued liabilities	275,613	-	-
Due to other governments	917,499	19,397	-
Compensated absences due within one year	88,815	2,228	-
Compensated absences due in more than one year	67,000	20,049	-
Bonds payable due within one year	1,075,000	-	-
Bonds payable due in more than one year	6,035,000	-	-
Net pension liability	1,004,093	338,493	-
Total liabilities	9,694,682	380,240	-
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pension	-	120,571	-
Total deferred inflows of resources	-	120,571	-
NET POSITION			
Investment in capital assets	15,125,102	5,809	2,631,240
Restricted for:			
Capital projects	1,265,740	-	-
Culture and recreation	11,320	-	-
Unrestricted	1,813,910	(162,055)	578,311
Total net position	$ 18,216,072	$ (156,246)	$ 3,209,551

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

HARALSON COUNTY, GEORGIA

Statement of Activities
For the Fiscal Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Primary government:			
Governmental activities:			
General government	$ 2,204,151	$ 110,631	$ 41,896
Judicial	1,580,122	868,586	88,434
Public safety	7,862,861	520,245	265,520
Public works	4,804,025	3,029	-
Health and welfare	1,181,536	5,483	-
Culture and recreation	348,722	123,046	-
Housing and development	259,758	-	-
Interest on long-term debt	47,049	-	-
Total governmental activities	18,288,224	1,631,020	395,850
Total primary government	18,288,224	1,631,020	395,850
Component Units			
Haralson County Health Department	537,201	152,131	431,936
Development Authority of Haralson County	344,058	83,161	-
Total component units	$ 881,259	$ 235,292	$ 431,936
General revenues:			
Property taxes			
Sales taxes			
Insurance premium taxes			
Other taxes			
Unrestricted investment earnings			
Miscellaneous revenue			
Total general revenues			
Change in net position			
Net position, beginning of year, restated			
Net position, end of year			

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

Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets		
		Component Units	
	Primary Government	Haralson County	Development Authority of
	Governmental Activities	Health Department	Haralson County
$ 11,600	$ (2,040,024)	$ -	$ -
-	(623,102)	-	-
8,759	(7,068,337)	-	-
732,785	(4,068,211)	-	-
-	(1,176,053)	-	-
563	(225,113)	-	-
-	(259,758)	-	-
-	(47,049)	-	-
753,707	(15,507,647)	-	-
753,707	(15,507,647)	-	-
-	-	46,866	-
40,500	-	-	(220,397)
$ 40,500	-	46,866	(220,397)
	9,946,899	-	-
	4,911,499	-	-
	872,453	-	-
	163,428	-	-
	12,168	77	705
	79,486	-	771
	15,985,933	77	1,476
	478,286	46,943	(218,921)
	17,737,786	(203,189)	3,428,472
	$ 18,216,072	$ (156,246)	$ 3,209,551

HARALSON COUNTY, GEORGIA

Balance Sheet
Governmental Funds
June 30, 2015

ASSETS	General	SPLOST V	SPLOST VI	Drug Task Force	Emergency Telephone System (E-911)	Nonmajor Governmental Funds	Total Governmental Funds
Cash	$ 1,061,201	$ 1,265,740	$ 6,935,413	$ 896,143	$ 310,247	$ 492,710	$ 10,961,454
Receivables:							
Accounts	10,247	-	-	-	72,448	-	82,695
Taxes	621,218	-	301,495	-	-	-	922,713
Interest	-	-	-	-	-	498	498
Notes	-	-	-	-	-	250,312	250,312
Due from other funds	310,000	-	-	-	-	45,275	355,275
Due from other governments	28,401	-	-	172,432	-	2,019	202,852
Inventories	46,705	-	-	-	-	-	46,705
Total assets	$ 2,077,772	$ 1,265,740	$ 7,236,908	$ 1,068,575	$ 382,695	$ 790,814	$ 12,822,504
LIABILITIES							
Accounts payable	$ 175,212	$ -	$ -	$ 5,740	$ -	$ 3,661	$ 184,613
Accrued liabilities	256,065	-	-	-	19,548	-	275,613
Due to other funds	45,275	-	-	-	310,000	-	355,275
Due to other governments	3,029	-	101,243	813,227	-	-	917,499
Total liabilities	479,581	-	101,243	818,967	329,548	3,661	1,733,000
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	267,333	-	-	80,844	-	-	348,177
Total deferred inflows of resources	267,333	-	-	80,844	-	-	348,177
FUND BALANCES							
Fund balances:							
Nonspendable:							
Inventory	46,705	-	-	-	-	-	46,705
Restricted:							
Economic development	-	-	7,135,665	-	53,147	618,766	7,807,578
Judicial	-	-	-	-	-	8,567	8,567
Capital projects	-	1,265,740	-	-	-	-	1,265,740
Culture and recreation	-	-	-	-	-	11,320	11,320
Public safety	-	-	-	168,764	-	149,287	318,051
Unassigned	1,284,153	-	-	-	-	(787)	1,283,366
Total fund balances	1,330,858	1,265,740	7,135,665	168,764	53,147	787,153	10,741,327
Total liabilities, deferred inflows of resources and fund balances	$ 2,077,772	$ 1,265,740	$ 7,236,908	$ 1,068,575	$ 382,695	$ 790,814	$ 12,822,504

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

HARALSON COUNTY, GEORGIA

Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
June 30, 2015

Total Governmental Fund Balances			$ 10,741,327
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
	Cost	$ 34,905,548	
	Less accumulated depreciation	(19,780,446)	15,125,102
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.			
	Property taxes	267,333	
	Grants	80,844	348,177
The deferred outflows are not current assets or financial resources; and the deferred inflows are not due and payable in the current period and therefore are not reported in the Governmental Funds.			
	Deferred outflows related to pension		318,423
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.			
	Acrued interest payable	(47,049)	
	Net pension liability	(1,004,093)	
	Compensated absences payable	(155,815)	
	Bonds payable	(7,110,000)	(8,316,957)
Net position of governmental activities			$ 18,216,072

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

HARALSON COUNTY, GEORGIA

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

	General	SPLOST V	SPLOST VI	Drug Task Force	Emergency Telephone System (E-911)	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	$ 12,573,221	$ 2,706,347	$ 585,764	$ -	$ -	$ -	$ 15,865,332
Licenses and permits	109,723	-	-	-	-	-	109,723
Intergovernmental	747,401	8,759	-	264,020	-	-	1,020,180
Charges for services	209,475	-	-	-	459,821	-	669,296
Fines and forfeitures	672,352	-	-	108,123	-	71,526	852,001
Investment income	-	115	2,790	114	-	9,149	12,168
Contributions and donations	-	-	-	-	-	4,930	4,930
Miscellaneous	79,483	-	-	-	-	3	79,486
Total revenues	14,391,655	2,715,221	588,554	372,257	459,821	85,608	18,613,116
EXPENDITURES							
Current:							
General government	1,896,421	-	-	-	-	-	1,896,421
Judicial	1,506,238	-	-	-	-	31,646	1,537,884
Public safety	6,117,918	-	-	229,908	876,411	43,037	7,267,274
Public works	2,400,242	-	-	-	-	-	2,400,242
Health and welfare	1,112,335	-	-	-	-	-	1,112,335
Culture and recreation	243,860	-	-	-	-	3,061	246,921
Housing and development	258,999	-	-	-	-	-	258,999
Capital outlay	-	1,145,544	211,989	-	-	-	1,357,533
Debt service:							
Fees	-	-	154,200	-	-	-	154,200
Intergovernmental	-	1,749,907	196,700	-	-	-	1,946,607
Total expenditures	13,536,013	2,895,451	562,889	229,908	876,411	77,744	18,178,416
Excess (deficiency) of revenues over (under) expenditures	855,642	(180,230)	25,665	142,349	(416,590)	7,864	434,700
OTHER FINANCING SOURCES (USES)							
Proceeds from sale of capital assets	220,345	-	-	-	-	-	220,345
Bond proceeds	-	-	7,110,000	-	-	-	7,110,000
Transfers in	-	12,518	-	-	396,349	-	408,867
Transfers out	(396,349)	-	-	(12,518)	-	-	(408,867)
Total other financing sources (uses)	(176,004)	12,518	7,110,000	(12,518)	396,349	-	7,330,345
Net change in fund balances	679,638	(167,712)	7,135,665	129,831	(20,241)	7,864	7,765,045
FUND BALANCE, beginning of year	651,220	1,433,452	-	38,933	73,388	779,289	2,976,282
FUND BALANCE, end of year	$ 1,330,858	$ 1,265,740	$ 7,135,665	$ 168,764	$ 53,147	$ 787,153	$ 10,741,327

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

HARALSON COUNTY, GEORGIA

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

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 7,765,045
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.		
Capital outlays	$ 1,012,646	
Depreciation expense	(979,786)	32,860
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net position.		
Capital contributions	152,606	
Disposal of capital assets	(257,628)	(105,022)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes	28,947	
Grants	(39,759)	(10,812)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Bond proceeds		(7,110,000)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Acrued interest payable	(47,049)	
Net pension liability	(37,950)	
Compensated absences payable	(8,786)	(93,785)
Change in net position of governmental activities		$ 478,286

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

HARALSON COUNTY, GEORGIA

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

ASSETS	
Cash	$ 622,225
Taxes receivable	484,771
Total assets	$ 1,106,996
LIABILITIES	
Due to other governments	$ 1,106,996

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

NOTES TO THE BASIC FINANCIAL STATEMENTS



NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the County's accounting policies are described below.

Reporting Entity

Haralson County, Georgia (the "County") was created by legislative act on January 26, 1856 and operates under a County Commissioners form of government, providing the following services as authorized by its charter: public safety, highways and streets, health and social services, culture-recreation, courts, correctional institute, public improvements, planning and zoning and general administrative services.

The reporting entity is comprised of the primary government and component units that are included to ensure that the financial statements 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 is financially accountable. The County is financially accountable for an organization if 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 performed or provided by the organizations; 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 also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The component unit columns included on the government-wide financial statements identified the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

Brief descriptions of the discretely presented component units follow:

Development Authority of Haralson County (Development Authority) – The Development Authority is a public corporation created to promote industry and trade in the County. The County Commissioner appoints the seven-member Development Authority Board of Directors. The Development Authority issued separately audited financial statements for fiscal year ended June 30, 2015, and copies of these financial statements may be obtained from their administrative office.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Haralson County Health Department (Health Department) – The Health Department provides health care services and health education to residents of Haralson County. The Health Department receives financial support from Haralson County, Georgia, the State of Georgia and the Federal Government. The County Commissioner appoints a majority of the Board of Directors. The Health Department issued separately audited financial statements for fiscal year ended June 30, 2015 and copies of these financial statements may be obtained from their administrative office at Buchanan, Georgia.

Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. Government-wide financial statements do not provide information by fund, but distinguish between the County's governmental activities and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position presents the financial position of the governmental type activities of the County and its discretely presented component units at year-end. The statement of net position includes non-current assets and non-current liabilities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a function and, therefore, clearly identifiable to that particular function.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services, which report fees and other charges to users of the County's services; (2) operating grants and contributions, which finance annual operating activities including restricted investment income; and (3) capital grants and contributions, which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which functions the revenues are *restricted*. Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the County.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxes and other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business-type 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. Fund financial statements are provided for governmental, proprietary and fiduciary funds. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Major individual governmental funds are reported in separate columns with composite columns for non-major funds in the fund financial statements. Fiduciary funds are reported by type.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses two categories of funds: governmental and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically 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 or must be used and fund liabilities are assigned to the fund from which they will be liquidated. The following are the major governmental funds:

General Fund - The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The fund balance of the General Fund is available to the county for any purpose, provided it is expended or transferred according to the general laws of Georgia.

SPLOST V Fund - accounts for the financial resources provided from the 2009 one percent Special Purpose Local Option Sales Tax. Such resources are to be used for improvements to parks and recreation facilities, water and sewer projects, road improvements and the administrative building.

SPLOST VI Fund - accounts for the financial resources provided from the 2014 one percent Special Purpose Local Option Sales Tax. Such resources are to be used for improvements to parks and recreation facilities, water and sewer projects, road improvements and the administrative building.

Drug Task Force Fund – This major special revenue fund is used to account for grants, other income and expenditures related to the Drug Task Force.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Emergency Telephone System Fund (E-911) - This major special revenue fund is used to account for the monies collected under Georgia law by the telephone company on behalf of Haralson County. These monies are remitted to the County and are restricted to providing emergency 911 services to the residents of the County.

Additionally, the County reports the following fund types:

Fiduciary Funds – Fiduciary fund reporting focuses on net assets. The County's fiduciary funds are agency funds. These agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Constitutional officers use these funds to temporarily hold assets.

Measurement Focus, Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are for the proprietary fund and the fiduciary funds. Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes, grants, and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period. For this purpose, the County considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to long-term debt, compensated absences and claims and judgments, are recorded only when payment is due.

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

Accounting and financial reporting for non-exchange transactions and the corresponding assets (receivables) in non-exchange transactions are recognized in the period in which the underlying exchange occurs, when an enforceable legal claim has arisen, when all eligibility requirements have been met, or when resources are received, depending on the revenue source.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities and Fund Equity

Cash

Cash includes amounts in demand deposits and all highly liquid investments such as bank certificates of deposits.

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

- Obligations of the State of Georgia or of any other states
- Obligations of the United States Government
- Obligations fully insured or guaranteed by the government or governmental agency
- Obligations of any corporation of the government
- Prime bankers' acceptances
- The State of Georgia local government investment pool (i.e., Georgia Fund I)
- Repurchase agreements
- Obligations of the other political subdivisions of the State of Georgia

Any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. obligations.

Receivables

All property tax and other receivables are reported net of an allowance for uncollectibles.

Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental column of the statement of net position.

Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed.

Note 1 – Summary of Significant Accounting Policies (continued)

Capital Assets

General capital assets are those assets that 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. 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 maintains a capitalization threshold of $5,000.

Improvements to capital assets are capitalized if they exceed the capitalization policy and extend the useful life of the asset or increase the value of the asset. 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 expensed.

All reported capital assets are depreciated except for land, right-of-ways and construction in progress, when applicable. 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:

Description	Governmental-Activities Estimated Lives
Improvements other than buildings	10 – 60 years
Buildings	40 – 60 years
Machinery and equipment	3 – 10 years
Infrastructure	40 years

Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the County. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive infrastructure is also included in this report and includes infrastructure constructed since 1980.

At the inception of capital leases at the governmental fund reporting level, expenditures and an "other financing source" of an equal amount are reported at the net present value of future minimum lease payments.

Note 1 – Summary of Significant Accounting Policies (continued)

Compensated Absences

Accumulated sick pay benefits have not been recorded as a liability because these benefits are paid up the illness of a employee and the amount of such payments cannot be reasonably estimated. Accumulated unpaid vacation costs are accrued when incurred in the government-wide financial statements. A liability for the amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only "*when due*."

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of these funds. Capital leases are recognized as a liability in the governmental fund financial statements when due.

Fund Equity

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

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

Nonspendable – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Committed – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commission through the adoption of a resolution. Only the County Commission may modify or rescind the commitment.

Assigned – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County Manager 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 balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: 1) committed, 2) assigned, and 3) unassigned.

Net Position – Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net position invested in capital assets, consists of capital assets, net of accumulated depreciation. Net position is reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net position is reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Interfund Activity

Interfund transfers are reported as other financing sources/uses in governmental funds. Transfers between funds reported in the governmental activities column are eliminated.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense) until then. The County has no items that qualify for reporting in this category.

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

Pensions

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

Accounting Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units, 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.

Note 2 – Compliance and Accountability

Annual appropriated budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all special revenue funds. Project length budgets are adopted for the capital projects funds. The annual budgets are based on requests made by various department heads. The budget includes proposed expenditures and the means of financing them.

Prior to the budget being legally enacted through passage of an ordinance, public hearings are held to obtain taxpayer comments. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of Commissioners.

Excess of Expenditures over Appropriations

The following department's expenditures exceeded its budgeted appropriations.

General Fund		
Public safety		
Sheriff	$	52,510
Emergency Telephone System (E-911) Fund		
Public safety		2,261
Law Library Fund		
Judicial		896
Drug Abuse Treatment Education Fund		
Public safety		895

During the year, the Commissioners authorized amendments to include appropriations for some activities that were not originally budgeted and to reclassify certain character and functional expenditures.

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Custodial Credit Risk Related to Deposits

Total cash and cash equivalents as of June 30, 2015 are summarized as follows:

Cash and Cash Equivalents		
Balances per statement of net position:		
General Fund	$	1,061,201
SPLOST V Fund		1,265,740
SPLOST VI Fund		6,935,413
Drug Task Force Fund		896,143
Emergency Telephone System (E-911)		310,247
Nonmajor Governmental Funds		492,710
		10,961,454
Balances per statement of net position (Component Units):		
Haralson County Health Department		208,772
Development Authority of Haralson County		491,227
Balances per statement of fiduciary assets and liabilities:		
Agency Funds		622,225
	$	12,283,678

Custodial Credit Risk – Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities. As of June 30, 2015, all of the deposits of the County and the component units were properly insured and collateralized as required by the Official Code of Georgia Annotated (OCGA) Section 45-8-12(c) and as defined by GASB pronouncements.

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Receivables

Receivables at June 30, 2015, consist of the following:

	General	SPLOST VI	Emergency Telephone System(E-911)	Nonmajor Governmental	Total
Receivables:					
Accounts	$ 10,247	$ -	$ 72,448	$ -	$ 82,695
Taxes	644,121	301,495	-	-	945,616
Interest	-	-	-	498	498
Notes	-	-	-	250,312	250,312
Gross receivables	654,368	301,495	72,448	250,810	1,279,121
Less allowance for uncollectibles	(22,903)	-	-	-	(22,903)
Net total receivables	$ 631,465	$ 301,495	$ 72,448	$ 250,810	$ 1,256,218

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes were levied on August 15, 2014, and were payable on or before December 1, 2014. Property Taxes levied for the year ending June 30, 2015 and not collected are recorded as receivables, net of estimated uncollectibles. The property tax levy for was 12.42 mills.

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NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Due From Other Governments

Amounts due from other governments at June 30, 2015, consist of the following:

Primary Government	
General Fund:	
Haralson County Solid Waste Authority	$ 285
State of Georgia Victim Assistance Program	1,045
Polk County, Georgia	21,323
State of Georgia Department of Transportation	5,748
Total General Fund	28,401
Drug Task Force Fund:	
State of Georgia Bureau of Investigation	172,432
Total Drug Task Force Fund	172,432
County Jail Fund:	
City of Buchanan, Georgia	493
City of Tallapoosa, Georgia	167
Total Jail Fund	660
Drug Abuse Treatment Fund:	
City of Bremen, Georgia	329
City of Buchanan, Georgia	66
City of Tallapoosa, Georgia	131
State of Georgia Department of Corrections	833
Total Drug Abuse Treatment Fund	1,359
Total Governmental Activities/Primary Government	$ 202,852
Component Unit	
Haralson County Health Department:	
Georgia Department of Public Health	$ 47,230
Floyd County Health Department	21,752
Total Haralson County Health Department	$ 68,982

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Interfund Balances and Transfers

Interfund balances at June 30, 2015, consisted of the following amounts and represent charges for services or reimbursable expenses. 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 period, and (3) payments between funds are made.

Interfund balances as of June 30, 2015, consisted of the following:

	Due From Balances		
Due To Balances	General Fund	Nonmajor Governmental Funds	Totals
General Fund	$ -	$ 45,275	$ 45,275
Nonmajor Governmental Funds	310,000	-	310,000
Total	$ 310,000	$ 45,275	$ 355,275

Interfund transfers for the year ended June 30, 2015, consisted of the following:

Transfers In	Transfers Out	Amount
E-911 Fund	General Fund	$ 396,349
SPLOST V Fund	Drug Task Force Fund	12,518
		$ 408,867

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

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

Capital Assets

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

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	$ 878,603	$ 31,255	$ (11,600)	$ -	$ 898,258
Construction in progress	6,825	439,415	-	(227,346)	218,894
Total	885,428	470,670	(11,600)	(227,346)	1,117,152
Capital assets, being depreciated:					
Buildings and improvements	13,787,256	-	-	227,346	14,014,602
Machinery and equipment	14,430,007	694,582	(716,769)	-	14,407,820
Infrastructure	5,365,974	-	-	-	5,365,974
Total	33,583,237	694,582	(716,769)	227,346	33,788,396
Less accumulated depreciation for:					
Buildings and improvements	(3,968,317)	(330,131)	-	-	(4,298,448)
Machinery and equipment	(12,410,322)	(509,511)	470,741	-	(12,449,092)
Infrastructure	(2,892,762)	(140,144)	-	-	(3,032,906)
Total	(19,271,401)	(979,786)	470,741	-	(19,780,446)
Total capital assets, being depreciated, net	14,311,836	(285,204)	(246,028)	227,346	14,007,950
Governmental activities capital assets, net	$ 15,197,264	$ 185,466	$ (257,628)	$ -	$ 15,125,102

Governmental activities depreciation expense:

Governmental activities:	
General government	$ 66,462
Judicial	36,166
Public safety	451,254
Public works	256,420
Health and welfare	68,442
Culture and recreation	101,042
Total depreciation expense - governmental activities	$ 979,786

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

	Beginning Balance	Increases	Decreases	Ending Balance
Component Units:				
Capital assets, not being depreciated:				
Land	$ 162,605	$ 495,055	$ -	$ 657,660
Construction in progress	9,725	40,406	-	50,131
Total	172,330	535,461	-	707,791
Capital assets, being depreciated:				
Buildings and improvements	48,005	6,140	-	54,145
Machinery and equipment	33,664	1,394	-	35,058
Infrastructure	3,739,728	-	-	3,739,728
Total	3,821,397	7,534	-	3,828,931
Less accumulated depreciation for:				
Buildings and improvements	(10,022)	(1,661)	-	(11,683)
Machinery and equipment	(26,068)	(1,816)	-	(27,884)
Infrastructure	(1,713,885)	(146,221)	-	(1,860,106)
Total	(1,749,975)	(149,698)	-	(1,899,673)
Total capital assets, being depreciated, net	2,071,422	(142,164)	-	1,929,258
Governmental activities capital assets, net	$ 2,243,752	$ 393,297	$ -	$ 2,637,049

Long-Term Debt

Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2015:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year	Due In More Than One Year
Governmental activities:						
Compensated absences	$ 147,029	$ 183,581	$ 174,795	$ 155,815	$ 88,815	$ 67,000
Bonds payable	-	7,110,000	-	7,110,000	1,075,000	6,035,000
Net pension liability	1,008,921	699,350	704,178	1,004,093	-	1,004,093
OPEB obligation	-	-	-	-	-	-
Governmental activities long-term liabilities	$ 1,155,950	$ 7,992,931	$ 878,973	$ 8,269,908	$ 1,163,815	$ 7,106,093

The compensated absences liability will be paid from the General Fund and E-911 Fund from which employees' salaries are paid. The bonds payable will be paid back with special purpose local option sales taxes collected by the SPLOST VI Fund. The net pension liability will be paid by the General Fund.

NOTE 3 – DETAILED NOTES ON TRANSACTION CLASSES/ACCOUNTS (CONTINUED)

General Obligation Bonds

In February 2015, the County issued $7,110,000 of General Obligation Sales Tax Bonds, Series 2015. The bond proceeds are to be used to fund SPLOST projects.

The debt service payments will be paid by future sales tax collections. Interest will accrue on the outstanding principal amount of the bonds from at the rate of 1.60% per annum, and interest installments shall be payable on May 1 and November 1 of each year, commencing November 1, 2015

The County's debt service requirements to maturity are as follows:

Fiscal Year	Principal	Interest	Total
2016	$1,075,000	$ 141,568	$ 1,216,568
2017	1,170,000	96,560	1,266,560
2018	1,190,000	77,840	1,267,840
2019	1,205,000	58,800	1,263,800
2020	1,225,000	39,520	1,264,520
2021	1,245,000	19,920	1,264,920
	$7,110,000	$ 434,208	$ 7,544,208

Short-Term Tax Anticipation Note

In July 2014, the County issued $2.0 million in tax anticipation notes to finance the general operations of the County through October 2014. The County had drawdowns on the notes totaling $1,025,000 during the period August 2014 to September 2014. The notes were due on December 31, 2014. These notes were paid on December 19, 2014 from 2014 property tax revenues collected between September and December 2014. Total payments of principal and interest on December 19, 2014 amounted to $1,028,832.

	Beginning Balance	Additions	Reductions	Ending Balance
Tax anticipation note	$ -	$ 1,025,000	$ 1,025,000	$ -

NOTE 4 – OTHER NOTES

Defined Benefit Pension Plan – Primary Government

Plan Description

The County, as authorized by the County Commission, has established a non-contributory defined benefit pension plan, the Association County Commissioners of Georgia Spalding County Defined Benefit Plan (The Plan), covering the majority of all of the County's employees. The County's pension plan is administered through the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (the ACCG plan), an agent multiple-employer pension plan administered by GEBCorp and affiliated with the Association of County Commissioners of Georgia (ACCG). The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. The ACCG, in its role as the Plan sponsor, has the sole authority to establish and amend the benefit provisions and the contribution rates of the County related to the Plan, as provided in Section 19.03 of the ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. The County Commission retains this authority. The ACCG Plan issues a publicly available financial report that includes financial statements and required supplementary information for the pension trust. That report may be obtained at www.gebcorp.com or by writing to Association County Commissioners of Georgia, Retirement Services, 191 Peachtree Street, NE, Atlanta, Georgia 30303 or by calling (800) 736-7166.

Plan Membership

As of January 1, 2015, pension plan membership consisted of the following:

Retirees. Beneficiaries and Disables receiving benefits	34
Terminated plan participants entitled to but not yet receiving benefits	63
Active employees participating in the Plan	110
Total number of Plan Participants	207

Contributions

The Plan is subject to minimum funding standards of the Georgia Public Retirement Systems Standards law. The Board of Trustees of ACCG has adopted a recommended actuarial funding policy which meets the state minimum requirements and will accumulate sufficient funds to provide the benefits under the plan. The funding policy or the Plan, as adopted by the County Board of Commissioners is to contribute an amount equal to or greater than the actuarially recommended contribution rate. This rate is based on the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfounded accrued liability. The County is required to contribute the actuarially determined rate. For the year ended June 30, 2015, the County's contribution rate was 7.80% of annual payroll. County contributions to the Plan were $271,126 for the year ended June 30, 2015.

NOTE 4 – OTHER NOTES (CONTINUED)

Net Pension Liability of the County

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

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

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

Inflation	3.00%
Salary increases	Normalized rates of 3.50%-5.50%
Investment rate of return	7.50%, net of pension plan investment expense, including inflation.

Actuarial Assumptions (Continued). Mortality rates were based on the RP-2000 Combined Health Mortality Table.

The actuarial assumptions used in the January 1, 2014 valuation were based on the results of an actuarial experience study through December 31, 2013.

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NOTE 4 – OTHER NOTES (CONTINUED)

Net Pension Liability of the County (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
S&P 500	30%	3.22%
Barlay's Agg.	30%	2.34%
MSCI EAFE	15%	1.43%
Citi Non US WEBI	5%	0.27%
NARIET Equity	5%	0.57%
Russell 2000	5%	0.47%
Russell 3000	5%	0.53%
S&P Mid Cap	5%	0.66%
Total	100%	9.49%

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

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

NOTE 4 – OTHER NOTES (CONTINUED)

Net Pension Liability of the County (Continued)

Changes in the Net Pension Liability of the County.

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

Changes In Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2013	$ 5,938,681	$ 4,929,760	$1,008,921
Changes for the year:			
Service cost	156,123	-	156,123
Interest	438,243	-	438,243
Contributions—employer	-	286,401	(286,401)
Contributions—employee		60,905	(60,905)
Net investment income	-	356,872	(356,872)
Benefit payments, including refunds of employee contributions	(190,893)	(190,893)	-
Administrative expense	-	(20,098)	20,098
Other changes	-	(84,886)	84,886
Net changes	403,473	408,301	(4,828)
Balances at December 31, 2014	$ 6,342,154	$ 5,338,061	$1,004,093

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

NOTE 4 – OTHER NOTES (CONTINUED)

Net Pension Liability of the County (Continued)

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability of the County, calculated using the discount rate of 7.50 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:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
County's Net Pension Liability	$ 1,868,901	$ 1,004,093	$ 283,458

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective.

Calculations are based on the substantive plan in effect as of December 31, 2014 and the current sharing pattern of costs between employer and employee.

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

For the year ended June 30, 2015, the County recognized pension expense of $236.057. At June 30, 2015, the County reported a deferred outflow of resources related to pensions from the following resources:

	Outflows of Resources	Inflows of Resource
Net difference between projected and actual earnings on pension plan investments	$ 32,022	-
County contributions from January 1, 2015 thru June 30, 2015	286,401	-
	$ 318,423	$ -

Deferred Outflows(Inflows) Recognized in Future Years

Year Ended June 30					
2016	2017	2018	2019	2020	Thereafter
$ (294,406)	$ (8,005)	$ (8,005)	$ (8,007)	$ -	$ -

NOTE 4 – OTHER NOTES (CONTINUED)

Defined Benefit Pension Plan – Haralson County Board of Health

Plan Description

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

Benefits Provided

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

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

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

NOTE 4 – OTHER NOTES (CONTINUED)

Defined Benefit Pension Plan – Haralson County Board of Health

Contributions and Vesting

Member contributions under the old plan are 4% of annual compensation, up to 4,200, plus 6% of annual compensation in excess of $4,200. Under the old plan, the state pays member contributions in excess of 1.25% of annual compensation. Under the old plan, these state contributions are included in the members' accounts for refund purposes and are used in the computation of the members' earnable compensation for the purpose of computing retirement benefits. Member contributions under the new plan and GSEPS are 1.25 % of annual compensation. The state is required to contribute at a specified percentage of active member payrolls, determined annually by actuarial valuation. The state contributions are not at nay time refundable to the member or his/her beneficiary.

Employer required contributions under both the old plan and the new plan represented 18.46% of the covered payroll. Employer required contributions for GSEPA represented 15.18% of the covered payroll.

Members become vested after ten years of membership service. Upon termination of employment, member contributions with accumulated interest are refundable upon request by the member. However, if an otherwise vested member terminates and withdraws his/her member contribution, the member forfeits all rights to retirement benefits. Total employer contributions to the pension plan for the year ended June 30, 2015, were $429,752 based on qualifying salaries of $2,335,773.

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

At June 30, 2015 the Health Department reported a liability of $338,493 for its proportionate share of the collective net pension liability. The collective net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013. The Health Department's proportion of the collective net pension liability was based on its share of contributions to the pension plan relative to the total employer contributions of all participating ERS employers. At June 30, 2014, the Health Department's proportion was .009025%, which was a decrease of .001271% from its proportion measured as of June 30, 2013.

NOTE 4 – OTHER NOTES (CONTINUED)

Defined Benefit Pension Plan – Haralson County Board of Health

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

For the year ended June 30, 2015, the Health Department recognized pension expense of $20,673. At June 30, 2015, the Health Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Outflows of Resources	Inflows of Resource
Net difference between projected and actual earnings on pension plan investments	$ -	$ 82,616
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	37,955
Employer contributions subsequent to measurement date	57,931	-
	$ 57,931	$ 120,571

The $225,452 reported as deferred outflows of resources related to pensions resulting from Health Department contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Outflows(Inflows) Recognized in Future Years

Year Ended June 30					
2016	2017	2018	2019	2020	Thereafter
$ (44,376)	$ (34,887)	$ (20,654)	$ (20,654)	$ -	$ -

Actuarial Assumptions

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

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

NOTE 4 – OTHER NOTES (CONTINUED)

Actuarial Assumptions (Continued)

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

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

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return*
Fixed Income	30.00%	3.00%
Domestic Large Stocks	39.70%	6.50%
Domestic Mid Stocks	3.70%	10.00%
Domestic Small Stocks	1.60%	13.00%
Developed Market Stocks	18.90%	6.50%
International Emerging Market Stocks	6.10%	11.00%
Total	100.00%	50.00%

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

Discount Rate

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

NOTE 4 – OTHER NOTES (CONTINUED)

Sensitivity of the Agency's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 7.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Employer's Proportionate Share Net Pension Liability	$ 493,590	$ 338,493	$ 206,470

Pension Plan Fiduciary Net Position

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

Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with the Internal Revenue Code Section 457 (d). The Plan, available to all County employees, permits them to defer a portion of their salary until future years. Participation in the plan is optional. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The County does not contribute to the plan.

The County is exposed to various risks of losses related to torts, thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County maintains third party coverage for claims arising from property and general liability claims.

The Government has joined together with other counties in the state as part of the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments.

NOTE 4 – OTHER NOTES (CONTINUED)

Risk Management (Continued)

As part of this risk pool, the County is obligated to pay all contributions and assessments as prescribed by the pool, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the fund, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the fund being required to pay any claim of loss. The County is also to allow the pool's 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 fund is to defend and protect the members of the fund against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The fund is to pay all cost 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 were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

Contingent Liabilities

On July 10, 2012 the County resolved to agree to make payments due to GEFA (Georgia Environmental Finance Authority), in the event Haralson County Water Authority has insufficient funds to repay GEFA loan, WS11L15WS, pursuant to the terms of an Environmental Facilities Agreement between the County and the Authority dated October 2, 2012. The Authority's indebtedness under the above GEFA loan totaled $3,000,000. The proceeds from the loan were used to facilitate the acquisition, construction, and installation of additions, extensions, or improvements to the environmental facilities of the Authority. The Authority has made all regularly scheduled debt service payments as of June 30, 2015.

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

The County is party to various legal proceedings which normally occur in governmental operations. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

NOTE 4 – OTHER NOTES (CONTINUED)

Joint Ventures

Northwest Georgia Regional Commission

Under Georgia Law, the County, in conjunction with other cities and counties in the northwest Georgia area, is a member of the Northwest Georgia Regional Commission (NWGRC) and is required to pay annual dues thereto. During its year ended June 30, 2015, the County paid $17,922 in such dues. Membership in an NWGRC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the NWGRC in Georgia. The NWGRC Board membership includes the chief elected official of each County and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an NWGRC. Separate financial statements may be obtained from the Northwest Georgia Regional Commission, P.O. Box 1798, Rome, Georgia 30162-1798.

Haralson County Water Authority

The County, in conjunction with the cities of Bremen, Buchanan, Tallapoosa and Waco, has created the Haralson County Water Authority and the Haralson County Solid Waste Management Authority. The Haralson County Water Authority's board is composed of one representative from each of the municipalities, the Commissioner of Haralson County, and three representatives from the private sector. The County has no equity interest in the entity nor does the County materially contribute to the continued existence of the entity. Separate financial statements may be obtained from the Haralson County Water Authority, 4277 Georgia Highway 120, Buchanan, Georgia 30113-4911.

Haralson County Solid Waste Management Authority

The County, in conjunction with the cities of Bremen, Buchanan, Tallapoosa and Waco, has created the Haralson County Solid Waste Management Authority. The Haralson County Solid Waste Management Authority's Board is composed of the Commissioner of Haralson County and one representative from each city. The County did not pay landfill fees to the Haralson County Solid Waste Management Authority in the current year due to the closing of the Haralson County Landfill. The County has no equity interest in the entity nor does the County materially contribute to the continued existence of the entity. No related party transactions have occurred between the County and the Haralson County Solid Waste Management Authority.

NOTE 4 – OTHER NOTES (CONTINUED)

Haralson County Solid Waste Management Authority

State and federal laws and regulations require Haralson County Solid Waste Management Authority to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. The landfill stopped accepting waste in January, 2000. The $1,060,165 reported as landfill closure and post-closure care liability at June 30, 2015 represents the cumulative amount reported to date of $2,417,130 based on the use of 100 percent of the estimated capacity of the landfill less closure and post-closure expenses incurred to date of $1,356,965.

The amounts are based on what it would cost to perform all closure and post-closure care in the fiscal year ending June 30, 2015. Actual cost may vary due to inflation, changes in technology, or changes in regulations.

According to the Department of Natural Resources, the County has the responsibility for insuring the financial viability of the solid waste facility should the obligations of the facility not be met internally. The County uses the Financial Assurance Mechanism to demonstrate their ability to meet their financial obligation under 40 CFR Part 258 to assure cost totaling $850,648 as of June 30, 2015. However, the facility should accumulate sufficient financial resources for services provided by the facility to function without placing a significant burden on the County.

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NOTE 4 – OTHER NOTES (CONTINUED)

Haralson County Solid Waste Management Authority (continued)

Summarized financial information for the solid waste joint venture is detailed below:

Condensed Statement of Assets, Liabilities and Net Position
June 30, 2015

Current assets	
Cash	$ 201,609
Other current assets	44,126
Capital assets, net	842,840
Total assets	$ 1,088,575
Current liabilities	$ 95,608
Long-term liabilities	
Accrued closure and post-closure costs	1,060,165
Total liabilities	1,155,773
Total net position	(67,198)
Total liabilities and net position	$ 1,088,575

Condensed Statement of Revenues and Expenses
For the Fiscal Year Ended June 30, 2015

Charge for services	$ 569,011
Operating expenses	(612,487)
Nonoperating revenue	269
Change in net position	$ (43,207)

Note 5 – Changes in Accounting Principles

As discussed in Note 4, the County and the Health Department implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions-an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, effective July 1, 2014. The new standards significantly changed the County and the Health Department's accounting for pension amounts. As a result of these changes in accounting principles, the County and Health Department were required to restate beginning net position for the following opinion units as shown below:

Governmental Activities:	
Net position, Governmental Activities, June 30, 2014, as previously reported	$18,340,439
71:	
Net Pension Liability as of June 30, 2014	(1,008,921)
Deferred outflows of pension contributions	361,201
Removal of net pension obligation as of June 30, 2014	45,067
Beginning net position, Governmental Activities, June 30, 2014, restated	$17,737,786
Component Unit:	
Haralson County Health Department	
Net Position, Health Department, June 30, 2014, as previously reported	$ 258,924
Adjustment	(462,113)
Beginning Net Position, Business-Type Activities, June 30, 2014, restated	$ (203,189)

NOTE 6 – SUBSEQUENT EVENTS

Subsequent events were evaluated through January 29, 2016, which is the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Taxes				
Property taxes	$ 9,539,400	$ 10,160,593	$ 9,917,952	$ (242,641)
Sales tax	1,725,000	1,616,262	1,619,388	3,126
Insurance premium tax	825,000	872,453	872,453	-
Other taxes	147,200	147,200	163,428	16,228
Licenses and permits	96,000	96,000	109,723	13,723
Intergovernmental	183,400	665,805	747,401	81,596
Charges for services	171,500	171,500	209,475	37,975
Fines and forfeitures	706,450	706,450	672,352	(34,098)
Miscellaneous	45,050	45,050	79,483	34,433
Total revenues	13,439,000	14,481,313	14,391,655	(89,658)
EXPENDITURES				
Current:				
General government				
Legislative Commissioners	330,142	331,017	318,928	12,089
Executive Administration	843,700	843,700	724,021	119,679
Elections	115,050	115,242	103,237	12,005
Tax Commissioner	269,540	270,436	254,805	15,631
Tax Assessor	421,736	422,871	391,467	31,404
Board of Equalization	11,941	11,941	10,382	1,559
General Government Plants & Buildings	70,106	95,318	93,581	1,737
Total general government	2,062,215	2,090,525	1,896,421	194,104
Judicial				
Superior Court	152,322	152,322	136,100	16,222
Clerk of Court	450,311	451,461	380,593	70,868
District Attorney	192,727	193,247	157,254	35,993
Magistrate Court	180,110	180,640	172,782	7,858
Probate Court	254,007	254,612	251,001	3,611
Juvenile Court	211,581	261,581	259,955	1,626
Public Defender	158,467	158,467	148,553	9,914
Total judicial	1,599,525	1,652,330	1,506,238	146,092
Public safety				
Sheriff	1,817,310	1,848,620	1,901,130	(52,510)
Jail Operations	1,717,600	1,839,600	1,839,539	61
Special Detail Operations	241,190	242,295	210,260	32,035
Sheriff Court Services	115,685	116,320	108,252	8,068
Corrections	101,465	101,920	98,912	3,008
Fire	1,750,879	1,767,324	1,767,052	272
Coroner/Medical Examiner	42,457	42,457	39,804	2,653
Animal Control	198,955	199,360	152,969	46,391
Total public safety	$ 5,985,541	$ 6,157,896	$ 6,117,918	$ 39,978

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
EXPENDITURES (continued)				
Current:				
Public works				
Highways and streets	$ 1,476,265	$ 1,855,749	$ 1,847,486	$ 8,263
HCWA - CDBG	-	124,236	124,236	-
Solid Waste Collection	492,265	492,673	428,520	64,153
Total public works	1,968,530	2,472,658	2,400,242	72,416
Health and welfare				
Health	861,446	861,446	861,287	159
Welfare	41,800	45,500	45,495	5
Community Services	32,461	32,864	32,848	16
Transportation Services	183,552	184,152	172,705	11,447
Total health and welfare	1,119,259	1,123,962	1,112,335	11,627
Culture and recreation				
Recreation	215,710	228,902	228,860	42
Libraries	19,200	19,200	15,000	4,200
Total culture and recreation	234,910	248,102	243,860	4,242
Housing and development				
Conservation	89,174	89,174	83,790	5,384
Forest Resources	14,776	14,776	14,211	565
Planning & Zoning	94,458	97,588	97,538	50
Code Enforcement	62,942	63,502	63,460	42
Total housing and development	261,350	265,040	258,999	6,041
Total expenditures	13,231,330	14,010,513	13,536,013	474,500
Excess of revenues over expenditures	207,670	470,800	855,642	384,842
OTHER FINANCING SOURCES AND USES				
Proceeds from sale of capital assets	210,000	210,000	220,345	10,345
Transfers out	(417,670)	(419,020)	(396,349)	22,671
Total other financing sources and uses	(207,670)	(209,020)	(176,004)	33,016
Net change in fund balances	-	261,780	679,638	417,858
FUND BALANCE				
Beginning of year	651,220	651,220	651,220	-
End of year	$ 651,220	$ 913,000	$ 1,330,858	$ 417,858

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Drug Task Force Fund
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Intergovernmental	$ -	$ 128,000	$ 264,020	$ 136,020
Fines and forfeitures	-	135,000	108,123	(26,877)
Investment income	-	100	114	14
Total revenues	-	263,100	372,257	109,157
EXPENDITURES				
Current				
Public safety	-	263,100	229,908	33,192
Total expenditures	-	263,100	229,908	33,192
Excess (deficiency) of revenues over (under) expenditures	-	-	142,349	142,349
OTHER FINANCING USES				
Transfers out	-	-	(12,518)	(12,518)
Total other financing uses	-	-	(12,518)	(12,518)
Net change in fund balances	-	-	129,831	129,831
FUND BALANCE				
Beginning of year	38,933	38,933	38,933	-
End of year	$ 38,933	$ 38,933	$ 168,764	$ 129,831

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Emergency Telephone System (E-911)
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Charges for services	$ -	$ 475,000	$ 459,821	$ (15,179)
Total revenues	-	475,000	459,821	(15,179)
EXPENDITURES				
Current				
Public safety	-	874,150	876,411	(2,261)
Total expenditures	-	874,150	876,411	(2,261)
Excess (deficiency) of revenues over (under) expenditures	-	(399,150)	(416,590)	(17,440)
OTHER FINANCING SOURCES				
Transfers in	-	399,150	396,349	(2,801)
Total other financing sources	-	399,150	396,349	(2,801)
Net change in fund balances	-	-	(20,241)	(20,241)
FUND BALANCE				
Beginning of year	73,388	73,388	73,388	-
End of year	$ 73,388	$ 73,388	$ 53,147	$ (20,241)

Haralson County, Georgia

Required Supplementary Information
Defined Benefit Pension Plan

Schedule of Changes in the County's Net Pension Liability and Related Ratios

	2015
Total Pension Liability	
Service cost	$ 156,123
Interest	438,243
Benefit payments, including refunds of employee contributions	(190,893)
Net change in total pension liability	403,473
Total Pension Liability	
Beginning of Year	5,938,681
End of Year(a)	$ 6,342,154
Plan Fiduciary Net Position	
Contributions - employer	$ 286,401
Contributions - employee	60,905
Net investment income	356,872
Benefit payments, including refunds of employee contributions	(190,893)
Administrative expense	(20,098)
Other	(84,886)
Net change in fiduciary net pension	408,301
Plan Fiduciary Net Position	
Beginning of Year	4,929,760
End of Year(b)	$ 5,338,061
City's Net Pension Liability(a) - (b)	$ 1,004,093
Plan's fiduciary net position as a percentage of the total pension liability	84.2%
Covered - employee payroll	$ 3,577,368
City's net pension liability as a percentage of covered employee payroll	28.1%

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

Haralson County, Georgia

Required Supplementary Information
Defined Benefit Pension Plan

Schedule of County Contributions

	2015
Actuarially determined contribution	$ 286,401
Contributions in relation to the actuarially determined contribution	286,401
Contribution deficiency (excess)	$ -
Covered - employee payroll	$ 3,577,368
Contributions as a percentage of covered employee payroll	8.0%

Notes to the Schedule

Valuation date	January 1, 2015
Cost Method	Entry Age Normal
Actuarial Asset Valuation Method	Smoothed market value with a 5-year smoothing period
Assumed Rate of Return on Investments	7.50%
Projected Salary Increases	3.50%-5.50% (including 3.0% inflation)
Amortization Method	Closed level dollar for unfunded liability
Remaining Amortization Period	None Remaining

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

Haralson County, Georgia

Required Supplementary Information
Haralson County Health Department - Component Unit

Schedule of Proportionate Share of the Net Pension Liability

	2015
Proportion of the net pension liability	0.009025%
Proportionate share of the net pension liability	$ 338,493
Covered-employee payroll during the measrement period	$ 266,787
Proportionate share of the net pension liability as a percentage of covered-employee payroll	126.88%
Plan fiduciary net positon as percentage of the total pension liability	77.99%

Schedule of Contributions

	2015
Contractually required contribution	$ 428,982
Contributions made in relation to the contractually required contribution	429,752
Contribution deficiency (excess)	$ (770)
Covered-employee payroll	$2,335,773
Contributions as a percentage of covered employee payroll	18.4%

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES



Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for specific revenue sources (other than fiduciary or capital projects funds) that are legally restricted to expenditures for specified purposes.

The County's Nonmajor Special Revenue Funds are as follows:

Law Library Fund - To account for the resources received from various courts of Haralson County and used for the support of a centralized law library.

Sheriff's Forfeiture Fund – To account for monies confiscated under Federal and Georgia law by the Haralson County Sheriff's office related to controlled substance offenses. Such monies are restricted to defray the cost of complex investigations and to purchase equipment related to investigations.

Crime Victim Assistance Program Fund – To account for add on fine surcharges as required by O.C.G.A. 15-21-132, collected by various Haralson County and State Courts to be disbursed to Certified Haralson County Victim Assistance Programs.

County Jail Fund – To account for monies collected under O.C.G.A. 15-21-93 for the violation of any criminal or traffic law of this state or political subdivision in the amount of 10% of the base fine. Funds are restricted solely and exclusively for constructing, operating, and staffing county jails.

Special Law Enforcement Grant Fund – To account for grants and donations restricted to "community outreach" activities of the Sheriff's office.

Juvenile Court Supervision Fee Fund - To account for the supervision fees received relating to the operation of the Juvenile Court.

Employment Incentive Program Fund – To account for a financing program for economic development projects, which result in employment of low and moderate income persons.

Drug Abuse Treatment and Education (DATE) Fund - To account for monies collected under O.C.G.A. 15-21-100 related to additional penalties on controlled substance offenses. Such monies are restricted for drug abuse treatment and educational programs relating to controlled substances and marijuana.

Special Recreation Fund – To account for grants and donations received by the County restricted for recreational activities.

HARALSON COUNTY, GEORGIA

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

	Special Revenue Funds				
ASSETS	**Law Library**	**Sheriff's Forfeiture**	**Crime Victim Assistance Program**	**County Jail**	**Special Law Enforcement Grant**
Cash	$ 1,687	$ 2,779	$ -	$ 91,259	$ 1,345
Receivables:					
Interest	-	-	-	-	-
Notes	-	-	-	-	-
Due from other funds	-	-	9,754	18,133	-
Due from other governments	-	-	-	660	-
Total assets	$ 1,687	$ 2,779	$ 9,754	$ 110,052	$ 1,345
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 2,474	$ -	$ 1,187	$ -	$ -
Total liabilities	2,474	-	1,187	-	-
FUND BALANCES(DEFICIT)					
Restricted for:					
Judicial activities	-	-	8,567	-	-
Culture and recreation	-	-	-	-	-
Public safety activities	-	2,779	-	110,052	1,345
Unassigned	(787)	-	-	-	-
Total fund balances	(787)	2,779	8,567	110,052	1,345
Total liabilities and fund balances	$ 1,687	$ 2,779	$ 9,754	$ 110,052	$ 1,345

(Continued)

HARALSON COUNTY, GEORGIA

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2015

ASSETS	Special Revenue Funds: Juvenile Court Supervision Fee	Special Revenue Funds: Employment Incentive Program	Special Revenue Funds: Drug Abuse Treatment and Education	Special Revenue Funds: Special Recreation	Total Nonmajor Funds
Cash	$ 8,711	$ 367,956	$ 17,795	$ 1,178	$ 492,710
Receivables:					
Interest	-	498	-	-	498
Notes	-	250,312	-	-	250,312
Due from other funds	1,431	-	15,957	-	45,275
Due from other governments	-	-	1,359	-	2,019
Total assets	$ 10,142	$ 618,766	$ 35,111	$ 1,178	$ 790,814
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ -	$ -	$ -	$ -	$ 3,661
Total liabilities	-	-	-	-	3,661
FUND BALANCES					
Restricted for:					
Judicial activities	-	-	-	-	8,567
Culture and recreation	10,142	-	-	1,178	11,320
Public safety activities	-	-	35,111	-	149,287
Unassigned	-	-	-	-	(787)
Total fund balances	10,142	618,766	35,111	1,178	787,153
Total liabilities and fund balances	$ 10,142	$ 618,766	$ 35,111	$ 1,178	$ 790,814

HARALSON COUNTY, GEORGIA

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

	Special Revenue Funds				
	Law Library	Sheriff's Forfeiture	Crime Victim Assistance Program	County Jail	Special Law Enforcement Grant
REVENUES					
Fines and forfeitures	$ 14,834	$ 2,971	$ -	$ 39,361	$ -
Investment income	1	-	-	-	-
Contributions and donations	-	-	-	-	1,500
Miscellaneous revenue	-	-	-	-	-
Total revenues	14,835	2,971	-	39,361	1,500
EXPENDITURES					
Current:					
Judicial	17,976	-	13,610	-	-
Public safety	-	3,138	-	24,499	400
Culture and recreation	-	-	-	-	-
Total expenditures	17,976	3,138	13,610	24,499	400
Excess (deficiency) of revenues over (under) expenditures	(3,141)	(167)	(13,610)	14,862	1,100
FUND BALANCE, beginning of year	2,354	2,946	22,177	95,190	245
FUND BALANCE (DEFICIT), end of year	$ (787)	$ 2,779	$ 8,567	$ 110,052	$ 1,345

(Continued)

HARALSON COUNTY, GEORGIA

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

	Special Revenue Funds				
	Juvenile Court Supervision Fee	Employment Incentive Program	Drug Abuse Treatment and Education	Special Recreation	Total Nonmajor Funds
REVENUES					
Fines and forfeitures	$ -	$ -	$ 14,360	$ -	$ 71,526
Investment income	-	9,148	-	-	9,149
Contributions and donations	-	-	-	3,430	4,930
Miscellaneous revenue	1	-	2	-	3
Total revenues	1	9,148	14,362	3,430	85,608
EXPENDITURES					
Current:					
Judicial	60	-	-	-	31,646
Public safety	-	-	15,000	-	43,037
Culture and recreation	-	-	-	3,061	3,061
Total expenditures	60	-	15,000	3,061	77,744
Excess (deficiency) of revenues over (under) expenditures	(59)	9,148	(638)	369	7,864
FUND BALANCE, beginning of year	10,201	609,618	35,749	809	779,289
FUND BALANCE, end of year	$ 10,142	$ 618,766	$ 35,111	$ 1,178	$ 787,153

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Law Library Fund
For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	$ -	$ 17,050	$ 14,834	$ (2,216)
Investment income	-	5	1	(4)
Miscellaneous	-	25	-	(25)
Total revenues	-	17,080	14,835	(2,245)
EXPENDITURES				
Current				
Judicial	-	17,080	17,976	(896)
Total expenditures	-	17,080	17,976	(896)
Excess (deficiency) of revenues over (under) expenditures	-	-	(3,141)	(3,141)
FUND BALANCE(DEFICIT)				
Beginning of year	2,354	2,354	2,354	-
End of year	$ 2,354	$ 2,354	$ (787)	$ (3,141)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Sheriff's Forfeiture Fund
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ -	$ 5,000	$ 2,971	$ (2,029)
Total revenues	-	5,000	2,971	(2,029)
EXPENDITURES				
Current				
Public safety	-	5,000	3,138	1,862
Total expenditures	-	5,000	3,138	1,862
Excess (deficiency) of revenues over (under) expenditures	-	-	(167)	(167)
FUND BALANCE				
Beginning of year	2,946	2,946	2,946	-
End of year	$ 2,946	$ 2,946	$ 2,779	$ (167)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Crime Victim Assistance Program Fund
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ -	$ 24,000	$ -	$ (24,000)
Total revenues	-	24,000	-	(24,000)
EXPENDITURES				
Current				
Judicial	-	24,000	13,610	10,390
Total expenditures	-	24,000	13,610	10,390
Excess (deficiency) of revenues over (under) expenditures	-	-	(13,610)	(13,610)
FUND BALANCE				
Beginning of year	22,177	22,177	22,177	-
End of year	$ 22,177	$ 22,177	$ 8,567	$ (13,610)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
County Jail Fund
For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Fines and forfeitures	$ -	$ 54,710	$ 39,361	$ (15,349)
Total revenues	-	54,710	39,361	(15,349)
EXPENDITURES				
Current				
Public safety	-	54,710	24,499	30,211
Total expenditures	-	54,710	24,499	30,211
Excess (deficiency) of revenues over (under) expenditures	-	-	14,862	14,862
FUND BALANCE				
Beginning of year	95,190	95,190	95,190	-
End of year	$ 95,190	$ 95,190	$ 110,052	$ 14,862

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Special Law Enforcement Grant Fund
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Contributions and donations	$ -	$ 1,500	$ 1,500	$ -
Total revenues	-	1,500	1,500	-
EXPENDITURES				
Current				
Public safety	-	1,500	400	1,100
Total expenditures	-	1,500	400	1,100
Excess (deficiency) of revenues over (under) expenditures	-	-	1,100	1,100
FUND BALANCE				
Beginning of year	245	245	245	-
End of year	$ 245	$ 245	$ 1,345	$ 1,100

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Juvenile Court Supervision Fee Fund
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Investment income	$ -	$ 5	$ -	$ (5)
Miscellaneous	-	1,395	1	(1,394)
Total revenues	-	1,400	1	(1,399)
EXPENDITURES				
Current				
Judicial	-	1,400	60	1,340
Total expenditures	-	1,400	60	1,340
Excess (deficiency) of revenues over (under) expenditures	-	-	(59)	(59)
FUND BALANCE				
Beginning of year	10,201	10,201	10,201	-
End of year	$ 10,201	$ 10,201	$ 10,142	$ (59)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Employment Incentive Program Fund
For the Fiscal Year Ended June 30, 2015

	Budget		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Investment income	$ -	$ 11,625	$ 9,148	$ (2,477)
Total revenues	-	11,625	9,148	(2,477)
EXPENDITURES				
Current				
Housing and development	-	11,625	-	11,625
Total expenditures	-	11,625	-	11,625
Excess of revenues over expenditures	-	-	9,148	9,148
FUND BALANCE				
Beginning of year	609,618	609,618	609,618	-
End of year	$ 609,618	$ 609,618	$ 618,766	$ 9,148

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Drug Abuse Treatment and Education Fund
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Fines and forfeitures	$ -	$ 14,100	$ 14,360	$ 260
Miscellaneous revenue	-	5	2	(3)
Total revenues	-	14,105	14,362	257
EXPENDITURES				
Current				
Public safety	-	14,105	15,000	(895)
Total expenditures	-	14,105	15,000	(895)
Excess (deficiency) of revenues over (under) expenditures	-	-	(638)	(638)
FUND BALANCE				
Beginning of year	35,749	35,749	35,749	-
End of year	$ 35,749	$ 35,749	$ 35,111	$ (638)

HARALSON COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and
Changes in Fund Balances - Budget (GAAP Basis) and Actual
Special Recreation Fund
For the Fiscal Year Ended June 30, 2015

	Budget			Variance With
	Original	Final	Actual	Final Budget
REVENUES				
Contributions and donations	$ -	$ 3,500	$ 3,430	$ (70)
Total revenues	-	3,500	3,430	(70)
EXPENDITURES				
Current				
Culture and recreation	-	3,500	3,061	439
Total expenditures	-	3,500	3,061	439
Excess (deficiency) of revenues over (under) expenditures	-	-	369	369
FUND BALANCE				
Beginning of year	809	809	809	-
End of year	$ 809	$ 809	$ 1,178	$ 369

Fiduciary Funds

The Fiduciary Funds are used to account for assets held by the County in a fiduciary capacity.

The County's Fiduciary-Agency Funds are as follows:

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

Sheriff - This fund is used to account for collection of fees, proceeds from judicial sales, and cash bonds, which are disbursed to other agencies, the County and individuals.

Judicial Agency Funds – These agency funds are used to account for fines, fees, and other moneys collected by the courts and remitted to other parties in accordance with court orders and state law.

Clerk of Superior Court

Probate Court

Magistrate Court

Probation Office

HARALSON COUNTY, GEORGIA

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

	Tax Commisioner	Sheriff	Clerk of Superior Court	Probate Court	Magistrate Court	Probation Office	**Total**
ASSETS							
Cash	$ 361,780	$ 20,456	$ 219,371	$ 8,094	$ 9,285	$ 3,239	$ 622,225
Receivable (net of allowance for uncollectibles):							
Taxes	484,771	-	-	-	-	-	484,771
Total assets	$ 846,551	$ 20,456	$ 219,371	$ 8,094	$ 9,285	$ 3,239	$ 1,106,996
LIABILITIES							
Due to other governments/others	846,551	20,456	219,371	8,094	9,285	3,239	1,106,996
Total liabilities	$ 846,551	$ 20,456	$ 219,371	$ 8,094	$ 9,285	$ 3,239	$ 1,106,996

HARALSON COUNTY, GEORGIA

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2015

TAX COMMISSIONERS	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 667,874	$ 23,867,700	$ 24,006,805	$ (166,989)	$ 361,780
Receivable (net of allowance for uncollectibles):					
Taxes	523,561	8,190,229	8,229,019	-	484,771
Total assets	$ 1,191,435	$ 32,057,929	$ 32,235,824	$ (166,989)	$ 846,551
LIABILITIES					
Due to other funds	176,979	9,871,293	9,881,283	(166,989)	-
Due to other governments/others	1,014,456	22,186,636	22,354,541	-	846,551
Total liabilities	$ 1,191,435	$ 32,057,929	$ 32,235,824	$ (166,989)	$ 846,551

SHERIFF	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 51,470	$ 228,511	$ 255,851	$ (3,674)	$ 20,456
Total assets	$ 51,470	$ 228,511	$ 255,851	$ (3,674)	$ 20,456
LIABILITIES					
Due to other funds	4,345	119,397	120,068	(3,674)	-
Due to other governments/others	47,125	109,114	135,783	-	20,456
Total liabilities	$ 51,470	$ 228,511	$ 255,851	$ (3,674)	$ 20,456

CLERK OF SUPERIOR COURT	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 122,662	$ 717,384	$ 590,791	$ (29,884)	$ 219,371
Total assets	$ 122,662	$ 717,384	$ 590,791	$ (29,884)	$ 219,371
LIABILITIES					
Due to other funds	18,906	254,060	243,082	(29,884)	-
Due to other governments/others	103,756	463,324	347,709	-	219,371
Total liabilities	$ 122,662	$ 717,384	$ 590,791	$ (29,884)	$ 219,371

HARALSON COUNTY, GEORGIA

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2015

PROBATE COURT	Beginning Balance	Additions	Deductions	Reclass Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 25,759	$ 317,024	$ 319,916	$ (14,773)	$ 8,094
Total assets	$ 25,759	$ 317,024	$ 319,916	$ (14,773)	$ 8,094
LIABILITIES					
Due to other funds	14,539	222,126	221,892	(14,773)	-
Due to other governments/others	11,220	94,898	98,024	-	8,094
Total liabilities	$ 25,759	$ 317,024	$ 319,916	$ (14,773)	$ 8,094

MAGISTRATE COURT	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 20,207	$ 216,071	$ 216,508	$ (10,485)	$ 9,285
Total assets	$ 20,207	$ 216,071	$ 216,508	$ (10,485)	$ 9,285
LIABILITIES					
Due to other funds	8,884	100,414	98,813	(10,485)	-
Due to other governments/others	11,323	115,657	117,695	-	9,285
Total liabilities	$ 20,207	$ 216,071	$ 216,508	$ (10,485)	$ 9,285

PROBATION OFFICE	Beginning Balance	Additions	Deductions	Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 18,156	$ 180,016	$ 182,770	$ (12,163)	$ 3,239
Total assets	$ 18,156	$ 180,016	$ 182,770	$ (12,163)	$ 3,239
LIABILITIES					
Due to other funds	11,881	158,112	157,830	(12,163)	-
Due to other governments/others	6,275	21,904	24,940	-	3,239
Total liabilities	$ 18,156	$ 180,016	$ 182,770	$ (12,163)	$ 3,239

HARALSON COUNTY, GEORGIA

Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2015

TOTALS	Beginning Balance	Additions	Deductions	Reclass Reclass Interfund Payable	Ending Balance
ASSETS					
Cash	$ 906,128	$ 25,526,706	$ 25,572,641	$ (237,968)	$ 622,225
Receivable (net of allowance for uncollectibles):					
Taxes	523,561	8,190,229	8,229,019	-	484,771
Total assets	$ 1,429,689	$ 33,716,935	$ 33,801,660	$ (237,968)	$ 1,106,996
LIABILITIES					
Due to other funds	235,534	10,725,402	10,722,968	(237,968)	-
Due to other governments/others	1,194,155	22,991,533	23,078,692	-	1,106,996
Total liabilities	$ 1,429,689	$ 33,716,935	$ 33,801,660	$ (237,968)	$ 1,106,996

SUPPLEMENTAL INFORMATION



Special Reports

These Special Reports are applicable to the 2009 and 2014 Special One Percent Sales and Use Tax (SPLOST) required by the State of Georgia.

Schedules of Projects Expenditures of Special Purpose Local Option Sales and Use Tax Proceeds

HARALSON COUNTY, GEORGIA

Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
SPLOST V - 2009 Issue
For the Fiscal Year Ended June 30, 2015

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
County Projects:					
Senior center project	$ 500,000	$ 500,000	$ 2,262	$ -	$ 2,262
Road and bridge improvements	3,380,830	3,380,830	1,552,677	417,912	1,970,589
Recreation projects	1,800,000	1,800,000	739,665	-	739,665
Public safety projects	2,550,000	2,550,000	960,294	218,865	1,179,159
Government improvement project	4,150,000	4,150,000	1,298,804	508,767	1,807,571
	12,380,830	12,380,830	4,553,702	1,145,544	5,699,246
Intergovernmental Projects:					
Bremen	$ 5,315,700	$ 5,315,700	$ 2,447,087	$ 479,538	$ 2,926,625
Buchanan	1,098,870	1,098,870	425,398	98,048	523,446
Tallapoosa	3,256,920	3,256,920	1,260,423	293,812	1,554,235
Waco	547,680	547,680	249,303	49,407	298,710
Haralson County Water Authority	7,400,000	7,400,000	3,465,410	829,102	4,294,512
	17,619,170	17,619,170	7,847,621	1,749,907	9,597,528
	$ 30,000,000	$ 30,000,000	$ 12,401,323	$ 2,895,451	$ 15,296,774

Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

SPLOST V Fund	
Capital Outlay	$ 1,145,544
Intergovernmental	1,749,907
Total Expenditures	$ 2,895,451

HARALSON COUNTY, GEORGIA

Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
SPLOST VI - 2014 Issue
For the Fiscal Year Ended June 30, 2015

Project Description	Original Estimated Cost	Revised Estimated Cost	Expenditures		
			Prior Years	Current Year	Total
County Projects:					
Jail	$ 5,253,841	$ 5,253,841	$ -	$ -	$ -
E-911 Facility Upgrade	500,000	500,000	-	-	-
Recreation facilities	983,500	983,500	-	211,594	211,594
Water projects	1,400,000	1,400,000	-	-	-
Public safety	2,000,000	2,000,000	-	-	-
Internet infrastructure	200,000	200,000	-	-	-
Roads and bridges	2,000,000	2,000,000	-	-	-
Government building renovations and improvements and equipment	1,610,859	1,610,859	-	395	395
	13,948,200	13,948,200	-	211,989	211,989
Intergovernmental Projects:					
Bremen	$ 3,973,200	$ 3,973,200	$ -	$ 110,827	$ 110,827
Buchanan	709,800	709,800	-	19,799	19,799
Tallapoosa	2,037,000	2,037,000	-	56,819	56,819
Waco	331,800	331,800	-	9,255	9,255
	7,051,800	7,051,800	-	196,700	196,700
	$ 21,000,000	$ 21,000,000	$ -	$ 408,689	$ 408,689

Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds

SPLOST VI Fund	
Capital Outlay	$ 211,989
Intergovernmental	196,700
Total Expenditures(Less Debt Service: Fees)	$ 408,689

Discretely Presented Component Unit

This section is used to present additional information for the component unit.

Governmental Fund Type

Development Authority of Haralson County

HARALSON COUNTY, GEORGIA

Balance Sheet
Component Unit - Governmental Fund Type
June 30, 2015

	Development Authority of Haralson County
Assets	
Cash and cash equivalents	$ 491,227
Receivables	87,084
Total assets	$ 578,311
Fund balance:	
Unassigned	578,311
Total fund balances	578,311
Total liabilities and fund balance	$ 578,311

HARALSON COUNTY, GEORGIA

Statement Of Revenues, Expenditures And Changes In Fund Balances
Component Unit - Governmental Fund Type
For the Fiscal Year Ended June 30, 2015

	Development Authority of Haralson County
Revenues:	
Charges for services	$ 83,161
Contributions and donations	40,500
Investment earnings	705
Miscellaneous	771
Total revenues	125,137
Expenditures:	
Current:	
Economic development	196,147
Capital outlay	542,995
Total expenditures	739,142
Excess (deficiency) of revenues over (under) expenditures	(614,005)
FUND BALANCE, beginning of year	1,192,316
FUND BALANCE, end of year	$ 578,311

STATISTICAL SECTION



Statistical Section

This part of Haralson County's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents **Pages**

Financial Trends…….. 79 - 84

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity …….. 85 - 88

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity ……. 89 - 92

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt, and the County's ability to issue additional debt in the future.

Demographic and Economic Information …….……. 93 - 94

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information …….. 95 - 99

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Source

Unless otherwise noted, the information in these schedules is derived from Haralson County's Comprehensive Annual Financial Reports for the relevant year(s).

Haralson County, Georgia

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Governmental Activities										
Net Investment in Capital Assets	$ 8,928,519	$ 13,356,577	$ 15,682,704	$ 16,200,049	$ 16,146,775	$ 15,729,588	$ 15,540,900	$ 15,932,930	$ 15,197,264	$ 15,125,102
Restricted	3,541,225	2,092,156	1,468,530	2,373,472	3,553,382	3,576,461	3,384,052	2,414,478	1,444,461	1,277,060
Unrestricted	2,331,656	1,408,894	378,958	1,007,664	1,433,183	1,250,494	599,776	507,151	1,698,714	1,813,910
Total governmental activities net position	$ 14,801,400	$ 16,857,627	$ 17,530,192	$ 19,581,185	$ 21,133,340	$ 20,556,543	$ 19,524,728	$ 18,854,559	$ 18,340,439	$ 18,216,072

Haralson County, Georgia
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Expenses										
Governmental Activities:										
General government	$ 1,718,312	$ 1,950,127	$ 2,111,020	$ 2,294,643	$ 2,108,032	$ 2,301,056	$ 2,285,875	$ 2,498,243	$ 2,228,789	$ 2,204,151
Judicial	1,585,627	1,788,608	1,855,901	1,733,490	1,664,101	1,657,788	1,685,185	1,734,410	1,484,771	1,580,122
Public safety	6,311,209	7,302,942	7,366,191	6,661,861	6,641,048	7,238,317	7,253,984	7,134,826	7,379,715	7,862,861
Public works	2,368,070	2,213,458	2,100,856	2,289,670	1,967,650	2,337,291	1,788,795	2,414,726	4,067,816 (1)	4,804,025 (1)
Health and welfare	1,805,157	2,158,571	2,203,823	1,966,506	1,792,020	1,779,011	1,806,855	1,818,438	1,151,568	1,181,536
Culture and recreation	265,993	341,628	471,921	429,764	364,166	354,056	365,757	341,293	318,966	348,722
Housing and development	95,624	301,436	-	-	46,816	3,035,387	2,748,843	2,184,777	246,571	259,758
Interest on long-term debt	8,175	10,526	27,913	41,435	8,497	10,446	4,697	1,506	-	47,049
Total governmental activities expenses	14,158,167	16,067,296	16,137,625	15,417,369	14,592,330	18,713,352	17,939,991	18,128,219	16,878,196	18,288,224
	$ 14,158,167	$ 16,067,296	$ 16,137,625	$ 15,417,369	$ 14,592,330	$ 18,713,352	$ 17,939,991	$ 18,128,219	$ 16,878,196	$ 18,288,224
Program Revenues										
Governmental Activities:										
Charges for Service:										
General Government	$ 259,947	$ 260,204	$ 189,616	$ 304,578	$ 430,200	$ 344,442	$ 415,313	$ 386,744	$ 98,758	$ 110,631
Judicial	756,081	484,071	729,532	707,096	600,587	691,475	732,706	771,655	948,028	868,586
Public safety	468,037	797,717	753,545	845,038	860,924	854,155	649,160	798,796	481,215	520,245
Public works	-	4,135	4,137	204,110	79,507	164,543	99,096	810,859	103,599	3,029
Health and Welfare	16,060	15,930	21,136	18,006	7,765	11,783	9,214	7,844	-	5,483
Culture and recreation	51,884	46,076	66,757	69,155	60,858	53,974	28,138	27,579	39,431	123,046
Housing and Development	-	66,324	-	-	-	-	-	-	90,714	-
Operating grants and contributions	463,757	1,006,442	364,049	401,202	276,107	342,538	300,974	425,537	443,230	395,850
Capital grants and contributions	229,441	370,367	108,659	-	-	4,585	2,264	1,179	552,111	753,707
Total governmental activities program revenues	2,245,207	3,051,266	2,237,431	2,549,185	2,315,948	2,467,495	2,236,865	3,230,193	2,757,086	2,780,577
	$ 2,245,207	$ 3,051,266	$ 2,237,431	$ 2,549,185	$ 2,315,948	$ 2,467,495	$ 2,236,865	$ 3,230,193	$ 2,757,086	$ 2,780,577

(1) - County has been in the process of repairing a lot of the roads in the County over the last two fiscal years.

Haralson County, Georgia
Changes in Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense)/Revenue										
Governmental activities	$ (11,912,960)	$ (13,016,030)	$ (13,900,194)	$ (12,868,184)	$ (12,276,382)	$ (16,245,857)	$ (15,703,126)	$ (14,898,026)	$ (14,121,110)	$ (15,507,647)
	$ (11,912,960)	$ (13,016,030)	$ (13,900,194)	$ (12,868,184)	$ (12,276,382)	$ (16,245,857)	$ (15,703,126)	$ (14,898,026)	$ (14,121,110)	$ (15,507,647)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	$ 7,707,241	$ 7,924,638	$ 8,318,726	$ 8,180,010	$ 8,158,961	$ 8,167,437	$ 8,022,566	$ 8,074,624	$ 9,030,012	$ 9,946,899
Sales taxes	4,858,968	4,808,028	4,949,414	4,294,788	4,213,876	5,600,449	5,590,622	4,995,143	5,165,469	4,911,499
Insurance premium tax	746,135	781,927	822,207	842,247	830,170	807,400	744,849	795,734	827,037	872,453
Other taxes	132,742	142,386	116,465	106,750	117,260	119,297	126,299	122,130	169,261	163,428
Unrestricted interest earnings	106,361	149,639	50,524	35,389	23,450	21,202	12,948	11,642	11,652	12,168
Gain on sale of capital assets	34,675	13,027	18,397	4,453	14,036	15,099	12,121	75,079	-	-
Miscellaneous	169,668	146,913	297,026	500,194	419,382	407,324	374,049	97,509	53,786	79,486
Total governmental activities	13,755,790	13,966,558	14,572,759	13,963,831	13,777,135	15,138,208	14,883,454	14,171,861	15,257,217	15,985,933
	$ 13,755,790	$ 13,966,558	$ 14,572,759	$ 13,963,831	$ 13,777,135	$ 15,138,208	$ 14,883,454	$ 14,171,861	$ 15,257,217	$ 15,985,933
Change in Net Position										
Governmental activities	$ 1,842,830	$ 950,528	$ 672,565	$ 1,095,647	$ 1,500,753	$ (1,107,649)	$ (819,672)	$ (726,165)	$ 1,136,107	$ 478,286
	$ 1,842,830	$ 950,528	$ 672,565	$ 1,095,647	$ 1,500,753	$ (1,107,649)	$ (819,672)	$ (726,165)	$ 1,136,107	$ 478,286

Haralson County, Georgia

Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	Fiscal Year									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
General Fund										
Reserved	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ -	$ -	$ -	$ -	$ -
Unreserved	2,048,729	1,292,694	311,943	1,154,508	1,644,081	-	-	-	-	-
Non Spendable	-	-	-	-	-	50,000	50,000	50,000	56,500	46,705
Unassigned	-	-	-	-	-	1,480,147	844,038	234,848	594,720	1,284,153
Total General Fund	$ 2,098,729	$ 1,342,694	$ 361,943	$ 1,204,508	$ 1,694,081	$ 1,530,147	$ 894,038	$ 284,848	$ 651,220	$ 1,330,858
All Other Governmental Funds										
Reserved	$ 117,939	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Unreserved, reported in:										
Special Revenue Funds	436,757	334,451	354,223	963,317	1,069,256	-	-	-	-	-
Capital Projects Funds	3,104,468	1,757,705	1,114,307	1,410,155	2,484,126	-	-	-	-	-
Restricted	-	-	-	-	-	3,576,461	3,384,052	2,414,478	2,325,062	9,411,256
Unassigned	-	-	-	-	-	-	-	-	-	(787)
Total all other governmental funds	$ 3,659,164	$ 2,092,156	$ 1,468,530	$ 2,373,472	$ 3,553,382	$ 3,576,461	$ 3,384,052	$ 2,414,478	$ 2,325,062	$ 9,410,469

Note: The County implemented GASB Statement 54 in fiscal year 2011 which changed the reporting of fund balance classifications.

Haralson County, Georgia
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Revenues										
Taxes	$ 13,445,086	$ 13,656,979	$ 14,206,809	$ 13,691,847	$ 13,696,823	$ 15,018,228	$ 14,870,091	$ 14,459,099	$ 15,283,578	$ 15,865,332
Licenses and permits	259,947	260,204	189,616	259,837	201,360	226,855	217,345	207,379	98,291	109,723
Intergovernmental	693,198	1,229,618	472,708	634,560	333,495	457,247	330,532	1,158,583	872,525	1,020,180
Charges for services	446,789	528,043	576,008	668,240	642,512	696,779	620,892	636,811	756,491	669,296
Fines and forfeitures	845,273	1,033,401	999,099	978,333	963,385	985,239	897,422	1,073,157	906,963	852,001
Interest Income	141,036	162,666	68,921	39,842	37,486	40,886	27,333	87,900	12,005	12,168
Contributions and donations	-	-	-	-	-	-	-	-	1,860	4,930
Miscellaneous Revenues	169,668	146,911	394,653	304,644	246,897	180,469	156,704	17,444	53,786	79,486
Total Revenues	16,000,997	17,017,822	16,907,814	16,577,303	16,121,958	17,605,703	17,120,319	17,640,373	17,985,499	18,613,116
Expenditures										
General government	1,614,645	1,795,435	2,030,405	1,986,157	1,954,045	2,189,906	2,199,000	2,447,265	2,013,878	1,896,421
Judicial	1,557,739	1,754,166	1,817,466	1,698,677	1,629,288	1,622,369	1,649,766	1,701,514	1,448,436	1,537,884
Public safety	5,729,136	6,858,292	6,838,377	6,221,408	6,243,656	6,806,280	6,874,483	6,862,719	6,991,072	7,267,274
Public works	1,766,665	1,851,863	1,716,735	1,874,951	1,598,027	1,981,893	1,442,394	2,067,852	2,326,616	2,400,242
Health and welfare	1,754,216	2,109,662	2,155,091	1,888,505	1,714,019	1,701,550	1,734,426	1,748,535	1,082,495	1,112,335
Culture and recreation	215,333	285,322	381,308	361,320	297,712	287,270	301,293	277,183	277,252	246,921
Housing and development	95,624	301,434	89,933	64,285	75,691	3,035,387	2,748,843	2,312,091	246,571	258,999
Capital outlay (1)	1,208,006	4,333,153	3,389,199	1,144,144	723,093	510,931	630,420	1,384,484	1,607,038	1,357,533
Debt service										
Principal	13,325	41,010	65,763	270,922	259,848	135,742	83,214	69,640	-	-
Interest	8,175	10,527	27,913	41,435	8,497	10,446	4,697	1,506	-	-
Bond issuance cost	-	-	-	-	-	-	-	-	-	154,200
Intergovernmental	-	-	-	-	-	-	-	-	2,001,745	1,946,607
Total Expenditures	13,962,864	19,340,864	18,512,190	15,551,804	14,503,876	18,281,774	17,668,536	18,872,789	17,995,103	18,178,416
Excess (Deficiency) of Revenues over (under) Expenditures	2,038,133	(2,323,042)	(1,604,376)	1,025,499	1,618,082	(676,071)	(548,217)	(1,232,416)	(9,604)	434,700
Other Financing Sources (Uses)										
Transfers in	33,556	105,996	32,485	622,278	262,096	382,032	468,770	580,089	396,883	408,867
Transfers out	(33,556)	(105,996)	(32,485)	(622,278)	(262,096)	(382,032)	(468,770)	(580,089)	(396,883)	(408,867)
Proceeds from the issuance of debt	-	-	-	-	-	-	-	-	-	7,110,000
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-	-	220,345
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	7,330,345
Net Change in Fund Balances	$ 2,038,133	$ (2,323,042)	$ (1,604,376)	$ 1,025,499	$ 1,618,082	$ (676,071)	$ (548,217)	$ (1,232,416)	$ (9,604)	$ 7,765,045
Debt service as a percentage of noncapital expenditures	0.17%	0.34%	0.62%	2.17%	1.95%	0.82%	0.52%	0.41%	0.00%	0.92%

(1) - Increases in capital outlay due to SPLOST projects.

Haralson County, Georgia

General Governmental Tax Revenues by Source

Last Ten Fiscal Years

Fiscal Year	Property Tax	Motor Vehicles Tax	Local Option Sales Tax	Special Purpose Local Option Sales Tax	Alcoholic Beverage Excise Tax	Insurance Premium Tax	Other Taxes	Total Taxes
2006	$ 6,846,511	$ 860,730	$ 2,146,649	$ 2,712,319	$ 56,842	$ 746,135	$ 75,900	$ 13,445,086
2007	6,982,429	942,209	2,142,803	2,665,225	55,564	781,927	86,822	13,656,979
2008	7,352,530	966,195	2,168,986	2,780,427	66,745	822,206	49,720	14,206,809
2009	7,583,469	890,682	1,891,747	2,403,041	58,145	842,247	22,516	13,691,847
2010	7,780,524	794,722	1,863,513	2,350,363	49,195	830,170	28,336	13,696,823
2011	7,710,786	808,829	1,853,425	3,747,024	52,184	807,400	38,580	15,018,228
2012	7,649,396	802,390	1,920,536	3,670,086	55,162	744,849	27,672	14,870,091
2013	7,778,240	789,313	1,556,785	3,458,358	51,327	795,734	29,342	14,459,099
2014	8,317,340	804,471	1,708,016	3,457,453	69,736	827,037	99,525	15,283,578
2015	9,267,410	650,542	1,619,388	3,292,111	74,347	872,453	89,081	15,865,332

Haralson County, Georgia

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

Fiscal Year	Real and Personal	Public Utilities	Motor Vehicles/ Mobile Homes	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2006	$ 654,664,738	$ 2,955,641	$ 73,001,072	$ 73,682,193	$ 804,303,644	11.462	$ 2,010,759,110	40%
2007	694,845,537	4,987,034	80,140,909	79,062,994	859,036,474	11.360	2,147,591,185	40%
2008	764,397,095	1,927,782	82,919,443	96,716,210	945,960,530	11.030	2,364,901,325	40%
2009	775,815,824	3,502,281	84,488,034	96,258,474	960,064,613	11.020	2,400,161,533	40%
2010	772,489,892	2,440,801	72,872,553	100,033,648	947,836,894	11.020	2,369,592,235	40%
2011	763,239,281	3,128,234	71,618,873	101,453,159	939,439,547	11.020	2,348,598,868	40%
2012	762,363,742	2,997,034	72,583,514	103,924,654	941,868,944	11.020	2,354,672,360	40%
2013	788,272,317	4,905,090	71,089,377	108,805,842	973,072,626	11.020	2,432,681,565	40%
2014	727,767,394	4,010,573	62,119,686	86,042,930	879,940,583	13.250	2,199,851,458	40%
2015	711,885,501	3,288,396	46,880,481	87,267,412	849,321,790	12.420	2,123,304,475	40%

Source: County Property Tax Digest

Haralson County, Georgia

Property Tax Rates

Direct and Overlapping Governments

Last Ten Fiscal Years

	Year Taxes Are Payable									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Haralson County Direct Rate										
General	11.46	11.36	11.03	11.02	11.02	11.02	11.02	11.02	13.25	12.42
City Rates										
Bremen	7.18	7.14	7.11	7.11	7.11	7.11	7.11	7.08	6.90	6.90
Buchanan	14.08	14.05	14.04	14.04	14.04	14.04	13.65	13.64	13.64	13.64
Tallapoosa	7.30	7.30	7.27	7.27	7.27	7.35	7.37	7.38	7.53	7.82
Temple	7.15	7.05	7.05	7.05	7.05	7.05	7.05	7.04	6.50	6.97
Waco	2.00	2.00	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
School District										
Haralson County School District	13.32	13.33	15.83	16.33	16.83	16.83	16.83	16.83	16.83	16.83
Bremen City School District	12.95	12.95	14.95	14.95	14.95	14.95	14.95	14.95	14.95	14.95

Source: Georgia Department of Revenue website

Haralson County, Georgia

Principal Property Taxpayers

Current Year and Ten Years Ago

	2015				2006		
	Assessed Value	**Rank**	**% of Total Assessed Value**		**Assessed Value**	**Rank**	**% of Total Assessed Value**
Honda Locks Inc	$ 21,954,566	1	2.58%	Honda Locks Inc	$ 3,991,813	7	0.50%
Honda Precision Parts of GA	8,349,740	2	0.98%	Honda Precision Parts of GA			0.00%
Development Authority HC	8,189,342	3	0.96%	Development Authority HC			0.00%
Carroll EMC	6,973,584	4	0.82%	Carroll EMC	4,889,976	5	0.61%
Diamond Crystal Bremen, LLC	5,358,097	5	0.63%	Diamond Crystal Bremen, LLC	4,054,496	6	
Norfolk Southern Corp	5,158,132	6	0.61%	Norfolk Southern Corp	4,931,573	4	
Georgia Power Company	4,944,362	7	0.58%	Georgia Power Company	3,042,404	14	
Jamestown Timber	4,696,866	8	0.55%	Jamestown Timber			
Colonial Pipeline Company	4,687,935	9	0.55%	Colonial Pipeline Company	3,353,652	11	
Plum Creek Timberlands LP	3,992,872	10	0.47%	Plum Creek Timberlands LP			0.00%
U S Can Company				U S Can Company	10,544,038	1	1.31%
Inland Rome				Inland Rome	9,262,480	2	
Inland Paperboard & packaging				Inland Paperboard & packaging	6,852,120	3	0.85%
Associated Rubber Co				Associated Rubber Co	3,916,310	8	0.49%
Stoffel Seals Corp				Stoffel Seals Corp	3,808,372	9	0.47%
Georgia Transmission Corp				Georgia Transmission Corp	3,486,258	10	0.43%
	$ 74,305,496		8.75%		$ 62,133,492		4.66%

Haralson County, Georgia

Property Tax Levies and Collections

Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	$ 5,980,014	$ 5,791,889	96.85%	$ 188,125	$ 5,980,014	100.00%
2007	6,248,394	6,050,117	96.83%	206,928	6,257,045	100.14%
2008	6,537,629	6,340,759	96.99%	195,892	6,536,651	99.99%
2009	6,920,475	6,607,939	95.48%	309,528	6,917,467	99.96%
2010	7,622,290	7,295,656	95.71%	320,874	7,616,530	99.92%
2011	7,589,840	7,226,982	95.22%	361,472	7,588,454	99.98%
2012	7,483,584	7,231,560	96.63%	243,327	7,474,887	99.88%
2013	7,375,111	7,127,591	96.64%	228,233	7,355,824	99.74%
2014	7,533,654	7,263,523	96.41%	65,881	7,329,404	97.29%
2015	8,549,465	8,199,045	95.90%	-	8,199,045	95.90%

Haralson County, Georgia

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year	Governmental Activities		Total Primary Government	Percentage of Personal Income[1]	Debt Per Capita[1]
	G.O. Bonds	Capital Leases			
2006	$ -	$ 75,797.00	$ 75,797.00	0.31%	$ 3.10
2007	-	302,634	302,634	1.19%	11
2008	-	228,793	228,793	0.86%	8
2009	-	544,070	544,070	1.87%	18
2010	-	284,231	284,231	1.02%	10
2011	-	152,854	152,854	0.55%	5
2012	-	69,640	69,640	0.24%	2
2013	-	-	-	0.00%	-
2014	-	-	-	0.00%	-
2015	7,110,000	-	7,110,000	21.32%	248

Notes: Details regarding the County's outstanding debt can be found in the notes to the basic financial statements.

[1] See the Schedule of Demographic and Economic Statistics for personal income and population data.

Haralson County, Georgia

Ratios of Net General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	G.O. Bonds	Percentage of Estimated Actual Taxable Value	Debt Per Capita[1]	Population	Estimated Actual Taxable Value
2006	$ -	0.00%	$ -	28,616	$ 2,010,759,110
2007	-	0.00%	-	28,718	2,147,591,185
2008	-	0.00%	-	29,918	2,364,901,325
2009	-	0.00%	-	27,616	2,400,161,533
2010	-	0.00%	-	28,780	2,369,592,235
2011	-	0.00%	-	28,347	2,348,598,868
2012	-	0.00%	-	28,400	2,354,672,360
2013	-	0.00%	-	28,482	2,432,681,565
2014	-	0.00%	-	28,641	2,199,851,458
2015	7,110,000	0.33%	248	28,727	2,123,304,475

Notes: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

[1] See the Schedule of Demographic and Economic Statistics for personal income and population data.

Haralson County, Georgia
Legal Debt Margin Information
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	$ 73,062,145	$ 77,997,348	$ 84,924,432	$ 86,380,614	$ 84,780,325	$ 83,816,639	$ 83,808,532	$ 86,454,860	$ 79,389,765	$ 76,205,438
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	7,110,000
Legal debt margin	$73,062,145	$77,997,348	$84,924,432	$86,380,614	$84,780,325	$83,816,639	$83,808,532	$86,454,860	$79,389,765	$69,095,438
Total net debt applicable to the limit as a % of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	9.33%

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value	$849,321,790
Add back exempt real property	87,267,412
Total assessed value	936,589,202
Debt limit (10% of total assessed value)	93,658,920
Debt applicable to limit:	
General obligation bonds	7,110,000
Less: Amount set aside for repayment of general obligation debt	-
Total net debt applicable to limit	7,110,000
Legal debt margin	$ 86,548,920

Haralson County, Georgia
Direct and Overlapping Governmental Activities Debt
June 30, 2015

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Haralson County Direct Debt:			
General Obligation Bonds	$ 7,110,000	100%	$ 7,110,000
Total Direct Debt	7,110,000		7,110,000
Overlapping:			
Haralson County School District:			
General Obligation Bonds	5,080,000	100%	5,080,000
Bremen City School District			
General Obligation Bonds	9,250,000	22%	2,022,783
Capital Leases	331,055	22%	72,395
City of Bremen:			
Capital Leases	15,397	22%	3,367
Notes Payable	1,792,803	22%	392,049
Total Overlapping Debt	16,469,255		7,570,594
Total Direct and Overlapping Debt			$ 14,680,594

Note: Percentage applicable to government is based upon taxable assessed property values.

Haralson County, Georgia

Demographic and Economic Statistics

Last Ten Fiscal Years

Fiscal Year	Population[1]	Personal Income (in thousands)[2]	Per Capita Personal Income[2]	Median Age[1]	School Enrollment[3]	Unemployment Rate[4]
2006	28,616	$ 25,494	$ 26,771	38	3,929	5.5%
2007	28,718	26,556	28,498	38	3,941	4.6%
2008	29,918	29,126	29,147	38	3,924	6.5%
2009	27,616	27,844	27,616	38	3,823	12.5%
2010	28,780	27,654	27,555	38	3,690	12.2%
2011	28,347	28,910	28,347	38	3,606	11.6%
2012	28,400	30,076	30,076	38	3,600	10.5%
2013	28,482	30,954	31,429	38	3,591	9.1%
2014	28,641	32,154	32,629	38	3,587	8.4%
2015	28,727	33,354	33,829	40	3,538	6.3%

Data sources

[1]US Bureau of Census

[2]US Department of Commerce, Bureau of Economic Analysis

[3]Haralson County Board of Education

[4]Georgia Department of Labor

Haralson County, Georgia

Principal Employers

Current Year and Ten Years Ago

	2015			2006		
Employer	**Employees**	**Rank**	**% of Total County Employment**	**Employees**	**Rank**	**% of Total County Employment**
Honda Lock of America Co. Inc	1,027	1	3.6%	555	2	1.94%
Haralson County Schools	574	2	2.0%	564	1	1.97%
Honda Precision Parts of Georgia	568	3	2.0%	428	3	1.50%
Haralson County Government	296	4	1.0%	197	6	0.69%
Bremen City Schools	278	5	1.0%	285	4	1.00%
Walmart	250	6	0.9%	157	8	0.55%
Tyden Brooks	223	7	0.8%			
Higgins General Hospital (Tanner)	179	8	0.6%	179	7	0.63%
Diamond Crystal Brands	150	9	0.5%	145	9	0.51%
Wayne Davis Concrete	130	10	0.5%	123	10	0.43%
Stoffel Seals Corp				215	5	0.75%
Total	3,675		12.8%	2,848		9.95%

Sources: Haralson County Chamber of Commerce

Haralson County, Georgia

Full-Time Equivalent County Government Employees by Function/Program

Last Ten Fiscal Years

Function/Program	Full-time Employees as of June 30,									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
General government	**	119	118	111	112	118	106	104	100	108
Public Safety:										
Sheriff	**	37	37	35	37	37	36	40	40	39
Fire	**	25	30	26	28	28	29	25	31	36
Jail	**	28	28	30	27	27	28	28	27	30
Marshal	**	1	1	1	1	1	1	1	1	1
Total	-	210	214	203	205	211	200	198	199	214

Source: Human Resources Department.

** This information not readily available.

Haralson County, Georgia
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Function										
Sheriff										
Calls Answered	**	**	5,095	12,194	17,367	18,046	18,565	18,454	17,975	17,571
E911 Center										
Calls Answered	**	**	17,869	42,224	49,015	50,240	53,569	60,293	59,119	55,758
Fire										
Calls answered	**	2,737	2,073	2,143	2,623	2,930	2,692	2,843	2,783	2,756
Structure	**	58	45	54	74	65	41	50	44	53
Emergency medical calls	**	1,396	1,118	1,264	1,617	1,666	1,660	1,528	1,570	1,561
Haz Mat calls	**	159	152	167	156	204	145	251	200	79
Highways and streets										
New paving (miles)	2.18	3.09	1.85	0.86	0.84	0.64	0.80	0.50	-	-
Street resurfacing (miles)	3.90	1.72	2.66	2.05	4.48	4.96	9.65	6.76	4.84	-

Sources: Various county and city departments.

E911 call volume includes multiple calls for individual incidents (CAD system not in operation until July 2008)

** Prior information not readily available.

Haralson County, Georgia
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2006	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**
Function										
Sheriff										
Stations	1	1	1	1	1	1	1	1	1	1
Total vehicles	35	35	36	38	39	40	38	38	45	53
Patrol zones	4	4	4	4	4	4	4	4	4	4
Jail	1	1	1	1	1	1	1	1	1	1
Fire Stations	9	10	10	10	10	10	10	10	11	11
Fire Trucks	15	16	16	16	16	15	15	16	15	18
E911 Center	-	-	1	1	1	1	1	1	1	1
Culture and Recreation										
Playgrounds	1	1	1	1	1	1	1	1	1	1
Recreation centers	1	1	1	1	1	1	1	1	1	1
Baseball/softball diamonds	4	4	4	4	4	4	4	4	4	4
Soccer/football fields	-	-	-	-	-	-	-	-	3	3

Sources: Various county departments.

Haralson County, Georgia
Insurance in Force
For the Year Ended June 30, 2015

Property Coverage:		
Buildings, contents, EDP, and mobile equipment	$	38,806,761
Automobile Liability-All		
Bodily injury per person per occurrence		1,000,000
Bodily injury aggregate per occurrence		1,000,000
Property damage per occurrence		1,000,000
Comprehensive General Liability:		
Per occurrence limit		1,000,000
Law Enforcement Liability:		
Per occurrence limit		1,000,000
Public officials Errors and Omissions Liability:		
Per wrongful act/ aggregate		1,000,000/32,000,000
Crime coverage:		
Blanket employee dishonesty and faithful performance (per employee)		250,000
Statutory bonds		As required/various limits

Haralson County, Georgia
Miscellaneous Statistical Information

Haraslon County was created by Legislative Act on January 26, 1856.

Form of Government-County Comissioners

Area-Square Miles	282
Building Permits:	
Issued	269
Estimated Cost	$4,500,000
Registered Voters	16,360

COMPLIANCE

AND

INTERNAL CONTROL REPORTS



WILL M. ROBINSON, CPA, P.C.

Certified Public Accountants

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

To the Board of Commissioners
Haralson 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Haralson County, Georgia, (the County), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated January 29, 2016. Our report includes a reference to other auditors who audited the financial statements of Haralson County Health Department, a discretely presented component unit of the County, as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting as item 15-1.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Haralson 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 no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Haralson County, Georgia's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the 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.

Will M Robinson, CPA, P.C.

Carrollton, Georgia
January 29, 2016

HARALSON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
June 30, 2015

Schedule of Findings and Responses

A. SUMMARY OF AUDIT RESULTS:

Financial Statement

The auditor's report expresses an unqualified opinion on the financial statements of Haralson County, Georgia.

There were no reportable conditions deemed to be material weaknesses.

One reportable condition related to the audit of the financial statements is reported in the 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,* and is included in the Schedule of Findings and Responses as item 15-1. This reportable condition is not deemed to be a material weakness.

There were no instances of noncompliance relating to the audit of the financial statements of Haralson County, Georgia.

Federal Awards

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

B. FINDINGS: FINANCIAL STATEMENT AUDIT

15-1 Segregation of Duties

Condition: This was reported as a prior year finding. There is not appropriate segregation of duties between recording, distribution, and reconciliation of cash accounts and other operational functions within various County departments.

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

Effect: Failure to periodically segregate duties between recording, distribution, and reconciliation of cash accounts can lead to the misappropriation of funds without such actions being detected during the normal course of business.

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

Auditee's Response: We concur with the finding. We have segregated duties within a limited staff to the extent possible and will work toward further segregation of duties.

C. FEDERAL AWARD AND FINDINGS AND QUESTIONED COSTS

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

D. STATUS OF PRIOR YEAR FINDINGS: FINANCIAL STATEMENT AUDIT

There was not an audit of major federal award programs as of June 30, 2015 due to the total amount expended being less than $500,000. Therefore, no prior findings to federal awards were noted.