County of Lamar, Georgia

Financial Statements for the
Fiscal Year Ended December 31, 2014
Independent Auditor's Report

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County of Lamar, Georgia

Annual Financial Report

For the Year Ended December 31, 2014

Table of Contents

Financial Section

Independent Auditor's Report 1

Management's Discussion and Analysis 3

Basic Financial Statements

Government-wide Financial Statements

Statement of Net Positions 10

Statement of Activities 11

Fund Financial Statements

Governmental Funds

Balance Sheet and Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Positions 12

Combined Statement of Revenues, Expenditures and Changes in Fund Balances 13

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities 14

Fiduciary Funds

Statement of Fiduciary Assets and Liabilities 15

Notes to the Basic Financial Statements 16

Required Supplementary Information

Pension Fund 33

Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (GAAP Basis)

General Fund 34

Special Revenue 35

Capital Projects 36

SPLOST 2011 37

County of Lamar, Georgia

Annual Financial Report

For the Year Ended December 31, 2014

Table of Contents

Continued

Supplementary Information

Combining and Individual Fund Statements and Schedules:

Governmental Funds

General Government – Schedule of Expenditures 38

Courts – Schedule of Expenditures 39

Public Safety – Schedule of Expenditures 40

Public Works, and Health and Welfare – Schedule of Expenditures 41

Culture & Recreation and Housing & Development – Schedule of Expenditures 42

Capital Outlay – All Departments – Schedule of Expenditures 43

Non-major Special Revenue Funds

Combined Statement of Revenues, Expenditure, and Changes in Fund Balances

Non-Major Special Revenue Funds 45

Non-Major Capital Project Fund 46

Combining Balance Sheet 47

Capital Project Balance Sheet 48

Combining Statement of Revenues, Expenditure, and Changes in Fund Balances 49

Fiduciary Funds

Combining Schedule of Changes in Assets and Liabilities 50

Special Purpose Sales and Use Tax

Independent Auditor's Report on Special Purpose Sales and Use Tax 52

Schedule of Special Purpose Sales and Use Tax 53

Grant Information – Independent Accountant's Report

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 56

Schedule of Findings and Responses 58

Independent Auditor's Report

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Independent Auditor's Report

Honorable Chairman and
Members of the County Commissioners
Lamar County, Georgia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component opinion units, each major fund, and the aggregate remaining fund information as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise Lamar County, Georgia's basic financial statements as listed in the table of contents.

We did not audit the financial statements of the Lamar County Department of Public Health and Lamar County Solid Waste Authority which represents 97.2 percent of the assets and 92 percent of the revenues of the component unit columns. Those financial statements were audited by other auditors whose reports have been furnished to us and our opinions, insofar as it relates to the amounts included for the Lamar County Department of Health and Lamar County Solid Waste Authority, are based on the report of the other auditors.

Management's Responsibility for the Financial Statements

Lamar County's 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 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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component opinion units, each major fund, and the aggregate remaining fund information of Lamar County as of December 31, 2014, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, beginning on page three, and the pension schedule on page 33 and the budgetary comparisons be presented to supplement the basic financial statements, beginning on page 34. The supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the 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. The supplementary information, although not a part of the basic financial statements, is required by the Governmental Auditing 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. Some supplementary information is missing and some is presented in accordance with the prescribed guidelines on page 33. 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 Lamar County's basic financial statements including the combining and individual fund statements and schedules. 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. The supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The supplementary information is presented for purposes of additional analysis and is not required part of the financial statements and in the auditor's opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2015 on our consideration of Lamar 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 Lamar County's internal control over financial reporting and compliance.

J. Robyn Underwood, CPA
Barnesville, Georgia
June 28, 2015

Management's Discussion and Analysis

As management of Lamar County, Georgia, we offer readers of our financial statements this narrative overview and analysis of the financial activities of Lamar County for the year ended December 31, 2014. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

Key financial highlights for 2014 are as follows:

The County's combined net positions totaled $17.5 million. Of this amount, unrestricted net positions amounted to $758,519.

Combined revenue totaled $10.7 million.

Overall expenses totaled $11.2 million.

Overall the net change in fund balance was a decrease of $538,257 as a result of expenditures exceeding revenues in the general, E-911 and the Drug Seizure Funds.

The net change in the General Fund balance was a decrease of $399,559.

As of December 31, 2014, the County's General Fund reported an unassigned fund balance of $1.2 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Lamar County, Georgia's basic financial statements. The County's basic financial statements consist of the following elements:

Government-wide Financial Statements

Government-wide financial statements provide both long-term and short-term information about the County's overall financial condition. Changes in the County's financial position may be measured over time by increases and decreases in the Statement of Net Positions. Information on how the County's net positions changed during the fiscal year is presented in the Statement of Activities.

Fund Financial Statements

Fund financial statements focus on individual parts of the County, reporting the County's operations in more detail than the government-wide financial statements. Fund financial statements include the statements for governmental proprietary and fiduciary funds. Financial statements for the County's component units are also presented.

Notes to the Financial Statements

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements.

Refer to Note 1 to the financial statements for more detailed information on the elements of the financial statements. Table 1 (shown below) summarizes the major features of the basic financial statements.

Table 1: Major Features of the Basic Financial Statements

	Government-wide Financial Statements	Fund Financial Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire State government (except fiduciary funds) and the County's component units	• Activities of the County that are not proprietary or fiduciary	Activities of the County that are operated similar to private business
Required Financial Statements	• Statement of Net Positions • Statement of Activities	• Balance Sheet • Statement of Revenues, Expenditures, and Changes in Fund Balances	• Statement of Net Positions • Statement of Revenues, Expenditures, and Changes in Net Positions • Statement of Cash Flows
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	• Revenues for which cash is received during or soon after the end of the year • Expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Financial Analysis

Condensed Statement of Net Positions

Table 2 (shown below) presents the County's condensed statement of net positions as of December 31, 2014 and 2013

Table 2: Condensed Statement of Net Positions

	Governmental Activities	
	2014	2013
Assets		
Current and Other Assets	$ 929,679	$ 1,741,855
Capital Assets	17,128,379	17,242,601
Total Assets	$ 18,058,058	$ 18,984,456
Liabilities		
Other Liabilities	$ 183,016	$ 452,548
Long-term Liabilities	350,280	525,756
Total Liabilities	$ 533,296	$ 978,304
Net Positions		
Investment in Capital Assets	$ 16,634,167	$ 16,585,106
Restricted	132,076	144,517
Unrestricted	758,519	1,276,529
Total Net Positions	$ 17,524,762	$ 18,006,152

The largest component of the County's net positions is its investment in capital assets (e.g. land, infrastructure, buildings, equipment, and others), less any related debt outstanding that was needed to acquire or construct the assets. The County uses these capital assets to provide services to the citizens and businesses in the County; consequently, these net positions are not available for future spending. Restricted net positions represent resources that are subject to external restrictions, constitutional provisions, or enabling legislation on how they can be used. The remaining portion of net positions is unrestricted, which can be used to finance government operations.

Condensed Statement of Activities

Table 3 (shown below) presents the County's condensed statement of activities for the year ended December 31, 2014 and 2013. Over time, increases and decreases in net positions measure whether the County's financial position is improving or deteriorating.

Table 3: Condensed Statement of Activities

	Governmental Activities	
	2014	2013
Revenues		
Program Revenues		
Charges for Services	$ 1,360,924	$ 1,386,120
Operating Grants and Contributions	143,415	246,635
Capital Grants and Contributions	345,270	647,535
General Revenues		
Property Taxes	5,586,041	5,408,192
Other Taxes	2,983,603	2,682,075
Other Revenues	268,182	86,360
Total Revenues	$ 10,687,435	$ 10,456,917
Expenses		
General Government	$ 1,719,153	$ 1,459,805
Judicial	1,223,942	1,131,553
Public Safety	4,740,874	4,383,384
Public Works	1,323,223	1,377,412
Health and Welfare	358,363	359,793
Culture and Recreation	714,739	563,527
Housing and Development	1,042,519	910,578
Interest on Long-term Debt	46,012	43,874
Total Expenses	$ 11,168,825	$ 10,229,926
Increase <Decrease> in Net Positions	$< 481,390>	$ 226,991
Change in Net Positions	$< 481,390>	$ 226,991
Beginning Net Positions	18,006,152	17,779,161
Ending Net Positions	$ 17,524,762	$ 18,006,152

During the year ending December 31, 2014, the net positions of the government activities decreased $481,390 or 2.67%. Total revenues for 2014 increased by $230,518 or 2.2%. Charges for services decreased $25,196 or 1.8% was mainly due to the decrease in fines and forfeitures. The LOST and SPLOST revenue increased $97,439 and $174,537 respectively, from the prior year. Total expenses for 2014 increased by $938,899 or 9.2%. The main reason for the increase in expenses in 2014 was due to general excess spending in administrative, public safety, culture and recreation.

The other governmental functions experienced a slight increase in expenses over the prior year as operating costs continue to rise. Approximately 52% of the County's revenues came from property taxes and approximately 30.4% came from other taxes. Approximately 12.7% of the County's revenues came from charges for services and approximately 4.9% came from grants and other revenues. Although a majority of the County's expenses are financed by property taxes and other taxes, the County continues to rely heavily on revenues from charges for services to fund its budget. The County's expenses cover a range of services with 42.4% related to public safety, 12% related to public works, 15.3% related to general governmental activities which includes the tax commissioner and tax assessor, and 11% related to judicial activities. Although total expenses have increased there has only been a minor shift in the allocation of resources.

Program Expenses and Revenues for Governmental Activities

Table 4 (shown below) presents program expenses and revenues for governmental activities for the year ended December 31, 2014 and 2013.

Table 4: Program Expenses and Revenues for Governmental Activities

2014

Programs	Program Expenses	Program Revenues	*Net Program Expenses (Revenues)
General Government	$ 1,719,153	$ 227,530	$ 1,491,623
Judicial	1,223,942	394,076	829,866
Public Safety	4,740,874	646,108	4,094,766
Public Works	1,323,223	5,956	1,317,267
Health and Welfare	358,363	-----	358,363
Culture and Recreation	714,739	53,011	661,728
Housing and Development	1,042,519	34,243	1,008,276
Interest on Long-term Debt	46,012	-----	46,012
Totals	$ 11,168,825	$ 1,360,924	$ 9,807,901

2013

Programs	Program Expenses	Program Revenues	*Net Program Expenses (Revenues)
General Government	$ 1,459,805	$ 339,415	$ 1,120,390
Judicial	1,131,553	378,635	752,918
Public Safety	4,383,384	1,056,698	3,326,686
Public Works	1,377,412	320,875	1,056,537
Health and Welfare	359,793	73,414	286,379
Culture and Recreation	563,527	90,343	473,184
Housing and Development	910,578	20,910	889,668
Interest on Long-term Debt	43,874	-----	43,874
Totals	$ 10,229,926	$ 2,280,290	$ 7,949,636

** Net program expenses are mainly supported by taxes.*

Program revenues are allocated based on which program collects the revenue. Therefore, judicial program expenses were adequately covered by charges for services due to the allocation of traffic fines issued by public safety, but collected by Probate Court. Overall, program revenues were not sufficient to cover program expenses for governmental activities. The net program expenses of these governmental activities were therefore supported by general revenues, mainly taxes.

Financial Analysis of the County's Funds

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

As of the close of the year, the County's governmental funds reported a combined ending fund balance of $917,262 with $751 reported as non-spendable, $132,076 reported as restricted, $9,187 reported as assigned, and $774,271 as unassigned fund balance.

The General Fund is the operating fund of the County. At the end of the current fiscal year, unassigned fund balance of the General Fund was $1,200,011 and total fund balance was $917,262. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures. Unassigned fund balance represents 12.9% of total General Fund expenditures, while total fund balance represents 12.95%. The net change in the General Fund's fund balance for the year ended December 31, 2014, was a decrease of $399,559 or 24.8%. The reason for the decrease in the fund balance was mainly due to increases in expenditures of general administration.

General Fund Budgetary Highlights

During the year, the County may revise the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust the estimates that are used to prepare the original budget once exact information is available; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; 3) increases in appropriations that become necessary to maintain services. The year ended December 31, 2014 budget was amended.

The actual operating revenues of the General Fund did not exceed the final budgeted amounts by $57,145. The major factor contributing to the favorable variance was due to the collected taxes not reaching the projected amount.

The actual operating expenditures of the General Fund did exceed the final budgeted amounts by $163,831. The main reason for the unfavorable variance was due to the capital expenditures associated with intergovernmental revenues and the rise of general operating expenditures.

Capital Asset and Long-term Debt Activity

At December 31, 2014, the County reported $17,125,355 in capital assets for governmental activities. Major capital asset transactions during the year were several paving and resurfacing projects improvements to the maintenance building. Also, equipment was purchased for the recreation department, sheriff department as well as public works. Refer to Note 3-D to the financial statements for additional information on capital assets.

At December 31, 2014, the County reported capital lease debt of $491,268. Refer to Note 3-G to the financial statements for additional information on capital leases.

Economic Factors and Next Year's Budget and Rates

As with the rest of the State of Georgia, Lamar County's economic climate for 2014 has been a slow recovery. Revenues such as sales tax appear to have increased. The Special Local Option Sales Tax continues to assist the County in funding much needed capital outlay projects such as resurfacing infrastructure and purchasing needed equipment for public safety and public works. The county continues to strive to provide its citizens with public safety, adequate roads and bridges, recreation, and housing needs.

The development of the 2014 budget was challenging. Although the County has added new industry, their economic impact will not be felt for a couple more years. Also the County is still in a slow economic recovery. The slow recovery is compounded by the inability of the Federal Government to make meaningful decisions that will avoid another recession. The economic effect of the global economy will have a definite affect on our economy as several countries are in economic decline.

Difficult choices have been made as the 2014 budget was developed, and it represents a balance between available resources and needs. This balance was achieved using the objectives and priorities established by the Board of Commissioners.

Contacting the County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. Questions about this report or requests for additional financial information may be addressed to:

Lamar County Board of Commissioners
408 Thomaston Street, Suite E
Barnesville, Georgia 30204
Telephone: (770) 358 – 5146
Website: www.lamarcountyga.com

Basic Financial Statements

Government-wide Financial Statements

Lamar County, Georgia
Statement of Net Positions
Governmental Funds
For the Year Ended December 31, 2014

	Primary Government	Component Units Lamar County		
	Governmental Activities	Board of Health	Regional Solid Waste Authority	Barnesville Lamar Co. Library
ASSETS				
Cash and Cash Equivalents	$ 477,806	$ 237,120	$ 575,102	$ 60,052
Investments	-----	-----	-----	147,973
Inventory	751	-----	-----	-----
Receivables				
Taxes	240,256	-----	-----	-----
Due from Other Governments	78,634	42,773	-----	-----
Accounts	132,232	-----	72,027	12,683
Restricted Cash	-----	-----	233,765	-----
Net Pension Prepayment	3,024	-----	-----	-----
Capital Assets	1,954,000	-----	3,897,460	19,976
Non-Depreciable	15,171,355	7,114	2,977,003	-----
Depreciable (Net)	-----	-----	245,376	-----
Restricted Debt Sinking Fund	$18,058,058	$ 287,007	$ 8,000,733	$ 240,684
TOTAL ASSETS				
DEFERRED OUTFLOWS	$ -----	$ -----	$ 53,576	$ -----
Debt Issue Cost, Net of Amortization	$18,058,058	$ 287,007	$ 8,054,309	$ 240,684
TOTAL ASSETS AND DEFERRED OUTFLOWS				
LIABILITIES	$ 12,330	$ 14,101	$ 69,070	$ 5,194
Current Liabilities	87	-----	7,706	-----
Accounts Payable	-----	-----	230,000	-----
Accrued Liabilities	170,599	-----	-----	-----
Bonds Payable	-----	13,267	-----	-----
Lease Payable	-----	-----	10,400	-----
Compensated Absences				
Due to Other Governments	-----	-----	1,535,000	-----
Non-Current Liabilities	320,669	-----	-----	-----
Bonds Payable	29,611	29,468	-----	-----
Lease Payable	-----	-----	-----	-----
Compensated Absences	-----	-----	452,247	-----
Net Pension Obligation	$ 533,296	$ 56,836	$ 2,304,423	$ 5,194
Landfill Postclosure				
TOTAL LIABILITIES				
NET POSITIONS	$16,634,167	$ 7,114	$ 4,657,216	$ 19,976
Investment in Capital Assets				
Restricted For	79,141	-----	-----	-----
Capital Projects	-----	186,981	-----	-----
Prior Year Income				
Special Revenue	52,935	-----	-----	-----
Drug Fund & Law Library	758,519	36,076	1,092,670	215,514
Unrestricted	$17,524,762	$ 230,171	$ 5,749,886	$ 235,490
TOTAL NET POSITIONS				
TOTAL LIABILITIES & NET POSITIONS	$18,058,058	$ 287,007	$ 8,054,309	$ 240,684

See accompanying notes to the financial statements.

Lamar County, Georgia
Statement of Activities
For the Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants & Contributions	Program Revenues: Capital Grants & Contributions	Net (Expenses) Revenue and Changes in Net Positions: Primary Government: Governmental Activities	Component Units: Board of Health for Year Ended 6/30/14	Component Units: Lamar County: Regional Solid Waste Authority	Component Units: Barnesville Lamar Co. Library
Primary Government								
Governmental Activities								
General Government	$ 1,719,153	$ 227,530	$ -----	$ -----	$< 1,491,623>	$ -----	$ -----	$ -----
Judicial	1,223,942	394,076	-----	-----	< 829,866>	-----	-----	-----
Public Safety	4,740,874	646,108		67,083	< 4,027,683>	-----	-----	-----
Public Works	1,323,223	5,956	-----	278,187	< 1,039,080>	-----	-----	-----
Health & Public Service	358,363	-----	93,415	-----	< 264,948>	-----	-----	-----
Culture & Recreation	714,739	53,011	50,000	-----	< 611,728>	-----	-----	-----
Housing & Development	1,042,519	34,243	-----	-----	< 1,008,276>	-----	-----	-----
Interest on Long-Term Debt	46,012	-----	-----	-----	< 46,012>	-----	-----	-----
Total Governmental Activities	$ 11,168,825	$ 1,360,924	$ 143,415	$ 345,270	$< 9,319,216>	$ -----	$ -----	$ -----
Component Units								
Board of Health	$ 483,674	$ 238,539	$ 273,299	$ -----	$ -----	$ 28,164	$ -----	$ -----
Regional Solid Waste Authority	1,719,656	2,196,685	-----	-----	-----	-----	477,029	-----
Barnesville-Lamar Co. Library	208,508	8,729	204,990	-----	-----	-----	-----	5,211
Total Component Units	$ 2,411,838	$ 2,443,953	$ 478,289	$ -----	$ -----	$ 28,164	$ 477,029	$ 5,211
General Revenues								
Taxes								
Property Taxes					$ 5,586,041	$ -----	$ -----	$ -----
Special Local Option Sales Tax					1,544,674	-----	-----	-----
Local Option Sales Tax					865,058	-----	-----	-----
Insurance Premium Tax					531,824	-----	-----	-----
Other Tax					42,047	-----	-----	-----
Interest and Other					268,182	613	404	2,207
Total General Revenues					$ 8,837,826	$ 613	$ 404	$ 2,207
Special Item – Gain of Disposition of Assets					-----	-----	92,275	-----
Increase/<Decrease> in market value of stock					-----	-----	-----	< 400>
Change in Net Positions					$< 481,390>	$ 28,777	$ 569,708	$ 7,018
Net Positions – Beginning of Year					$ 18,006,152	$ 201,394	$ 5,180,178	$ 228,472
Net Positions – End of Year					$ 17,524,762	$ 230,171	$ 5,749,886	$ 235,490

See accompanying notes to the financial statements.

Fund Financial Statements

Governmental Funds

Lamar County, Georgia
Balance Sheet
Governmental Funds
For the Year Ended December 31, 2014

	Major Governmental Funds				
	General Fund	Special Revenue	Capital Projects SPLOST 2011	Non-Major Governmental Funds	Total
ASSETS					
Cash and Cash Equivalents	$ 103,858	$ 375	$ 336,514	$ 37,059	$ 477,806
Receivables					
Taxes	240,256	-----	-----	-----	240,256
Accounts	94,311	35,970	-----	1,951	132,232
Governments	78,634	-----	-----	-----	78,634
Due from Other Funds	714,809	-----	-----	14,902	729,711
Inventory	751	-----	-----	-----	751
TOTAL ASSETS	$ 1,232,619	$ 36,345	$ 336,514	$ 53,912	$ 1,659,390
LIABILITIES					
Accounts Payable	$ 7,681	$ -----	$ 4,649	$ -----	$ 12,330
Accrued Liabilities	87	-----	-----	-----	87
Due to Other Funds	14,902	462,085	252,724	-----	729,711
TOTAL LIABILITIES	$ 22,670	$ 462,085	$ 257,373	$ -----	$ 742,128
FUND BALANCE					
Restricted for:					
Law Enforcement and Books	$ -----	$ -----	$ 79,141	$ 52,935	$ 52,935
Non-Spendable Inventory	751	-----	-----	-----	751
Assigned					
General Fund					
Fire Station	-----	-----	-----	977	977
Jail Construction	9,187	-----	-----	-----	9,187
Unassigned					
General Fund	1,200,011	-----	-----	-----	1,200,011
Special Revenue – E911	-----	< 425,740>	-----	-----	< 425,740>
Capital Projects	-----	-----	-----	-----	79,141
TOTAL FUND BALANCE	$ 1,209,949	$< 425,740>	$ 79,141	$ 53,912	$ 917,262
TOTAL LIABILITIES AND FUND BALANCE	$ 1,232,619	$ 36,345	$ 336,514	$ 53,912	$ 1,659,390

Amounts reported for Governmental Activities in the Statement of Net Positions are different because:	$ 917,262
Capital Assets are used in Governmental Activities, are not financial resources and, therefore, are not reported in the funds.	17,125,355
The General Long-Term Debt, which consists of compensated absences, is included in the Statement of Net Positions.	< 29,611>
The General Long-Term Liabilities, which consists of Net Pension Obligation, is included in the Statement of Net Positions.	3,024
The General Long-Term Liabilities, which consists of Long-Term Debt, is included in the Statement of Net Positions.	< 491,268>
	$17,524,762

See accompanying notes to the financial statements.

Lamar County, Georgia
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2014

	Major Funds			Non-Major Funds	
	General Fund	Special Revenue E911	Capital Projects SPLOST 2011	Other Governmental Funds	Total
REVENUES					
Taxes	$ 7,024,970	$ -----	$ 1,544,674	$ -----	$ 8,569,644
Licenses, Permits and Fees	133,829	-----	-----	-----	133,829
Intergovernmental Revenues	438,151	-----	-----	-----	438,151
Charges for Services	619,989	196,778	-----	25,244	842,011
Fines and Forfeitures	335,056	-----	-----	50,100	385,156
Investment Income	579	172	-----	37	788
Miscellaneous Revenues	267,394	-----	-----	-----	267,394
Donations and Sponsors	50,000	-----	-----	462	50,462
TOTAL REVENUES	$ 8,869,968	$ 196,950	$ 1,544,674	$ 75,843	$10,687,435
EXPENDITURES					
Current Expenditures					
General Government	$ 1,503,424	$ -----	$ -----	$ 121,354	$ 1,624,778
Judicial	1,214,942	-----	-----	-----	1,214,942
Public Safety	3,928,972	297,031	-----	-----	4,226,003
Public Works	845,558	-----	-----	-----	845,558
Health and Public Services	299,439	-----	-----	-----	299,439
Culture and Recreation	639,057	-----	-----	-----	639,057
Housing and Development	408,202	-----	-----	-----	408,202
Intergovernmental Expenditures					
Cities	-----	-----	633,317	-----	633,317
Capital Outlay	400,516	54,048	619,250	48,343	1,122,157
Debt Service					
Principle	-----	-----	166,227	-----	166,227
Interest	29,417	-----	16,595	-----	46,012
TOTAL EXPENDITURES	$ 9,269,527	$ 351,079	$ 1,435,389	$ 169,697	$11,225,692
Excess (Deficiency) of Revenues Over (Under) Expenditures	$< 399,559>	$< 154,129>	$ 109,285	$< 93,854>	$< 538,257>
OTHER SOURCES (USES)					
Debt Proceeds	$ -----	$ -----	$ -----	$ -----	$ -----
Transfer In	-----	-----	-----	-----	-----
Transfer Out	-----	-----	-----	-----	-----
TOTAL OTHER SOURCES (USES)	$ -----	$ -----	$ -----	$ -----	$ -----
Net Change in Fund Balance	$< 399,559>	$< 154,129>	$ 109,285	$< 93,854>	$< 538,257>
Fund Balance – Beginning of Year	1,609,508	< 271,611>	< 30,144>	147,766	1,455,519
Fund Balance – End of Year	$ 1,209,949	$< 425,740>	$ 79,141	$ 53,912	$ 917,262

See accompanying notes to the financial statements.

Lamar County, Georgia

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

For the Year Ended December 31, 2014

Adjustments to the Statements of Activities		
Net Change in Fund Balances – Total Governmental Funds		$< 538,257>
Governmental Funds report capital outlays as expenditure. However, in this statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital Outlay	$ 1,122,157	
Depreciation Expense	<1,239,403>	
		< 117,246>
The long-term portion of accrued vacation is recognized in the statement of activities, whereas in the governmental funds, the long-term portion is not included. This amount represents the change in the long-term portion for the current year.		461
The payment on debt is not recognized in the statement of activities, whereas in the governmental funds, the debt payment is included. This represents the principal paid on long-term debt.		166,227
The debt proceeds are not recognized in the statement of activities, whereas in the governmental funds, the debt proceeds are other funding sources. This represents the debt proceeds received in the current year.		-----
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.		
Net Pension Obligation		7,425
Changes in net positions of governmental activities		$< 481,390>

See accompanying notes to the financial statements.

Fiduciary Funds

Lamar County, Georgia
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
For the Year Ended December 31, 2014

	Agency Funds
ASSETS	
Cash	$ 605,454
Other Receivables	-----
TOTAL ASSETS	$ 605,454
LIABILITIES	
Other Liabilities	$ 605,454
TOTAL LIABILITIES	$ 605,454

See accompanying notes to the financial statements.

Notes to the Basic Financial Statements

The County of Lamar, Georgia (the "County"), which was founded in 1921, has a population of 16,000 plus living within an area of 185.8 square miles. The County is a Georgia municipal corporation and operates under County Administrator/ Chairman and Commissioner Form of government.

The County of Lamar, Georgia provides the following services:

Public Safety
Roads
Public Improvements
Planning and Zoning
Courts
Tax Assessment and Collection
Health and Social Services
Culture – Recreation
General Administrative Services

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 County also applies Financial Accounting Standards Board (FASB) statements and interpretations issued on or before November 30, 1989, to its governmental and business-type activities at the government-wide financial reporting level and to its enterprise funds at the fund reporting level, provided they do not conflict with or contradict GASB pronouncements.

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

1-A. Reporting Entity

The reporting entity is comprised of the primary government, and component units and other organizations that are included to ensure that the financial statements are not misleading.

The component unit is a legally separate organization 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; (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; the County is obligated for the debt of the organization.

The discretely presented component unit generally is reported only at the government-wide financial reporting level.

The component unit columns included on the government-wide financial statements identifies 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.

The following component units are discretely presented in the reporting entity:

Discretely Presented Component Units	Brief Description of Activities and Relationship to the County
Lamar County Department of Public Health	Provide medical services and health education to the citizens of Lamar County. The County Board of Commissioners has the authority to modify and approve the Department of Public Health budget. Financial Statements can be obtained at Academy Drive, Barnesville, Georgia.
Lamar County Regional Solid Waste Authority	Provide residents and surrounding areas with disposal service of residential and commercial solid waste. Financial Statements can be obtained at 172 Roger Brown Drive, Barnesville, Georgia.
Barnesville- Lamar Co. Library	Provide residents and surrounding areas with educational, research, recreational reading material as well as computer services. Financial Statements can be obtained at 401 Thomaston Street, Barnesville, Georgia.

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net positions 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 include a statement of net positions and a statement of activities. These statements report financial information for the County as a whole. All funds other than fiduciary activities are included at the government-wide reporting level. Individual funds are not displayed at this reporting level, but the statements distinguish governmental activities, generally supported by taxes and County general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net positions presents the financial position of the governmental and business-type activities of the County.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly related to 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 function 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 and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements – During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial

statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental and fiduciary funds.

Major individual governmental funds are reported in separate columns with composite columns for non-major funds. The 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. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

> ***General Fund*** – Major Fund - The general fund accounts for all financial resources except those required to be accounted for in other funds. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Georgia.
>
> ***Special Revenue Fund*** – Major Fund – The fund accounts for all financial resources of the Emergency 911 fund.
>
> ***Capital Projects Fund*** – Major Fund – The fund accounts for all financial resources of Special Purpose Sales Tax revenue for 2011. Also the funds expend resources for the approved capital projects.

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net positions, financial position and cash flows. Proprietary funds are classified as enterprise funds.

> ***Lamar County Solid Waste*** – Component Unit – This fund is used to account for the operations of the County's sanitation systems.

Fiduciary Funds – Fiduciary fund reporting focuses on assets held in a custodial manner.

> ***Agency Funds –***Tax Commissioner, Magistrate Court, Probate Court, Sheriff's Office, and Clerk of Superior Court These funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

1-C. Measurement Focus

Government-wide Financial Statements – The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses, including depreciation.

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

Like the government-wide statements, all proprietary fund types and fiduciary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the

operation of these funds are included on the statements of net positions. The statements of changes in fund net positions present increases (i.e., revenues) and decreases (i.e., expenses) in net total positions. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting and fiduciary funds use the accrual basis of accounting. Proprietary funds use the accrual basis of accounting on both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase "available for exchange transactions" means expected to be received within twelve months of year-end.

Revenues – Non-exchange Transactions – Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants, and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place and on the modified accrual basis, it is recognized in the year received (i.e., when considered available). Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (Note 4-C). Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, interest and federal and state grants.

Deferred Revenue – Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) are recorded as deferred revenue.

Expenses/Expenditures – On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable. Expenditure recognition for prepaids in governmental funds is recognized during the benefiting periods.

Deferred Inflows/Outflows – Deferred inflows/outflows are classified as neither assets nor liabilities. Deferred inflows/outflows do not meet the description of asset or liability. Examples are bond premiums and discounts; these items are classified as deferred inflows/outflows on the governmental fund financial statements, proprietary fund financial statements as well as the government-wide financial statements.

1-E. Assets, Liabilities and Fund Equity

1-E-1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Investments are stated at fair value based on quoted market prices.

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.

1-E-2. Receivables

All trade and property tax receivables are reported net of an allowance for un-collectibles, where applicable.

1-E-3. 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 and business-type activities columns of the government-wide statement of net positions, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4. Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-our 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 expenditure in the governmental fund types when consumed.

1-E-5. Capital Assets

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

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 two thousand five hundred dollars. The County's infrastructure consists of roads, bridges and water and sewer lines. Improvements (i.e., betterments) to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized. Infrastructures acquired prior to implementation of statement 34 are reported.

All reported capital assets are depreciated except for land, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Component Unit Estimated Lives
Land Improvements	20 - 50 years	20 - 50 years
Buildings and Plant	20 - 50 years	20 - 50 years
Machinery and Equipment	5 - 10 years	5 - 10 years
Vehicles	5 - 10 years	5 - 10 years
Infrastructure	40 - 50 years	40 - 50 years

1-E-6. Compensated Absences

Vacation and sick leave benefits due at termination have been accrued. Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and fund liability of the liable fund.

1-E-7. 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.

1-E-8. Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net positions and the proprietary fund type statement of net positions, bond premiums and discounts are netted against bonds payable and bond issuance costs are reported as current charges. On the government-wide and proprietary fund type statement of activities, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method.

At government fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as an expenditure.

1-E-9. Fund Equity

The County implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, as of January 1, 2010. This new standard changed the overall definitions and classifications of governmental fund balances.

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

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

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Commissioners through the adoption of a resolution. Only the County Commissioners 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 Commissioners have authorized the County's Administrator 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 balances 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 Positions – Net positions represent the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net positions investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net positions are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net positions are reported as unrestricted. The flow assumptions for fund balances also apply to net positions.

1-E-10. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services of the enterprise component units. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each program.

1-E-11. Non-Operating Revenues and Expenses

Non-operating revenues are those revenues not generated directly from the primary activity of the proprietary funds. For the County, these revenues are interest revenues generated from cash holdings of the component units. Non-operating expenses are not considered necessary costs incurred to provide the good or service related to the primary activity of each program.

1-E-12. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-13. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and the after non-operating revenues/expenses section in proprietary funds. Repayments from fund responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

1-E-14. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States 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.

1-E-15. Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified to be consistent with the current year's presentation.

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information

The County adopts an annual operating budget for the general fund, each special revenue fund and debt service fund. A project budget is adopted for each projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

The governmental funds' budgets are adopted on a basis consistent with GAAP, except that outstanding encumbrances at year-end are reported as budgetary expenditures. Enterprise fund budgets are adopted on a basis consistent with GAAP, except that outstanding encumbrances at year-end are reported as budgetary expenses.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level with the following provisions:

- The County Administrator may transfer funds from one object or purpose to another within the same department
- The Board of Commissioners may amend the budget by motion during the fiscal year.
- Appropriations must equal the anticipated funding sources of each fund.
- Actual expenditures of each fund may not exceed actual funding sources.

Formal budgetary integration is employed as management control device during the year for all budgeted funds.

2-B. Excess of Expenditures over Appropriations

The following funds reported expenditures/expenses over appropriations:

Fund	Appropriation	Encumbrances/ Expenditures	Over-Appropriation
General Fund			
Health & Public Services	$ 266,093	$ 299,439	$ 33,346
Culture and Recreation	542,586	639,057	96,471
Housing and Development	406,519	408,202	1,683
Public Safety	3,796,773	3,928,972	132,199
Capital Outlay	339,710	400,516	60,806
Debt Service	20,435	29,417	8,982
Special Revenue			
Bellsouth Service	7,500	45,768	38,268
Salaries & Benefits	250,131	251,263	1,132
Capital Outlay	-----	54,048	54,048

Note 3 – Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits – The bank balance is classified into three categories of credit risk: 1) cash that is insured or collateralized with securities held by the County or by its agent in its name, 2) cash collateralized with securities held by the pledging financial institution's trust department or agent in the County's name, and 3) uncollateralized bank accounts including any bank balance that is collateralized with securities held by the pledging institution's trust department or agent but not in the County's name. The Georgia Fund One is sponsored by the State of Georgia (Oversight Agency) for the investment of local government funds. The County does not have any investments in the Georgia Fund One.

The County's deposits are classified as follows at December 31, 2014:

(in thousands of dollars)	Category			Bank	Carrying
	1	2	3	Balance	Amount
Primary Government (including agencies)	$ 500	$ -----	$ 1,430	$ 1,930	$ 1,406
Component Unit:					
Lamar County Department of Public Health	$ 237	$ -----	$ -----	$ 237	$ 237
Lamar County Solid Waste Authority	592	479	-----	1,071	1,054
Barnesville-Lamar County Library	145	-----	-----	145	142
Total Component Units	$ 974	$ 479	$ -----	$ 1,453	$ 1,433

Custodial Credit Risk – Deposits – Primary Government – The County has deposits that are not completely collateralized within the meaning of the pledged securities held has collateral are not in the County's name. Category 3 balances are acceptable under Georgia Law. The credit risks of the County could face with uncollateralized deposits is critical financial stress on the depositor financial institution or theft on uncollateralized deposits. The County has not adopted a credit risk policy.

Cash and Cash Equivalents Reconciliation:

	Primary Government
Fund Reporting Level:	
Governmental Funds – Balance Sheet	$ 477,806
Fiduciary Fund – Balance Sheet	928,200
Total Carrying Amount	$ 1,406,006

Investments – Primary Government – Investments of the County are categorized below to give an indication of the level of risk assumed by the County at year-end. Category 1 includes investments that are insured or registered or for which the County's agent in the County's name holds the securities. Category 2 includes uninsured and unregistered investments for which the counterparty's trust department or agent in the County's name holds the securities. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty or by its trust department or agent but not in the County's name.

The State statutes, county bond ordinances and county resolutions authorize the County's investments. The county is authorized to invest in U.S Government obligations and its agencies or instrumentalities, collateralized mortgage obligations directly issued by federal agency or instrumentality, and insured or collateralized certificates of deposit.

Barnesville-Lamar Co. Library Component Unit
(in thousands of dollars)

	Category			
	1	2	3	Fair Market Value
Coca-Cola Stock	$ 66,000			$ 66,000

3-B. Receivables

Receivables at December 31, 2014, consisted of taxes, fines, and accounts (billings for user charges). Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

As of December 31, 2014, Government Receivables consist of inmate housing due from other counties, local option sales tax due from the State of Georgia and Franchise tax due.

3-C. Property Taxes

Normally, property tax levies are set by the County Commissioners in August of each year for collection in the following fiscal year beginning January 1. Lamar County spreads all levies over assessable property. Taxes are levied annually by the County and for the year ended December 31, 2014, the levy occurred on October 15, 2014. Real and personal property taxes were due on November 15, 2014. Property taxes receivable become a lien on March 15, 2015.

3-D. Capital Assets

Capital asset activity for the year ended December 31, 2014, was as follows:

(in thousands of dollars)	Balance 01/01/14	Additions	Deletions	Balance 12/31/14
Governmental Activities:				
Capital Assets not being Depreciated:				
Land	$ 1,954	$ -----	$ -----	$ 1,954
Total Assets not being Depreciated	$ 1,954	$ -----	$ -----	$ 1,954
Depreciable Capital Assets:				
Buildings and Improvements	$ 15,447	$ 76	$ -----	$ 15,523
Machinery and Equipment	4,746	285	-----	5,031
Vehicles	3,247	169	-----	3,416
Roads and Bridges	50,194	592	-----	50,786
Total Depreciable Capital Assets	$ 73,634	$ 1,122	$ -----	$ 74,756
Total Non and Depreciable Capital Assets	$ 75,588	$ 1,122	$ -----	$ 76,710
Accumulated Depreciation				
Buildings and Improvements	$ 6,206	$ 319	$ -----	$ 6,525
Machinery and Equipment	4,582	524	-----	5,106
Vehicles	2,367	170	-----	2,537
Roads and Bridges	45,190	226	-----	45,416
Total Accumulated Depreciation	$ 58,345	$ 1,239	$ -----	$ 59,584
Governmental Activities Capital Assets, Net	$ 17,243	$< 117>	$ -----	$ 17,126
Governmental Activities Depreciation Expense:				
General Government		$ 102		
Judicial		9		
Public Safety		515		
Public Works		478		
Health and Welfare		56		
Culture and Recreation		75		
Housing and Development		4		
Total Governmental Activities Depreciation Expense		$ 1,239		

	Balance 01/01/14	Additions	Deletions	Balance 12/31/14
Component Units				
Capital Assets Not Depreciated				
Lamar County Solid Waste Authority				
Land	$ 1,775	$ -----	$ -----	$ 1,775
Construction in Progress	1,580	542	-----	2,122
Total Non Depreciated Assets	$ 3,355	$ 542	$ -----	$ 3,897
Lamar County Solid Waste Authority				
Depreciable Capital Assets (Equipment and station)	$ 7,221	$ 7	$< 681>	$ 6,547
Less Accumulated Depreciation	< 4,113>	< 134>	677	< 3,570>
Lamar County Department of Public Health				
Depreciable Capital Assets (Equipment)	86	7.5	-----	93.5
Less Accumulated Depreciation	< 85.5>	< 1>	-----	< 86.5>
Barnesville-Lamar Co. Library				
Depreciable Capital Assets (Building & Equipment)	120	-----	-----	120
Less Accumulated Depreciation	< 98>	< 2>	-----	< 100>
Component Unit Capital Assets, Net	$6,485.5	$ 419.5	$< 4>	$ 6,901

3-E. Interfund Balances and Transfers

Interfund balances at December 31, 2014, consisted of the following amounts. The interfund balances are not expected to be paid in one year from the date of the financial statements and have existed for more than one year and the original purpose of the interfund balances were to finance capital acquisitions in other funds.

Payable To	Payable From	Amount
General Fund	Special Revenue E-911	$ 462,085
General Fund	Capital Projects - SPLOST 2011	$ 252,724
Nonmajor Fund	General Fund	$ 14,902

Interfund transfers for the year ended December 31, 2014, consisted of the following:

NONE

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; and to return money to the fund from which it was originally provided, once a project is completed.

All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

3-F. Obligations under Bonds Payable

The following is a summary of bond transactions of the Lamar County Regional Solid Waste Authority for the year ended December 31, 2014:

Name	Interest Rate	Balance Beginning of Year	Additions (Reductions) Indebtedness	Balance End of Year
*Series A Bonds	.875% - 3.85%	$ 1,465,000	$< 170,000>	$ 1,295,000
**Series B Bonds	1.0% - 4.0%	$ 530,000	$< 60,000>	$ 470,000

The annual principal maturities of the debt during the year following 2014:

Year	Series A	Interest	Series B	Interest
2015	$ 170,000	$ 37,260	$ 60,000	$ 14,228
2016	175,000	33,461	65,000	12,755
2017	180,000	29,020	65,000	11,033
2018	185,000	23,860	65,000	9,099
2019-2021	585,000	32,963	215,000	12,663
	$ 1,295,000	$ 156,564	$ 470,000	$ 59,778

Interest expense on the above bond was $55,776 for the current year.

* original amount of Bond debt - $1,800,000
** original amount of Bond debt - $650,000

3-G. Obligations under Capital Leases

Purpose	Balance Beginning of Year	Addition	Deletion	Balance End of Year	Amount Due in One Year
Fire Truck	$ 413,535	$ -----	$ 99,156	$ 314,379	$ 101,923
Chipper/Spreader	206,928	-----	57,200	149,728	58,582
Roller	37,032	-----	9,856	27,176	10,094
	$ 657,495	$ -----	$ 166,212	$ 491,283	$ 170,599

	Fire Truck- 2.79% Asset Cost- $510,000		Chipper/Spreader- 2.39% Asset Cost- $289,000		Roller- 2.39% Asset Cost- $50,000	
Year	Principal*	Interest	Principal*	Interest	Principal*	Interest
2015	$ 101,923	$ 8,771	$ 58,582	$ 2,924	$ 10,094	$ 514
2016	104,766	5,928	59,998	1,508	10,339	269
2017	107,690	3,005	31,148	213	6,754	-----
	$ 314,379	$ 17,704	$ 149,728	$ 4,645	$ 27,187	$ 783

**Denotes the present value minimum lease payments.*

Interest expense was $16,595 on the above capital leases for the current year ending December 31, 2014. The expense resulting from amortization of assets recorded under capital leases is included with depreciation expenses. The accumulated amortization expenses at December 31, 2014 are: Fire Truck-$102,000; Chipper/Spreader-$124,113; Roller-$21,429.

Capital Leases and Notes Payable- Component Units

Lamar County Regional Solid Waste Authority (Enterprise Fund)

Lender	Balance Beginning of Year	Addition	Deletion	Balance End of Year	Amount Due in One Year
Bonds Payable	$ 1,995,00	$ -----	$< 230,000>	$ 1,765,000	$ 230,000

Interest on the above debt was $59,111 for 2014 and has been expensed in the financial statements.

	Balance Beginning Of Year	Increase	Decrease	Balance End Of Year
Lamar County Solid Waste Authority Landfill Postclosure	$ 470,317	$ -----	$ * 18,070	$ 452,247

* other auditors did not disclose current increases and decreases separately

3-H. Compensated Absences-Long-Term Debt

The annual changes to general long-term debt compensated absences as of December 31, 2014 are as follows:

Primary Government

Compensated absences at January 1, 2014	$ 30,072
Increase	1,015
Decrease	< 1,476>
Compensated absences at December 31, 2014	$ 29,611

The compensated absence liability is to be liquidated by using the General Fund of the County.

Component Unit

Lamar County Department of Public Health:	
Compensated absences at July 1, 2013	$ 37,690
Increase	16,509
Decrease	11,464
Compensated absences at June 30, 2014	$ 42,735

The compensated absence liability is to be liquidated by using the General Fund of the Health Department.

3-I. Equity

Net Positions– Net positions on the government-wide statement of net positions as of December 31, 2014 are as follows:

(in thousands of dollars)

Investment in capital assets:	Governmental Activities
Cost of Capital Assets	$ 76,710
Less Accumulated Depreciation	< 59,585>
Book Value	17,125
Less Capital Related Debt	< 491>
Investment in capital assets	$ 16,634

Fund Balances – Fund balance assignments at the fund reporting level as of December 31, 2014 are as follows:

Assigned Fund Balances:

Nature and Purpose of Assignments	
For Jail Construction and Improvements	$ 9,187
For Fire Station Improvements	$ 977

3-J. Pensions

ACCG Plan

Plan Description – On September 19, 1977, the County passed an ordinance whereby it adopted a defined benefit pension plan that covers officials and employees with one or more years of service. The plan benefit provisions are established and may be amended under the authority of the County of Lamar's Commission. The County contributes to the Association of County Commissioners of Georgia (ACCG) Defined Contribution Plan 401(a), and administered by Government Employee Benefits Corporation of Georgia (GEB Corp), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for counties in the State of Georgia**.** GEB Corp. provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. GEB Corp. issues a publicly available financial report that includes financial statements and required supplementary information for the County. The report may be obtained by writing to:

GEB Corp
1100 Circle 75 Parkway
Atlanta, Ga 30339

As of January 1, 2014, the date of the most recent actuarial valuation, there were 189 participants consisting of the following:

Retirees and Beneficiaries currently receiving benefits	24
Vested Terminated Employees not yet receiving benefits	73
Active Employees	92
	189

Funding Policy – County employees are not required to contribute to GEB Corp. The County is required to contribute 100% of the amounts necessary to fund the System using the actuarial basis specified by statute. The current contribution rate is 9.17% of annual covered payroll. The contribution requirements of plan members are established and may be amended by the ACCG Board of Trustees. The County's contributions to ACCG for the years ended December 31, 2014, 2013, and 2012 were $260,171, $261,019 and $229,043 respectively. The required contributions for each year, 2014, 2013, and 2012 were $260,171, $261,019 and $229,043 respectively.

Annual Pension Cost – For December 31, 2014, the County's annual pension cost of $260,171 for ACCG was equal to the County's required and actual contributions. The required contribution was determined as part of the January 1, 2014, actuarial valuation using the projected unit credit method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses); (b) projected salary increases of 5.0%-7.5% per year, and (d) 3.00% per year for inflation. The actuarial value of ACCG assets was determined using techniques that smooth the effects of short-term volatility in the market of value of investments over a four-year period. ACCG' unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis of 30 years, beginning January 1, 1990. The remaining amortization period at December 31, 2014 was 8 years.

(Amounts Expressed in Thousands)

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL/(UAAL) (2)-(1)	(4) Funded Ratio (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (3)/(5)
12/31/2012	$ 2,967	$ 3,545	$ 578	83.7%	$ 2,627	22.0%
12/31/2013	3,385	3,893	508	87.0%	2,669	19.0%
12/21/2014	3,385	4,277	892	79.1%	2,845	31.4%

Schedule of Employer Contributions

Year Ended 12/31	Annual Required Contribution	Percentage Contributed	Annual Pension Cost	Percentage Contributed	Net Pension Obligation
2012	$ 229	100%	$ 229	99.6%	4
2013	261	100%	261	100%	4
2014	260	100%	260	100%	< 3>

The County's actuarially determined contribution, pension cost and increase in net pension obligation (asset) for the year ended December 31, 2014 is as follows:

Annual Required Contribution	$ 258,382
Interest on Net Pension Obligation	< 227>
Adjustment to Annual Required Contribution	246
Annual Pension Cost	$ 258,401
Contributions Made	261,337
Increase in Net Pension Obligation	$< 2,936>
Net Pension Obligation – Beginning of Year	< 88>
Net Pension Obligation – End of Year	$< 3,024>

3-K. Other Required Individual Fund Disclosures

The Special Revenue Fund, E-911, sustained a deficit of $154,129. The E-911 Fund has $425,740 negative funds to offset future deficits.

The Non-Major Special Revenue Funds, Drug Seizure, Law Library, and Drug court sustained a deficit of $<53,497>, $<3,542>, and $ <34,543> respectively. The Drug Seizure, Law Library, and Drug Court Fund have $8,097 and $10,449, and $34,391 respectively, of surplus funds to offset future deficits.

The Non-Major Capital Project Fund – Fire Station Project sustained a deficit of $2,272. The fund has a surplus of $977 to offset future deficits.

Deficit fund balances or net position balances of individual funds: Special Revenue Fund – E911 at December 31, 2014 in the amount of $425,740.

Note 4 – Other Notes

4-A. Risk Management

Risk Pool

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; error and omissions; injuries to employees; and natural disasters. The County participates in public entity risk pools (GSIWCF and IRMA) covering each of the above risks of loss.
There were no significant reductions of insurance coverage in the prior year. Management believes that the coverage is adequate to preclude any significant uninsured risk exposure to the County. Settled claims in the past three years have not exceeded the coverage.

The County has elected to be a member of the Association County Commissioners of Georgia Group Self Insurance Workers' Compensation Fund (GSIWCF) and the Interlocal Risk Management Association (IRMA), self-insurance risk pools created under Georgia law. As a participant in the GSIWCF and IRMA, the County has no legal obligation to pay its own workers' compensation or property and liability claims. The County is required to make an annual contribution to the fund in an amount that is determined on the basis of actuarial projections of losses. With payment of the County's annual contribution, the County has effectively transferred the risk and responsibility for payment of its workers' compensation claims. However, the enabling statute creating the GSIWCF and IRMA permits the funds to levy an assessment upon its members to make up any deficiency the fund may have in surplus or reserves. Since excess insurance is purchased by the GSIWCF and IRMA to protect the fund from catastrophic losses, no amount has been recorded in the financial statements for this contingency as management believes the likelihood for assessment is remote.

4-B. Contingent Liabilities

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.

Any pending lawsuits at December 31, 2014 are covered by insurance and should not materially affect the financial statements of Lamar County, Georgia.

4-C. Emergency 911 Funds

Under code section 36-81-7, the County certifies that 911 funds were collected and expended in compliance with the expenditure requirements.

4D. Joint Venture

Under Georgia law, the County, in conjunction with other municipalities and counties in the five county Central Georgia area, is a member of the McIntosh Trail Regional Development (RDC). Membership in the RDC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RDC in Georgia. The RDC Board membership includes representation from each county and municipality of the area, as well as representatives from the private sector and other governmental entities. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RDC. Separate financial statements for the RDC are available from:

McIntosh Trail Regional Development
Hill Street
Griffin, GA 30223

Required Supplementary Information

Lamar County, Georgia
Pension Fund
Required Supplementary Information (Unaudited)
For the Year Ended December 31, 2014

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Excess) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/03	$ 1,598	$ 2,120	$ 522	75.4%	$ 1,649	31.7%
12/31/04	$ 1,623	$ 2,112	$ 489	76.8%	$ 1,672	29.3%
12/31/05	$ 1,623	$ 2,108	$ 485	77.0%	$ 1,788	27.1%
12/31/06	$ 1,860	$ 2,223	$ 363	83.7%	$ 1,655	21.9%
12/31/07	$ 2,294	$ 2,440	$ 147	94.0%	$ 1,794	8.2%
12/31/08	$ 2,240	$ 2,549	$ 309	87.9%	$ 1,571	19.7%
12/31/09	$ 2,430	$ 2,801	$ 371	86.7%	$ 1,847	20.1%
12/31/10*	$ 2,599	$ 3,104	$ 505	83.7%	$ 2,305	21.9%
12/31/11*	$ 2,780	$ 3,364	$ 584	82.6%	$ 2,733	21.4%
12/31/12*	$ 2,780	$ 3,364	$ 584	82.6%	$ 2,733	21.4%
12/31/13*	$ 2,967	$ 3,589	$ 622	82.6%	$ 2,669	23.3%
12/31/14*	$ 3,385	$ 4,277	$ 892	79.1%	$ 2,845	31.3%

**Reflects change to asset smoothing adopted by the ACGG Pension Plan and Trust Board of Trustees.*

Lamar County, Georgia
General Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2014

	General Fund			
	Original Budget	Final Budget	Actual	Variance
REVENUES				
Taxes	$ 7,135,888	$ 7,501,363	$ 7,024,970	$< 476,393>
Licenses, Permits and Fees	124,386	124,386	133,829	9,443
Intergovernmental Revenues	436,731	465,839	438,151	< 27,688>
Charges for Services	534,169	396,369	619,989	223,620
Fines and Forfeitures	451,000	330,702	335,056	4,354
Investment Income	1,350	1,350	579	< 771>
Miscellaneous Revenues	50,400	107,104	267,394	160,290
Donations and Sponsors	-----	-----	50,000	50,000
TOTAL REVENUES	$ 8,733,924	$ 8,927,113	$ 8,869,968	$< 57,145>
EXPENDITURES				
Current Operations				
General Government	$ 1,565,976	$ 1,515,124	$ 1,503,424	$ 11,700
Judicial	1,207,718	1,239,981	1,214,942	25,039
Public Safety	3,725,757	3,796,773	3,928,972	< 132,199>
Public Works	946,034	978,475	845,558	132,917
Health and Public Services	340,793	266,093	299,439	< 33,346>
Culture and Recreation	517,968	542,586	639,057	< 96,471>
Housing and Development	403,743	406,519	408,202	< 1,683>
Capital Outlay	5,500	339,710	400,516	< 60,806>
Debt Service	20,435	20,435	29,417	< 8,982>
TOTAL EXPENDITURES	$ 8,733,924	$ 9,105,696	$ 9,269,527	$< 163,831>
Excess Revenues Over (Under) Expenditures	$ -----	$< 178,583>	$< 399,559>	$< 220,976>
OTHER SOURCES/(USES)				
Transfer In	$ -----	$ -----	$ -----	$ -----
Transfer <Out>	-----	-----	-----	-----
TOTAL OTHER SOURCES/(USES)	$ -----	$ -----	$ -----	$ -----
Net Change in Fund Balance	$ -----	$< 178,583>	$< 399,559>	$< 220,976>
FUND BALANCE – Beginning of Year	$ -----	245,801	1,609,508	-----
FUND BALANCE – End of Year	$ -----	$ 67,218	$ 1,209,949	$ -----

Lamar County, Georgia
Special Revenue – Major Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2014

	E-911 Fund		
	Original & Final Budget	Actual	Variance
REVENUES			
E-911 Fees	$ 257,631	$ 196,778	$< 60,853>
Interest Income	-----	172	172
TOTAL REVENUES	$ 257,631	$ 196,950	$< 60,681>
EXPENDITURES			
Current Operations			
BellSouth Service	$ 7,500	$ 45,768	$< 38,268>
Salaries and Benefits	250,131	251,263	< 1,132>
Capital Outlay			
Current Operations	-----	54,048	< 54,048>
TOTAL EXPENDITURES	$ 257,631	$ 351,079	$< 93,448>
Excess Revenues Over (Under) Expenditures	$ -----	$< 154,129>	$< 154,129>
FUND BALANCE – Beginning of Year	$ -----	$< 271,611>	$< 271,611>
FUND BALANCE – End of Year	$ -----	$< 425,740>	$< 425,740>

Lamar County, Georgia
Capital Projects Fund – Major Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (GAAP Basis)
For the Year Ended December 31, 2014

	SPLOST 2011		
	Original & Final Budget	Actual	Variance
REVENUES			
Taxes	$ 9,564,519	$ 1,544,674	$<8,019,845>
Miscellaneous	-----	-----	-----
TOTAL REVENUES	$ 9,564,519	$ 1,544,674	$<8,019,845>
EXPENDITURES			
Intergovernmental	$ 4,208,388	$ 633,317	$ 3,575,071
Capital Outlay			
Current Operations	-----	619,250	< 619,250>
Debt Service			
Principal	5,356,131	163,389	5,192,742
Interest	-----	19,433	< 19,433>
TOTAL EXPENDITURES	$ 9,564,519	$ 1,435,389	$ 8,129,130
Excess Revenues Over (Under) Expenditures	$ -----	$ 109,285	$ 109,285
OTHER SOURCES/(USES)			
Debt Proceeds	$ -----	$ -----	$ -----
TOTAL OTHER SOURCES/(USES)	$ -----	$ -----	$ -----
Excess Revenue and Other Sources Over/(Under) Expenditures and Other(Uses)	$ -----	$ 109,285	$ 109,285
FUND BALANCE – Beginning of Year	-----	< 30,144>	< 30,144>
FUND BALANCE – End of Year	$ -----	$ 79,141	$ 79,141

Lamar County, Georgia
Schedule of Expenditures – General Fund
Budget and Actual
For the Year Ended December 31, 2014

	Governmental Fund Types		
	General Fund		
	Budget	Actual	Variance
CURRENT OPERATIONS			
General Government			
Board of Commissioners			
Personal Services	$ 334,460	$ 270,106	$ 64,354
Operating Services	98,775	145,674	< 46,899>
	$ 433,235	$ 415,780	$ 17,455
Tax Commissioners			
Personal Services	$ 216,495	$ 208,809	$ 7,686
Operating Services	46,086	44,435	1,651
	$ 262,581	$ 253,244	$ 9,337
Tax Assessors			
Personal Services	$ 176,164	$ 169,914	$ 6,250
Operating Services	90,686	89,761	925
	$ 266,850	$ 259,675	$ 7,175
Board of Elections			
Personal Services	$ 65,984	$ 73,408	$< 7,424>
Operating Services	76,800	46,496	30,304
	$ 142,784	$ 119,904	$ 22,880
Courthouse Building			
Personal Services	$ 147,449	$ 155,335	$ 7,886
Operating Services	35,505	59,436	< 23,931>
	$ 182,954	$ 214,771	$< 31,817>
Tag Office Bldg			
Personal Services	$ -----	$ -----	$ -----
Operating Services	8,900	17,079	< 8,179>
	$ 8,900	$ 17,079	$< 8,179>
Data Processing/MIS			
Personal Services	$ -----	$ -----	$ -----
Operating Services	28,700	20,046	8,654
	$ 28,700	$ 20,046	$ 8,654
Administrative Building			
Personal Services	$ -----	$ -----	$ -----
Operating Services	24,770	28,093	< 3,323>
	$ 24,770	$ 28,093	$< 3,323>
Accountability Court Building			
Personal Services	$ -----	$ -----	$ -----
Operating Services	8,900	8,625	275
	$ 8,900	$ 8,625	$ 275
Risk Management			
Personal Services	$ -----	$ -----	$ -----
Operating Services	155,450	166,207	< 10,757>
	$ 155,450	$ 166,207	$< 10,757>
Total General Government	$ 1,515,124	$ 1,503,424	$ 11,700

Supplementary Information

Governmental Funds

Lamar County, Georgia
Schedule of Expenditures – General Fund
Budget and Actual
For the Year Ended December 31, 2014

	Governmental Fund Types		
	General Fund		
	Budget	Actual	Variance
Judicial			
Clerk of Courts			
Personal Services	$ 339,767	$ 341,421	$< 1,654>
Operating Services	38,400	35,050	3,350
	$ 378,167	$ 376,471	$ 1,696
Superior Court			
Personal Services	$ 26,081	$ 27,969	$< 1,888>
Operating Services	416,096	391,084	25,012
	$ 442,177	$ 419,053	$ 23,124
Probate Court			
Personal Services	$ 199,004	$ 195,593	$ 3,411
Operating Services	18,310	16,887	1,423
	$ 217,314	$ 192,368	$ 4,834
District Attorney			
Personal Services	$ 19,412	$ 19,377	$ 35
Operating Services	23,101	23,101	-----
	$ 42,513	$ 42,478	$ 35
Magistrate Court			
Personal Services	$ 146,010	$ 150,914	$< 4,904>
Operating Services	13,800	13,546	254
	$ 159,810	$ 164,460	$< 4,650>
Total Judicial	$ 1,239,981	$ 1,214,942	$ 25,039

Lamar County, Georgia
Schedule of Expenditures – General Fund
Budget and Actual
For the Year Ended December 31, 2014

	Governmental Fund Types		
	General Fund		
	Budget	Actual	Variance
Public Safety			
Sheriff's Office			
Personal Services	$ 1,600,690	$ 1,462,821	$ 137,869
Operating Services	303,639	443,509	< 139,870>
	$ 1,904,329	$ 1,906,330	$< 2,001>
Prisoner Support			
Personal Services	$ 839,004	$ 794,427	$ 44,577
Operating Services	167,400	280,954	< 113,554>
	$ 1,006,404	$ 1,075,381	$< 68,977>
Coroner			
Personal Services	$ 10,495	$ 9,054	$ 1,441
Operating Services	7,800	11,255	< 3,455>
	$ 18,295	$ 20,309	$< 2,014>
Emergency Management			
Personal Services	$ 28,970	$ 28,814	$ 156
Operating Services	51,902	101,031	< 49,129>
	$ 80,872	$ 129,845	$< 48,973>
Ambulance Services			
Personal Services	$ -----	$ -----	$ -----
Operating Services	355,278	355,008	270
	$ 355,278	$ 355,008	$ 270
Fire Department			
Personal Services	$ 192,700	$ 205,903	$< 13,203>
Operating Services	58,165	56,429	1,736
	$ 250,865	$ 262,332	$< 11,467>
Ambulance and Fire Building			
Personal Services	$ -----	$ -----	$ -----
Operating Services	35,130	45,458	< 10,328>
	$ 35,130	$ 45,458	$< 10,328>
Jail Building			
Personal Services	$ -----	$ -----	$ -----
Operating Services	110,600	127,598	< 16,998>
	$ 110,600	$ 127,598	$< 16,998>
Victims of Crime Act			
Personal Services	$ 35,000	$ -----	$ 35,000
Operating Services	-----	6,711	< 6,711>
	$ 35,000	$ 6,711	$< 28,289>
Total Public Safety	$ 3,796,773	$ 3,928,972	$< 132,199>

Lamar County, Georgia
Schedule of Expenditures – General Fund
Budget and Actual
For the Year Ended December 31, 2014

	Governmental Fund Types		
	General Fund		
	Budget	Actual	Variance
Public Works			
Road Department			
Personal Services	$ 791,563	$ 683,562	$ 108,001
Operating Services	186,912	161,996	24,916
	$ 978,475	$ 845,558	$ 132,917
Total Public Works	$ 978,475	$ 845,558	$ 132,917
Health and Public Services			
Health Department			
Personal Services	$ -----	$ -----	$ -----
Operating Services	105,000	105,000	-----
	$ 105,000	$ 105,000	$ -----
Family and Children Services			
Personal Services	$ -----	$ -----	$ -----
Operating Services	17,000	17,350	< 350>
	$ 17,000	$ 17,350	$< 350>
Senior Citizens Center			
Personal Services	$ 70,480	$ 64,713	$ 5,767
Operating Services	40,823	71,717	< 30,894>
	$ 111,303	$ 136,430	$< 25,127>
Service Center Building			
Personal Services	$ -----	$ -----	$ -----
Operating Services	28,290	35,617	< 7,327>
	$ 28,290	$ 35,617	$< 7,327>
Public Transportation			
Personal Services	$ -----	$ -----	$ -----
Operating Services	4,500	5,042	< 542>
	$ 4,500	$ 5,042	$< 542>
Total Health and Public Services	$ 266,093	$ 299,439	$< 33,346>

Lamar County, Georgia
Schedule of Expenditures – General Fund
Budget and Actual
For the Year Ended December 31, 2014

	Governmental Fund Types		
	General Fund		
	Budget	Actual	Variance
Culture and Recreation			
Recreation Center			
Personal Services	$ 303,884	$ 286,341	$ 17,543
Operating Services	85,562	185,841	< 100,279>
	$ 389,446	$ 472,182	$< 82,736>
Old Jail Museum Buildings			
Personal Services	$ -----	$ -----	$ -----
Operating Services	2,140	1,355	785
	$ 2,140	$ 1,355	$ 785
Barnesville-Lamar County Library			
Personal Services	$ -----	$ -----	$ -----
Operating Services	151,000	165,520	< 14,520>
	$ 151,000	$ 165,520	$< 14,520>
Total Culture and Recreation	$ 542,586	$ 639,057	$< 96,471>
Housing and Development			
Zoning Administration			
Personal Services	$ 195,422	$ 190,677	$ 4,745
Operating Services	27,972	31,677	< 3,705>
	$ 223,394	$ 222,354	$ 1,040
County Extension Office			
Personal Services	$ 51,419	$ 51,055	$ 364
Operating Services	16,590	17,889	< 1,299>
	$ 68,009	$ 68,944	$< 935>
Forestry Service			
Personal Services	$ -----	$ -----	$ -----
Operating Services	9,415	8,901	514
	$ 9,415	$ 8,901	$ 514
Soil and Water Conservation			
Personal Services	$ 35,701	$ 38,003	$< 2,302>
Operating Services	-----	-----	-----
	$ 35,701	$ 38,003	$< 2,302>
Industrial Development Authority			
Personal Services	$ -----	$ -----	$ -----
Operating Services	70,000	70,000	-----
	$ 70,000	$ 70,000	$ -----
Total Housing and Development	$ 406,519	$ 408,202	$< 1,683>
TOTAL CURRENT OPERATIONS	$ 8,745,551	$ 8,839,594	$< 94,043>

Lamar County, Georgia
Schedule of Expenditures – General Fund
Budget and Actual
For the Year Ended December 31, 2014

	Governmental Fund Types		
	General Fund		
	Budget	Actual	Variance
CAPITAL OUTLAY			
General Government			
Board of Commissioners	$ -----	$ -----	$ -----
Tax Commissioners	-----	-----	-----
Tax Assessors	-----	-----	-----
Data Processing/MIS	-----	7,186	< 7,186>
Courthouse Building	-----	-----	-----
Courthouse Annex	-----	-----	-----
Administration Building	-----	-----	-----
	$ -----	$ 7,186	$< 7,186>
Judicial			
Clerk of Courts	$ -----	$ -----	$ -----
Superior Court	-----	-----	-----
Probate Court	-----	-----	-----
District Attorney	-----	-----	-----
Magistrate Court	-----	-----	-----
	$ -----	$ -----	$ -----
Public Safety			
Sheriff's Office	$ 32,726	$ 35,060	$< 2,334>
Prisoner Support	19,980	23,171	< 3,191>
Coroner	-----	-----	-----
Emergency Management	-----	*44,005	< 44,005>
Ambulance Services	-----	-----	-----
Fire Department	-----	-----	-----
Ambulance and Fire Building	-----	-----	-----
Probation Office	-----	-----	-----
Jail Building	-----	-----	-----
Victims of Crime Act	-----	-----	-----
	$ 52,706	$ 102,236	$ 49,530>
Public Works			
Road Department	$ 287,004	$ 291,094	$ -----
	$ 287,004	$ 291,094	$< 4,090>
Health and Public Services			
Health Department	$ -----	$ -----	$ -----
Family and Children Services	-----	-----	-----
Senior Citizens Center	-----	-----	-----
Service Center Building	-----	-----	-----
Public Transportation	-----	-----	-----
	$ -----	$ -----	$ -----

*Financed by FEMA

Lamar County, Georgia
Schedule of Expenditures – General Fund
Budget and Actual
For the Year Ended December 31, 2014

	Governmental Fund Types		
	General Fund		
	Budget	Actual	Variance
Culture and Recreation			
Recreation Facilities	$ -----	$ -----	$ -----
Old Jail Museum	-----	-----	-----
Housing and Development			
Zoning Administration	-----	-----	-----
County Extension Office	-----	-----	-----
Forestry Services	-----	-----	-----
Soil and Water Conservation	-----	-----	-----
Industrial Development Authority	-----	-----	-----
	$ -----	$ -----	$ -----
TOTAL CAPITAL OUTLAY	$ 339,710	$ 400,516	$< 60,806>
DEBT SERVICE			
General Government	$ 20,435	$ 29,417	$< 8,982>
TOTAL DEBT SERVICE	$ 20,435	$ 29,417	$< 8,982>
TOTAL EXPENDITURES AND OTHER USES	$ 9,105,696	$ 9,269,527	$< 163,831>

Non-Major Special Revenue Funds

Lamar County, Georgia

Combined Statement of Revenues,
Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the Year Ended December 31, 2014

	Non-Major Special Revenue Funds
Revenues	
Charges for Services	$ 75,344
Investment Earnings	34
Total Revenues	$ 75,378
Expenditures	
Current	
General Government	$ 121,354
Capital Outlay	45,606
Total Expenditures	$ 166,960
Excess (Deficiency) of Revenues Over (Under) Expenditures	$< 91,582>
Other Financing Sources (Uses)	
Transfers In	$ -----
Transfers Out	-----
Total Other Financing Sources (Uses)	$ -----
Net Change in Fund Balances	$< 91,582>
Fund Balance – Beginning of Year	144,517
Fund Balance – End of Year	$ 52,935

Lamar County, Georgia

Statement of Revenues,
Expenditures and Changes in Fund Balances
Non-Major Governmental Fund
For the Year Ended December 31, 2014

	Non-Major Capital Projects Funds
Revenues	
Donations	$ 462
Interest Income	3
Total Revenues	$ 465
Expenditures	
Capital Outlay	$ 2,737
Total Expenditures	$ 2,737
Excess (Deficiency) of Revenues Over (Under) Expenditures	$< 2,272>
Other Financing Sources (Uses)	
Transfers In	$ -----
Transfers Out	-----
Total Other Financing Sources (Uses)	$ -----
Net Change in Fund Balances	$< 2,272>
Fund Balance – Beginning of Year	3,249
Fund Balance – End of Year	$ 977

Lamar County, Georgia

Balance Sheet - Capital Projects

Non-Major Governmental Funds

For the Year Ended December 31, 2014

ASSETS	
Cash and Cash Equivalents	$ 977
Accounts Receivable	-----
Due from General Fund	-----
TOTAL ASSETS	$ 977
LIABILITIES AND FUND BALANCES	
Liabilities	
Current Liabilities	
Due to Other Funds	$ -----
Total Liabilities	$ -----
Fund Balances	
Fund Balance – Assigned	$ 977
Total Fund Balances	$ 977

Lamar County, Georgia

Combining Balance Sheet

Non-Major Governmental Funds

For the Year Ended December 31, 2014

	Drug Seizure Fund	Law Library Fund	Drug Court Fund	Totals
ASSETS				
Cash and Cash Equivalents	$ 8,095	$ 10,449	$ 17,538	$ 36,082
Accounts Receivable	-----	-----	1,951	1,951
Due from General Fund	-----	-----	14,902	14,902
TOTAL ASSETS	$ 8,095	$ 10,449	$ 34,391	$ 52,935
LIABILITIES AND FUND BALANCES				
Liabilities				
Current Liabilities				
Due to Other Funds	$ -----	$ -----	$ -----	$ -----
Total Liabilities	$ -----	$ -----	$ -----	$ -----
Fund Balances				
Fund Balance –Restricted	$ 8,095	$ 10,449	$ 34,391	$ 52,935
Total Fund Balances	$ 8,095	$ 10,449	$ 34,391	$ 52,935

Lamar County, Georgia

Combining Statements of Revenues,
Expenditures, and Changes in Fund Balances

Non-Major Governmental Funds

For the Year Ended December 31, 2014

	Drug Seizure Fund	Law Library Fund	Drug Court Fund	Totals
REVENUES				
Interest Income	$ 7	$ -----	$ 27	$ 34
Drug Seizures	50,100	-----	-----	50,100
Fines	-----	8,566	16,678	25,244
TOTAL REVENUES	$ 50,107	$ 8,566	$ 16,705	$ 75,378
EXPENDITURES				
Current Operations				
Supplies	$ 57,998	$ 9,308	$ -----	$ 67,306
Fees and Certifications	-----	-----	51,248	51,248
Salaries and Benefits	-----	2,800	-----	2,800
Capital Outlay	45,606	-----	-----	45,606
TOTAL EXPENDITURES	$ 103,604	$ 12,108	$ 51,248	$ 166,960
Excess Revenues Over/(Under) Expenditures	$< 53,497>	$< 3,542>	$< 34,543>	$< 91,582>
OTHER SOURCES (USES)				
Operating Transfer In/Out	$ -----	$ -----	$ -----	$ -----
TOTAL OTHER SOURCES (USES)	$ -----	$ -----	$ -----	$ -----
Excess Revenues and Other Sources Over/(Under) Expenditures and Other(Uses)	$< 53,497>	$< 3,542>	$< 34,543>	$< 91,582>
FUND BALANCE - Beginning of Year	61,592	13,991	68,934	144,517
FUND BALANCE - End of Year	$ 8,097	$ 1,449	$ 34,391	$ 52,935

Lamar County, Georgia

Combining Schedule of Assets and Liabilities

Agency Funds

For the Year Ended December 31, 2014

	Balance as of 12/31/13	Additions	Deletions	Balance as of 12/31/14
TOTAL AGENCY FUNDS				
ASSETS				
Cash	$ 605,454	$14,250,455	$13,927,709	$ 928,200
Due from Other Funds	-----	-----	-----	-----
Other Receivables	-----	-----	-----	-----
TOTAL ASSETS	$ 605,454	$14,250,455	$13,927,709	$ 928,200
LIABILITIES				
Due to Other Funds	$ -----	$ -----	$ -----	$ -----
Taxes Due to General Fund	-----	-----	-----	-----
Other Liabilities	605,454	14,250,455	13,927,709	928,200
TOTAL LIABILITIES	$ 605,454	$14,250,455	$13,927,709	$ 928,200

Fiduciary Funds

Lamar County, Georgia

Combining Schedule of Assets and Liabilities

Agency Funds

For the Year Ended December 31, 2014

	Balance as of 12/31/13	Additions	Deletions	Balance as of 12/31/14
PROBATE COURT				
ASSETS				
Cash	$ 84,034	$ 273,379	$ 266,471	$ 90,942
Due from Other Funds	-----	-----	-----	-----
TOTAL ASSETS	$ 84,034	$ 273,379	$ 266,471	$ 90,942
LIABILITIES				
Due to Other Funds	$ -----	$ -----	$ -----	$ -----
Other Liabilities	84,034	273,379	266,471	90,942
TOTAL LIABILITIES	$ 84,034	$ 273,379	$ 266,471	$ 90,942
SHERIFF				
ASSETS				
Cash	$ 107,471	$ 145,335	$ 146,897	$ 105,909
TOTAL ASSETS	$ 107,471	$ 145,335	$ 146,897	$ 105,909
LIABILITIES				
Due to Other Funds	$ -----	$ -----	$ -----	$ -----
Other Liabilities	107,471	145,335	146,897	105,909
TOTAL LIABILITIES	$ 107,471	$ 145,335	$ 146,897	$ 105,909
CLERK OF SUPERIOR COURT				
ASSETS				
Cash	$ 21,781	$ 381,272	$ 279,441	$ 123,612
TOTAL ASSETS	$ 21,781	$ 381,272	$ 279,441	$ 123,612
LIABILITIES				
Other Liabilities	$ 21,781	$ 381,272	$ 279,441	$ 123,612
TOTAL LIABILITIES	$ 21,781	$ 381,272	$ 279,441	$ 123,612

Lamar County, Georgia

Combining Schedule of Assets and Liabilities (Continued)

Agency Funds

For the Year Ended December 31, 2014

	Balance as of 12/31/13	Additions	Deletions	Balance as of 12/31/14
MAGISTRATE COURT				
ASSETS				
Cash	$ 36,559	$ 155,247	$ 144,885	$ 46,921
TOTAL ASSETS	$ 36,559	$ 155,247	$ 144,885	$ 46,921
LIABILITIES				
Due to Other Funds	$ -----	$ -----	$ -----	$ -----
Other Liabilities	36,559	155,247	144,885	46,921
TOTAL LIABILITIES	$ 36,559	$ 155,247	$ 144,885	$ 46,921
TAX COMMISSIONER				
ASSETS				
Cash	$ 355,609	$13,295,222	$13,090,015	$ 560,816
Other Receivables	-----	-----	-----	-----
TOTAL ASSETS	$ 355,609	$13,295,222	$13,090,015	$ 560,816
LIABILITIES				
Taxes Due to General Fund	$ -----	$ -----	$ -----	$ -----
Other Liabilities	355,609	13,295,222	13,090,015	560,816
TOTAL LIABILITIES	$ 355,609	$13,295,222	$13,090,015	$ 560,816

SPLOST Reporting

J. Robyn Underwood, CPA

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Independent Auditor's Report on Special County 1 Percent Sales and Use Tax Approved in special Election

Honorable Chairman and
Members of the County Commissioners
Lamar County, Georgia

We have audited the accompanying Schedule of Special Purpose Local Option Sales Tax for Lamar County, Georgia for the year ended December 31, 2014. This schedule is the responsibility of Lamar County's management. Our responsibility is to express an opinion on the Schedule of Special Purpose Local Option Sales Tax based on our audit.

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 Schedule of Special Purpose Local Option Sales Tax is free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Schedule of Special Purpose Local Option Sales Tax. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the Schedule of Special Purpose Local Option Sales Tax. We believe that our audit provides a reasonable basis for our opinion.

The accompanying Schedule of Special Purpose Local Option Sales Tax was prepared for the purpose of complying with the Official Code of Georgia Annotated, 48-8-121, on the modified accrual basis of accounting and is not intended to be a complete presentation of Lamar County's revenues and expenditures.

In our opinion, the Schedule of Special Purpose of Local Option Sales Tax referred to above presents fairly, in all material respects, the original estimated cost, the current estimated costs, and the current and prior year expenditures for each project in Lamar County's resolution or ordinance called for the tax for the year ended December 31, 2014, in conformity with accounting principles generally accepted in the United States of America.

J. Robyn Underwood, CPA
June 5, 2015

Lamar County, Georgia
Schedule of Projects Constructed with Special Sales Tax Proceeds
For the Year Ended December 31, 2014

SPLOST 2011
Expenditures

Project 2011	Original Estimated Cost	Prior Year	Current Year	Total	Estimated Percentage of Total Completion
City of Barnesville	$ 3,730,162	$ 1,223,540	$ 633,317	$ 1,856,857	50%
City of Milner	382,581	382,581	-----	382,581	100%
Town of Aldora	95,645	95,645	-----	95,645	100%
Lamar County					
Service Center	250,000	136,635	58,214	194,849	55%
Recreation Facilities	350,000	27,425	48,126	75,551	8%
Fire Truck	680,000	510,000*	-----	510,000*	75%
Fire Protection Improvements	50,000	-----	-----	-----	0%
Public Works Equipment	660,000	489,463*	212,391	701,854	106%
Roads and Bridges	3,366,131	1,255,904	300,519	1,556,428	46%
Bank Charges	-----	197	-----	197	-
		$ 4,121,390	$ 1,252,567	$ 5,373,957	

Sales Tax Collected in 2013: $1,544,674.

**$849,600 of this amount was financed by debt proceeds and are being paid by debt service as follows:*

	Prior Year	Current Year	Total
Reconciling Items:			
Fire Truck Debt Payments	$ 110,694	$ 110,694	$ 221,388
Public Works Debt Payments	107,306	72,127	179,433
	$218,000	$ 182,821	$ 400,821

Grant Information

Report on Internal Control

J. Robyn Underwood, CPA

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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*

(No Material Weaknesses Identified; Significant Deficiencies Identified; and No Reportable Instances of Noncompliance and Other Matters Identified)

Honorable Mayor and
Members of the County Council
Lamar, Georgia

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activity, the aggregate discretely component units, each major fund, and the aggregate remaining fund information of the County of Lamar (the "County") as of and for the year ended December 31, 2014, and related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 28, 2015.

Internal Control Over Financial Reporting
In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

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 County's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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

Lamar County's Response to Findings
The County's response to the findings identified in the audit are described in the accompanying schedule of findings and questioned costs. We did not audit the County's response and accordingly, we express no opinion on it.

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

J. Robyn Underwood, CPA
Barnesville, Georgia
June 28, 2015

Schedule of Audit Findings

Lamar County, Georgia
Schedule of Audit Findings and Responses
For the Year Ended December 31, 2014

As of December 31, 2014, the schedule of findings and questioned costs pertain to the following:

Findings: (Internal Control Structure) related to the financial statements which are to be reported in accordance with Government Auditing Standards.

14 – 1 Expenditures Exceeded Appropriations

Condition and Criteria:	The County exceeded its budgeted appropriations on several line items. (A prior year finding)
Effect:	Exceeding budgeted appropriations caused the County's liquid assets to deplete.
Recommendation:	The County's management should review the budget process on a monthly basis and control expenditures when revenues cannot reflect an increase.
Management Response:	We Concur. We are making strides in the budgetary process by involving the department heads more extensively in the monthly spending process. We are reviewing the budget on a monthly basis and implementing controls over specific line items.

14 – 2 Failure to Perform Duties

Condition and Criteria:	The Department of Human Resource personnel did not submit the required payroll and wage reports to the Internal Revenue Service; even though the forms were prepared they were not submitted/filed for the years 2008-2009.
Effect:	Not timely submitting the wage and salary reports to the Internal Revenue Service will result in heavily assessed failure to file penalties.
Recommendation:	We recommend filing the wage and salary payroll reports timely, recording the date of filing on the retained copy. Also, having the county clerk review every quarter to ensure the payroll reports were filed. (The current DHR personnel filed all necessary payroll reports during their employment.)
Management Response:	We concur with the finding. We are currently preparing the required payroll forms to submit.

As of December 31, 2014, the schedule of findings and questioned costs pertain to the following:

Findings: No findings or questioned costs were noted pertaining to Federal Awards.

Prior Year Findings

(Internal Control Structure) related to the financial statements which are to be reported in accordance with Government Auditing Standards:

13 – 1 Expenditures Exceeded Appropriations

Condition and Criteria:	The County exceeded its budgeted appropriations on several line items. (A prior year finding)
Effect:	Exceeding budgeted appropriations caused the County's liquid assets to deplete.
Recommendation:	The County's management should review the budget process on a monthly basis and control expenditures when revenues cannot reflect an increase.
Management Response:	We Concur. We are making strides in the budgetary process by involving the department heads more extensively in the monthly spending process. We are reviewing the budget on a monthly basis and implementing controls over specific line items.