LANIER COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

For The Year Ended June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Lanier County, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinion

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4–10 and 35–41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinion on the financial statements that collectively comprise Lanier County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules and budget schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2016, on our consideration of the Lanier County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lanier County, Georgia's internal control over financial reporting and compliance.

Tillman & Tillman, LLP
Tillman & Tillman, LLP

Valdosta, Georgia
February 24, 2016

As Management of the Lanier County, Georgia, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the year ending June 30, 2015. We encourage our readers to consider the information presented within this Management's discussion and analysis in conjunction with the basic financial statements. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Financial Highlights

Key financial highlights for FY15 are as follows:

The County's total net position increased by $712,021.

The County's governmental fund assets exceeded its liabilities and deferred inflows of resources at June 30, 2015 by $6,754,635 (net position). Of this amount $2,227,526 (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current year, unassigned fund balance for the General Fund increased by $55,767, resulting in a fund balance of $2,065,188.

Overview of the Financial Statements

This annual report consists of a series of financial statements. These statements are organized so the reader can understand the County as a financial whole or as an entire operating entity. The statements also provide a detailed look at specific financial conditions.

The County's basic financial statements are comprised of three components: the government -wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The first two statements are government-wide financial statements that provide both long-term and short-term information about the County's overall financial status in a manner similar to a private-sector business.

The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail that the government-wide statements.

Government-Wide Financial Statements

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

Statement of Net Position and the Statement of Activities

The statement of net position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. The statement of activities presents information showing how the County's net position changed during the current year. These statements are prepared using the accrual basis of accounting similar to the accounting method used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses, regardless of when the cash is received or paid.

The change in net position is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, non-financial information such as changes in the County's tax base and the condition of the County's capital assets will also need to be evaluated.

In the statement of net position and the statement of activities, the County is divided into two kinds of activities:

Governmental Activities - Most of the County's programs and services are reported here, including general government, judicial, public safety, public works, health and human services, culture and recreation and housing and development. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.

Component Unit - The County's financial statements include financial data of the Lanier County, Georgia Board of Health. This component unit is described in the notes to the financial statements. This component unit is separate and may buy, sell, lease, and mortgage property in its own name and can sue or be sued in its own name.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into two categories: governmental funds and fiduciary funds. Fund financial statements provide detailed information about the County's major funds. Based on the restriction on the use of moneys, the County has established many funds that account for the multitude of services provided to our residents. The County's major governmental fund is General Fund.

Governmental Funds—Governmental funds are used to account for essentially the same functions reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds that focus on how money flows into and out of the funds and the year-end balances available for spending. These funds are reported on the modified accrual basis of accounting that measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided, along with the financial resources available.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

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

Notes to the Financial Statements—The notes provide additional information that is essential to a full understanding of the data provided on the government-wide and fund financial statements.

Other Information—In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules.

Government-Wide Financial Analysis

The following table reflects the condensed Statement of Net Position:

Lanier County's Net Position

	Governmental Activities		Total Percentage
	2014	**2015**	**Change**
Assets			
Current and other assets	$ 2,865,137	$ 3,014,483	5.21%
Capital assets, net	4,034,601	4,627,756	14.70%
Total Assets	**6,899,738**	**7,642,239**	10.76%
Liabilities			
Current and other liabilities	204,681	241,514	18.00%
Long-term liabilities	648,841	643,686	-0.79%
Total Liabilities	**853,522**	**885,200**	3.71%
Deferred Inflows of Resources	3,602	2,404	0.00%
Net Position			
Net investment in capital assets	3,421,603	4,008,784	17.16%
Restricted	528,322	518,325	-1.89%
Unrestricted	2,092,689	2,227,526	6.44%
Total Net Position	**$ 6,042,614**	**$ 6,754,635**	11.78%

As noted earlier, the County's net position, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities and deferred inflows of resources by $6,754,635 as of June 30, 2015. A large portion of the County's net position (59%) reflects its investment in capital assets (e.g., land and improvements, buildings and building improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (7.7%) represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets (33%) may be used to meet the County's ongoing obligations to citizens and creditors.

The next table shows the changes in net position for the year ending June 30, 2015.

Changes in Lanier County's Net Position

	Governmental Activities		Total Percentage
	2014	**2015**	**Change**
Revenues			
Program Revenues			
Charges for services	$ 829,124	$ 852,987	2.88%
Operating grants and contributions	35,771	58,925	64.73%
Capital grants and contributions	189,471	195,666	100.00%
Total Program Revenues	1,054,366	1,107,578	5.05%
General Revenues			
Property taxes	2,869,948	2,742,546	-4.44%
Sales taxes	798,163	789,946	-1.03%
Timber taxes	52,232	40,593	-22.28%
Insurance premium taxes	311,718	328,867	5.50%
Other taxes	79,974	67,346	-15.79%
Interest, penalties and costs - taxes	140,692	66,866	-52.47%
Miscellaneous	27,744	166,905	100.00%
Total General Revenues	4,280,471	4,203,069	-1.81%
Total Revenues	**5,334,837**	**5,310,647**	**-0.45%**
Expenses			
Governmental Activities:			
General Government			
Legislative and executive	$ 1,035,700	$ 1,152,670	11.29%
Judicial	421,445	443,750	5.29%
Public safety	1,545,148	1,579,805	2.24%
Public works	898,521	932,676	3.80%
Health and welfare	115,428	126,752	9.81%
Culture and recreation	168,753	156,117	-7.49%
Housing and development	191,097	200,295	100.00%
Interest on long-term debt	8,675	6,561	-24.37%
Total Expenses	**4,384,767**	**4,598,626**	**4.88%**
Change in Net Position	**950,070**	**$ 712,021**	**-25.06%**
Net Position, Beginning	5,092,544	6,042,614	18.66%
Net Position, Ending	**$ 6,042,614**	**$ 6,754,635**	**11.78%**

Governmental Activities

The following table provides the total cost of services and the net cost of services for the governmental activities. The statement of activities reflects the cost of program services and the charges for services, and sales, grants, and contributions offsetting these services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Net Cost of Lanier County's Governmental Activities

Function	Total Cost of Services 2014	Total Cost of Services 2015	Percentage Change 2014-2015	Net Cost of Services 2014	Net Cost of Services 2015	Percentage Change 2014-2015
General Government						
Legislative and executive	$ 1,035,700	$ 1,152,670	11.29%	$ 871,917	$ 955,340	9.57%
Judicial	421,445	443,750	5.29%	123,483	90,113	-27.02%
Public safety	1,545,148	1,579,805	2.24%	1,433,542	1,408,104	-1.77%
Public works	898,521	932,676	3.80%	483,958	623,441	28.82%
Health and welfare	115,428	126,752	9.81%	87,707	93,388	6.48%
Culture and recreation	168,753	156,117	-7.49%	130,022	113,806	-12.47%
Housing and development	191,097	200,295	100.00%	191,097	200,295	4.81%
Interest on long-term debt	8,675	6,561	-24.37%	8,675	6,561	-24.37%
Total	**$ 4,384,767**	**$ 4,598,626**	**4.88%**	**$ 3,330,401**	**$ 3,491,048**	**4.82%**

Financial Analysis of County Funds

The County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

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

As of June 30, 2015, the County's governmental funds reported a combined ending fund balance of $2,580,942, an increase of $31,876.

The General Fund is the primary operating fund of the County. At the end of June 30, 2015, the unassigned fund balance was $ 2,065,188.

Budgetary Highlights

By State statute, the Board of County Commissioners adopts the annual operating budget for the fiscal year on or before the first day of the fiscal year. Changes were made to the adopted budget in some departments due to greater than expected expenditures and other department expenditures that were lower than originally budgeted including the sundry budget. A large variance was present in the roads department due to the need to acquire two motor graders through capital leases which were not budgeted in the original budget.

Capital Assets

The County's investment in capital assets for governmental as of June 30, 2015, was $3,421,603 (net of accumulated depreciation and related debt). This investment in capital assets includes land and improvements, buildings and improvements, machinery and equipment, furniture and fixtures, vehicles and infrastructure.

Major capital asset events during FY15 included the acquisition of a tractor for the road department.

Note 6 (Capital Assets) provides additional information about capital asset activity during FY15.

Debt

At June 30, 2015, the County had total capital lease debt outstanding of $618,972.

In addition to the capital leases, the County's long-term obligations include compensated absences. Notes 8 and 10 provide information regarding these liabilities.

Economic Factors

Local sales taxes declined 1.03% in FY15.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Lanier County Commission, County Clerk, 100 Main Street, Lakeland, Georgia 31635.

Component unit financial statements can be obtained from the South Health District office and should be addressed to the Finance Director, 325 West Savannah Avenue, Valdosta, Georgia 31603.

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LANIER COUNTY, GEORGIA
STATEMENT OF NET POSITION
June 30, 2015

	Primary Government		Component Unit
	Governmental Activities	Total	Lanier County Board of Health
ASSETS			
Cash	$ 2,575,446	$ 2,575,446	$ 157,294
Prepaid items	55,786	55,786	-
Taxes receivable	216,742	216,742	-
Accounts receivable	98,542	98,542	-
Due from other governments	67,967	67,967	16,925
Nondepreciable capital assets	681,276	681,276	-
Depreciable capital assets, net	3,946,480	3,946,480	212
TOTAL ASSETS	7,642,239	7,642,239	174,431
DEFERRED OUTFLOWS OF RESOURCES			
Proportionate share of collective deferred outflows of resources	-	-	19,331
LIABILITIES			
CURRENT LIABILITIES:			
Accounts payable	207,777	207,777	-
Accrued liabilities	-	-	-
Due to other governments	33,737	33,737	-
NONCURRENT LIABILITIES:			
Due within one year:			
Capital leases payable	95,982	95,982	-
Compensated absences	14,828	14,828	3,284
Landfill postclosure cost	-	-	
Due in more than one year:			
Capital leases payable	522,990	522,990	-
Compensated absences	9,886	9,886	2,189
Net pension obligation liability	-	-	100,704
TOTAL LIABILITIES	885,200	885,200	106,177
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	2,404	2,404	39,032
COMBINED LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	$ 887,604	$ 887,604	$ 145,209
NET POSITION			
Net investment in capital assets	4,008,784	4,008,784	212
Restricted for:			
Capital projects	184,422	184,422	-
Economic improvement loans	180,466	180,466	-
Jail operations	6,639	6,639	-
Drug enforcement	115,649	115,649	-
Drug education and treatment	2,425	2,425	-
Victim assistance	1,301	1,301	-
Law library	27,423	27,423	-
Prior year program income	-	-	65,600
Special health programs	-	-	241
Unrestricted	2,227,526	2,227,526	(17,500)
TOTAL NET POSITION	$ 6,754,635	$ 6,754,635	$ 48,553

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

LANIER COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2015

FUNCTION/PROGRAM	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants, Contributions, and Interest	Program Revenues: Capital Grants, Contributions, and Interest
Primary Government:				
GOVERNMENTAL ACTIVITIES				
General government				
Legislative	$ 1,152,670	$ 191,500	$ 5,830	$ -
Judicial	443,750	344,531	9,106	-
Public Safety	1,579,805	166,701	5,000	-
Public Works	932,676	113,028	541	195,666
Health and Welfare	126,752	8,966	24,398	-
Culture and Recreation	156,117	28,261	14,050	-
Housing and Development	200,295	-	-	-
Interest on Long-term Debt	6,561	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	4,598,626	852,987	58,925	195,666
TOTAL PRIMARY GOVERNMENT	$ 4,598,626	852,987	58,925	195,666
COMPONENTS UNITS				
Lanier County Board of Health	$ 232,842	$ 65,600	$ 185,399	$ -
TOTAL COMPONENT UNITS	$ 232,842	$ 65,600	$ 185,399	$ -
GENERAL REVENUES				
Property taxes, levied for general purposes				
Timber taxes				
Sales taxes				
Real estate transfer taxes				
Insurance premium taxes				
Beer and wine taxes				
Energy excise taxes				
Intangible recording taxes				
Interest and penalties - delinquent taxes				
Other revenues				
TOTAL GENERAL REVENUES				
CHANGES IN NET POSITION				
NET POSITION, BEGINNING OF YEAR				
NET POSITION, END OF YEAR				

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

Activities		
Primary Government		Component Unit
Governmental Activities	Total	Lanier County Board of Health
$ (955,340)	$ (955,340)	$ -
(90,113)	(90,113)	-
(1,408,104)	(1,408,104)	-
(623,441)	(623,441)	-
(93,388)	(93,388)	-
(113,806)	(113,806)	-
(200,295)	(200,295)	-
(6,561)	(6,561)	-
(3,491,048)	(3,491,048)	-
(3,491,048)	(3,491,048)	-
$ -	$ -	$ 18,157
$ -	$ -	$ 18,157
2,742,546	2,742,546	-
40,593	40,593	-
789,946	789,946	-
12,926	12,926	-
328,867	328,867	-
20,852	20,852	-
873	873	-
32,695	32,695	-
66,866	66,866	-
166,905	166,905	-
4,203,069	4,203,069	-
712,021	712,021	18,157
6,042,614	6,042,614	30,396
$ 6,754,635	$ 6,754,635	$ 48,553

LANIER COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2015

	General Fund	Revolving Loan Fund	Capital Projects Funds: 2012 Special Purpose Sales Tax Fund	Capital Projects Funds: Public Roads Fund	Other Governmental Funds	Total
ASSETS						
Cash	$ 1,965,759	$ 180,466	$ 274,941	$ -	$ 154,280	$ 2,575,446
Prepaid items	55,786	-	-	-	-	55,786
Taxes receivable	216,742	-	-	-	-	216,742
Accounts receivable	93,476	-	-	-	5,065	98,541
Due from other governments	22,656	-	45,311	-	-	67,967
Interfund receivable	102,093	-	-	-	-	102,093
TOTAL ASSETS	2,456,512	180,466	320,252	-	159,345	3,116,575
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	199,297	-	-	2,571	5,908	207,776
Due to other governments	-	-	33,737	-	-	33,737
Interfund payable	-	-	102,093	-	-	102,093
TOTAL LIABILITIES	199,297	-	135,830	2,571	5,908	343,606
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	192,027	-	-	-	-	192,027
TOTAL DEFERRED INFLOWS OF RESOURCES	192,027	-	-	-	-	192,027
FUND BALANCES						
Nonspendable for:						
Prepaid items	55,786	-	-	-	-	55,786
Restricted for:						
Capital projects	-	-	184,422	-	-	184,422
Jail operations	-	-	-	-	6,639	6,639
Economic improvement loans	-	180,466	-	-	-	180,466
Drug enforcement	-	-	-	-	115,649	115,649
Drug education and treatment	-	-	-	-	2,425	2,425
Victim assistance	-	-	-	-	1,301	1,301
Law library	-	-	-	-	27,423	27,423
Unassigned reported in:						
General Fund	2,009,402	-	-	(2,571)	-	2,006,831
TOTAL FUND BALANCES	2,065,188	180,466	184,422	(2,571)	153,437	2,580,942
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,456,512	$ 180,466	$ 320,252	$ -	$ 159,345	$ 3,116,575

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

LANIER COUNTY, GEORGIA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
June 30, 2015

Total Governmental Fund Balances		$ 2,580,942
Amounts report for governmental activities on the statement of net position are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	$ 7,624,924	
Less accumulated depreciation	(2,997,168)	4,627,756
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental activities.		
Capital leases payable	(618,972)	
Accrued compensated absences	(24,714)	(643,686)
Deferred revenue in governmental activities are susceptible to full accrual in the government-wide statement of net position.		
Deferred revenues		189,623
Net Position of Governmental Activities		$ 6,754,635

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

LANIER COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES
For The Year Ended June 30, 2015

	General Fund	Revolving Loan Fund	Capital Project Funds: 2012 Special Purpose Sales Tax Fund	Capital Project Funds: Public Roads Rund	Other Governmental Funds	Total
REVENUES						
Taxes	$ 3,429,844	$ -	$ 526,633	$ -	$ -	$ 3,956,477
Licenses and permits	58,138	-	-	-	-	58,138
Intergovernmental revenues	138,579	-	-	195,410	-	333,989
Charges for services	298,722	-	-	-	-	298,722
Fines and forfeitures	234,548	-	-	-	151,349	385,897
Investment income	5,830	541	257	-	62	6,690
Miscellaneous	115,747	-	-	-	-	115,747
TOTAL REVENUES	4,281,408	541	526,890	195,410	151,411	5,155,660
EXPENDITURES						
Current:						
General Government						
Legislative and executive	1,306,279	-	-	-	-	1,306,279
Judicial	421,820	-	-	-	21,929	443,749
Public safety	1,472,597	-	-	-	46,028	1,518,625
Public works	543,205	-	179,607	438,047	-	1,160,859
Health and welfare	107,915	-	-	-	13,991	121,906
Culture and recreation	144,033	-	-	-	-	144,033
Housing and development	200,295	-	-	-	-	200,295
Intergovernmental	-	-	198,541	-	-	198,541
Capital Outlay	-	-	198,647	-	-	198,647
Debt Service						
Principle retirement	22,936	-	-	-	-	22,936
Interest	6,561	-	-	-	-	6,561
TOTAL EXPENDITURES	4,225,641	-	576,795	438,047	81,948	5,322,431
EXCESS OF REVENUES (UNDER) EXPENDITURES	55,767	541	(49,905)	(242,637)	69,463	(166,771)
OTHER FINANCING SOURCES (USES):						
Capital Lease Financing	-	-	198,647	-	-	198,647
TOTAL OTHER FINANCING SOURCES (USES)	-	-	198,647	-	-	198,647
NET CHANGE IN FUND BALANCE	55,767	541	148,742	(242,637)	69,463	31,876
FUND BALANCE, BEGINNING OF YEAR	2,009,421	179,925	35,680	240,066	83,974	2,549,066
FUND BALANCE, END OF YEAR	$ 2,065,188	$ 180,466	$ 184,422	$ (2,571)	$ 153,437	$ 2,580,942

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

LANIER COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2015

Net Change in Fund Balances - Total Governmental Funds		$ 31,876
Amounts report for governmental activities in the statement of activities are different because of the following:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives:		
Expenditures for capital assets	904,487	
Current year depreciation expense	(311,332)	593,155
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:		
Net change in deferred revenues - property taxes	81,835	
Capital lease financing	(198,647)	(116,812)
Some expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds:		
Compensated absences	(927)	
Landfill postclosure cost	12,056	11,129
Repayment of principal on debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of activities:		
Payments on long-term debt		192,673
Change in Net Position of Governmental Activities		$ 712,021

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

LANIER COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2015

	Agency Funds
ASSETS	
Cash	$ 629,477
TOTAL ASSETS	$ 629,477
LIABILITIES	
Due to others	$ 629,477
TOTAL LIABILITIES	629,477
NET POSITION	$ -

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

Note 1 – Reporting Entity

The Entity. These financial statements present Lanier County, Georgia (the primary government) which is governed by an elected board and the Lanier County Board of Health, a discreetly presented component unit. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the County holds the corporate powers of the organization
- the County appoints a voting majority of the organization's board
- the County is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/ burden on the county
- there is a fiscal dependency by the organization of the County

Based on the criteria of GASB 2100, the following entity is considered a component unit of Lanier County, Georgia:

The Lanier County Board of Health is a component unit based on the criteria of the County appointing a voting majority to the board, the County's ability to impose its will and fiscal dependency. The balance sheet and statement of revenues, expenditures, and changes in fund balance for Lanier County Board of Health are presented in these financial statements using the method of discrete presentation. A complete set of financial statements for the Lanier County Board of Health is presented in a separate report and can be obtained from the South Health District office and should be addressed to the Finance Director, 325 West Savannah Avenue, Valdosta, Georgia 31603. Lanier County provided $53,924 in funding to the Board of Health for the year ending June 30, 2015

Joint Ventures The County, in conjunction with cities and counties in the (16) county Southeast Georgia area are members of the Southern Georgia Regional Commission. Membership in the Regional Commission is automatic for each municipality and county in the state. The official Code Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the Regional Commission's. Each county and municipality in the state is required by law to pay minimum annual dues to the Regional Commission. The County paid annual dues in the amount of $6,505 to the Regional Commission for the year ended June 30, 2015. The Regional Commission Board membership includes the Chief elected official of each county and municipality. The County Board members and municipal Board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from the County.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines an Regional Commission as "public agencies and instrumentality's of their members". Georgia laws also provide that the member governments are liable for any debts or obligations of an Regional Commission beyond its resources. (O.C.G. A. 50-8-39.1)

A copy of the financial report can be obtained at the following address:

Southern Georgia Regional Commission
3395 Harris Road
Waycross. Georgia 31503

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Note 2 – Summary of Significant Accounting Policies

The financial statements of Lanier County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the County's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

The statement of net position presents the financial condition of the governmental activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or draws from the general revenues of the County.

Fund Financial Statements

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

B. Fund Accounting

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

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Note 2 - Summary of Significant Accounting Policies - Continued

B. Fund Accounting – Continued

Governmental Funds

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

General Fund. The General Fund accounts for all financial resources, except those required to be accounted for in another fund. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the General Fund.

Revolving Loan Fund – To account for financing of various projects with economic development impact on the citizens of Lanier County. The fund was established initially through federal and state grants.

Capital Projects 2012 SPLOST Fund. The Capital Projects 2007 Special Purpose Sales Tax Fund accounts for the special purpose local option sales tax that was renewed by referendum. The revenue is restricted to the stated purposes of the referendum.

Capital Projects Public Roads Fund – To account for the Local Government Improvement Funds (LMIG) used for road improvements.

The other governmental funds of the County account for other resources whose use is restricted for a particular purpose; the accumulation of resources for, and the payment of debt, and the acquisition or construction of major capital projects.

Fiduciary Funds

Fiduciary fund reporting focuses on net position and changes in net position. The County's agency funds account for assets held by the County's Tax Commissioner, Clerk of Superior Court, Sheriff , Magistrate Court and Probate Judge for other governments or individuals

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position.

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Note 2 - Summary of Significant Accounting Policies - Continued

C. Measurement Focus - Continued

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of 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 fund financial statements for governmental funds.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; fiduciary funds use the accrual basis of accounting. Differences in the accrual and 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 and Nonexchange Transactions

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

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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Note 2 - Summary of Significant Accounting Policies - Continued

Revenues—Exchange and Nonexchange Transactions - Continued

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, grants, interest, and rent.

Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has unavailable revenue, with arises only under the modified accrual basis of accounting, that qualifies for reporting in this category on the governmental fund balance sheet.

Property taxes for which there was an enforceable legal claim at June 30, 2015, but were levied to finance FY15 operations, have been recorded as deferred inflows of resources.

On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

Funds donated to the County for recreation capital improvements but which were not used in FY15 has been recognized as deferred inflows of resources on the statement of net position and governmental fund financial statements.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred. Prepaid expenditures in governmental funds are recognized during the benefiting period.

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

E. Budgetary Process

The County adopts annual budgets for the General Fund, Capital Projects Fund and Special Revenue Funds. The budgets are adopted on a basis substantially consistent with U.S. generally accepted accounting principles with the following exceptions. The County budget may present the use of appropriated beginning fund balances and the proceeds of short-term debt as other financing sources, and the repayment of short-term debt as other financing uses, when such elements are present in the adopted budget.

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Note 2 - Summary of Significant Accounting Policies – Continued

E. Budgetary Process - Continued

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

1. Prior to July 1, the Board of Commissioners prepares a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain taxpayers' comments. Notice is given at least ten days in advance by publication in the official organ of Lanier County.

3. The budget is legally enacted through passage of an ordinance.

4. The budget is employed as a management control device during the year. Budgetary control is established at the department level. Management may not make changes without approval of the Board of Commissioners.

Budgeted amounts are presented as amended by the Lanier County Board of Commissioners.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is no utilized in the governmental funds.

G. Cash and Investments

Cash and cash equivalents are defined as short-term, highly liquid investments with a maturity of three months or less when purchased, that are readily convertible to know amounts of cash, and so near their maturity that they present insignificant rates of changes in value because of changes in interest rates.

The County's deposit policy limits deposit choices to checking accounts, money market accounts and certificates of deposits with local banks. All deposits are to be secured as required by state statutes. The state statute requires the deposits to be secured at an amount equal to the total deposits less FDIC insurance, and then multiplied by 110 percent.

The County is authorized to invest in funds in (1) obligations which constitute direct obligations of, or are unconditionally guaranteed by, the United States of America; (2) certificates of deposit issued by state and national banks located in the state of Georgia when secured by acceptable collateral; (3) obligations of the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank and Federal Bank of Cooperatives; and (4) bonds or other obligations issued by any public housing agency or municipality which are served by a pledge of annual contributors under contract with the United States Government, or project notes secured by a payment agreement with the United States Government.

H. Prepaid Items

Prepaid balances are for payments made by the County in the current year to provide services occurring the subsequent fiscal year.

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Note 2 - Summary of Significant Accounting Policies - Continued

I. Inventory

Materials purchased are shown as expenditures when acquired are not inventoried at year end due to a lack of materiality.

J Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset.

K. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of $5,000. The County's infrastructure consists of roads, bridges, and culverts for which the County chose to include all such items regardless of their acquisition date. The County was able to estimate the historical cost of the governmental activities infrastructure for the initial reporting of those assets. Improvements 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 not capitalized.

All capital assets are depreciated, except for land and improvements 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	Estimated Lives
Buildings and Building Improvements	40 - 50 years
Machinery and Equipment	5 - 10 years
Furniture and Fixtures	5 - 10 years
Vehicles	5 - 10 years
Infrastructure	25 years

Capital assets include public domain (infrastructure) general capital assets consisting of improvements including roads and bridges for which historical cost information was available or could be estimated.

L. Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "Interfund Receivables/Payables." Interfund balances within governmental activities are eliminated on the government-wide statement of net position.

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Note 2 - Summary of Significant Accounting Policies - Continued

M. Compensated Absences

Vacation and sick leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation and sick leave when earned for all employees.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are not recognized as a liability and expenditure.

N. Accrued Liabilities and Long-Term Obligations

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

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans and capital leases are recognized as a liability on the fund financial statements when due.

O. Net Position

Net position represents the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

P. Fund Equity

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

Fund Balance

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

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

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Note 2 - Summary of Significant Accounting Policies - Continued

P. Fund Equity - Continued

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 Board of Commissioners through the adoption of a resolution. Only the Board of 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 Board of Commissioners has authorized the County's Finance Director 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. Positive unassigned fund balance may be reported only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions
When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County's policy to use fund balance in the following order: Committed, Assigned, Unassigned.

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

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

Q. Interfund Transactions

Transfers between governmental activities on the government-wide financial statements are reported in the same manner as general revenues.

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 after nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements

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Note 2 - Summary of Significant Accounting Policies - Continued

Q. Interfund Transactions

Transfers between governmental activities on the government-wide financial statements are reported in the same manner as general revenues.

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 after nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

R. Management Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note 3 - Deposits and Investments

The County maintains separate checking and investment accounts for each fund. The County's cash in bank balances represent balances in all accounts including general fund, special revenue funds, capital projects funds, and fiduciary funds.

At June 30, 2015 all deposits were collateralized by FDIC insurance and pledged securities by the banking entities.

Note 4 – Due From Other Governments

Due from other governments consisted of the following:

General Fund	
Georgia Department of Revenue	$ 22,656
Total - General Fund	$ 22,656
Capital Project Funds	
2012 SPLOST Fund	
Georgia Department of Revenue	$ 45,311
Total - Due From Other Governments	$ 67,967

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Note 5 – Interfund Balances

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

	Interfund Receivable	Interfund Payable
General Fund		
2012 SPLOST Fund	$ 102,093	$ -
	102,093	-
2012 SPLOST Fund		
General Fund	-	102,093
Total Governmental Funds	$ -	$ 102,093

Note 6- Property Taxes

The County sets its property tax millage on the tax levy date each year. Taxes are levied on October 20. The property tax lien attaches to property in existence at January 1 of each year and is payable by December 20 of that year. The County collects taxes on real and personal property including motor vehicles and mobile homes. The Lanier County Tax Commissioner acts as collection agent for the County, Board of Education, and State of Georgia for taxes on real and personal property and for the County of Lakeland for taxes on motor vehicles and mobile homes owned by County residents. Georgia State law does not provide for maximum millage rates that the County may levy.

Deferred Revenue - Delinquent property taxes not collected within sixty (60) days after year-end is recognized as deferred revenue.

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Note 7 – Capital Assets

A summary of the changes in general capital assets for the year ended June 30, 2015 is as follows:

	Balance at July 1, 2014	Additions	Reductions	Balance at June 30, 2015
Primary Government				
Governmental Activities:				
Nondepreciable Capital Assets:				
Land and improvements	$ 65,457	$ 179,839	$ -	$ 245,296
Construction in progress	-	435,980	-	435,980
Total Nondepreciable Capital Assets	65,457	615,819	-	681,276
Depreciable Capital Assets:				
Buildings and building improvements	$ 1,592,840	$ 48,564	$ -	$ 1,641,404
Infrastructure	2,071,026	-	-	2,071,026
Paving, landscaping and improvements	331,790	-	-	331,790
Vehicles	861,912	30,590	25,547	866,955
Machinery and equipment	1,952,649	209,514	129,690	2,032,473
Total Depreciable Capital Assets	6,810,217	288,668	155,237	6,943,648
Less Accumulated Depreciation for:				
Buildings and building improvements	845,238	42,179	-	887,417
Infrastructure	161,719	41,421	-	203,140
Paving, landscaping and improvements	169,396	17,167	-	186,563
Vehicles	598,726	49,703	25,547	622,882
Machinery and equipment	1,065,994	160,862	129,690	1,097,166
Total Accumulated Depreciation	2,841,073	311,332	155,237	2,997,168
Total Depreciable Capital Assets, Net	3,969,144	(22,664)	-	3,946,480
Governmental Activities Capital Assets, Net	$ 4,034,601	$ 593,155	$ -	$ 4,627,756

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Depreciation was charged to governmental functions as follows:

Governmental activities:	
General Government	
Legislative and Executive	$ 64,192
Public Safety	101,561
Public Works	117,899
Health and Welfare	4,847
Culture and Recreation	22,833
Total Depreciation Expense - Governmental Activities	$ 311,332

Note 8 – Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused leave benefits. Unused leave benefits will be paid to employees upon separation from County services. The General Fund pays for any used compensated absences during a fiscal year.

	Balance at June 30, 2014	Additions	Reductions	Balance at June 30, 2015	Amount Due In One Year
Primary Government:					
Governmental Activities:					
Compensated absences	$ 23,787	$ 15,199	$ 14,272	$ 24,714	$ 14,828
Total Primary Government	$ 23,787	$ 15,199	$ 14,272	$ 24,714	$ 14,828
Component Unit - Board of Health:					
Compensated absences	$ 3,642	$ 3,652	$ 1,821	$ 5,473	$ 3,284

Note 9 - Long-Term Debt

The following is a summary of the debt transactions of the County for the fiscal year ended June 30, 2015:

	Balance at June 30, 2014	Additions	Reductions	Balance at June 30, 2015	Amount Due In One Year
Governmental Activities					
Capital leases	$ 612,998	$ 198,647	$ 192,673	$ 618,972	$ 95,982
Total Governmental Activities	$ 612,998	$ 198,647	$ 192,673	$ 618,972	$ 95,982

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Note 9 - Long-Term Debt - Continued

The original issue date, interest rate and original issue amount for the County's long-term obligations are as follows:

	Purpose	Original Issue Date	Interest Rate	Original Issue Amount	Maturity Date
Governmental Activities					
Capital Lease	Park Lights	2012	5.45%	$ 150,000	2021
Capital Lease	Motor Graders	2013	2.14%	$ 383,902	2018
Capital Lease	Excavator	2013	2.30%	$ 83,826	2017
Capital Lease	Mower with side arm boom	2014	2.24%	$ 74,000	2018
Capital Lease	Motor Grader	2014	2.40%	$ 198,647	2019

The following is a summary of the County's future annual debt service requirements on long-term obligations:

	Governmental Activities	
	Capital Leases	
Year Ending June 30,	Principal	Interest
2016	$ 95,982	$ 16,278
2017	98,659	13,602
2018	335,754	9,584
2019	51,725	3,429
2020	17,925	2,059
2021	18,927	1,058
Total	$ 618,972	$ 46,010

The assets acquired through capital leases are as follows:

	Total Governmental Activities
Asset:	
Equipment	$ 910,375
Less: accumulated depreciation	(190,084)
Total	$ 720,291

The amortization expense of these capital lease assets for FY15 was $80,488 and is included with the depreciation expense.

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Note 10 – Landfill-Postclosure Costs

The County owned and operated a solid waste landfill prior to 1992. During 1992, the landfill was closed. In compliance with State and Federal regulations, the County contracted with an engineering firm to conduct the necessary ground water and methane monitoring procedures.

The County has accrued the expected postclosure cost for the landfill. The amount accrued represented 100% of the total estimated remaining postclosure cost which is made up of estimated monitoring costs and maintenance costs. This estimate is subject to change based on changes in technology or applicable laws and regulations. The County has funded postclosure costs through the general fund budget.

	Balance at July1, 2014	Additions	Reductions	Balance at June 30, 2015	Amount Due In One Year
Governmental Activities					
Landfill postclosure cost	$ 12,056	$ -	$ 12,056	$ -	$ -
Total Governmental Activities	$ 12,056	$ -	$ 12,056	$ -	$ -

Note 11 – Component Units

Lanier County Board of Health

Basis of Presentation The financial statements of the Lanier County Board of Health (Board) have been prepared in accordance with generally accepted accounting principles (GAAP) for local governmental units and, accordingly, reflect all significant receivables, payables, and other liabilities. The Board uses funds to report on its financial position and results of its operations. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results may differ from those estimates.

Basis of Accounting The accrual basis of accounting is followed by the Board. Revenues are recognized when an exchange takes place or when all eligibility requirements have been satisfied.

Cash and Cash Equivalents Cash and cash equivalents of the Board are not a part of the County's cash management pool and are reported as part of "Cash and Cash Equivalents in Segregated Accounts".

Property and Equipment Property and equipment are carried at cost or, if donated, the fair value on the date donated. Depreciation is computed using the straight-line method over the estimated useful life of the asset.

Property and equipment as of June 30, 2015, was as follows:

Equipment	$ 28,679
Less Accumulated Depreciation	(28,467)
Net Property and Equipment	$ 212

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Note 11 – Component Units - Continued

Lanier County Board of Health Pension Plan

General Information about the Employees Retirement System

Plan description: ERS is a cost-sharing multiple-employer defined benefit pension plan established by the Georgia General Assembly during the 1949 Legislative Session for the purpose of providing retirement allowances for employees of the State of Georgia and its political subdivisions. ERS is directed by a Board of Trustees. Title 47 of the O.C.G.A. assigns the authority to establish and amend the benefit provisions to the State Legislature. ERS issues a publicly available financial report that can be obtained at www.ers.ga.gov.

Plan provisions include deferred allowances whereby an employee may terminate his or her employment after accumulating 10 years of service but before reaching age 60. If the employee does not withdraw his or her accumulated contributions, the employee is entitled to all pension benefits as described above upon reaching age 60.

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

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

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

Contributions: Employees are required to pay 1.25% of gross earnings to the retirement account and .25% of gross earnings to the GTLI premiums except for employees covered by the new GSEPS plan that was effective January 1, 2009. The GSEPS plan employees contribute 1.25% of their gross pay and are not eligible for the GTLI. GSEPS participants are also eligible to participate in a 401K Plan with employer match contributions based on employee contributions. The Lanier County Board of Health makes annual contributions to the pension plan equal to the amount required as set by the Board of Trustees of the PERS as determined by the system's actuary. Employer contributions amounted to 13.71%, 18.46% and 15.18%

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Note 11 – Component Units - Continued

Lanier County Board of Health Pension Plan

of covered compensation for the fiscal year for participants in the old, new and GSEPS plan respectively for the year ended June 30, 2015. Employer contributions made for the year ended June 30, 2015 totaled $19,331.

Pension Liabilities and Pension Expense

At fiscal year end, the Board of Health reported $100,704 as a liability for its proportionate share of the net pension liabilities.

The Board of Health's net pension liability is measured as the proportionate share of the net pension liability. The net pension liability is measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The Board of Health's proportion of the net pension liability was based on a projection of the Board of Health's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The Board of Health's proportionate share of the net pension liability as of June 30, 2013 and 2014 was as follows:

Proportion – June 30, 2013	.003169%
Proportion – June 30, 2014	.002685%

For the year ended June 30, 2015, the Board of Health recognized pension expense of ($2,883). At June 30, 2015 the Board of Health reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	24,579
Changes in proportion and differences between Employer contributions and proportion share of contributions	-	14,453
Employer contributions subsequent to the measurement date	19,331	-
Total	$ 19,331	$ 39,032

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Note 11 – Component Units - Continued

Lanier County Board of Health Pension Plan

$19,331 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30		
2016	$	(15,178)
2017		(11,565)
2018		(6,145)
2019		(6,144)
2020		-
Thereafter		-

Actuarial assumptions: The total pension liability as of June 30, 2015 was determined by an actuarial valuation as of June 30, 2014 using the following actuarial assumptions, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2004 – June 30, 2009.

Pension Liabilities and Pension Expense - Continued

Discount rate: The discount rate used to measure the total pension liability was 7.50%.

Sensitivity of the Employer's proportionate share of the net pension liability to changes in the discount rate:

	1% Decrease (6.5%)	Current discount rate (7.5%)	1% Increase (8.5%)
Employer's proportionate share of the net pension liability	146,847	100,704	61,426

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Note 12 – Operating Leases

The County leases office space to other governmental agencies under a one year lease agreement and on a month-to-month basis. Rental income was $13,800 for the year ending June 30, 2015. Beginning July 1, 2009, the County leased the County Annex Building from the Development Authority of Lanier County for a period of 12 months for $60,000 per year. The County has the option to renew the lease agreement for an additional twelve months and shall inform the Development Authority by June 1 of each year. Lease expense for the County Annex Building was $80,000 for the year ending June 30, 2015.

Note 13 – Contingent Liabilities

There was no pending litigation, claims, or assessments against the County at June 30, 2015. In the opinion of County management, there were no unasserted claims or assessments that might have a material effect on the financial condition of the County.

The County receives Federal and State Grants for specific purposes that are subject to review and audit by Federal and State agencies. Such audits could result in a request for reimbursement by the Federal and State Governments for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of County management, such disallowances, if any, will not be significant.

Note 14 – Retirement Benefits

Defined Contribution Plan:

The County sponsors the Association County Commissioners of Georgia Defined Contribution Plan. The plan is an IRC Section 401(a)/457 Match Plan.

Under the plan, all full-time permanent employees are eligible for participation after completing ninety days of service. The plan provides retirement, disability and death benefits to plan participants and beneficiaries and, is administered by Government Employee Benefits Corporation of Georgia. The provisions of the plan may be amended at any time and from time to time by written amendment approved by the County.

The County makes a base contribution to the 401(a) plan equal to one percent (1%) of each participating employee's salary. For employees participating in the deferred compensation program, the County will make an additional matching contribution to the 401(a) plan equal to one percent (1%) of the employee's contribution up to a maximum of two percent (2%) of the employee's salary. During the year ended June 30, 2015, the plan members contributed $22,621 and the County contributed $13,853 to the plan.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish and amend from time to time, the contribution rate for the County and its plan members.

Deferred Compensation Plan:

The Lanier County Board of Commissioners offers all Lanier County employees a deferred compensation plan created in accordance with the Internal Revenue Code, Section 457, as part of the match plan described in Note 7. The assets of the plans were held in trust, (custodial account or annuity contract) as described in IRC Section 457 (g) for the exclusive benefit of the participants (employees) and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this Section 457 plan, and the assets may not be diverted to any other use. The Administrators are agents of the employer for purposes of providing direction to the custodian of the

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Note 14 – Retirement Benefits - Continued

custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account and all other matters. In accordance with the provisions of GASB Statement 32, plan balances and activities are not reflected in Lanier County, Georgia's financial statements.

A copy of additional financial information from the Plan financial reports can be obtained from GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Other Pension Plans:

In addition to the above retirement plan, of which the County is administrator, the following retirement plans are in effect but are not under the direct control of the County:

1) Judges of the Probate Court Retirement Fund of Georgia
2) Clerk of Superior Court Retirement Fund
3) Sheriffs' Retirement Fund of Georgia
4) Peace Officers' Annuity and Benefit Fund of Georgia
5) Magistrates Retirement Fund of Georgia

These plans provide for certain sums from marriage licenses, fees, fines and forfeitures to be remitted directly to the pension plans before the payment of any costs or other claims. GASB #68 valuation reports and schedules can be found on their respective web sites.

Note 15 – Risk Financing Activities

The County may be subject to risk of loss due to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County covers these risk through the purchase of insurance coverage through the ACCG – Group Self-Insurance Workers' Compensation Fund and the ACCG – Interlocal Risk Management Agency. These are public entity risk pools currently operating as common risk management and insurance programs for member local governments.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agents and attorneys to represent the County in investigation, settlement discussions and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expense incurred for investigation, negotiation or defense.

The County also carries commercial insurance for all risks of loss, including employee health, property and liability insurance programs.

Settled claims in the past three years have not exceeded the coverage. There was no significant reduction in insurance coverage from the prior year.

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Note 16 – Subsequent Event

Subsequent events were evaluated through February 24, 2016, which is the date of the financial statements were available to be issued.

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REQUIRED SUPPLEMENTAL INFORMATION

LANIER COUNTY, GEORGIA
REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Taxes	$ 3,490,959	$ 3,774,559	$ 3,429,844	$ (344,715)
Licenses and permits	44,167	44,167	58,138	13,971
Intergovernmental Revenues	5,598	65,866	138,579	72,713
Charges for services	385,147	385,147	298,722	(86,425)
Fines and forfeitures	79,998	79,998	234,548	154,550
Investment income	3,082	3,082	5,830	2,748
Miscellaneous	49,227	49,227	115,747	66,520
TOTAL REVENUES	**4,058,178**	**4,402,046**	**4,281,408**	**(120,638)**

See independent auditor's report.

LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
EXPENDITURES				
GENERAL GOVERNMENT				
Commissioners' Office				
Operating	210,000	185,000	184,578	(422)
Total	210,000	185,000	184,578	(422)
Courthouse / Administration				
Operating	382,000	465,000	463,870	(1,130)
Capital outlay	-	36,500	36,310	(190)
Total	382,000	501,500	500,180	(1,320)
Sundry				
Operating	100,000	90,000	89,058	(942)
Total	100,000	90,000	89,058	(942)
Tax Commissioner				
Operating	160,417	171,417	170,821	(596)
Total	160,417	171,417	170,821	(596)
Tax Assessors				
Operating	160,097	150,097	148,101	(1,996)
Total	160,097	150,097	148,101	(1,996)
Public Buildings				
Operating	23,000	32,000	31,254	(746)
Total	23,000	32,000	31,254	(746)
Church Street Building				
Operating	2,000	2,400	2,245	(155)
Total	2,000	2,400	2,245	(155)
Oak Street Building				
Operating	15,000	19,500	19,059	(441)
Total	15,000	19,500	19,059	(441)
Elections				
Operating	59,588	61,588	60,983	(605)
Total	59,588	61,588	60,983	(605)
Contingency				
Operating	100,000	100,000	100,000	-
	100,000	100,000	100,000	-
Total - General Government	**1,212,102**	**1,313,502**	**1,306,279**	**(7,223)**

See independent auditor's report.

LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
JUDICIAL				
Superior Court				
Operating	$ 140,700	$ 141,700	$ 141,281	$ (419)
	140,700	141,700	141,281	(419)
Public Defender				
Operating	46,730	36,730	33,767	(2,963)
	46,730	36,730	33,767	(2,963)
District Attorney				
Operating	19,888	20,388	20,305	(83)
	19,888	20,388	20,305	(83)
Magistrate Court				
Operating	46,690	45,690	45,385	(305)
	46,690	45,690	45,385	(305)
Probate Court				
Operating	146,382	159,382	159,116	(266)
	146,382	159,382	159,116	(266)
Juvenile Court				
Operating	26,295	22,295	21,966	(329)
	26,295	22,295	21,966	(329)
Total - Judicial	**426,685**	**426,185**	**421,820**	**(4,365)**

See independent auditor's report.

LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
PUBLIC SAFETY				
Sheriff's Office				
Operating	719,997	783,997	783,760	(237)
Capital outlay	43,503	8,503	8,370	(133)
	763,500	792,500	792,130	(370)
Jail Board				
Operating	485,002	290,002	286,162	(3,840)
	485,002	290,002	286,162	(3,840)
Fire Department				
Operating	78,425	80,925	80,457	(468)
	78,425	80,925	80,457	(468)
Patten Detention Work Detail				
Operating	19,750	19,750	17,232	(2,518)
	19,750	19,750	17,232	(2,518)
Emergency Medical Services				
Operating	120,000	147,000	146,875	(125)
	120,000	147,000	146,875	(125)
Emergency Management				
Operating	10,000	14,000	13,884	(116)
	10,000	14,000	13,884	(116)
Office of the Coroner				
Operating	12,500	13,500	13,292	(208)
	12,500	13,500	13,292	(208)
911 Services				
Operating	123,734	124,734	124,184	(550)
	123,734	124,734	124,184	(550)
Animal Control				
Operating	20,000	8,000	7,776	(224)
	20,000	8,000	7,776	(224)
Total - Public Safety	**1,632,911**	**1,490,411**	**1,481,992**	**(8,419)**

See independent auditor's report.

LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
PUBLIC WORKS				
Roads Department				
Operating	390,146	673,146	522,687	(150,459)
	390,146	673,146	522,687	(150,459)
Solid Waste & Recycling				
Operating	20,000	20,800	20,518	(282)
	20,000	20,800	20,518	(282)
Total - Public Works	**410,146**	**693,946**	**543,205**	**(150,741)**
HEALTH AND WELFARE				
Nutrition Department				
Operating	33,637	41,637	40,974	(663)
	33,637	41,637	40,974	(663)
Public Health Department				
Operating	53,924	54,924	54,762	(162)
	53,924	54,924	54,762	(162)
Headstart				
Operating	1,621	1,221	850	(371)
	1,621	1,221	850	(371)
Department of Family and Children Services				
Operating	16,721	12,721	11,329	(1,392)
	16,721	12,721	11,329	(1,392)
Total - Health and Welfare	**105,903**	**110,503**	**107,915**	**(2,588)**
CULTURE AND RECREATION				
Recreation / Park Department				
Operating	115,000	115,800	115,689	(111)
Capital outlay	-	31,000	30,851	(149)
	115,000	146,800	146,540	(260)
W. L. Miller Library				
Operating	16,480	17,980	17,595	(385)
	16,480	17,980	17,595	(385)
Total - Culture and Recreation	**131,480**	**164,780**	**164,135**	**(645)**

See independent auditor's report.

LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
HOUSING AND DEVELOPMENT				
Forestry				
Operating	10,615	10,715	10,673	(42)
	10,615	10,715	10,673	(42)
Extension Agency				
Operating	85,104	83,004	81,100	(1,904)
	85,104	83,004	81,100	(1,904)
Code Enforcement				
Operating	15,500	16,000	15,973	(27)
	15,500	16,000	15,973	(27)
Soil Conservations				
Operating	1,000	1,000	977	(23)
	1,000	1,000	977	(23)
Chamber				
Operating	5,000	5,000	5,000	-
	5,000	5,000	5,000	-
Development Authority				
Operating	80,000	86,000	85,763	(237)
	80,000	86,000	85,763	(237)
Board of Equalization				
Operating	2,000	1,000	809	(191)
	2,000	1,000	809	(191)
Total - Housing and Development	**199,219**	**202,719**	**200,295**	**(2,424)**
TOTAL EXPENDITURES	**4,118,446**	**4,402,046**	**4,225,641**	**(176,405)**
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES	**(60,268)**	**-**	**55,767**	**55,767**
OTHER FINANCING SOURCES (USES):				
Transfer in	60,268	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	**60,268**	**-**	**-**	**-**
NET CHANGE IN FUND BALANCE	**-**	**-**	**55,767**	**55,767**
FUND BALANCE, BEGINNING OF YEAR	**-**	**-**	**2,009,421**	**2,009,421**
FUND BALANCE, END OF YEAR	**$ -**	**$ -**	**$ 2,065,188**	**$ 2,065,188**

See independent auditor's report.

LANIER COUNTY, GEORGIA
REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Investment income	$ 180,515	$ 180,515	$ 541	$ (179,974)
TOTAL REVENUES	180,515	180,515	541	(179,974)
EXPENDITURES				
Current:				
Housing and development	180,515	180,515	-	(180,515)
TOTAL EXPENDITURES	180,515	180,515	-	(180,515)
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES	-	-	541	541
FUND BALANCE, BEGINNING OF YEAR	-	-	179,925	179,925
FUND BALANCE, END OF YEAR	$ -	$ -	$ 180,466	$ 180,466

See independent auditor's report.

Note 1 – Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the Budgetary Basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedules of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual for the general and major special revenue funds are presented on the Budgetary Basis to provide a meaningful comparison of actual results with the budget. Beginning fund balances were budgeted under the Budgetary Basis.

COMBINING AND INDIVIDUAL FUND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

The Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital assets.

Capital Projects 2012 Special Purpose Sales Tax Fund – To account for the special purpose local option sales tax that was approved by referendum. The revenue is restricted to the stated purposes of the referendum.

Capital Projects Public Roads Fund – To account for the Local Government Improvement Funds (LMIG) used for road improvements.

WARE COUNTY, GEORGIA
2012 SPECIAL PURPOSE LOCAL OPTION SALES TAX
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Taxes	$ 353,366	$ 523,366	$ 526,633	$ 3,267
Investment income	-	-	257	257
TOTAL REVENUES	353,366	523,366	526,890	3,524
EXPENDITURES				
Intergovernmental	-	200,000	198,541	(1,459)
Public works	353,366	523,366	378,254	(145,112)
TOTAL EXPENDITURES	353,366	723,366	576,795	(146,571)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(200,000)	(49,905)	150,095
OTHER FINANCING SOURCES				
Capital lease financing	-	200,000	198,647	(1,353)
TOTAL OTHER FINANCING SOURCES	-	200,000	198,647	(1,353)
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	-	-	148,742	148,742
FUND BALANCE, BEGINNING OF YEAR	-	-	35,680	35,680
FUND BALANCE, END OF YEAR	$ -	$ -	$ 184,422	$ 184,422

WARE COUNTY, GEORGIA
PUBLIC ROADS PROGRAM
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenue	$ 194,000	$ 438,300	$ 195,410	$ (242,890)
TOTAL REVENUES	194,000	438,300	195,410	(242,890)
EXPENDITURES				
Current:				
Public works	194,000	438,300	438,047	(253)
TOTAL EXPENDITURES	194,000	438,300	438,047	(253)
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES	-	-	(242,637)	(242,637)
FUND BALANCE, BEGINNING OF YEAR	-	-	240,066	240,066
FUND BALANCE, END OF YEAR	$ -	$ -	$ (2,571)	$ (2,571)

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specific purposes.

Law Library Fund – To account for funds accessed with fines and designated for the maintenance of a law library

Jail Fund – To account for funds accessed with finds and designated for jail operations and prisoner housing.

Victim Assistance Fund – To account for accounts for fine income specified for victim assistance and the revenue is restricted for those purposes.

D.A.T.E. Fund – To account for fine income specified for drug addiction treatment and education

State Drug and State Seizure Fund – To account for funds received through drug seizures in cooperation with state agencies.

Federal Seizure Equitable Sharing Fund – To account for funds received through drug seizures in cooperation with federal agencies.

LANIER COUNTY, GEORGIA
ALL NONMAJOR FUNDS
COMBINING BALANCE SHEET
June 30, 2015

	Law Library Fund	Jail Fund	Victim Assistance Fund	D.A.T.E. Fund	State Drug And State Seizure Fund	Federal Seizure Equitable Sharing	Total
ASSETS							
Cash	$ 26,373	$ 4,068	$ 3,674	$ 4,516	$ 112,614	$ 3,035	$ 154,280
Accounts receivable	1,050	2,571	1,277	167	-	-	5,065
TOTAL ASSETS	$ 27,423	$ 6,639	$ 4,951	$ 4,683	$ 112,614	$ 3,035	$ 159,345
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Accounts payable	-	-	3,650	2,258	-	-	5,908
TOTAL LIABILITIES	-	-	3,650	2,258	-	-	5,908
FUND BALANCES							
Restricted for:							
Law library	27,423	-	-	-	-	-	27,423
Jail operations	-	6,639	-	-	-	-	6,639
Victim Assistance	-	-	1,301	-	-	-	1,301
Drug education and treatment	-	-	-	2,425	-	-	2,425
Drug enforcement	-	-	-	-	112,614	3,035	115,649
TOTAL FUND BALANCES	27,423	6,639	1,301	2,425	112,614	3,035	153,437
TOTAL LIABILITIES AND FUND BALANCES	$ 27,423	$ 6,639	$ 4,951	$ 4,683	$ 112,614	$ 3,035	$ 159,345

See independent auditor's report.

LANIER COUNTY, GEORGIA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Year Ended June 30, 2015

	Law Library Fund	Jail Fund	Victim Assistance Fund	D.A.T.E. Fund	State Drug And State Seizure Fund	Federal Seizure Equitable Sharing	Total
REVENUES							
Fines and forfeitures	$ 12,628	$ 26,087	$ 11,431	$ 8,965	$ 92,238	$ -	$ 151,349
Investment income	62	-	-	-	-	-	62
TOTAL REVENUES	12,690	26,087	11,431	8,965	92,238	-	151,411
EXPENDITURES							
Current:							
Judicial	11,133	-	10,796	-	-	-	21,929
Public safety	-	30,771	-	-	14,957	300	46,028
Health and welfare	-	-	-	13,991	-	-	13,991
TOTAL EXPENDITURES	11,133	30,771	10,796	13,991	14,957	300	81,948
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	1,557	(4,684)	635	(5,026)	77,281	(300)	69,463
NET CHANGES IN FUND BALANCE	1,557	(4,684)	635	(5,026)	77,281	(300)	69,463
FUND BALANCE, BEGINNING OF YEAR	25,866	11,323	666	7,451	35,333	3,335	83,974
FUND BALANCE, END OF YEAR	$ 27,423	$ 6,639	$ 1,301	$ 2,425	$ 112,614	$ 3,035	$ 153,437

See independent auditor's report.

LANIER COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 24,500	$ 24,500	$ 12,628	$ (11,872)
Investment income	-	-	62	62
TOTAL REVENUES	24,500	24,500	12,690	(11,810)
EXPENDITURES				
Current:				
Judicial	24,500	24,500	11,133	(13,367)
TOTAL EXPENDITURES	24,500	24,500	11,133	(13,367)
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES	-	-	1,557	1,557
FUND BALANCE, BEGINNING OF YEAR	-	-	25,866	25,866
FUND BALANCE, END OF YEAR	$ -	$ -	$ 27,423	$ 27,423

See independent auditor's report.

LANIER COUNTY, GEORGIA
JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 4,200	$ 31,200	$ 26,087	$ (5,113)
TOTAL REVENUES	4,200	31,200	26,087	(5,113)
EXPENDITURES				
Current:				
Public safety	4,200	31,200	30,771	(429)
TOTAL EXPENDITURES	4,200	31,200	30,771	(429)
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES	-	-	(4,684)	(4,684)
FUND BALANCE, BEGINNING OF YEAR	-	-	11,323	11,323
FUND BALANCE, END OF YEAR	$ -	$ -	$ 6,639	$ 6,639

See independent auditor's report.

LANIER COUNTY, GEORGIA
VICTIM ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 3,456	$ 11,000	$ 11,431	$ 431
TOTAL REVENUES	3,456	11,000	11,431	431
EXPENDITURES				
Current:				
Judicial	3,456	11,000	10,796	(204)
TOTAL EXPENDITURES	3,456	11,000	10,796	(204)
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES	-	-	635	635
FUND BALANCE, BEGINNING OF YEAR	-	-	666	666
FUND BALANCE, END OF YEAR	$ -	$ -	$ 1,301	$ 1,301

See independent auditor's report.

LANIER COUNTY, GEORGIA
D.A.T.E. FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 2,500	$ 14,000	$ 8,966	$ (5,034)
TOTAL REVENUES	2,500	14,000	8,966	(5,034)
EXPENDITURES				
Current:				
Health and welfare	2,500	14,000	13,991	(9)
TOTAL EXPENDITURES	2,500	14,000	13,991	(9)
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES	-	-	(5,025)	(5,025)
FUND BALANCE, BEGINNING OF YEAR	-	-	7,450	7,450
FUND BALANCE, END OF YEAR	$ -	$ -	$ 2,425	$ 2,425

See independent auditor's report.

LANIER COUNTY, GEORGIA
STATE DRUG AND STATE SEIZURE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 5,000	$ 15,000	$ 92,238	$ 77,238
TOTAL REVENUES	5,000	15,000	92,238	77,238
EXPENDITURES				
Current:				
Public safety	5,000	15,000	14,957	(43)
TOTAL EXPENDITURES	5,000	15,000	14,957	(43)
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES	-	-	77,281	77,281
FUND BALANCE, BEGINNING OF YEAR	-	-	35,333	35,333
FUND BALANCE, END OF YEAR	$ -	$ -	$ 112,614	$ 112,614

See independent auditor's report.

LANIER COUNTY, GEORGIA
FEDERAL SEIZURE EQUITABLE SHARING PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ -	$ 1,000	$ -	$ (1,000)
TOTAL REVENUES	-	1,000	-	(1,000)
EXPENDITURES				
Current:				
Public safety	-	1,000	300	(700)
TOTAL EXPENDITURES	-	1,000	300	(700)
EXCESS (DEFICIT) OF REVENUE OVER (UNDER) EXPENDITURES	-	-	(300)	(300)
FUND BALANCE, BEGINNING OF YEAR	-	-	3,335	3,335
FUND BALANCE, END OF YEAR	$ -	$ -	$ 3,035	$ 3,035

See independent auditor's report.

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or funds.

Tax Commissioner - to account for the collection of property taxes, motor vehicle tax and title fees and mobile home fees, etc. which are disbursed to various taxing units.

Probate Judge - to account for the collection of fees for a probate of wills, administration of estates, issuance of marriage licenses ad maintenance of other vital records which are disbursed to other parties.

Clerk of Superior Court - to account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, recording of intangibles, fees, civil awards, etc. which are disbursed to other parties.

Office of Sheriff - to account for collection of cash bonds, fines, forfeitures, etc. which are disbursed to other parties.

Magistrate Court - to account for the collection of fees in jurisdiction of small claims courts, which are disbursed to other parties.

LANIER COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
June 30, 2015

	AGENCY FUNDS					
	TAX COMMISSIONER	PROBATE JUDGE	CLERK OF SUPERIOR COURT	OFFICE OF SHERIFF	MAGISTRATE COURT	TOTAL
ASSETS						
Cash	$ 512,614	$ 37,670	$ 69,323	$ 2,268	$ 7,602	$ 629,477
TOTAL ASSETS	$ 512,614	$ 37,670	$ 69,323	$ 2,268	$ 7,602	$ 629,477
LIABILITIES AND NET POSITION						
LIABILITIES						
Due to others	$ 512,614	$ 37,670	$ 69,323	$ 2,268	$ 7,602	$ 629,477
TOTAL LIABILITIES	$ 512,614	$ 37,670	$ 69,323	$ 2,268	$ 7,602	$ 629,477
NET POSITION	$ -	$ -	$ -	$ -	$ -	$ -

See independent auditor's report.

LANIER COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
For The Year Ending June 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
OFFICE OF TAX COMMISSIONER				
ASSETS				
Cash	$ 598,890	$ 7,304,140	$ 7,390,416	$ 512,614
TOTAL ASSETS	$ 598,890	$ 7,304,140	$ 7,390,416	$ 512,614
LIABILITIES				
Due to others	$ 598,890	$ 7,304,140	$ 7,390,416	$ 512,614
TOTAL LIABILITIES	$ 598,890	$ 7,304,140	$ 7,390,416	$ 512,614
PROBATE JUDGE				
ASSETS				
Cash	$ 17,761	$ 337,310	$ 317,401	$ 37,670
TOTAL ASSETS	$ 17,761	$ 337,310	$ 317,401	$ 37,670
LIABILITIES				
Due to others	$ 17,761	$ 337,310	$ 317,401	$ 37,670
TOTAL LIABILITIES	$ 17,761	$ 337,310	$ 317,401	$ 37,670
CLERK OF COURT				
ASSETS				
Cash	$ 68,254	$ 316,075	$ 315,006	$ 69,323
TOTAL ASSETS	$ 68,254	$ 316,075	$ 315,006	$ 69,323
LIABILITIES				
Due to others	$ 68,254	$ 316,075	$ 315,006	$ 69,323
TOTAL LIABILITIES	$ 68,254	$ 316,075	$ 315,006	$ 69,323

See independent auditor’s report.

LANIER COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
For The Year Ending June 30, 2015

		Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
OFFICE OF SHERIFF					
ASSETS					
Cash		$ 4,474	$ 88,661	$ 90,867	$ 2,268
	TOTAL ASSETS	$ 4,474	$ 88,661	$ 90,867	$ 2,268
LIABILITIES					
Due to others		$ 4,474	$ 88,661	$ 90,867	$ 2,268
	TOTAL LIABILITIES	$ 4,474	$ 88,661	$ 90,867	$ 2,268
MAGISTRATE COURT					
ASSETS					
Cash		$ 6,248	$ 78,329	$ 76,975	$ 7,602
	TOTAL ASSETS	$ 6,248	$ 78,329	$ 76,975	$ 7,602
LIABILITIES					
Due to others		$ 6,248	$ 78,329	$ 76,975	$ 7,602
	TOTAL LIABILITIES	$ 6,248	$ 78,329	$ 76,975	$ 7,602

See independent auditor's report.

COMPLIANCE SECTION

LANIER COUNTY, GEORGIA
SCHEDULE OF PROJECTS FUNDED BY SPECIAL PURPOSE SALES TAX PROCEEDS
For The Year Ended June 30, 2015

2012 SPLOST	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Roads, streets and bridge purposes	$ 6,230,000	$ 2,492,000	$ 570,836	$ 378,254	$ 949,090	38.09%
City of Lakeland	3,770,000	1,508,000	393,229	198,541	591,770	39.24%
Totals	$ 10,000,000	$ 4,000,000	$ 964,065	$ 576,795	$ 1,540,860	

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

To the Board of County Commissioners
Lanier County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Lanier County, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Lanier County, Georgia's basic financial statements and have issued our report thereon dated February 24, 2016.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies 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 certain deficiencies in internal control, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies noted as 2015-1.

Compliance and Other Matters

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

Lanier County, Georgia's Response to Findings

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

Purpose of this Report

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

Tillman & Tillman, LLP

Tillman & Tillman, LLP

Valdosta, Georgia
February 24, 2016

LANIER COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2015

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified	
Internal control over financial reporting		
Material weakness identified?	_____ Yes	__X__ No
Significant deficiencies identified not considered to be material weakness?	__X__ Yes	_____ None reported
Noncompliance material to financial statements noted?	_____ Yes	__X__ No

Section II – Financial Statement Findings

Current Year Findings

2015-1 – Criteria – Lack of Segregation of Duties

Internal control systems are typically more effective when the number of employees is sufficient to create a proper separation of duties.

2015-1 – Condition

Due to the limited number of employees in each of the County's offices, there is not a proper separation of duties to create an effective system of internal control. This condition is common in most local government units.

2015-1 – Cause

Due to budget constraints of small governments, the addition of more personnel is difficult to obtain the proper level of segregation of duties.

2015-1 – Effect

Transactions might not be processed in conformity with the internal control system of the County and, if material, the financial statements might not conform with generally accepted accounting principles and-or lack of compliance with applicable laws and regulation could occur.

2015-1 Recommendation

While it may not be practical to hire sufficient personnel to create a more effective system of internal control in each office, we do recommend that the elected officials of each office be made aware of this condition and that it is their responsibility to monitor activities of their respective office and to properly account for all transactions of said office.

2015-1 – Management Response

Management shall stress again to the Elected Officials the importance of this finding. The County Clerk gives each office/department monthly a report of the budgeted expenditures by the month and year. It is the supervisor or elected official's responsibility to monitor and review reports given to the office on a monthly basis. This is needed for compliance with County policies and procedures and applicable laws and regulations.

Prior Year Findings:

2015-1 was also a finding in the prior year.