MURRAY COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2014

Murray County, Georgia
Annual Financial Report
For the Year Ended December 31, 2014

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Commissioner
of Murray County
Chatsworth, 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 Murray County, Georgia, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of the Hospital Authority and the Department of Public Health, which represent 99 percent of the assets, net position, and revenues of the discretely presented component units.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Hospital Authority and the Department of Public Health, which represent 99 percent of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Hospital Authority and the Department of Public Health is based on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Murray County, Georgia, as of December 31, 2014, and the respective changes in financial position and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Employee's Retirement Plan-Schedule of Funding Progress on pages 3-11 and 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 opinions on the financial statements that collectively comprise the Murray County, Georgia's basic financial statements. The combining and individual major and nonmajor fund financial statements, budgetary comparison schedules, and the schedule of expenditures of special purpose local option sales tax are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual major and nonmajor fund financial statements, budgetary comparison schedules, and schedule of expenditures of special purpose local option sales tax are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and nonmajor fund financial statements, budgetary comparison schedules, and the schedule of expenditures of special purpose local option sales tax 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 December 31, 2015, on our consideration of Murray 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 Murray County's internal control over financial reporting and compliance.

R. M. Dobbs & Company

Calhoun, Georgia
December 31, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the comprehensive annual financial report for Murray County (the County), the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the calendar year ended December 31, 2014. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

2014 FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities by $51,585,425 (total net position) as of December 31, 2014.
- Total net position is comprised of the following:
  (1) Net investment in capital assets, of $48,624,353 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  (2) Net position of $2,276,176 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
  (3) Unrestricted net position of $684,896 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of $5,618,681 at December 31, 2014. This compares to the prior year ending fund balance of $6,055,618, showing a decrease of $436,937 during the current year. Unassigned fund balance of $3,342,505 at December 31, 2014 shows a $126,751 decrease from the prior year amount at December 31, 2013.
- At the end of the current calendar year, the unassigned fund balance for the General Fund was $3,342,505, or 21.1% of total General Fund expenditures.
- The failing economy has played havoc with many of the County's 2014 revenue streams.
- Overall, the County continues to maintain a strong financial position.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Comparative data is presented to allow comparison to the prior calendar year.

Government-wide Financial Statements

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

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

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid.

An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Governmental activities include general government, judicial, public safety, public works, culture and recreation, health and welfare and housing and development.

The government-wide financial statements are presented on pages 11 & 12 of this report.

Fund Financial Statements

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

The County has two kinds of funds:

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

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

The basic governmental fund financial statements are presented on pages 13 to 17 of this report.

Information regarding the County's component units are found on pages 18 and 19 of this report.

Individual fund information for nonmajor governmental funds is found in combining statements in a later section of this report.

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

The basic fiduciary fund financial statement is presented on page 20 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 21 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budget presentations. Required supplementary information can be found on page 40 of this report.

Supplementary Information

As discussed, the County reports major funds in the basic financial statements. Comparative information for major funds and combining and individual statements and budgetary comparison schedules for nonmajor funds are presented in a supplementary information section of this report beginning on page 41.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

The County's net position at calendar year-end is $51,586,086. The following table provides a summary of the County's net position:

Summary of Net Position

	Governmental Activities	
	2014	*As restated* 2013
Assets:		
Current assets	$ 6,910,872	$ 6,928,011
Noncurrent assets:		
Other non-capital assets	101,654	102,315
Capital assets	48,624,353	49,812,389
Total assets	55,636,879	56,842,715
Liabilities:		
Current liabilities	915,899	538,949
Long-term liabilities	3,135,555	3,343,662
Total liabilities	4,051,454	3,882,611
Net position:		
Net investment in capital assets	48,624,353	49,812,389
Restricted	2,276,176	147,929
Unrestricted	684,896	2,999,786
Total net position	$ 51,585,425	$ 52,960,104

Current assets in governmental activities decreased in calendar year December 31, 2014. Cash and investments decreased $381,555, which relates to the spending down of the General Fund's fund balance and the 2007 SPLOST Fund's fund balance.

The County continues to maintain high current ratios. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 7.5 to 1 as compared to 12.9 to 1 at December 31, 2013.

The County reported positive balances in net position for governmental activities. During 2014, net position decreased $1,374,679 for governmental activities. However, the County remains in a strong financial position, in spite of a depressed economy.

Note that approximately 87.4% of the governmental activities' total assets are tied up in capital assets. The County uses these capital assets to provide services to its citizens

The following table provides a summary of the County's changes in net position at December 31, 2014 and 2013:

Summary of Changes in Net Position

	Governmental Activities	
	2014	**2013**
Revenues:		
Program:		
Charges for services and fines	$ 2,508,834	$ 2,452,116
Operating grants	598,253	646,449
Capital grants and contributions	243,970	231,135
General:		
Property taxes	7,973,856	5,911,661
Sales taxes	7,206,956	6,953,534
Other taxes	2,213,578	2,011,353
Other	28,320	73,594
Total revenues	20,773,767	18,279,842
Program Expenses:		
General government	7,334,078	6,609,105
Judicial	1,396,681	1,481,958
Public safety	6,099,607	5,727,525
Public works	5,362,629	4,707,719
Health and welfare	956,300	1,156,011
Culture and recreation	619,597	589,440
Housing and development	379,554	425,016
Interest	-	19,222
Total expenses	22,148,446	20,715,996
Revenues (under) expenses	(1,374,679)	(2,436,154)
Beginning net position	52,960,104	55,396,258
Ending net position	$ 51,585,425	$ 52,960,104

Governmental Activity Revenues

The County is heavily reliant on both property taxes and sales taxes to support governmental operations. Property taxes provided 38.4% of the County's total revenues as compared to 32.3% in calendar year 2013. Sales and use taxes provided 34.7% of the County's total revenues as compared 38.0% in calendar year 2013. The County reported $5,070 unrestricted investment earnings in fiscal year 2014 as compared to $3,736 in fiscal year 2013.

Note that program revenues covered just 15.1% of governmental operating expenditures as compared to 16.1% in calendar year 2013. This means that the government's taxpayers and the County's other general revenues normally fund 84.9% of the governmental activities, primarily from property and sales taxes. This percentage is higher than the norm. As a result, the general economy and the success of local businesses have a major impact on the County's revenue streams.

Governmental Activity Expenses

The following table presents the cost of each of the County's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the County's taxpayers by each of these functions.

	Governmental Activities			
	Total Cost of Services	**Percentage of Total**	**Net Cost of Services**	**Percentage of Total**
General government	$ 7,334,078	33.1%	$ 7,163,293	38.1%
Judicial	1,396,681	6.3%	1,360,944	7.1%
Public safety	6,099,607	27.6%	4,293,805	22.8%
Public works	5,362,629	24.2%	4,578,860	24.4%
Health and welfare	956,300	4.3%	746,863	4.0%
Culture and recreation	619,597	2.8%	371,372	2.0%
Housing and development	379,554	1.7%	282,252	1.6%
Total	$ 22,148,446	100.0%	$ 18,797,389	100.0%

FUND ANALYSIS

Governmental Funds

Governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of $5,618,681 compared to $6,055,618 in 2013. The bulk of this decrease relates to general fund and the 2007 SPLOST fund spending. The General Fund decreased its fund balance by $126,751 in this year. The 2007 SPLOST fund decreased its fund balance by $313,658.

Legally restricted fund balances include approximately $2.2 million set aside for SPLOST projects and related debt service. The total ending fund balances of governmental funds show a decrease of $436,937 or 7.2% from the prior year amount.

Major Governmental Funds

General Fund **-** The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance decreased by $126,751 or 3.7% as compared to $170,638 decrease in 2013. The ending unassigned fund balance is considered adequate, although not excessive, representing the equivalent of 21.1% of annual expenditures. This percentage compares to the 24% at December 31, 2013.

General property and motor vehicle taxes increased $1,186,477 or 19.5%. Most of this increase relates to an increase in the millage rate from 5.8 mills to 7.4 mills. Local option sales taxes revenue was $69,665 or 2.2% above the 2013 amount, due primarily to a sluggish growth economy. Franchise taxes were $79,082 or 53.3% over the fiscal year 2013 amount because of the number of cable subscribers has increased. The insurance premium tax was $88.344 or 5.5% more than the 2013 year. This tax is distributed by the State of Georgia to Georgia local governments, based upon population. Penalties and interest on delinquent taxes decreased just $1,793 from fiscal year 2013. In total, tax revenues were $13,111,466 or $1,407,726 or 12.0% over those of 2013.

Under intergovernmental revenue, the federal payment in lieu of taxes were up $7,838 or 11.3% above the 2013 amount. These amounts can vary from year to year. DOT road grants increased $27,894 or 6.5%, most of which relates to road resurfacing over what was available in 2013. The revenue related to the TVA increased $12,835 or 5.6%. However, this revenue stream changes from year-to year in the distribution to local governments.

Total charges for services were up $66,633 or 8.7%. Transit fees were down $28,439 or 20.2%, which can vary from year to year. In total, fines decreased $222,232 or 25.9%. Fine revenue for the magistrate court were down $264,633. In fiscal year 2013, the magistrate court paid approximately $243,000 from revenues that have accumulated from two previous administrations. Superior court fines were down $49,983 or 30.4%. Most court fines have declined since 2007. Many persons convicted chose to serve time rather than pay fines due to economic conditions.

Total General Fund revenues and other financing sources increased $1,348,555 or 9.4% over 2013.

Total General Fund expenditures increased $1,322,092 or 9.2% over 2013. The most significant changes from calendar year 2013 are described below.

The general administration costs increased $865,336 or 26.8% over 2013. In fiscal 2013, health insurance claims were down due to our wellness program and changes in plan options for employees, with an increase in the hospital supplement paid of $589,077 over 2013. Risk management costs were $125,063 below the fiscal year 2013 amount. This decrease relates to an approximate $150,000 decrease in our required contribution to fund the employee retirement plan.

The cost of the district attorney's office is down $72,858 or 22.3% from the prior year, due to several positions being state funded versus locally funded.

In total, public safety costs increased $382,883 or 8.6% over the prior year. The sheriff's costs were increased $226,782 or 14.3% over the prior year, due primarily to a 5% COLA and the hiring of additional personnel. The jail costs increased $115,520 or 6.9% over fiscal year 2013 due primarily to the 5% COLA.

Public works administration costs increased $230,840 or 20.8% due largely to an increase in road construction and maintenance

2013 SPLOST Capital Expenditures Fund – This fund is utilized to account for the proceeds of a 1% special purpose local option sales tax (which follows up the 2007 SPLOST) approved for $27 million to fund various capital outlay projects including:

Infrastructure $8.7 million
Hospital equipment and debt service $6.2 million
Public safety equipment $3.4 million
The City of Chatsworth $2.8 million
General County buildings and equipment $1.6 million
Public works equipment $1.1 million

In this year, this fund received approximately $3.9 million of sales tax collections. $3,743,828 was expended on capital projects. The County paid $489,300 to cities within the County for their share. At December 31, 2014, the fund balance is $2,124,775.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund's revenue budget was amended in 2014.

The general property taxes were $799,529 or 19.3% over the budget. In total, motor vehicle revenue exceeded the budget by $47,930 due to a change in the taxing system for vehicles. Local option sales taxes were $27,445 or just $8/10^{th}$ of 1% below the budget as the economy is still not growing much. The franchise tax was $41,590 or 22.4% over the budget due to additional cable subscribers.

In total, fines were $54,977 or 8% below the budget. Probate court fines were $25,585 below the budget. The magistrate court revenue was $25,270 below the budget, as explained above.

Most other revenues were within budget. The total revenue realized was over the budget by $853,368. In total, the County recognized 105.8% of the final revenue budget.

The General Fund's expenditures and other financing uses budget was amended.

The general administration budget was overspent by $316,828, primarily because of an increase in the hospital supplement during the year. The risk management budget was underspent by $188,511 because of the reduced pension contribution as explained above. The Sheriff's budget was overspent by $70,598 due to higher than anticipated repairs and maintenance costs and a change to new uniforms.

In total, the County under spent the final expenditure budget by $383,651 or 2.4%.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental activities as of December 31, 2014, was $48,624,353, decreasing $1,188,036 or 2%. See Note 3-D for additional information about changes in capital assets during the calendar year and outstanding at the end of the year.

The following table provides a summary of capital asset balances:

Capital Assets

	Governmental Activities	
	2014	**2013**
Non-depreciable assets:		
Land	$ 2,989,442	$ 2,989,442
Construction in progress	1,219,654	121,869
Total non-depreciable	4,209,096	3,111,311
Depreciable assets:		
Buildings and improvements	29,473,973	29,254,833
Machinery, equipment and furniture	13,710,073	13,539,593
Infrastructure	120,718,612	120,073,474
Total depreciable assets	163,902,658	162,867,900
Less accumulated depreciation	119,487,401	116,166,822
Book value - depreciable assets	44,415,257	46,701,078
Percentage depreciated	73%	71%
Total assets	$ 48,624,353	$ 49,812,389

At December 31, 2014, the depreciable capital assets for governmental activities were 73% depreciated. This compares to 71% at December 31, 2013. This comparison indicates that the County is replacing its assets at almost the same rate as they are depreciating, which is a positive indicator. However, the percentage depreciated of 73% total is above the norm. The total 2014 depreciation expense was $4,143,532 of which $3,387,330 or 81.7% relates to the public works function.

Long-term Debt

At December 31, 2014, there was no outstanding bonded debt.

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

A SUMMARY OF THE ECONOMIC CONDITIONS AFFECTING THE COUNTY

The County is located in North Georgia, on the Tennessee/Georgia boundary. For the past ten years, the County has experienced population growth. This population growth has resulted in an increase for services, particularly in public safety, judicial and public works. The County is one of about 3,141 counties and county equivalents in the United States.

The December 2014 unemployment rate was 9.3% as compared to the State of Georgia's 8.2% and the Federal government's rate was 6.0%. There are 14,745 employed within the County. The County's 2014 population was 39,2873 or down just 84 from the December 2013 population.

The primary revenue streams for the County are property taxes and sales taxes. This is a good revenue mix as property taxes are classified as "inelastic" and sales taxes are classified as "elastic." Sales tax revenue is highly sensitive to fluctuations in the economy. Total property taxes increased about $1.2 million due primarily an increase in the millage rate. The current economic downturn has definitely affected the County's revenue streams; however, sales taxes were approximately the same as fiscal year 2013. The 2014 budget is a no-frills operational budget with departmental belt tightening and very few capital projects. We are hopeful the economy will recover by mid-year and we will constantly monitor our economic condition to make the necessary adjustments.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions, concerning any of the information provided in this report or would like to request additional information, contact:

Murray County Finance Department
P.O. Box 1129
Chatsworth, Georgia 30705
Telephone 706-517-1400 ext. 367

Murray County, Georgia
Statement of Net Position
December 31, 2014

	Primary Government Governmental Activities	Component Units
Assets		
Current Assets		
Cash and cash equivalents	$ 4,678,771	$ 808,369
Investments	-	15,908
Receivables:		
Accounts	299,610	811,861
Property taxes	1,241,219	-
Sales taxes	548,396	-
Intergovernmental	70,502	55,953
Inventory	-	254,466
Prepaid items	-	154,949
Restricted assets	72,374	-
Total Current Assets	6,910,872	2,101,506
Noncurrent Assets		
Unamortized bond issuance costs	-	65,554
Externally restricted by bond indentures	-	645,648
Net pension assets	101,654	-
Capital assets		
Nondepreciable	4,209,096	106,000
Depreciable, net	44,415,257	8,001,469
Noncurrent Assets	48,726,007	8,818,671
Total Assets	55,636,879	10,920,177
Liabilities		
Current Liabilities		
Accounts payable	292,496	2,398,072
Accrued expenses payable	289,300	610,780
Funds held in escrow	72,374	-
Intergovernmental payable	-	26,497
Compensated absences payable	261,729	-
Notes payable	-	476,663
Notes payable - line of credit	-	126,109
Current Liabilities	915,899	3,638,121
Long-Term Liabilities (net of current portion):		
Landfill closure and post-closure care	3,048,312	-
Compensated absences payable	87,243	28,086
Notes payable	-	10,368,110
Total Long-Term Liabilities	3,135,555	10,396,196
Total Liabilities	4,051,454	14,034,317
Net Position		
Net investment in capital assets	48,624,353	(2,737,304)
Restricted for:		
Debt service	-	645,648
Public health	-	13,656
Capital projects	2,124,775	-
Judicial purposes	16,170	-
Public safety purposes	135,231	-
Unrestricted	684,896	(1,036,140)
Total Net Position	$ 51,585,425	$ (3,114,140)

See accompanying notes to the basic financial statements

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

Function/Program	Expenses	Program Revenues: Charges for Services and Sales and Fines	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position: Primary Government	Net Revenue (Expense) and Changes in Net Position: Component Units
Primary Government						
Governmental Activities						
General government	$ 7,334,078	$ 93,414	$ 77,371	$ -	$ (7,163,293)	$ -
Judicial	1,396,681	35,737	-	-	(1,360,944)	-
Public safety	6,099,607	1,743,597	62,205	-	(4,293,805)	-
Public works	5,362,629	81,122	458,677	243,970	(4,578,860)	-
Health and welfare	956,300	209,437	-	-	(746,863)	-
Culture and recreation	619,597	248,225	-	-	(371,372)	-
Housing and development	379,554	97,302	-	-	(282,252)	-
Total Governmental Activities	$ 22,148,446	$ 2,508,834	$ 598,253	$ 243,970	(18,797,389)	-
Component Units						
Recreation Commission	$ 7,892	$ 8,900	$ -	$ -	-	1,008
Department of Public Health	769,767	202,091	557,738	-	-	(9,938)
Hospital Authority	11,935,506	7,842,478	134,363	-	-	(3,958,665)
Total Component Units	$ 12,713,165	$ 8,053,469	$ 692,101	$ -	-	(3,967,595)
		General Revenues				
		Property taxes levied for general government purposes			7,973,856	-
		Sales taxes			7,206,956	-
		Insurance premium taxes			1,686,828	-
		Other taxes			526,750	-
		Investment earnings			5,070	-
		Gain on the disposition of noncapitalized assets			13,660	-
		Miscellaneous			9,590	4,018,385
		Total General Revenues			17,422,710	4,018,385
		Change in Net Position			(1,374,679)	50,790
		Net Position Beginning of Year			52,960,104	(3,164,930)
		Net Position End of Year			$ 51,585,425	$ (3,114,140)

See accompanying notes to the basic financial statements

Murray County, Georgia
Balance Sheet
Governmental Funds
December 31, 2014

	General	SPLOST 2013	Other Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 2,672,265	$ 1,920,181	$ 86,325	$ 4,678,771
Restricted cash	72,374	-	-	72,374
Receivables:				
Accounts	180,922	-	118,688	299,610
Property taxes	1,241,219	-	-	1,241,219
Sales taxes	250,544	297,852	-	548,396
Intergovernmental	70,502	-	-	70,502
Total Assets	$ 4,487,826	$ 2,218,033	$ 205,013	$ 6,910,872
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Accounts payable	$ 168,556	$ 93,258	$ 30,682	$ 292,496
Accrued expenditures	266,370	-	22,930	289,300
Funds held in escrow	72,374	-	-	72,374
Total Liabilities	507,300	93,258	53,612	654,170
Deferred Inflows of Resources	638,021	-	-	638,021
Total Liabilities and Deferred Inflows of Resources	1,145,321	93,258	53,612	1,292,191
Fund Balances				
Restricted	-	2,124,775	151,401	2,276,176
Unassigned	3,342,505	-	-	3,342,505
Total Fund Balances	3,342,505	2,124,775	151,401	5,618,681
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$ 4,487,826	$ 2,218,033	$ 205,013	$ 6,910,872

See accompanying notes to the basic financial statements

Murray County, Georgia
Reconciliation of Total Governmental Fund Balances to
Net Position of Governmental Activities
December 31, 2014

Total Governmental Fund Balances		$ 5,618,681
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds (exclusive of internal service funds' capital assets).		
Cost of capital assets	$ 168,111,754	
Less accumulated depreciation	(119,487,401)	48,624,353
Other long-term assets (i.e., property taxes receivable) are not available to pay for current-period expenditures and therefore are deferred in the funds.		638,021
Net pension assets are not current financial resources and are not recognized at the fund financial reporting level but are reported on the government-wide statement of net position.		101,654
Liabilities not due and payable in the current period are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position.		
Landfill closure and post closure care payable	$ (3,048,312)	
Compensated absences payable	(348,972)	(3,397,284)
Net Position of Governmental Activities		$ 51,585,425

See accompanying notes to the basic financial statements

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

	General	SPLOST 2013	Other Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 13,111,466	$ 3,914,401	$ 63,946	$ 17,089,813
Licenses and permits	97,302	-	-	97,302
Intergovernmental	780,018	-	62,205	842,223
Charges for services	829,048	-	661,009	1,490,057
Fines and forfeitures	635,623	-	119,641	755,264
Investment earnings	-	5,069	1	5,070
Miscellaneous	175,801	-	-	175,801
Total Revenues	15,629,258	3,919,470	906,802	20,455,530
Expenditures				
Current:				
General government	6,678,450	-	-	6,678,450
Judicial	1,384,437	-	361	1,384,798
Public safety	4,855,811	-	854,302	5,710,113
Public works	1,580,588	-	-	1,580,588
Culture and recreation	515,687	-	-	515,687
Health and welfare	441,990	-	-	441,990
Housing and development	297,426	-	63,947	361,373
Intergovernmental	-	489,300	-	489,300
Capital Outlay	-	3,743,828	-	3,743,828
Total Expenditures	15,754,389	4,233,128	918,610	20,906,127
Excess (Deficiency) of Revenues Over (Under) Expenditures	(125,131)	(313,658)	(11,808)	(450,597)
Other Financing Sources (Uses)				
Proceeds from the sale of noncapitalized capital assets	13,660	-	-	13,660
Transfers in	-	-	15,280	15,280
Transfers out	(15,280)	-	-	(15,280)
Total Other Financing Sources (Uses)	(1,620)	-	15,280	13,660
Net Change in Fund Balances	(126,751)	(313,658)	3,472	(436,937)
Fund Balances Beginning of Year	3,469,256	2,438,433	147,929	6,055,618
Fund Balances End of Year	$ 3,342,505	$ 2,124,775	$ 151,401	$ 5,618,681

See accompanying notes to the basic financial statements

Murray County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2014

Net Changes In Fund Balances - Total Governmental Funds			$ (436,937)
Amounts reported for governmental activities in the statement of activities are different because			
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.			
	Depreciation expense	$ (4,143,532)	
	Capital outlay	2,955,496	(1,188,036)
The increase in pension assets are reported on the government-wide statement of activities but not in the governmental fund's operating statement.			
	Balance @ 12/31/14	$ 101,654	
	Balance @ 12/31/13	(102,315)	(661)
Property tax revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues at the fund financial reporting level.			
	Deferred @ 12/31/14	$ 638,021	
	Deferred @ 12/31/13	(333,444)	304,577
Elimination of transfers between governmental funds:			
	Transfers in	$ (15,280)	
	Transfers out	15,280	-
Landfill closure and postclosure care liabilities reported in the government-wide statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
	Liability @ 12/31/14	$ (3,048,312)	
	Liability @ 12/31/13	3,000,307	(48,005)
Compensated absences reported in the government-wide statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.			
	Liability @ 12/31/14	$ (348,972)	
	Liability @ 12/31/13	343,355	(5,617)
Change In Net Position of Governmental Activities			$ (1,374,679)

See accompanying notes to the basic financial statements

Murray County, Georgia
General Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014

	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	$ 12,251,000	$ 12,251,000	$ 13,111,466	$ 860,466
Licenses and permits	85,400	85,400	97,302	11,902
Intergovernmental	800,600	800,600	780,018	(20,582)
Charges for services	842,900	842,900	829,048	(13,852)
Fines and forfeitures	690,600	690,600	635,623	(54,977)
Miscellaneous	105,390	105,390	175,801	70,411
Total Revenues	14,775,890	14,775,890	15,629,258	853,368
Expenditures				
Current:				
General government	6,214,556	6,714,556	6,678,450	36,106
Judicial	1,443,183	1,443,183	1,384,437	58,746
Public safety	4,955,513	4,955,513	4,855,811	99,702
Public works	1,714,875	1,714,875	1,580,588	134,287
Culture and recreation	552,600	552,600	515,687	36,913
Health and welfare	434,415	442,415	441,990	425
Housing and development	314,898	314,898	297,426	17,472
Total Expenditures	15,630,040	16,138,040	15,754,389	383,651
Excess (Deficiency) of Revenues Over (Under) Expenditures	(854,150)	(1,362,150)	(125,131)	1,237,019
Other Financing Sources (Uses)				
Proceeds from the sale of noncapitalized capital assets	20,000	20,000	13,660	(6,340)
Transfers out	725,000	(15,280)	(15,280)	-
Net Change in Fund Balances	$ (109,150)	$ (1,357,430)	(126,751)	$ 1,230,679
Fund Balances Beginning of Year			3,469,256	
Fund Balances End of Year			$ 3,342,505	

See accompanying notes to the basic financial statements

Murray County, Georgia
Combining Statement of Net Position
Component Units
December 31, 2014

	Hospital Authority	Department of Public Health	Recreation Commission	Total
Assets				
Current Assets				
Cash and cash equivalents	$ 511,118	$ 292,245	$ 5,006	$ 808,369
Investments	15,908	-	-	15,908
Receivables:				
Accounts	783,443	28,418	-	811,861
Intergovernmental	-	55,953	-	55,953
Prepaid items	154,949	-	-	154,949
Inventory	252,566	1,900	-	254,466
Total Current Assets	1,717,984	378,516	5,006	2,101,506
Noncurrent Assets:				
Externally restricted by bond indentures	645,648	-	-	645,648
Deferred charges	65,554	-	-	65,554
Capital assets:				
Nondepreciable	106,000		-	106,000
Depreciable, net	7,984,307	17,162	-	8,001,469
Total Noncurrent Assets	8,801,509	17,162	-	8,818,671
Total Assets	10,519,493	395,678	5,006	10,920,177
Liabilities				
Current Liabilities:				
Accounts payable	2,398,072	-	-	2,398,072
Accrued expenses	610,780	-	-	610,780
Intergovernmental payable	-	26,497	-	26,497
Notes payable - line of credit	126,109	-	-	126,109
Notes payable	476,663	-	-	476,663
Total Current Liabilities	3,611,624	26,497	-	3,638,121
Long-Term Liabilities (net of current portion):				
Notes payable	10,368,110	-	-	10,368,110
Compensated absences	-	28,086	-	28,086
Total Long-Term Liabilities	10,368,110	28,086	-	10,396,196
Total Liabilities	13,979,734	54,583	-	14,034,317
Net Position				
Net investment in capital assets (deficit)	(2,754,466)	17,162	-	(2,737,304)
Restricted for debt service	645,648	-	-	645,648
Restricted for public health	-	13,656	-	13,656
Unrestricted	(1,351,423)	310,277	5,006	(1,036,140)
Total Net Position	$ (3,460,241)	$ 341,095	$ 5,006	$ (3,114,140)

See accompanying notes to the basic financial statements

Murray County, Georgia
Combining Statement of Activities
Component Units
For the Calendar Year Ended December 31, 2014

	Hospital Authority	Department of Public Health	Recreation Commission	Total
Expenses:				
General government	$ 11,935,506	$ -	$ -	$ 11,935,506
Public health	-	769,767	-	769,767
Culture and recreation	-	-	7,892	7,892
Total Expenses	11,935,506	769,767	7,892	12,713,165
Revenues:				
Program:				
Charges for services	7,842,478	202,091	8,900	8,053,469
Operating grants and contributions	134,363	557,738	-	692,101
Total Program Revenues	7,976,841	759,829	8,900	8,745,570
Net Program (Expense)	(3,958,665)	(9,938)	1,008	(3,967,595)
General Revenues:				
Miscellaneous	3,946,391	71,994	-	4,018,385
Total General Revenues:	3,946,391	71,994	-	4,018,385
Change in Net Position	(12,274)	62,056	1,008	50,790
Net Position Beginning of Year	(3,447,967)	279,039	3,998	(3,164,930)
Net Position End of Year	$ (3,460,241)	$ 341,095	$ 5,006	$ (3,114,140)

See accompanying notes to the basic financial statements

Murray County, Georgia
Comparative Statements of Fiduciary Assets and Liabilities
Fiduciary Funds
Agency Funds
December 31, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 405,758	$ 534,386
Liabilities		
Due to others	$ 405,758	$ 534,386

See accompanying notes to the basic financial statements

Murray County, Georgia
Notes to the Basic Financial Statements
For the Year Ended December 31, 2014

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Murray County, Georgia (the County) is a political subdivision of the State of Georgia and was created by a legislative act in 1832. The County operates under a Commission-Administrator form of government and is governed by an elected sole county commissioner, governed by state statutes and regulations. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Sheriff, Tax Commissioner, Probate Court Judge, Magistrate Court Judge, Juvenile Court Judge, Superior Court Judge and Clerk of the Superior Court. The County's major services include general government, courts, public safety, public works, health and welfare, parks, recreation and culture and planning and community development.

Note 1 - Summary of Significant Accounting Policies

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

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

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component unit and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

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

A brief description of the discretely presented component units are as follows:

Murray County Health Department – (Health Department) – The Health Department works to promote and preserve the health of the citizens of the County. The Health Department's Board consists of seven members, four of these members are appointed by the County Commission. Although the County does not have the authority to approve or modify the Health Department's budgets, it does have the ability to control the amount of funding it provides to the Health Department and such funding is significant to the overall operations of the Health Department. The Health Department is reported on a June 30, 2014 fiscal year. Complete financial statements for the Health Department may be obtained from its administrative office at:

Northwest Health District 1 Unit 1
111 Bryant Crossing, Suite AA
Dalton, Georgia 30720

Murray County Recreation Commission – The Murray County Recreation Commission (the "Parks and Recreation Commission") manages and maintains park and recreation facilities for the benefit of Murray County citizens. The County Commission appoints all of the Commission's board members and the County has a significant financial relationship with the Parks and Recreation Commission. Financial information related to the Parks and Recreation Commission may be obtained from the Parks and Recreation clerk of Murray County.

Note 1 - Summary of Significant Accounting Policies (Continued)

Murray County Hospital Authority – The Murray County Hospital Authority owns the general hospital building which is leased to and known as Murray Medical Center, Inc. and managed by Hamilton Health Care System, Inc. The general hospital provides health, surgical and recovery services to the citizens of Murray County and surrounding areas. The Hospital Authority has outstanding bonds payable which are guaranteed by the County. Complete financial statements for the year ended December 31, 2014 can be obtained directly from their administrative offices as follows:

Murray County Hospital Authority
707 Old Dalton Ellijay Road
Chatsworth, Georgia 30705

1-B. Basis of Presentation

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

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the discretely presented component units are presented separately within these financial statements with the focus on the primary government. Fiduciary funds are not presented in the government-wide financial statements.

The statement of net position presents the financial position of the governmental activities of the County and it's discretely presented component units at year-end.

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

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental and fiduciary funds.

Major individual governmental funds are reported in separate columns.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources.

Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

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

2013 Special Purpose Local Option Sales Tax Capital Projects Fund – This fund is utilized to account for the proceeds of a 1 percent special purpose local option sales tax beginning January 1, 2013 for funding various capital outlay projects including road and bridges projects, hospital equipment and debt reduction, public safety equipment and vehicles, recreation department equipment and expansion, public works equipment and vehicles, general facility equipment and enhancements, fire station construction and expansion, communications, and economic development projects.

Fiduciary Funds - Fiduciary fund reporting focuses on net position. The County's fiduciary funds include agency funds. The County's fiduciary funds are agency funds for use by the County's constitutional officers comprised of the Tax Commissioner, Clerk of Superior Court, Sheriff, Judge of Probate Court and Magistrate Court.

1-C. Measurement Focus

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

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 generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared.

Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

1-D. Basis of Accounting

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the calendar year in which the resources are measurable and become available. Available means that the resources will be collected within the current calendar year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current calendar year. For the County, the phrase "available for exchange transactions" means expected to be received within 60 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the calendar year for which the taxes are levied (Note 3-C). Revenue from grants 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 a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

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

Unearned Revenue - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Fund Equity

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

Cash and cash equivalents include cash on hand, demand deposits, certificates of deposits and deposits with the Georgia Fund I (i.e., the local government investment pool) as well as short-term investments with a maturity date within three months of the date acquired by the County.

Currently the County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Investments are stated at fair value based on quoted market prices.

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

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

1-E-2 Receivables

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-3 Interfund Balances

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

1-E-4 Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2014, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved, as this amount is not available for general appropriation.

1-E-5 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the government funds balance sheet.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of $5,000 and an estimated useful life of two years or more (excluding infrastructure). All infrastructure is capitalized with a cost of $50,000 and an estimated life of two years or more. The County's infrastructure consists of roads and bridges. The County's entire infrastructure has been reported regardless of acquisition date. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Governmental Activities
Land improvements	25- 50 Years
Site improvements	50 Years
Infrastructure	15-30 Years
Buildings	25-50 Years
Machinery and equipment	6-15 Years
Office equipment	5 Years
Furniture and fixtures	20 Years
Intangibles - software	5 Years
Vehicles	6-15 Years

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-6 Compensated Absences

Vacation 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 that the employer will compensate the employees for the benefits through paid time off or some other means. (Note 3-H)

All compensated absence liabilities include salary-related payments, where applicable.

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

1-E-7 Accrued Liabilities and Long-term Obligations

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

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Certificates of participation, bonds and capital leases are recognized as a liability in the governmental fund financial statements when due.

1-E-8 Fund Equity (Note 3-J)

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

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

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

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

- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commission has authorized the County chairman or designee to assign fund balances.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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 represent the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets.

This net position amount also is adjusted by any deferred bond premiums, discounts or refunding amounts. Net position is 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. The balance of net position is reported as unrestricted.

1-E-9 Interfund Activity

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

Transfers between funds reported in the governmental activities column are eliminated from the government-wide statement of activities.

1-E-10 Estimates

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

1-E-11 Comparative Data

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

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – The applicable statutes of the State of Georgia require the County to operate under an annual balanced budget adopted by resolution. The County adopts an annual operating budget for all governmental funds except the capital projects funds, which have an adopted project budget. The budget resolution reflects the total of each department's appropriation in each fund.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or changes between department appropriations within a fund requires approval of the County Commission.

Note 2 – Stewardship, Compliance and Accountability (Continued)

The budget is adopted on a basis consistent with generally accepted accounting principles, and on the same basis of accounting used by each fund to which the budget applies. The County Commission must also approve budget transfers within departments.

The original 2014 budget was amended during the year. All unencumbered annual appropriations lapse at year-end. Encumbered appropriations are carried forward to the subsequent year automatically.

2-B. Excess of Expenditures over Appropriations

There were no departments with expenditures over the final amended 2014 annual budget.

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits – All of the bank balances are insured or collateralized with securities held by the County or by its agent in the County's name or with securities held by the pledging financial institution's trust department or agent in the County's name.

State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held.

Investments – The fair value of investments of the Primary Government (the County) is as follows at December 31, 2014:

		Maturity
Money market funds	$ 2,243,862	current to one year

Credit Quality Risk – Credit quality risk is that an issuer or other counterparty to an investment will not fulfill its obligations. The money market funds are not rated.

Component Unit - Investments reported by the Health Department, a discretely presented component unit, represent excess cash in the Local Government Investment Pool of the State of Georgia (Georgia Fund 1). Funds included in the State Treasurer's Investment Pool are not required to be collateralized. The pool is regulated by the oversight of the Office of State Treasurer. The fair value of the Health Department's position in the pool approximates the value of the Health Department's pool shares.

Note 3 – Detailed Notes on All Funds (Continued)

Primary government cash and cash equivalents reconciliation:

		Cash and Cash Equivalents
Primary Government - Fund Reporting Level:		
Governmental Funds - Balance Sheet - unrestricted	$	4,678,771
Governmental Funds - Balance Sheet - restricted		72,374
Statement of Fiduciary Assets and Liabilities		405,758
Total	$	5,156,903

3-B. Receivables

Receivables at December 31, 2014, consisted of taxes, interest, accounts (billings for user charges) and intergovernmental receivables arising from grants.

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

3-C. Property Taxes

The Board of Commissioners levied property taxes during the month of September. Property taxes attach as an enforceable lien on property as of January 1. Property taxes were billed on October 1 and are due upon receipt, however, the actual due date was December 1, 2014. The County bills and collects its own property taxes and also collects property taxes for the County Board of Education and the State of Georgia. The County also collects vehicle and mobile home taxes for the cities located in the County and the State of Georgia. Collection of the County's taxes and for the other governmental agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in an agency fund.

Note 3 – Detailed Notes on All Funds (Continued)

3-D. Capital Assets

Governmental fund activities capital asset activity for the year ended December 31, 2014, was as follows:

	1/1/2014	Additions	Deductions	12/31/2014
Nondepreciable capital assets:				
Land	$ 2,989,442	$ -	$ -	$ 2,989,442
Construction in Progress	121,869	1,219,654	121,869	1,219,654
Total nondepreciable capital assets	3,111,311	1,219,654	121,869	4,209,096
Depreciable capital assets:				
Land improvements	3,482,512	29,579	-	3,512,091
Site improvements	1,472,079	-	-	1,472,079
Infrastructure	120,073,474	645,138	-	120,718,612
Buildings	24,300,242	189,561	-	24,489,803
Machinery and equipment	6,396,400	607,314	679,188	6,324,526
Office equipment	323,565	44,190	-	367,755
Furniture and fixtures	171,906	1,560	-	173,466
Software	90,593	27,665	-	118,258
Vehicles	6,557,129	312,704	143,765	6,726,068
Total depreciable capital assets	162,867,900	1,857,711	822,953	163,902,658
Total capital assets	165,979,211	3,077,365	944,822	168,111,754
Accumulated depreciation:				
Land improvements	526,058	147,252	-	673,310
Site improvements	780,052	40,766	-	820,818
Infrastructure	99,073,913	2,847,528	-	101,921,441
Buildings	4,807,221	524,116	-	5,331,337
Machinery and equipment	5,107,427	272,889	679,188	4,701,128
Office equipment	305,630	10,340	-	315,970
Furniture and fixtures	57,382	9,167	-	66,549
Software	80,645	14,294	-	94,939
Vehicles	5,428,494	277,180	143,765	5,561,909
Total accumulated depreciation	116,166,822	4,143,532	822,953	119,487,401
Governmental activities capital assets, net	$ 49,812,389	$ (1,066,167)	$ 121,869	$ 48,624,353

Governmental activities depreciation expense

General government	$ 97,065
Judicial	18,840
Public safety	374,936
Public works	3,387,330
Health and welfare	79,760
Culture and recreation	166,076
Housing and development	19,525
Total governmental activities depreciation expense	$ 4,143,532

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

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

These amounts are reported as follows:

Fund	Amount	Types of Resources
General	$ 638,021	Property Taxes

3-F. Interfund Transfers

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

	Transfers From
Transfers To:	General Fund
Nonmajor governmental fund	$ 15,280

Transfers are utilized to report revenues in the fund required by statute or budget to collect such revenue, or to expend such revenue. Transfers are also utilized to account for revenues collected in the General Fund which are to be used by other funds in accordance with budgetary authorizations or anticipated capital projects. All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

3-G. Landfill Closure and Post-closure Care Costs

State and Federal laws and regulations require that the County place a final cover on its landfill when officially closed as well as perform certain maintenance and monitoring functions at the landfill site for a period of thirty years after such closure. In addition to operating expenses related to current activities of the landfill, an expense provision and related liability are being recognized based on the future closure and post closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post closure care costs is based on the amount of the landfill capacity used during the year.

The County owns two landfill sites. Site 1 was operated by the County until 1997 when it reached capacity and stopped accepting waste. Site 2, leased and operated by Santek, is operated on a cell basis; that is, only a portion or cell of the landfill is used at a time. The term of the lease agreement shall be the operational life of the landfill as determined by remaining capacity from time to time, which is based on current waste density and tonnage currently estimated to end in 2237.

The County has met all of its closure obligations for Site 1; therefore, there is no further liability for closure costs. Closure certificates were obtained in late 2003 and early 2004. The post-closure period for this location is estimated to end in 2033. Under the existing lease agreement, Santek shall be responsible for post-closure care during the term of the agreement.

Note 3 - Detailed Notes on All Funds (Continued)

Under the existing lease contract, Santek is also responsible for the construction, maintenance, and closure costs of each cell of Site 2 it operates. Santek shall also be responsible for the post-closure care of those sites while the lease agreement remains in effect. Following the termination of this lease, the County immediately assumes full responsibility for the post-closure costs for the balance of the 30-year period. The percentage of landfill capacity used to date is 10% and the estimated remaining landfill life is 221 years. Based on the estimated capacity of the landfill, the County has recognized a liability for post closure costs accrued to date of $3,048,312 and has not recognized related closure costs of $2,578,121 to be provided by Santek under the lease agreement. The remaining estimated costs of closure and post-closure in the amount of $8,957,613 will be recognized as the remaining capacity is used, with the County responsible for $2,783,708 of such post closure costs, and Santek responsible for the remaining $6,173,905 of closure costs. These amounts are based on what it would cost to perform all closure and post closure care in 2014. Any changes to the lease term as well as additional bonds or letters of credit provided by Santek could change these assumptions. Actual costs may also vary due to inflation or deflation, changes in technology or changes in laws and regulations.

3-H. Long-Term Debt

There is no outstanding debt issues at December 31, 2014.

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended December 31, 2014:

Governmental Activities	Outstanding 1/1/2014	Additions	Reductions	Outstanding 12/31/2014	Amounts Due in One Year
Landfill post-closure costs	$ 3,000,307	$ 48,005	$ -	$ 3,048,312	$ -
Compensated absences	343,355	263,133	257,516	348,972	261,729
Total Governmental Activities	$ 3,343,662	$ 311,138	$ 257,516	$ 3,397,284	$ 261,729

The general obligation bonds and the capital lease are being retired by the 2007 SPLOST fund. The landfill postclosure costs are being retired by the general fund. The governmental activities compensated absences liability will be paid from the fund from which the employees' salaries are paid, generally the general fund and the E-911 fund.

3-I. Pensions

Primary Government Group Defined Contribution Plan –The County has established the Association County Commissioners of Georgia(ACCG) Defined Contribution Plan for Murray County Employees (the "Plan"). The plan was established pursuant to section 401(a) of the Internal Revenue Code for the benefit of eligible employees, by joining the ACCG Defined Contribution Plan Program. The ACCG has appointed a Defined Contribution Plan Program Board of Trustees to oversee the Plan. The Murray County Sole Commissioner delegates to the ACCG Board of Trustees the power to amend the Plan on behalf of the County in the future, for the limited purpose of maintaining the qualified status of the Plan. The plan was effective on November 1, 2013, with participation as a condition of employment, requiring a 3% contribution by the employee and a 3% match by the County. Employees can contribute at a higher percentage and the county will match up to 5%. For the year ended December 31, 2014, the amounts contributed were $10,577 from employees and $10,577 from the County.

Note 3 - Detailed Notes on All Funds (Continued)

Primary Government Group Defined Benefit Plan

Plan Description – The Murray County Defined Benefit Pension Plan and Trust, (the "Plan"), is affiliated with the Association of County Commissioners of Georgia Defined Benefit Plan (ACCG), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The authority for the Plan, benefits, vesting and contributions are established by the Board of Commissioners. The Plan is administered by the Government Employee Benefits Corporation of Georgia (GEB Corp). GEB Corp issues a publicly available financial report that includes financial statements and required supplementary information for ACCG.

The Plan is a defined benefit pension plan that provides retirement, disability and death benefits to Plan members and beneficiaries. All full-time employees, defined as those providing at least 1,000 hours of service to the County per Plan year, are eligible for participation in the Plan. Any eligible employee who has both completed one year of service and has attained the age of 21 may participate in the Plan. Employees become vested after five years of service to the County.

All full-time eligible employees hired prior to November 1, 2013 were participants in the ACCG Plan (Plan) upon employment.

The County sponsors the Plan. The Plan provides retirement, disability, and death benefits to plan participants. The plan assets shall be used only for the payment of benefits to the members of the plan, in accordance with the terms of the plan.
All full time employees and employees receiving county supplements participate in the plan. Benefits vest after 5 years. Participants may retire at normal retirement, which is the later of age 65, or 5 years of vesting service. Early retirement eligibility is the later of age 55 or 10 years of vesting service.

The benefit is as follows:

- 1.25% of average annual compensation times past service (i.e., service prior to January 1, 2006) less the accumulated benefit amount of other Murray County retirement benefits.
- 2.5% of average annual compensation times future service (i.e., service after December 31, 2005),
- .25% of average annual compensation times "buy-back" units at buy back age.

Compensation is defined as the highest five years of base wages during employment with the County.

The following is the plan membership at December 31, 2014:

Active plan participants	135
Retirees and beneficiaries currently receiving benefits	66
Disabled in pay status	1
Active plan participants or terminated plan participants entitled to, but not yet receiving benefits	111
Total	313

Note 3 - Detailed Notes on All Funds (Continued)

A copy of the plan's financial report may be obtained from:

Government Employee Benefits Corporation of Georgia
191 Peachtree Street NE, Suite 700
Atlanta, Georgia 30303

Funding Policy – The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Board of Trustees, and must satisfy the minimum contribution requirement contained in the State of Georgia statutes. The funding of this plan is a non-contributory plan with 100% of the contributions made by the County and employees hired before November 1, 2013 do not contribute to this plan.

Annual Pension Cost – The County's annual pension costs for the last three years are as follows:

Schedule of Employer Contributions

Fiscal Year Beginning	Annual Pension Cost	Employer Contribution	Percentage Contributed	Net Pension Obligation
1/1/2012	544,148	543,587	100.0%	(102,872)
1/1/2013	514,367	513,810	100.0%	(102,315)
1/1/2014	364,661	364,000	100.0%	(101,654)

Note 3 - Detailed Notes on All Funds (Continued)

Net Pension Assets – The County's derivation of the annual required contribution, the annual pension cost and net pension obligation (assets) at January 1, 2014 and 2013, the two most recent actuarial valuations, are as follows:

	January 1, 2014	January 1, 2013
Derivation of the Annual Required Contribution:		
Normal cost	$ 142,240	$ 132,324
Amortization of unfunded accrued actuarial liability (UAAL)	170,118	195,482
Pre-retirement death benefit expense	14,608	13,153
Administrative expenses	24,221	23,041
Annual required contribution (ARC)	$ 351,187	$ 364,000
Derivation of the Annual Pension Cost:		
Annual required contribution (ARC)	$ 351,187	$ 364,000
Interest on prior year net pension obligation	(7,632)	(7,674)
Adjustment to ARC	7,632	8,335
Annual pension cost	$ 351,187	$ 364,661
Derivation of the Net Pension Obligation (Assets):		
Annual pension cost for prior year	$ 364,661	$ 514,367
Annual contributions made for prior year	364,000	513,810
Increase (decrease) in net pension obligation (assets)	661	557
Net pension obligation (assets), beginning of year*	(102,315)	(102,872)
Net pension obligation (assets), end of year	$ (101,654)	$ (102,315)

Plan Funded Status – The County's funding status based upon the most recent actuarial valuation follows:

Schedule of Funding Progress

Measurement Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll
12/31/2014	$ 8,835,111	$ 9,259,261	95.4%	$ 424,150	$ 4,493,559	9.4%

*The actuarial value of plan assets is increasing over time relative to the actuarial accrued liability for benefits.

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

Note 3 - Detailed Notes on All Funds (Continued)

Actuarial Valuation Information – The County's actuarial valuation information is as follows:

Current Valuation Date	January 1, 2014
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percentage of Pay, Closed
Remaining Amortization Period	10 years
Actuarial Value of Assets	Market Value
Actuarial Assumptions:	
Investment Rate of Return	7.50%
Projected Salary Increases	2 % - 4.5% - based on age
Expected Annual Inflation	3.00%

3-J. Fund Equity

Fund Balances – Fund balances are classified as follows:

- ***Restricted –*** The following fund balances are legally restricted to specified purposes:

Major Capital Projects 2013 SPLOST Fund:	
Capital outlay	$ 2,124,775
Non-major Special Revenue Funds:	
Public Safety	$ 151,401

Net Investment in Capital Assets

Net investment in Capital Assets	Governmental Activities
Cost of capital assets	$ 168,111,754
Less accumulated depreciation	119,487,401
Net investments in capital assets	$ 48,624,353

Note 4 - Other Notes

4-A. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which, except as described in the following paragraph, the County carries commercial insurance in amounts deemed prudent by County management.

The County participated in the Georgia Inter-local Risk Management Agency Property and Liability Insurance and (GIRMA) and the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, public entity risk pools currently operating as common risk management and insurance programs for member local governments. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three years.

As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pools' agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss.

The County maintains a group health insurance plan through American National that carries a specific employee plan deductible of $50,000 individually and $90,000 County-wide. Claims up to that amount are paid by the County through the Murray County Benefits account, a self-insurance fund. The third party administrator reviews and approves all claims on behalf of the County.

4-B. Contingent Liabilities

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

The County was a defendant in several lawsuits at December 31, 2014. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4-C. Joint Ventures

North Georgia Regional Commission (RC) – The County, in conjunction with cities and counties in the thirteen-county northwest Georgia area are members of the North Georgia Regional Development Center (RC). Membership in an RC is automatic for each municipality and county in the state. The official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RC's. Each county and municipality in the state is required by law to pay minimum annual dues to the RC. The RC Board membership includes the chief elected official of each county and the chief elected official of each municipality. The County board members and municipal board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from a County. The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RC's as "public agencies" and instrumentalities of their members.

Georgia laws also provide that the member governments are liable for any debts or obligations of an RC beyond its resources (O.C.G.A. 50-8-39.1).

Separately issued financial statements are available at the RC's administrative office.

Note 4 - Other Notes (Continued)

4-D. Hotel/Motel Lodging Tax

Pursuant to an ordinance approved on June 27, 2005, the County levies a 3% lodging tax in accordance with O.C.G.A. 48-13-51 and expends 100% of the hotel/motel tax collections for the purpose of promoting tourism.

A summary of the transactions for the year ended December 31, 2014 follows:

	Amounts	Percentage
Lodging tax receipts	$ 63,946	100%
Disbursements to:		
Murray County Chamber of Commerce	$ 63,946	100%

Murray County, Georgia
Required Supplementary Information
Employees' ACCG Retirement Plan
December 31, 2014

Schedule of Funding Progress

Fiscal Year Ending	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL/(UAAL) (2)-(1)	(5) Annual Covered Payroll	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
12/31/2009	$5,587,000	$ 6,901,543	81.0%	$ 1,314,543	$ 5,453,778	24.1%
12/31/2010	6,186,258	7,418,348	83.4%	1,232,090	5,612,543	22.0%
12/31/2011	6,704,628	8,038,757	83.4%	1,334,129	5,465,276	24.4%
12/31/2012	7,263,347	8,534,251	85.1%	1,270,904	5,284,397	24.1%
12/31/2013	8,151,734	8,470,395	96.2%	318,661	4,578,302	7.0%
12/31/2014	9,228,340	9,259,261	99.6%	30,921	4,231,406	0.7%

Schedule of Employer Contributions

Fiscal Year Beginning	Annual Pension Cost	Employer Contribution	Percentage Contributed	Net Pension Obligation
1/1/2009	$ 522,875	$ 534,617	102.2%	$ (101,487)
1/1/2010	546,595	550,717	100.8%	(105,609)
1/1/2011	562,703	560,527	99.6%	(103,433)
1/1/2012	544,148	543,587	99.9%	(102,872)
1/1/2013	514,367	513,810	99.9%	(102,315)
1/1/2014	364,661	364,000	99.8%	(101,654)
1/1/2015	351,187	N/A	N/A	-

See notes to the basic financial statements for actuarial assumptions used in the above

Murray County, Georgia
General Fund
Comparative Balance Sheets
December 31, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 2,672,265	$ 2,864,985
Restricted cash	72,374	73,719
Receivables:		
Accounts	180,922	104,439
Property taxes	1,241,219	917,305
Sales taxes	250,544	263,012
Intergovernmental	70,502	46,334
Total Assets	$ 4,487,826	$ 4,269,794
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ 168,556	$ 156,663
Accrued expenditures	266,370	236,712
Funds held in escrow	72,374	73,719
Total Liabilities	507,300	467,094
Deferred Inflows of Resources	638,021	333,444
Total Liabilities and Deferred Inflows of Resources	1,145,321	800,538
Fund Balances		
Unassigned	3,342,505	3,469,256
Total Liabilities, Deferred Inflow of Resources and Fund Balances	$ 4,487,826	$ 4,269,794

Murray County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014				
	Original Budget	Final Budget	Actual	Variance With Final Budget	Reclassified 2013 Actual
Revenues					
Taxes					
General property tax	$ 5,173,100	$ 5,173,100	$ 5,972,629	$ 799,529	$ 5,003,031
Timber tax	5,000	5,000	876	(4,124)	1,485
Motor vehicle title ad valorem tax	775,000	775,000	878,957	103,957	566,841
Motor vehicle	479,000	479,000	422,973	(56,027)	518,210
Mobile home	90,000	90,000	83,735	(6,265)	80,652
Recording intangibles tax	100,000	100,000	51,036	(48,964)	73,973
GTS fee	30,000	30,000	4,228	(25,772)	24,737
Railroad equipment tax	7,000	7,000	6,364	(636)	14,292
Real estate transfer tax	65,000	65,000	57,639	(7,361)	60,575
Insurance premium tax	1,630,000	1,630,000	1,686,828	56,828	1,598,484
Local option sales tax	3,320,000	3,320,000	3,292,555	(27,445)	3,222,890
Alcoholic beverage tax	170,000	170,000	167,475	(2,525)	160,992
Financial institutions tax	34,000	34,000	67,739	33,739	36,435
Franchise tax	186,000	186,000	227,590	41,590	148,508
Penalties and interest on delinquent taxes	186,900	186,900	190,842	3,942	192,635
Total Taxes	12,251,000	12,251,000	13,111,466	860,466	11,703,740
Licenses and Permits					
Zoning	2,400	2,400	2,966	566	2,296
Building permits	83,000	83,000	94,336	11,336	85,392
Total Licenses and Permits	85,400	85,400	97,302	11,902	87,688
Intergovernmental					
Tennessee Valley Authority	280,000	280,000	243,970	(36,030)	231,135
Federal payment in lieu of taxes	62,000	62,000	77,371	15,371	69,533
DOT road grants	458,600	458,600	458,677	77	430,783
Total Intergovernmental	800,600	800,600	780,018	(20,582)	731,451
Charges for Services					
Indigent and public defense	1,200	1,200	19,001	17,801	1,607
Juvenile court fees	2,000	2,000	1,350	(650)	2,906
Printing and copies	6,900	6,900	5,852	(1,048)	6,919
Election Qualifying fees	3,400	3,400	7,359	3,959	25
Greenhouse	10,300	10,300	-	(10,300)	51,164
Prisoner boarding and fees	26,000	26,000	43,906	17,906	24,841
Officer and patrol services	231,600	231,600	256,439	24,839	189,914
Senior center	34,000	34,000	37,931	3,931	36,427
Animal adoption	5,000	5,000	2,495	(2,505)	5,286
Culture and recreation	130,500	130,500	158,150	27,650	121,984
Transit	145,000	145,000	112,567	(32,433)	141,006
State Transportation	150,000	150,000	96,870	(53,130)	81,156
Landfill fees	20,000	20,000	7,238	(12,762)	14,016
Proceeds from sale of recycled materials	4,000	4,000	6,006	2,006	4,058
Road materials	13,000	13,000	9,998	(3,002)	16,185
Chattahoochee Forest Land	60,000	60,000	63,886	3,886	64,921
Total Charges for Services	842,900	842,900	829,048	(13,852)	762,415
Totals Carried Forward	$ 13,979,900	$ 13,979,900	$ 14,817,834	$ 837,934	$ 13,285,294

(continued)

Murray County, Georgia
General Fund
Schedule of Revenues and Other Financing Sources- Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

(continued)

	2014				
	Original Budget	Final Budget	Actual	Variance With Final Budget	Reclassified 2013 Actual
Totals Brought Forward	$ 13,979,900	$ 13,979,900	$ 14,817,834	$ 837,934	$ 13,285,294
Fines and Forfeitures:					
Probation Fees	34,000	34,000	23,088	(10,912)	26,129
Superior court	200,000	200,000	214,582	14,582	164,599
Probate court	195,000	195,000	169,415	(25,585)	176,550
Magistrate court	165,000	165,000	139,730	(25,270)	404,363
Penalty - jail	42,000	42,000	41,983	(17)	37,475
Bonding Fees	30,000	30,000	25,960	(4,040)	27,640
Victim assistance	24,600	24,600	20,865	(3,735)	21,099
Total Fines and Forfeitures	690,600	690,600	635,623	(54,977)	857,855
Miscellaneous Revenues					
Contributions	100	100	9,590	9,490	13,842
Insurance Proceeds	20,100	20,100	41,596	21,496	31,457
Inmate phone commissions	29,000	29,000	30,282	1,282	15,832
Restitution	2,000	2,000	2,229	229	1,633
4H assistant	9,490	9,490	9,490	-	9,490
Board of Education	37,000	37,000	42,654	5,654	40,559
Travel and Training Charges	2,500	2,500	1,996	(504)	-
Miscellaneous	5,200	5,200	37,964	32,764	6,103
Total Miscellaneous Revenues	105,390	105,390	175,801	70,411	118,916
Total Revenues	14,775,890	14,775,890	15,629,258	853,368	14,262,065
Other Financing Sources:					
Proceeds from the sale of noncapitalized capital assets	20,000	20,000	13,660	(6,340)	32,298
Total Revenues and Other Financing Sources	$ 14,795,890	$ 14,795,890	$ 15,642,918	$ 847,028	$ 14,294,363

Murray County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2013 Actual
General Government					
County commissioners	$ 243,985	$ 243,985	$ 220,961	$ 23,024	$ 253,152
Board of elections	153,275	153,275	129,952	23,323	93,524
General administration	3,276,158	3,776,158	4,092,986	(316,828)	3,227,650
Tax commissioner	377,468	377,468	344,242	33,226	362,146
Tax assessor	329,800	329,800	262,980	66,820	261,058
Board of Equalization	20,450	20,450	15,281	5,169	22,081
Risk management	1,072,000	1,072,000	883,489	188,511	1,008,552
General government buildings	741,420	741,420	728,559	12,861	700,154
Total General Government	6,214,556	6,714,556	6,678,450	36,106	5,928,317
Judicial					
Superior court	183,431	183,431	218,249	(34,818)	177,015
Clerk of the superior court	289,650	289,650	271,121	18,529	273,454
District attorney	327,990	327,990	254,011	73,979	326,869
Magistrate court	239,860	239,860	244,237	(4,377)	218,821
Probate court	229,294	229,294	232,336	(3,042)	227,570
Juvenile court	172,958	172,958	164,483	8,475	135,254
Marshall's office	-	-	-	-	87,486
Total Judicial	1,443,183	1,443,183	1,384,437	58,746	1,446,469
Public Safety					
Sheriff	1,747,465	1,747,465	1,818,063	(70,598)	1,591,281
Jail operations	1,929,600	1,929,600	1,783,478	146,122	1,667,958
Fire department	1,059,050	1,059,050	1,063,283	(4,233)	999,481
Coroner	38,223	38,223	33,640	4,583	36,887
Animal control	160,000	160,000	141,108	18,892	159,314
Emergency management agency	21,175	21,175	16,239	4,936	18,007
Total Public Safety	4,955,513	4,955,513	4,855,811	99,702	4,472,928
Public Works					
Administration	1,480,875	1,480,875	1,338,344	142,531	1,107,504
Solid waste and recycling administration	234,000	234,000	242,244	(8,244)	229,836
Total Public Works	1,714,875	1,714,875	1,580,588	134,287	1,337,340
Totals carried forward	$ 14,328,127	$ 14,828,127	$ 14,499,286	$ 328,841	$ 13,185,054

(continued)

Murray County, Georgia
General Fund
Schedule of Expenditures and Other Financing Uses - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

(continued)

	2014				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2013 Actual
Totals brought forward	$ 14,328,127	$ 14,828,127	$ 14,499,286	$ 328,841	$ 13,185,054
Health and Welfare					
Senior citizen's center	150,250	158,250	157,498	752	145,259
Transportation services	284,165	284,165	284,492	(327)	272,160
Total Health and Welfare	434,415	442,415	441,990	425	417,419
Culture and Recreation					
Recreation	552,600	552,600	515,687	36,913	514,915
Housing and Development					
Agricultural resources	73,793	73,793	57,297	16,496	71,452
Forest resources	6,900	6,900	6,867	33	6,867
Code enforcement	50,990	50,990	49,446	1,544	48,957
Building inspections	44,300	44,300	45,023	(723)	42,300
Land and use development	135,865	135,865	138,793	(2,928)	144,612
Community and economic development	3,050	3,050	-	3,050	721
Total Housing and Development	314,898	314,898	297,426	17,472	314,909
Total Expenditures	15,630,040	16,138,040	15,754,389	383,651	14,432,297
Other Financing Uses					
Transfers out	-	15,280	15,280	-	32,704
Total Expenditures and Other Financing Uses	$ 15,630,040	$ 16,153,320	$ 15,769,669	$ 383,651	$ 14,465,001

Murray County, Georgia
2007 SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2014 and 2013

	2014	2013
Revenues		
Investment earnings	$ -	$ 1,281
Total Revenues	-	1,281
Expenditures		
Capital Outlay	-	981,133
Debt Service:		
Principal	-	2,330,000
Interest	-	38,424
Total Expenditures	-	3,349,557
(Deficiency) of Revenues (Under) Expenditures	-	(3,348,276)
Fund Balances Beginning of Year	-	3,348,276
Fund Balances End of Year	$ -	$ -

Murray County, Georgia
2013 SPLOST Fund
Comparative Balance Sheets
December 31, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 1,920,181	$ 2,209,653
Sales taxes receivable	297,852	269,314
Total Assets	$ 2,218,033	$ 2,478,967
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 93,258	$ 40,534
Fund Balances		
Restricted for:		
Capital projects	2,124,775	2,438,433
Total Fund Balances	2,124,775	2,438,433
Total Liabilities and Fund Balances	$ 2,218,033	$ 2,478,967

Murray County, Georgia
2013 SPLOST Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2014 and 2013

	2014	2013
Revenues		
Sales taxes	$ 3,914,401	$ 3,730,644
Investment earnings	5,069	2,454
Total Revenues	3,919,470	3,733,098
Expenditures		
Intergovernmental	489,300	466,646
Capital Outlay	3,743,828	828,019
Total Expenditures	4,233,128	1,294,665
Excess of Revenues Over Expenditures	(313,658)	2,438,433
Fund Balances Beginning of Year	2,438,433	-
Fund Balances End of Year	$ 2,124,775	$ 2,438,433

Murray County, Georgia
Combining Balance Sheet
Nonmajor Governmental Funds - By Fund Type
December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Assets			
Cash and cash equivalents	$ 86,325	$ -	$ 86,325
Accounts receivable	118,688	-	118,688
Total Assets	$ 205,013	$ -	$ 205,013
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 30,682	$ -	$ 30,682
Accrued expenditures	22,930	-	22,930
Total Liabilities	53,612	-	53,612
Fund Balances			
Restricted	151,401	-	151,401
Total Liabilities and Fund Balances	$ 205,013	$ -	$ 205,013

Murray County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds - By Fund Type
For the Year Ended December 31, 2014

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues			
Taxes	$ 63,946	$ -	$ 63,946
Intergovernmental	62,205	-	62,205
Charges for services	661,009	-	661,009
Fines and forfeitures	119,641	-	119,641
Investment earnings	1	-	1
Total Revenues	906,802	-	906,802
Expenditures			
Current:			
Judicial	361	-	361
Public safety	854,302	-	854,302
Housing and development	63,946	1	63,947
Total Expenditures	918,609	1	918,610
(Deficiency) of Revenues (Under) Expenditures	(11,807)	(1)	(11,808)
Other Financing Sources			
Transfers in	15,280	-	15,280
Net Change in Fund Balances	3,473	(1)	3,472
Fund Balances Beginning of Year	147,928	1	147,929
Fund Balances End of Year	$ 151,401	$ -	$ 151,401

Murray County, Georgia
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2014

	Law Library	Confiscated Assets	E-911	Substance Abuse	Hotel Motel	Total Nonmajor Special Revenue Funds
Assets						
Cash and cash equivalents	$ 16,170	$ 59,682	$ -	$ 10,473	$ -	$ 86,325
Accounts receivable	-	-	115,321	-	3,367	118,688
Total Assets	$ 16,170	$ 59,682	$ 115,321	$ 10,473	$ 3,367	$ 205,013
Liabilities and Fund Balances						
Liabilities						
Accounts payable	$ -	$ 795	$ 26,520	$ -	$ 3,367	$ 30,682
Accrued expenditures	-	-	22,930	-	-	22,930
Total Liabilities	-	795	49,450	-	3,367	53,612
Fund Balances						
Restricted	16,170	58,887	65,871	10,473	-	151,401
Total Liabilities and Fund Balances	$ 16,170	$ 59,682	$ 115,321	$ 10,473	$ 3,367	$ 205,013

Murray County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2014

	Law Library	Confiscated Assets	E-911	Multi-grant	Substance Abuse	Hotel Motel	Nonmajor Special Revenue Funds
Revenues							
Taxes	$ -	$ -	$ -	$ -	$ -	$ 63,946	$ 63,946
Intergovernmental	-	-	-	62,205	-	-	62,205
Charges for services	-	-	661,009	-	-	-	661,009
Fines and forfeitures	13,157	72,885	-	-	33,599	-	119,641
Investment earnings	1	-	-	-	-	-	1
Total Revenues	13,158	72,885	661,009	62,205	33,599	63,946	906,802
Expenditures							
Current:							
Judicial	361	-	-	-	-	-	361
Public safety	-	66,338	700,285	62,205	25,474	-	854,302
Housing and development	-	-	-	-	-	63,946	63,946
Total Expenditures	361	66,338	700,285	62,205	25,474	63,946	918,609
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,797	6,547	(39,276)	-	8,125	-	(11,807)
Other Financing Sources							
Transfers in	-	-	15,280	-	-	-	15,280
Net Change in Fund Balances	12,797	6,547	(23,996)	-	8,125	-	3,473
Fund Balances Beginning of Year	3,373	52,340	89,867	-	2,348	-	147,928
Fund Balances End of Year	$ 16,170	$ 58,887	$ 65,871	$ -	$ 10,473	$ -	$ 151,401

Murray County, Georgia
Law Library Fund
Comparative Balance Sheets
December 31, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 16,170	$ 3,373
Fund Balances		
Restricted for law library	$ 16,170	$ 3,373

Murray County, Georgia
Law Library Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Fines and forfeitures	$ 10,000	$ 10,000	$ 13,157	$ 3,157	$ 9,209
Investment earnings	-	-	1	1	1
Total Revenues	10,000	10,000	13,158	3,158	9,210
Expenditures					
Current:					
Judicial	10,000	10,000	361	9,639	7,285
Excess of Revenues Over Expenditures	$ -	$ -	12,797	$ 12,797	1,925
Fund Balances Beginning of Year			3,373		1,448
Fund Balances End of Year			$ 16,170		$ 3,373

Murray County, Georgia
Confiscated Assets Fund
Comparative Balance Sheets
December 31, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 59,682	$ 52,340
Liabilities		
Accounts Payable	$ 795	$ -
Fund Balances		
Restricted for public safety	58,887	52,340
Total Liabilities and Fund Balances	$ 59,682	$ 52,340

Murray County, Georgia
Confiscated Assets Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Fines and forfeitures	$ 62,500	$ 73,000	$ 72,885	$ (115)	$ 101,385
Total Revenues	62,500	73,000	72,885	(115)	101,385
Expenditures					
Current:					
Public safety	62,500	73,000	66,338	6,662	97,275
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	6,547	$ 6,547	4,110
Fund Balances Beginning of Year			52,340		48,230
Fund Balances End of Year			$ 58,887		$ 52,340

Murray County, Georgia
E-911 Fund
Comparative Balance Sheets
December 31, 2014 and 2013

	2014	2013
Assets		
Accounts receivable	$ 115,321	$ 114,477
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 26,520	$ 3,285
Accrued expenditures payable	22,930	21,325
Total Liabilities	49,450	24,610
Fund Balances		
Restricted for public safety	65,871	89,867
Total Liabilities and Fund Balances	$ 115,321	$ 114,477

Murray County, Georgia
E-911 Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Charges for services	$ 1,261,350	$ 1,261,350	$ 661,009	$ (600,341)	$ 558,465
Intergovernmental	-	-	-	-	74,017
Total Revenues	1,261,350	1,261,350	661,009	(600,341)	632,482
Expenditures					
Current:					
Public safety	1,276,350	1,276,350	700,285	576,065	658,964
(Deficiency) of Revenues (Under) Expenditures	(15,000)	(15,000)	(39,276)	(24,276)	(26,482)
Other Financing Sources					
Transfers in	15,000	15,000	15,280	280	32,704
Net Change in Fund Balances	$ -	$ -	(23,996)	$ (23,996)	6,222
Fund Balances Beginning of Year			89,867		83,645
Fund Balances End of Year			$ 65,871		$ 89,867

Murray County, Georgia
Multi-grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Intergovernmental	$ 11,888	$ 63,000	$ 62,205	$ (795)	$ 13,763
Expenditures					
Current:					
General government	-	-	-	-	250
Public safety	11,888	63,000	62,205	795	13,513
Total Expenditures	11,888	63,000	62,205	795	13,763
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

Murray County, Georgia
Substance Abuse Fund
Comparative Balance Sheets
December 31, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ 10,473	$ 2,348
Fund Balances		
Restricted for public safety	$ 10,473	$ 2,348

Murray County, Georgia
Substance Abuse Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Fines and forfeitures	$ 27,000	$ 27,000	$ 33,599	$ 6,599	$ 29,096
Total Revenues	27,000	27,000	33,599	6,599	29,096
Expenditures					
Current:					
Public safety	27,000	27,000	25,474	1,526	29,406
Excess (Deficiency) orfRevenues Over (Under) Expenditures	$ -	$ -	8,125	$ 8,125	(310)
Fund Balances Beginning of Year			2,348		2,658
Fund Balances End of Year			$ 10,473		$ 2,348

Murray County, Georgia
Hotel Motel Fund
Comparative Balance Sheets
December 31, 2014 and 2013

	2014	2013
Assets		
Accounts receivable	$ 3,367	$ 6,711
Liabilities		
Accounts payable	$ 3,367	$ 6,711

Murray County, Georgia
Hotel Motel Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2014
(With Comparative Actual Amounts for the Year Ended December 31, 2013)

	2014				2013
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Revenues					
Hotel motel taxes	$ 60,000	$ 64,000	$ 63,946	$ (54)	$ 66,934
Expenditures					
Current:					
Housing and development	60,000	64,000	63,946	54	66,934
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	-	$ -	-
Fund Balances Beginning of Year			-		-
Fund Balances End of Year			$ -		$ -

Murray County, Georgia
Chip 2007 Fund
Comparative Balance Sheets
December 31, 2014 and 2013

	2014	2013
Assets		
Cash and cash equivalents	$ -	$ 1
Fund Balances		
Restricted for capital projects	$ -	$ 1

Murray County, Georgia
Chip 2007 Fund
Comparative Statements of Revenues, Expenditures and Changes in Fund Balances
For the Years Ended December 31, 2014 and 2013

	2014	2013
Revenues		
Intergovernmental	$ -	$ 23,000
Expenditures		
Current:		
Housing and development	1	23,006
(Deficiency) of Revenues (Under) Expenditures	(1)	(6)
Fund Balances Beginning of Year	1	7
Fund Balances End of Year	$ -	$ 1

Murray County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended December 31, 2014

Tax Commissioner Fund	Balance January 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance December 31, 2014
Assets					
Cash and cash equivalents	$ 363,477	$ 25,532,353	$ 25,552,487	$ 306,445	$ 36,898
Liabilities					
Interfund payable	$ -	$ 7,211,804	$ 6,905,359	$ 306,445	$ -
Due to others	363,477	18,320,549	18,647,128	-	36,898
Total Liabilities	$ 363,477	$ 25,532,353	$ 25,552,487	$ 306,445	$ 36,898

Clerk of Superior Court Fund	Balance January 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance December 31, 2014
Assets					
Cash and cash equivalents	$ 257,904	$ 1,700,812	$ 1,638,001	$ 30,652	$ 290,063
Liabilities					
Interfund payable	$ -	$ 381,917	$ 351,265	$ 30,652	$ -
Due to others	257,904	1,318,895	1,286,736	-	290,063
Total Liabilities	$ 257,904	$ 1,700,812	$ 1,638,001	$ 30,652	$ 290,063

Sheriff Fund	Balance January 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance December 31, 2014
Assets					
Cash and cash equivalents	$ 34,825	$ 154,913	$ 136,939	$ 4,470	$ 48,329
Liabilities					
Interfund payable	$ -	$ 87,672	$ 83,202	$ 4,470	$ -
Due to others	34,825	67,241	53,737	-	48,329
Total Liabilities	$ 34,825	$ 154,913	$ 136,939	$ 4,470	$ 48,329

(Continued)

Murray County, Georgia
Combining Statement of Changes in Assets and Liabilities (Continued)
Agency Funds
For The Year Ended December 31, 2014

(Continued)

Probate Court Fund	Balance January 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance December 31, 2014
Assets					
Cash and cash equivalents	$ 1,235	$ 343,403	$ 307,162	$ 28,670	$ 8,806
Liabilities					
Interfund payable	$ -	$ 235,319	$ 206,649	$ 28,670	$ -
Due to others	1,235	108,084	100,513	-	8,806
Total Liabilities	$ 1,235	$ 343,403	$ 307,162	$ 28,670	$ 8,806

Magistrate Court Fund	Balance January 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance December 31, 2014
Assets					
Cash and cash equivalents	$ 53,544	$ 343,146	$ 364,600	$ 10,428	$ 21,662
Liabilities					
Interfund payable	$ -	$ 146,307	$ 135,879	$ 10,428	$ -
Due to others	53,544	196,839	228,721	-	21,662
Total Liabilities	$ 53,544	$ 343,146	$ 364,600	$ 10,428	$ 21,662

Total	Balance January 1, 2014	Additions	Deductions	Reclassify Cash and Interfund Payable	Balance December 31, 2014
Assets					
Cash and cash equivalents	$ 710,985	$ 28,074,627	$ 27,999,189	$ 380,665	$ 405,758
Liabilities					
Interfund payable	$ -	$ 8,063,019	$ 7,682,354	$ 380,665	$ -
Due to others	710,985	20,011,608	20,316,835	-	405,758
Total Liabilities	$ 710,985	$ 28,074,627	$ 27,999,189	$ 380,665	$ 405,758

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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 Honorable Commissioner
of Murray County
Chatsworth, 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 Murray County, Georgia, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise Murray County, Georgia 's basic financial statements and have issued our report thereon dated December 31, 2015. Our report includes a reference to the other auditors who audited the financial statements of the Hospital Authority and the Department of Public Health, as described in our report on Murray County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Murray 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 Murray County, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of Murray County, Georgia's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Murray 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*.

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.

R. M. Dobbs & Company

Calhoun, Georgia
December 31, 2015

Murray County, Georgia
Schedule of Expenditures of Special Purpose
Local Option Sales Tax
From Inception and for the Year Ended December 31, 2014

SPLOST Projects	Expenditures					
	Original	Current	Prior Years	Current Year	Total	Estimated % of Completion
SPLOST 2013						
Roads & Bridges:						
Infrastructure	$ 8,724,300	$ 8,724,300	$ 108,585	$ 650,176	$ 758,761	9%
Road construction equipment/vehicles	1,077,000	1,077,000	-	268,071	268,071	25%
Total Road & Bridges, Water & Sewer	9,801,300	9,801,300	108,585	918,247	1,026,832	
Other Projects:						
Fire Department (Spring Place)	810,000	810,000	-	-	-	0%
Emergency Center Fire Department 1	24,100	24,100	-	-	-	0%
Recreation buildings and equipment	705,000	705,000	-	84,657	84,657	12%
Hospital equipment and debt reduction	6,232,400	6,232,400	540,842	811,472	1,352,314	22%
Communication/Technical System	842,900	842,900	8,331	1,239,761	1,248,092	148%
Public safety vehicles and equipment	3,381,000	3,381,000	2,858	260,643	263,501	8%
Economic Development Projects	200,000	200,000	2,000	202,241	204,241	102%
General Buildings and equipment	1,628,300	1,628,300	165,403	226,807	392,210	24%
Total Other Projects	13,823,700	13,823,700	719,434	2,825,581	3,545,015	
Contractual Payments:						
City of Chatsworth	2,835,000	2,835,000	392,033	411,012	803,045	28%
City of Eton	540,000	540,000	74,613	78,288	152,901	28%
	3,375,000	3,375,000	466,646	489,300	955,946	
	$ 27,000,000	$ 27,000,000	$ 1,294,665	$4,233,128	$ 5,527,793	
SPLOST 2007						
Roads & Bridges:						
Infrastructure	$ 7,850,000	$ 7,850,000	$ 1,920,086	$ -	$ 1,920,086	24%
Road construction equipment/vehicles	610,000	610,000	535,129	-	535,129	88%
Total Road & Bridges, Water & Sewer	8,460,000	8,460,000	2,455,215	-	2,455,215	
Other Projects:						
Recreation Facilities	2,400,000	2,400,000	3,392,453	-	3,392,453	141%
Waste collection sites (improvements/acquisition)	200,000	200,000	119,284	-	119,284	60%
Fire safety improvements and equipment	2,500,000	2,500,000	1,728,136	-	1,728,136	69%
Detention Center expansion	9,850,000	9,850,000	11,877,487	-	11,877,487	121%
Jail & Sheriff improvements & equipment	1,275,000	1,275,000	799,352	-	799,352	63%
Library expansion	350,000	350,000	324,648	-	324,648	93%
Elections facility	480,000	480,000	32,079	-	32,079	7%
Senior center expansion	250,000	250,000	337,017	-	337,017	135%
County building improvements	350,000	350,000	233,545	-	233,545	67%
Hospital equipment	475,000	475,000	996,347	-	996,347	210%
Buildings' record storage capacity	42,000	42,000	15,655	-	15,655	37%
Rescue equipment and facility enhanced	50,000	50,000	9,777	-	9,777	20%
911 Center Communication Equipment	18,000	18,000	34,316	-	34,316	191%
Total Other Projects	18,240,000	18,240,000	19,900,096	-	19,900,096	
Contractual Payments:						
City of Chatsworth	3,000,030	3,000,030	2,619,145	-	2,619,145	87%
City of Eton	299,970	299,970	261,916	-	261,916	87%
	3,300,000	3,300,000	2,881,061	-	2,881,061	
	$ 30,000,000	$ 30,000,000	$ 25,236,372	$ -	$ 25,236,372	