RABUN COUNTY, GEORGIA

Annual Financial Report

For the fiscal year ended June 30, 2015

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RABUN COUNTY, GEORGIA
FINANCIAL REPORT
For the fiscal year ended June 30, 2015

TABLE OF CONTENTS

INTRODUCTORY SECTION:

		Page(s)
	Table of Contents	**i-v**

FINANCIAL SECTION:

	Independent Auditor's Report	**1-3**
	Management's Discussion and Analysis	**4-9**

BASIC FINANCIAL STATEMENTS

Exhibit		Page(s)
	Government-wide Statements	
A-1	Statement of Net Position	**10-11**
A-2	Statement of Activities	**12**
	Fund Financial Statements	
A-3	Balance Sheet – Governmental Funds	**13**
A-4	Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	**14**
A-5	Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	**15**
A-6	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	**16**
A-7	Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) to Actual – General Fund	**17-18**
A-8	Statement of Net Position – Proprietary Funds	**19**
A-9	Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	**20**
A-10	Statement of Cash Flows – Proprietary Funds	**21**
A-11	Statement of Fiduciary Assets and Liabilities – Fiduciary Funds	**22**

Table of Contents, continued

BASIC FINANCIAL STATEMENTS (continued)

Fund Financial Statements (continued)

Exhibit		Page(s)
A-12	Combining Statement of Net Position – Component Units	**23-24**
A-13	Combining Statement of Activities – Component Units	**25**
A-14	**Notes to the Financial Statements**	**26-64**

Item #		Page #
1.	Description of Government Unit	**26**
2.	Summary of Significant Accounting Policies	**26-41**
3.	Deposit and Investment Risk	**41-42**
4.	Accounts Receivable	**42**
5.	Intergovernmental Receivables	**43**
6.	Property Taxes	**43**
7.	Interfund Receivables and Payables	**44**
8.	Interfund Transfers	**44**
9.	Capital Assets	**45-47**
10.	Long-Term Debt	**48-51**
11.	Landfill Post-Closure Care Costs	**52**
12.	Restricted, Committed, and Assigned Fund Balances	**53**
13.	Changes in Beginning Balances	**53**
14.	Pension Plan	**54-59**
15.	Defined Contribution Plan	**60**
16.	Hotel/Motel Lodging Tax	**60**
17.	Joint Ventures	**61**
18.	Risk Financing Activities	**61-62**
19.	Commitments and Contingencies	**62-63**
20.	Nonexchange Financial Guarantee	**63-64**

REQUIRED SUPPLEMENTARY INFORMATION

B-1	Schedule of Changes in the Net Pension Liability and Related Ratios	**65**
B-2	Schedule of Contributions	**66**
B-3	Notes to the Required Supplementary Information	**67-68**

Table of Contents, continued

SUPPLEMENTARY INFORMATION (continued)

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Exhibit		Page (s)
C-1	Combining Balance Sheet – Nonmajor Governmental Funds	**69-70**
C-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	**71-72**
	GENERAL FUND	
D-1	Comparative Balance Sheets	**73**
D-2	Comparative Statements of Revenues, Expenditures and Changes in Fund Balances	**74**
D-3	Schedule of Revenues – Budget (GAAP Basis) and Actual	**75**
D-4	Schedule of Expenditures – Budget (GAAP Basis) and Actual	**76-81**
	SPECIAL REVENUE FUNDS	
E-1	Confiscated Assets Special Revenue Fund Comparative Balance Sheets	**82**
E-2	Confiscated Assets Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual	**83**
E-3	Jail Special Revenue Fund Comparative Balance Sheets	**84**
E-4	Jail Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual	**85**
E-5	Law Library Special Revenue Fund Comparative Balance Sheets	**86**
E-6	Law Library Special Revenue Fund Statement of Revenues, Expenditures and Changes in Fund Balances	**87**
E-7	Juvenile Case Management Special Revenue Fund Comparative Balance Sheets	**88**
E-8	Juvenile Case Management Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual	**89**
E-9	Drug Abuse Treatment Education Special Revenue Fund Comparative Balance Sheets	**90**

Table of Contents, continued

SUPPLEMENTARY INFORMATION (continued)

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (continued)

Exhibit		Page (s)
	SPECIAL REVENUE FUNDS (continued)	
E-10	Drug Abuse Treatment Education Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual	**91**
E-11	Emergency 911 Special Revenue Fund Comparative Balance Sheets	**92**
E-12	Emergency 911 Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual	**93**
E-13	Hotel/Motel Tax Special Revenue Fund Comparative Balance Sheets	**94**
E-14	Hotel/Motel Tax Special Revenue Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget (GAAP Basis) and Actual	**95**
	CAPITAL PROJECTS FUND	
F-1	Special Purpose Local Option Sales Tax #5 Capital Projects Fund Comparative Balance Sheets	**96**
F-2	Special Purpose Local Option Sales Tax #5 Capital Projects Fund Comparative Statements of Revenues, Expenditures and Changes in Fund Balances	**97**
F-3	Special Purpose Local Option Sales Tax #6 Capital Projects Fund Balance Sheet	**98**
F-4	Special Purpose Local Option Sales Tax #6 Capital Projects Fund Statement of Revenues, Expenditures and Changes in Fund Balances	**99**
	ENTERPRISE FUNDS	
G-1	Solid Waste Enterprise Fund Comparative Statements of Net Assets	**100**
G-2	Solid Waste Enterprise Fund Comparative Statements of Revenues, Expenses and Changes in Net Assets	**101**
G-3	Solid Waste Enterprise Fund Comparative Statements of Cash Flows	**102**
G-4	Waste-Water Facility Enterprise Fund Comparative Statements of Net Assets	**103**

Table of Contents, continued

SUPPLEMENTARY INFORMATION (continued)

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES (continued)

Exhibit		Page (s)
	ENTERPRISE FUNDS (continued)	
G-5	Waste-Water Facility Enterprise Fund Comparative Statements of Revenues, Expenses, and Changes in Net Assets	**104**
G-6	Waste-Water Facility Enterprise Fund Comparative Statements of Cash Flows	**105**
G-7	Golf Course Enterprise Fund Comparative Statements of Net Assets	**106**
G-8	Golf Course Enterprise Fund Comparative Statements of Revenues, Expenses and Changes in Net Assets	**107**
G-9	Golf Course Enterprise Fund Comparative Statements of Cash Flows	**108**
	AGENCY FUNDS	
H-1	Combining Balance Sheet	**109-110**
H-2	Statement of Changes in Assets and Liabilities	**111**
	SINGLE AUDIT SECTION	
	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*	**112-113**
	Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance in Accordance with OMB Circular A-133	**114-115**
I-1	Schedule of Expenditures of Federal Awards	**116**
I-2	Notes to the Schedule of Expenditures of Federal Awards	**117**
I-3	Schedule of Findings and Questioned Costs	**118-120**
	STATE REPORTING SECTION	
J-1	Schedule of Projects Financed with Special Purpose Local Option Sales Tax	**121-122**

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Independent Auditor's Report

Honorable Chairman and Members
of the Board of Commissioners
Rabun County, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Rabun County Health Department, a component unit of Rabun County, Georgia, which represent 5.2 percent, 44.6 percent, and 25.9 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those 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 Rabun County Health Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, 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 business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rabun County, Georgia, as of June 30, 2015, and the respective changes in the financial position and, where applicable, cash flows, and the budgetary comparison of 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 the required supplementary information on pages 4 through 9 and 65 through 68, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Rabun County, Georgia's basic financial statements. The combining and individual fund financial statements and schedules and the state reporting section with the special purpose local option sales tax report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements.

The combining and individual fund financial statements and schedules, the special purpose local option sales tax report, and the schedule of expenditures of federal awards 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 fund financial statements and schedules, the special purpose local option sales tax report, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements as a whole.

We also have previously audited, in accordance with auditing standards generally accepted in the United States, Rabun County, Georgia's basic financial statements for the year ended June 30, 2014, which are not presented with the accompanying financial statements. In our report dated December 23, 2014, we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Rabun County's basic financial statements as a whole. The combining and individual fund financial statements and schedules related to the 2014 financial statements are presented for the purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and schedules related to the 2014 financial statements are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the 2014 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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 2014 combining and individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2015, on our consideration of Rabun County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 results of that testing, and not to provide an opinion on the 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 Rabun County, Georgia's internal control over financial reporting and compliance.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
December 31, 2015

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MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Rabun County's financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2015. Management's discussion and analysis (MD&A) focuses on current year activities and resulting changes, please read it in conjunction with the County's financial statements.

The following is a presentation of a discussion and analysis of the County's financial condition and performance for the year ended June 30, 2015.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Rabun County's basic financial statements. Rabun County's basic financial statements are compromised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. **(Pages 10-12)** The government-wide financial statements provide a broad overview of Rabun County finances in a manner similar to that of private-sector businesses. The statements include:

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

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

Both of the government-wide financial statements identify the various functions of Rabun County that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of Rabun County, Georgia, include general government, judicial, health and welfare, public safety, public works, recreation and culture, and housing and development. The business-type activities of Rabun County, Georgia are its Solid Waste and Recycling operations, a Waste Water Facility, and the Rabun County Golf Club.

Government-wide financial statements. The government-wide financial statements include not only Rabun County, Georgia itself (known as the primary government), but also legally separate component units (Library, Health Department, Economic Development Authority and Building Authority) for which Rabun County, Georgia is financially accountable. Financial information for these component units is reported separately from financial information presented for the primary government itself.

Fund Financial Statements. (Pages 13-22) A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources, available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The County maintains ten individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, and SPLOST #5 and #6, all of which are considered to be major funds. Data from the other seven governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with its budget.

The basic governmental fund financial statements can be found on pages 13-18 of this report.

Proprietary funds. **(Pages 19-21)** The County maintains three proprietary funds. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses a proprietary fund to account for its solid waste operation, its waste water facility, as well as the Golf Course. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the solid waste and waste water operations, which are major funds of the County. Although the Golf Course is not a major fund of the County, it is listed separately as it is the only nonmajor fund.

Fiduciary Funds. **(Page 22)** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used in the government-wide financial statements.

Notes to the financial statements. **(Pages 26-64)** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. Following the basic financial statements is other supplementary information, which includes combining and individual fund statements and schedules that can be found on pages 69 - 111 of this report. This report also includes two schedules (pages 14 and 16), which reconcile the amounts reported on the governmental fund financial statements (modified accrual basis of accounting) with the governmental activities reported on the government-wide financial statements (accrual basis of accounting).

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Rabun County, on an entity-wide basis, had a decrease in net position during FY 2015 of $0.26 million ($2.81 million increase in the current year and ($3.07) million decrease in prior period adjustments), of which $0.42 million was a decrease in governmental activities and 0.16 million was an increase in the business-type activities. At June 30, 2015, the County had $52.26 million invested in capital position, net of debt and accumulated depreciation, $4.23 million in restricted net position and ($7.13) million of unrestricted net position (the bulk of which is in cash, investments and accounts receivable). The table below shows the split of net position between governmental and business-type activities for both FY 2015 and FY 2014.

RABUN COUNTY, GEORGIA'S NET POSITION
June 30, 2015 and 2014
($ in thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2015	2014	2015	2014	2015	2014
Cash and investments	$ 27,293	$ 25,995	$ 409	$ 337	$ 27,702	$ 26,332
Other assets	0	2,134	0	58	0	2,192
Capital assets	51,283	50,745	5,962	5,824	57,245	56,569
Total assets	78,576	78,874	6,371	6,219	84,947	85,093
Deferred outflows of resources						
Pension investment return differences	31	0	3	0	34	0
Current liabilities	4,105	3,300	303	309	4,408	3,609
Noncurrent Liabilities	24,185	24,833	7,031	7,035	31,216	31,868
Total liabilities	28,290	28,133	7,334	7,344	35,624	35,477
Net position:						
Net Invested in capital assets	50,487	49,898	1,767	1,471	52,254	51,369
Restricted	4,229	4,321	0	0	4,229	4,321
Unrestricted	(4,398)	(3,479)	(2,727)	(2,595)	(7,125)	(6,074)
Total net position	$ 50,318	$ 50,740	$ (960)	$ (1,124)	$ 49,358	$ 49,616

RABUN COUNTY GEORGIA'S CHANGES IN NET POSITION
FISCAL YEARS ENDED JUNE 30, 2014 AND 2013

($ in thousands)

	Governmental Activities		Business-type Activities		Total Government	
	2015	2014	2015	2014	2015	2014
REVENUES						
Program revenues						
Charges for services	$ 2,135	$ 2,090	$ 1,026	$ 909	$ 3,161	$ 2,999
Operating grants and contributions	575	633	0	247	575	880
Capital grants and contributions	465	334	0	0	465	334
General revenues						
Taxes	20,184	16,825	0	0	20,184	16,825
Interest	58	101	1	1	59	102
Other	43	115	2	3	45	118
Total revenues	23,460	20,098	1,029	1,160	24,489	21,258
EXPENSES						
Program Expenses:						
General Government	2,221	1,929	0	0	2,221	1,929
Judicial	1,022	987	0	0	1,022	987
Public Safety	8,517	8,634	0	0	8,517	8,634
Public Works	4,204	5,447	0	0	4,204	5,447
Health and Welfare	1,168	1,111	0	0	1,168	1,111
Culture and Recreation	1,287	1,239	0	0	1,287	1,239
Housing and Development	893	1,757	0	0	893	1,757
Interest and paying agent fees	272	232	0	0	272	232
Solid Waste	0	0	1,181	1,156	1,181	1,156
Waste Water Facility	0	0	629	739	629	739
Golf Course	0	0	285	263	285	263
Total expenses	19,584	21,336	2,095	2,158	21,679	23,494
Excess (Deficiency) before Transfers	3,876	(1,238)	(1,066)	(998)	2,810	(2,236)
Transfers (Out) In	(1,398)	(1,067)	1,398	1,067	0	0
Increase (Decrease) in net position	2,478	(2,305)	332	69	2,810	(2,236)
Net position, beginning (original)	50,740	70,391	(1,124)	(1,193)	49,616	69,198
Prior period adjustment	(2,900)	(17,346)	(168)	0	(3,068)	(17,346)
Net position, beginning (restated)	47,840	53,045	(1,292)	(1,193)	46,548	51,852
Net position, ending	$ 50,318	$ 50,740	$ (960)	$ (1,124)	$ 49,358	$ 49,616

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the County's governmental funds is to provide information on near-term inflows and outflows of spendable resources. Such information is useful in evaluating a government's near-term financing requirements.

Governmental revenues increased $3.3 million from FY 2014. Taxes increased $3.4 million and intergovernmental revenues decreased $47 thousand.

Tax revenues consisted of $20.2 million, of which $3.2 million came from local SPLOST revenue in the governmental funds.

Expenditures in the governmental funds were $22.3 million of which approximately $3.1 million going toward the purchase or construction of capital assets.

Proprietary funds. The County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

General Fund Budget Highlights

The original budget for the General Fund was amended by various appropriations approved after the beginning of the fiscal year. In addition, the Board of Commissioners approved several adjustments to prevent budget overruns. The following highlights the differences between the original and final budget amounts:

The budget for total revenues increased $2.0 million:

Because we budget very conservatively on all revenues and expenditures, we collected more than anticipated or budgeted. This insures us that we do not fall short at the end of the year. Rabun County collected a little over $2,000,000 additional on prior year property tax collections and collected $52,000 additional timber taxes.

CAPITAL ASSETS & LONG TERM DEBT

Capital Assets. Rabun County's government-wide investment in capital assets at June 30, 2015 was $98.8 million, net of $41.6 million in accumulated depreciation. The investment, which includes land, buildings, roads, bridges, machinery and equipment, park facilities and vehicles, is covered in Note 9 on pages 45 - 47. Government-wide capital additions in FY 2015 were approximately $3.6 million.

Major capital asset activity in 2015 was:

The county completed over a $1,000,000 in new road paving projects. Rabun County has invested 1.2 million in acquiring assets to continue the goal of consolidating the water and sewer in Rabun County.

Long-term debt. At June 30, 2015, Rabun County had $33.9 million in debt including bonds and notes payable, capital leases, landfill closure/postclosure care costs, net pension liability, and guarantee liabilities; this is an decrease in total of $0.4 million from FY 2014. The increase in debt was due to principal payments of debt during fiscal year 2015. Additional information on the County's long-term debt can be found in Note 10 found on pages 48 - 51.

Prior period restatements. A prior period restatement was made in fiscal year 2015 in accordance with GASB 68 to record a net pension liability and related deferred outflows/inflows of resources. See Note 13 on page 53 for details.

ECONOMIC FACTORS AND THE 2015 BUDGET

The economy in the County seems to be steady; for example, the un-employment rate in the County of 6.9% is in line with the State average. The County will adhere to strict budget controls for FY 2016.

Funding for the operations of the County come from three primary sources: taxes, charges for services and fines. We have plans of using $1,450,000 of fund balance to acquire capital assets such as a new tanker for Valley Fire Department, a new building for Grounds and Maintenance, (2) remount ambulances, construction of cell #4 at the landfill, boom mower for the Road Department and various other smaller capital outlay equipment.

REQUESTS FOR INFORMATION

The financial report is designed to provide a general overview of Rabun County's finances for all those interested. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Clerk to the Commission at 25 Courthouse Square, Suite 201 Clayton, GA 30525.

BASIC FINANCIAL STATEMENTS

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

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets				
Cash and cash equivalents	$ 18,544,989	$ 373,072	$ 18,918,061	$ 1,489,075
Certificates of deposit	100,632	0	100,632	16,173
Restricted assets				
Cash and cash equivalents	7,684,169	0	7,684,169	694,855
Receivables (net)				
Accounts	307,028	36,175	343,203	24,855
Intergovernmental	60,851	0	60,851	829
Taxes	468,329	0	468,329	0
Notes	0	0	0	42,379
Prepaids	127,142	0	127,142	1,500
Total current assets	27,293,140	409,247	27,702,387	2,269,666
Noncurrent assets				
Capital assets				
Non-depreciable	2,864,581	1,844,576	4,709,157	1,263,423
Depreciable (net)	48,418,254	4,117,899	52,536,153	12,178,556
Other assets				
Notes receivable	0	0	0	246,999
Investment in joint venture	0	0	0	10,001
Total noncurrent assets	51,282,835	5,962,475	57,245,310	13,698,979
Total assets	78,575,975	6,371,722	84,947,697	15,968,645
DEFERRED OUTFLOWS OF RESOURCES				
Pension investment return differences	31,317	2,592	33,909	0
LIABILITIES				
Current liabilities				
Payables				
Accounts	1,046,681	13,640	1,060,321	13,156
Intergovernmental	26,999	112	27,111	20,671
Retainage	77,908	0	77,908	0
Interest	21,928	14,334	36,262	0
Accrued salaries and expenses	135,104	16,182	151,286	0
Compensated absences	369,065	42,453	411,518	25,500
Guarantee obligation	981,884	0	981,884	0
Capital lease payable	0	0	0	0
Notes payable	0	164,136	164,136	0
Bonds payable	1,445,000	0	1,445,000	360,000
Closure/post-closure care	0	52,500	52,500	0
Liabilities payable from restricted assets				
Payables				
Customer deposits	0	0	0	24,008
Interest	0	0	0	310,843
Total current liabilities	4,104,569	303,357	4,407,926	754,178

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

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

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Noncurrent liabilities				
Compensated absences	$ 0	$ 0	$ 0	$ 24,154
Net pension liability	1,923,218	159,184	2,082,402	0
Proportionate share of net pension liability	0	0	0	486,080
Guarantee obligation	15,535,782	0	15,535,782	0
Notes payable	0	4,031,077	4,031,077	0
Bonds payable	6,725,529	0	6,725,529	15,111,451
Closure/post-closure care	0	2,840,796	2,840,796	0
Total noncurrent liabilities	24,184,529	7,031,057	31,215,586	15,621,685
Total liabilities	28,289,098	7,334,414	35,623,512	16,375,863
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources, net	0	0	0	69,015
NET POSITION				
Net invested in capital assets	50,487,263	1,767,262	52,254,525	(2,029,472)
Restricted for:				
Judicial	98,822	0	98,822	0
Public safety	158,259	0	158,259	0
Health and welfare	100,863	0	100,863	4,223
Housing and development	46,581	0	46,581	0
Capital outlay	3,824,012	0	3,824,012	0
Debt service	0	0	0	360,004
Unrestricted	(4,397,606)	(2,727,362)	(7,124,968)	1,189,012
Total net position	$ 50,318,194	$ (960,100)	$ 49,358,094	$ (476,233)

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

RABUN COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2015

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue
Primary government					
Governmental activities					
General Government	$ 2,221,166	$ 59,832	$ 266,565	$ 0	$ (1,894,769)
Judicial	1,021,824	64,477	3,752	0	(953,595)
Public Safety	8,517,753	1,715,370	75,169	11,805	(6,715,409)
Public Works	4,203,940	0	91,475	453,079	(3,659,386)
Health and Welfare	1,167,766	52,488	137,547	0	(977,731)
Culture and Recreation	1,286,795	203,220	0	0	(1,083,575)
Housing and Development	892,929	39,499	0	0	(853,430)
Interest on long-term debt	271,906	0	0	0	(271,906)
Total governmental activities	19,584,079	2,134,886	574,508	464,884	(16,409,801)
Business-type activities					
Solid Waste	1,180,061	489,536	0	0	(690,525)
Waste-Water Facility	629,214	439,863	0	0	(189,351)
Golf Course	285,424	96,704	0	0	(188,720)
Total business-type activities	2,094,699	1,026,103	0	0	(1,068,596)
Total primary government	21,678,778	3,160,989	574,508	464,884	(17,478,397)
Component Units					
Rabun County Library					
Culture and Recreation	331,168	23,977	37,334	6,334	(263,523)
Rabun County Health Department					
Health and Welfare	715,336	329,135	255,473	0	(130,728)
Rabun County Economic Development Authority					
Housing and Development	1,427,160	0	0	321,535	(1,105,625)
Rabun County Building Authority					
Housing and Development	0	0	0	0	0
Total component units	2,473,664	353,112	292,807	327,869	(1,499,876)

Change in net position	Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Net (expense) revenue	$ (16,409,801)	$ (1,068,596)	$ (17,478,397)	$ (1,499,876)
General revenues				
Taxes				
Property	15,539,677	0	15,539,677	0
Sales	3,214,341	0	3,214,341	0
Insurance premium	585,344	0	585,344	0
Other	845,035	0	845,035	0
Interest and investment earnings	58,266	386	58,652	6,437
Rental income	0	0	0	398,471
Payments from Rabun County	0	0	0	1,836,195
Miscellaneous	43,038	2,830	45,868	4,129
Transfers	(1,398,133)	1,398,133	0	0
Total general revenues and transfers	18,887,568	1,401,349	20,288,917	2,245,232
Change in net position	2,477,767	332,753	2,810,520	745,356
Net position - beginning (original)	50,740,233	(1,124,375)	49,615,858	(614,674)
Prior period adjustments	(2,899,806)	(168,478)	(3,068,284)	(606,915)
Net position - beginning (restated)	47,840,427	(1,292,853)	46,547,574	(1,221,589)
Net position - ending	$ 50,318,194	$ (960,100)	$ 49,358,094	$ (476,233)

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

RABUN COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2015

	General	SPLOST #5	SPLOST #6	Nonmajor Governmental Funds	Totals
ASSETS					
Cash and cash equivalents	$ 13,367,519	$ 2,525,533	$ 1,935,275	$ 716,662	$ 18,544,989
Certificates of deposit	100,632	0	0	0	100,632
Restricted Assets					
Cash and cash equivalents	100,863	0	7,583,306	0	7,684,169
Receivables (net)					
Accounts	234,328	0	0	72,700	307,028
Intergovernmental	56,836	0	0	4,015	60,851
Taxes	101,510	0	304,302	62,517	468,329
Prepaids	127,142	0	0	0	127,142
Due from other funds	20,681	0	0	0	20,681
Total assets	$ 14,109,511	$ 2,525,533	$ 9,822,883	$ 855,894	$ 27,313,821
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
Liabilities					
Payables					
Accounts	$ 181,191	$ 688,377	$ 174,813	$ 2,300	$ 1,046,681
Intergovernmental	26,841	0	0	158	26,999
Retainage	0	62,084	15,824	0	77,908
Accrued salaries and expenses	124,895	0	0	10,209	135,104
Due to other funds	0	0	0	20,681	20,681
Total liabilities	332,927	750,461	190,637	33,348	1,307,373
Deferred Inflows of Resources					
Unavailable revenue - property taxes	55,018	0	0	0	55,018
Fund balances					
Nonspendable prepaids	127,142	0	0	0	127,142
Restricted for:					
Judicial	0	0	0	98,822	98,822
Public safety	0	0	0	158,259	158,259
Health and welfare	100,863	0	0	0	100,863
Housing and development	0	0	0	46,581	46,581
Capital outlay	0	1,775,072	9,632,246	0	11,407,318
Assigned for:					
Public safety	0	0	0	518,884	518,884
Budget	1,450,000	0	0	0	1,450,000
Unassigned	12,043,561	0	0	0	12,043,561
Total fund balances	13,721,566	1,775,072	9,632,246	822,546	25,951,430
Total liabilities, deferred inflows, and fund balances	$ 14,109,511	$ 2,525,533	$ 9,822,883	$ 855,894	$ 27,313,821

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

RABUN COUNTY, GEORGIA
RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
June 30, 2015

Total fund balance - total governmental funds	$	25,951,430
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets of $91,245,324 net of accumulated depreciation of ($39,962,489) are not financial resources and, therefore, are not reported in the funds.		51,282,835
Long-term assets (receivables) are not available to pay current period expenditures and, therefore, are deferred in the fund. These are deferred property taxes.		55,018
Deferred outflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds. These are pension investment return differences.		31,317
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These are guarantee obligation of ($16,517,666), bonds payable of ($8,170,529), interest payable of ($21,928), compensated absences of ($369,065), and net pension liability ($1,923,218).		(27,002,406)
Net position of governmental activities	$	50,318,194

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

RABUN COUNTY, GEORGIA
STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2015

	General	SPLOST #5	SPLOST #6	Nonmajor Governmental Funds	Totals
REVENUES					
Taxes	$ 16,601,336	$ 0	$ 3,214,341	$ 428,213	$ 20,243,890
Licenses and permits	53,844	0	0	0	53,844
Fines, fees and forfeitures	395,732	0	0	100,884	496,616
Charges for services	1,204,116	0	0	354,127	1,558,243
Intergovernmental	584,995	315,501	0	0	900,496
Interest	19,824	3,871	12,042	992	36,729
Contributions	22,819	0	0	0	22,819
Other	52,492	0	0	0	52,492
Total revenues	18,935,158	319,372	3,226,383	884,216	23,365,129
EXPENDITURES					
Current					
General Government	2,380,241	0	0	0	2,380,241
Judicial	1,006,281	0	0	15,402	1,021,683
Public Safety	7,589,181	0	0	1,037,169	8,626,350
Public Works	1,792,308	0	0	0	1,792,308
Health and Welfare	1,074,046	0	0	0	1,074,046
Culture and Recreation	1,017,964	0	0	0	1,017,964
Housing and Development	1,480,093	0	0	397,800	1,877,893
Capital outlay	0	2,244,089	863,515	0	3,107,604
Intergovernmental	0	0	67,720	0	67,720
Debt service	88,008	0	1,203,311	0	1,291,319
Total expenditures	16,428,122	2,244,089	2,134,546	1,450,371	22,257,128
Excess (deficiency) of revenues over (under) expenditures	2,507,036	(1,924,717)	1,091,837	(566,155)	1,108,001
Other financing sources (uses)					
Transfers in	0	0	0	646,080	646,080
Transfers out	(1,701,880)	0	(342,333)	0	(2,044,213)
Proceeds from sale of assets	35,133	0	0	0	35,133
Total other financing sources (uses)	(1,666,747)	0	(342,333)	646,080	(1,363,000)
Net change in fund balance	840,289	(1,924,717)	749,504	79,925	(254,999)
Fund balances, July 1	12,881,277	3,699,789	8,882,742	742,621	26,206,429
Fund balances, June 30	$ 13,721,566	$ 1,775,072	$ 9,632,246	$ 822,546	$ 25,951,430

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

RABUN COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the fiscal year ended June 30, 2015

Net change in fund balances - total governmental funds	$	(254,999)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of $3,280,080 exceeded depreciation of ($2,701,893) in the current period.		578,187
In the statement of activities, the gain or loss on the sale of assets is reported, whereas in the governmental funds the proceeds from the sale increase financial resources. The change in net position differs from the change in fund balance by the cost of the assets sold of ($84,100), net of related accumulated depreciation of $44,295.		(39,805)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. These include recognition of unavailable deferred revenue.		(40,807)
The proceeds of debt issuance provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of decrease in guarantee obligation of $37,449, debt repayment of $1,999,082, and bond premium amortization of $107,667.		2,144,198
Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned, net of employee contributions is reported as pension expense. This is the amount by which pension contributions $530,922 exceeded cost of benefits earned, net of employee contributions ($387,321).		143,601
Some expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in governmental funds. These include the net increase in compensated absences ($54,156) and the net decrease in interest payable $1,548.		(52,608)
Change in net position of governmental activities	$	2,477,767

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

RABUN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2015

	Budget			Variance with
	Original	Final	Actual	Final Budget
REVENUES				
Taxes	$ 15,469,377	$ 16,701,193	$ 16,601,336	$ (99,857)
Licenses and permits	51,000	55,210	53,844	(1,366)
Fines, fees and forfeitures	375,650	470,550	395,732	(74,818)
Charges for services	1,004,550	1,201,350	1,204,116	2,766
Intergovernmental	497,000	853,395	584,995	(268,400)
Interest	30,000	33,700	19,824	(13,876)
Contributions	1,200	10,700	22,819	12,119
Other	1,500	110,452	52,492	(57,960)
Total revenues	17,430,277	19,436,550	18,935,158	(501,392)
EXPENDITURES				
Current				
General Government				
General Administration	259,797	420,547	529,582	(109,035)
Elections	135,576	137,173	117,233	19,940
Board of Commissioners	496,172	528,904	537,748	(8,844)
Tax Commissioner	322,274	329,992	315,410	14,582
Tax Assessors	337,906	347,766	343,574	4,192
Buildings and Properties	595,940	607,273	536,694	70,579
Judicial				
Clerk of Court	389,643	393,127	354,071	39,056
Probate Court	223,592	225,293	207,142	18,151
Administration of Justice	301,959	336,827	315,120	21,707
District Attorney	139,099	141,155	129,948	11,207
Public Safety				
Sheriff	1,643,581	1,720,091	1,621,863	98,228
Rabun County Jail	1,848,342	1,870,075	1,733,050	137,025
Coroner	17,079	17,599	16,590	1,009
Emergency Management Agency	54,829	54,049	46,146	7,903
Fire Department	810,229	851,847	827,296	24,551
County Marshal	297,193	303,337	294,941	8,396
E911 Mapping & Addressing	177,726	179,116	163,955	15,161
Drug Task Force	52,139	52,370	44,208	8,162
Emergency Medical Service	1,940,597	1,986,208	1,973,588	12,620
Boggs Mountain Animal Shelter	200,425	877,525	867,544	9,981
Public Works				
Roads and Bridges	1,977,405	1,946,276	1,663,551	282,725
Water and Sewer Authority	129,000	133,067	128,757	4,310
Health and Welfare				
Public Health	303,378	303,378	295,564	7,814
Public Welfare	52,000	52,000	42,666	9,334
Program on Aging	626,209	660,686	633,316	27,370
Court Appointed Special Advocates	7,500	7,500	7,500	0
F.A.I.T.H.	95,000	95,000	95,000	0
Culture and Recreation				
Civic Center	82,976	81,278	62,906	18,372
Recreation	569,355	590,433	563,704	26,729
Rabun Arena	112,006	113,313	108,560	4,753
Rabun County Library	281,625	282,125	277,226	4,899
Rabun County Historical Society	5,825	5,825	5,568	257

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

RABUN COUNTY, GEORGIA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP) AND ACTUAL
For the fiscal year ended June 30, 2015

	Budget			Variance with
	Original	Final	Actual	Final Budget
Housing and Development				
Extension Service	$ 35,912	$ 35,600	$ 31,811	$ 3,789
Planning Commission	70,804	71,215	68,914	2,301
Rabun County Economic Development Authority	1,508,798	1,771,798	1,365,443	406,355
Soil Erosion Control	14,291	14,291	13,925	366
Total Current	16,116,182	17,544,059	16,340,114	1,203,945
Debt Service				
Public Works				
Roads and Bridges	90,596	90,596	88,008	2,588
Total Debt Service	90,596	90,596	88,008	2,588
Total expenditures	16,206,778	17,634,655	16,428,122	1,206,533
Excess (deficiency) of revenues over (under) expenditures	1,223,499	1,801,895	2,507,036	705,141
Other financing sources (uses)				
Transfers in	120,000	381,650	0	(381,650)
Transfers out	(1,633,635)	(1,652,374)	(1,701,880)	(49,506)
Sale of capital assets	8,000	15,150	35,133	19,983
Contingency	(217,864)	(1,046,321)	0	1,046,321
Total other financing sources (uses)	(1,723,499)	(2,301,895)	(1,666,747)	635,148
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(500,000)	(500,000)	840,289	1,340,289
Fund balances, July 1	500,000	500,000	12,881,277	12,381,277
Fund balances, June 30	$ 0	$ 0	$ 13,721,566	$ 13,721,566

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

RABUN COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2015

	Business-Type Activities			
	Solid Waste	Waste-Water Facility	Golf Course	Totals
ASSETS				
Current assets				
Cash and cash equivalents	$ 238,224	$ 59,408	$ 75,440	$ 373,072
Accounts receivables (net)	36,175	0	0	36,175
Total current assets	274,399	59,408	75,440	409,247
Noncurrent assets				
Capital assets				
Non-depreciable	1,118,076	706,700	19,800	1,844,576
Depreciable (net)	856,925	3,217,330	43,644	4,117,899
Total noncurrent assets	1,975,001	3,924,030	63,444	5,962,475
Total assets	2,249,400	3,983,438	138,884	6,371,722
DEFERRED OUTFLOWS OF RESOURCES				
Pension investment return differences	1,225	644	723	2,592
LIABILITIES				
Current liabilities				
Payables				
Accounts	12,827	559	254	13,640
Intergovernmental	80	0	32	112
Interest	0	14,334	0	14,334
Accrued salaries and expenses	10,796	2,133	3,253	16,182
Compensated absences	21,868	7,059	13,526	42,453
Notes payable	0	164,136	0	164,136
Closure/post-closure care	52,500	0	0	52,500
Total current liabilities	98,071	188,221	17,065	303,357
Noncurrent liabilities				
Net pension liability	75,249	39,524	44,411	159,184
Notes payable	0	4,031,077	0	4,031,077
Closure/post-closure care	2,840,796	0	0	2,840,796
Total noncurrent liabilities	2,916,045	4,070,601	44,411	7,031,057
Total liabilities	3,014,116	4,258,822	61,476	7,334,414
NET POSITION				
Net invested in capital assets	1,975,001	(271,183)	63,444	1,767,262
Unrestricted	(2,738,492)	(3,557)	14,687	(2,727,362)
Total net position	$ (763,491)	$ (274,740)	$ 78,131	$ (960,100)

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

RABUN COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Business-Type Activities			
	Solid Waste	Waste-Water Facility	Golf Course	Totals
OPERATING REVENUES				
Charges for sales and services	$ 489,536	$ 439,863	$ 96,704	$ 1,026,103
Other	2,830	0	0	2,830
Total operating revenues	492,366	439,863	96,704	1,028,933
OPERATING EXPENSES				
Costs of sales and services	422,612	191,915	62,948	677,475
Personal services	669,395	140,676	210,752	1,020,823
Depreciation	88,054	121,637	11,724	221,415
Total operating expenses	1,180,061	454,228	285,424	1,919,713
Operating income (loss)	(687,695)	(14,365)	(188,720)	(890,780)
Non-operating revenues (expenses)				
Interest revenue	77	209	100	386
Interest expense	0	(174,986)	0	(174,986)
Total non-operating revenues (expenses)	77	(174,777)	100	(174,600)
Net income (loss) before transfers	(687,618)	(189,142)	(188,620)	(1,065,380)
Transfers in (out)				
Transfers in	695,735	490,604	211,794	1,398,133
Change in net position	8,117	301,462	23,174	332,753
Net position, July 1 (original)	(691,966)	(534,370)	101,961	(1,124,375)
Prior period adjustments	(79,642)	(41,832)	(47,004)	(168,478)
Net position, July 1 (restated)	(771,608)	(576,202)	54,957	(1,292,853)
Net position, June 30	$ (763,491)	$ (274,740)	$ 78,131	$ (960,100)

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

RABUN COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the fiscal year ended June 30, 2015

	Business-Type Activities			
	Solid Waste	Waste-Water Facility	Golf Course	Totals
Cash flows from operating activities:				
Receipts from customers	$ 513,620	$ 440,833	$ 96,704	$ 1,051,157
Payments to suppliers	(434,337)	(193,425)	(62,948)	(690,710)
Payments to employees	(670,014)	(147,574)	(212,603)	(1,030,191)
Net cash provided (used) by operating activities	(590,731)	99,834	(178,847)	(669,744)
Cash flows from non-capital financing activities:				
Receipts from other funds	695,735	148,271	211,794	1,055,800
Cash flows from capital and related financing activities:				
Acquisition of capital assets	0	(342,333)	(17,900)	(360,233)
Receipts from other funds	0	342,333	0	342,333
Interest payments	0	(175,524)	0	(175,524)
Principal payments - notes payable	0	(157,555)	0	(157,555)
Net cash provided (used) by capital and related financing activities	0	(333,079)	(17,900)	(350,979)
Cash flows from investing activities:				
Interest received	77	209	100	386
Net increase (decrease) in cash and cash equivalents	105,081	(84,765)	15,147	35,463
Cash and cash equivalents, July 1	133,143	144,173	60,293	337,609
Cash and cash equivalents, June 30	$ 238,224	$ 59,408	$ 75,440	$ 373,072
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	$ (687,695)	$ (14,365)	$ (188,720)	$ (890,780)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation expense	88,054	121,637	11,724	221,415
Closure/postclosure care costs	(10,760)	0	0	(10,760)
(Increase) decrease in accounts receivable	21,254	970	0	22,224
(Increase) decrease in pension investment return differences	(1,225)	(644)	(723)	(2,592)
Increase (decrease) in accounts payable	(976)	(1,481)	0	(2,457)
Increase (decrease) in intergovernmental payable	11	(29)	0	(18)
Increase (decrease) in accrued payroll liabilities	4,999	(3,946)	1,465	2,518
Increase (decrease) in net pension liability	(4,393)	(2,308)	(2,593)	(9,294)
Total adjustments	96,964	114,199	9,873	221,036
Net cash provided (used) by operating activities	$ (590,731)	$ 99,834	$ (178,847)	$ (669,744)

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

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

	Agency Funds
ASSETS	
Cash	$ 958,770
Taxes receivable, net	276,133
Total assets	$ 1,234,903
LIABILITIES	
Due to other agencies	$ 1,234,903

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

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2015

	Rabun County Library	Rabun County Health Department	Rabun County Economic Development Authority	Rabun County Building Authority	Totals
ASSETS					
Current assets					
Cash and cash equivalents	$ 65,868	$ 809,325	$ 608,289	$ 5,593	$ 1,489,075
Certificates of deposit	16,173	0	0	0	16,173
Restricted cash and cash equivalents	0	0	694,855	0	694,855
Receivables (net)					
Accounts	0	24,855	0	0	24,855
Intergovernmental	0	0	829	0	829
Notes	0	0	42,379	0	42,379
Prepaid items	1,500	0	0	0	1,500
Total current assets	83,541	834,180	1,346,352	5,593	2,269,666
Noncurrent assets					
Capital assets					
Non-depreciable	0	0	1,263,423	0	1,263,423
Depreciable (net)	210,420	0	11,968,136	0	12,178,556
Notes receivable	0	0	246,999	0	246,999
Investment in joint venture	0	0	10,001	0	10,001
Total noncurrent assets	210,420	0	13,488,559	0	13,698,979
Total assets	293,961	834,180	14,834,911	5,593	15,968,645
LIABILITIES					
Current liabilities					
Accounts payable	3,756	0	9,400	0	13,156
Intergovernmental payable	0	17,152	3,519	0	20,671
Compensated absences	0	25,500	0	0	25,500
Liabilities payable from restricted assets					
Payables					
Customer deposits	0	0	24,008	0	24,008
Interest	0	0	310,843	0	310,843
Bonds payable	0	0	360,000	0	360,000
Total current liabilities	3,756	42,652	707,770	0	754,178
Noncurrent liabilities					
Compensated absences	0	24,154	0	0	24,154
Proportionate share of net pension liability	0	486,080	0	0	486,080
Bonds payable	0	0	15,111,451	0	15,111,451
Total noncurrent liabilities	0	510,234	15,111,451	0	15,621,685
Total liabilities	3,756	552,886	15,819,221	0	16,375,863
DEFERRED INFLOWS OF RESOURCES					
Deferred inflows of resources, net	0	69,015	0	0	69,015

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

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
June 30, 2015

	Rabun County Library	Rabun County Health Department	Rabun County Economic Development Authority	Rabun County Building Authority	Totals
NET POSITION					
Net invested in capital assets	$ 210,420	$ 0	$ (2,239,892)	$ 0	$ (2,029,472)
Restricted for:					
Health and welfare	0	4,223	0	0	4,223
Debt service	0	0	360,004	0	360,004
Unrestricted	79,785	208,056	895,578	5,593	1,189,012
Total net position	$ 290,205	$ 212,279	$ (984,310)	$ 5,593	$ (476,233)

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

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS
For the fiscal year ended June 30, 2015

	Rabun County Library	Rabun County Health Department	Rabun County Economic Development Authority	Rabun County Building Authority	Totals
Expenses					
Health and Welfare	$ 0	$ 715,336	$ 0	$ 0	$ 715,336
Culture and Recreation	331,168	0	0	0	331,168
Housing and Development	0	0	1,427,160	0	1,427,160
Total expenses	331,168	715,336	1,427,160	0	2,473,664
Program revenues					
Charges for services	23,977	329,135	0	0	353,112
Operating grants and contributions	37,334	255,473	0	0	292,807
Capital grants and contributions	6,334	0	321,535	0	327,869
Total program revenues	67,645	584,608	321,535	0	973,788
Net (expense) revenue	(263,523)	(130,728)	(1,105,625)	0	(1,499,876)
General revenues					
Interest	35	0	6,394	8	6,437
Rental income	0	0	398,471	0	398,471
Payments from Rabun County	259,248	248,268	1,328,679	0	1,836,195
Miscellaneous	4,129	0	0	0	4,129
Total general revenues	263,412	248,268	1,733,544	8	2,245,232
Change in net position	(111)	117,540	627,919	8	745,356
Net position - beginning (original)	290,316	701,654	(1,612,229)	5,585	(614,674)
Prior period adjustments	0	(606,915)	0	0	(606,915)
Net position - beginning (restated)	290,316	94,739	(1,612,229)	5,585	(1,221,589)
Net position - ending	$ 290,205	$ 212,279	$ (984,310)	$ 5,593	$ (476,233)

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

1. Description of Government Unit

Rabun County, Georgia (the County) is located in the foothills of the Georgia mountains about seventy-five miles northeast of Atlanta.

The County provides a full range of governmental services, including public safety, health and welfare services, recreational programs, public works, water and sewer services, and solid waste services.

The government is governed by an elected five member commission and four Constitutional Officers; Tax Commissioner, Magistrate Judge, Probate Judge, Sheriff, and Clerk of Superior Court.

2. Summary of Significant Accounting Policies

A. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. Reporting Entity

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of Rabun County (the primary government) and material component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationship with the County.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

In conformity with generally accepted accounting principles, as set forth in Governmental Accounting Standards Board Statement No. 14, *The Financial Reporting Entity*, the financial statements of component units have been included either as blended or discretely presented component units.

Discretely Presented Component Units – Discretely presented component units are reported in a separate column in the combined financial statements to emphasize they are legally separate from the government

Rabun County Library – The Rabun County Library is a member of the Northeast Georgia Regional Library System which also includes the counties of Rabun, Stephens, and White. The system is governed by the Regional Board of Trustees and each affiliated County has a County Board of Trustees. The Rabun County Library's Board of Trustees are appointed by the Board of Commissioners of Rabun County. Rabun County primarily funds the Library and approves its budgets. Complete financial statements can be obtained from the administrative offices of the Rabun County Library, 73 Jo Dotson Circle, Clayton, GA 30525.

Rabun County Health Department – The Rabun County Health Department was established as a legally separate entity and operates pursuant to the Georgia Health Code 88-2, Georgia Laws 1964. The District Health Director is the Executive Officer of the Rabun County Health Department and is responsible for the overall coordination of the local health activities. The Rabun County Health Department is funded by the State and County under the Grant-in-Aid provisions, and operated under the supervision of the local Board of Health. Complete financial statements can be obtained from the administrative offices of the Rabun County Health Department, 184 South Main Street, Clayton, GA 30525.

2. Summary of Significant Accounting Policies (continued)

B. Reporting Entity, continued

Rabun County Economic Development Authority – The Rabun County Development Authority was created by an act of the Georgia Assembly on March 19, 1992. The purpose of the Development Authority is to provide for the economic development of Rabun County; to promote for the public good and general welfare infrastructure, trade, commerce, business, industry, research, training support services, eleemosynary institutions, and employment opportunities. Governing the Authority is a Board in which the majority is appointed by the Rabun County Board of Commissioners. Rabun County funds the operation of the Authority when required. Separate financial statements are not issued.

Rabun County Building Authority – The Rabun County Building Authority was created on March 30, 1994 by an act of the Georgia Assembly (HB No. 2011). The Act authorizes the Building Authority to acquire, construct, and equip self-liquidating projects, including, but not limited to, buildings, sanitary and surface water sewers, streets, roads and public facilities of every nature, type and character, for use by Rabun County for its governmental, proprietary, public and administrative functions. Rabun County is granted the right and power by proper resolution of its governing authority to sell or lease to the Authority lands and buildings owned by it, to borrow money for any of its corporate purposes, to issue revenue bonds payable solely from funds pledged for that purpose and provide for the payment of the same for the rights of the holders thereof, among other provisions of the "Act". The Authority is governed by a five member Board of Directors all of whom are appointed for three year terms by the Rabun County Board of Commissioners. Separate financial statements are not issued.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds, while business-type activities incorporate data from the government's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

2. Summary of Significant Accounting Policies (continued)

C. Basis of Presentation – Government-wide Financial Statements, continued

As discussed earlier, the government has three discretely presented component units. While they are not considered to be major component units, they are nevertheless aggregated and shown in a separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

General Fund - The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

Special Purpose Local Option Sales Tax #5 Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes.

Special Purpose Local Option Sales Tax #6 Capital Projects Fund – This fund is used to account for financial resources to be used for the acquisition or construction of capital facilities financed by special purpose local option sales taxes.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

The County reports the following major proprietary funds:

Solid Waste Fund – This fund is used to account for the activities of solid waste disposal and recycling programs for Rabun County.

Waste Water Facility Fund – This fund is used to account for activities connected with the waste water and water treatment facility of Rabun County.

Golf Course Fund – This fund accounts for the operations of the County owned golf facility. Rabun County purchased the Golf Course on July 1, 2009.

Additionally, the County reports the following fund types:

Governmental Fund Types

Special Revenue Funds - This fund type is used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Capital Projects Funds – This fund type is used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Fiduciary Fund Types

Agency Funds – Agency Funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that are held either for the County or for others.

2. Summary of Significant Accounting Policies (continued)

D. Basis of Presentation – Fund Financial Statements, continued

Component Units

The Rabun County Library, Rabun County Health Department, Rabun County Economic Development Authority, and Rabun County Building Authority are accounted for using a current financial resources measurement focus and use the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available).

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Private-sector standards of accounting and financial reporting issued on or before November 30, 1989, are generally followed in the governmental and business type activities and enterprise fund financial statements to the extent that those standards do no conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option for following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

2. Summary of Significant Accounting Policies (continued)

E. Measurement Focus and Basis of Accounting, continued

The proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

F. Revenues and Expenditures/Expenses

Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Solid Waste and DCAR GIS Funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal services funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Board of Commissioners adopts an annual budget for all governmental fund types, prior to July 1, except for the Capital Projects Funds. The Capital Projects Funds are budgeted by the Board of Commissioners when capital projects are approved. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted at a public meeting.

Each year in April, a Budget Committee consisting of the Board of Commissioners, the County Manager, and the Financial Director prepare the proposed budget. Budget requests from the various County departments are presented to this committee for consideration. Public hearings are held to discuss the proposed budget and to obtain input from the citizens of Rabun County.

2. Summary of Significant Accounting Policies (continued)

G. Budgets and Budgetary Accounting, continued

These hearings are publicized in the local newspaper for at least one week before the hearings, and the budget document is made available for public inspection during this time.

The final proposed budget is presented at a Board of Commissioners meeting for final passage prior to July 1.

The level of legal budgetary control (the level at which expenditures may not exceed appropriations) is the department level. Any changes in total departmental expenditures/expenses, personnel benefits, or capital purchases must be approved by the Board of Commissioners.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) at the legal level of budgetary control which is the department, sub-department, or project level. Expenditures may not exceed the appropriations within a fund. Budgets, as reported in the financial statements, are as originally passed by ordinance and subsequently amended. During the year, several supplementary appropriations are made as needed. The results are increases and decreases to the appropriations within the funds. All annual appropriations lapse at year end. The County does not use the encumbrance system of accounting.

H. Cash and Investments

Cash and equivalents, as reported in the statement of cash flows, includes amounts in demand deposits, amounts with fiscal agents, and investments with an original maturity at three months or less. Investments are reported at fair market value with accrued interest shown under a separate caption on the balance sheet. Reinvested interest on certain debt service and capital projects investments is included in the investment accounts.

I. Intergovernmental Receivables

Receivables from state, federal, and local governments are recorded as revenue for the period of the allocation or as earned based on expenditures made for which reimbursement is due.

2. Summary of Significant Accounting Policies (continued)

J. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2015, are recorded as prepaid items.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

GASB Statement No. 34 required the County to report and depreciate new infrastructure assets effective with the beginning of the fiscal year ended June 30, 2003. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. Neither their historical costs nor related depreciation had historically been reported in the financial statements. The County has previously implemented the requirements for retroactive reporting of major general infrastructure assets acquired in 1981 forward. The County elected not to report general infrastructure assets placed into service prior to July 1, 1980.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated.

Depreciation is computed using the straight-line method over the estimated useful lives of the respective assets ranging as follows:

	Useful Life in Years	Capitalization Threshold
Land	N/A	$ 1
Buildings and improvements	7-40	$ 5,000
Land Improvements	15	$ 5,000
Machinery and Equipment	7-10	$ 5,000
Furniture and Fixtures	7	$ 5,000
Vehicles	5-10	$ 5,000
Computer Equipment and Software	3-5	$ 5,000
Distribution System	50	$ 5,000
Infrastructure	15-50	$ 50,000

2. Summary of Significant Accounting Policies (continued)

K. Capital Assets, continued

The costs of normal maintenance and repairs that do not add value or materially extend the life of the asset are charged to operations as incurred. Costs of major additions and improvements are capitalized.

L. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County reports deferred outflow of resource for deferred charges on bond refunding and their defined benefit pension plans. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one type of item that arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The County also reports deferred inflows of resources related to their defined benefit pension plans.

2. Summary of Significant Accounting Policies (continued)

M. Net Position Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

N. Fund Balance Flow Assumption

Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the County's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

O. Restricted Assets and Restricted Net Position

Restricted assets represent certain resources restricted by funding source or required to be set aside for the repayment of debt. They are maintained in a separate bank account and their use is limited.

Restricted net position is equal to the excess of the restricted assets funded from operations over the liabilities to be paid with restricted assets which are due in one year or less. Restricted assets exclude bond proceeds for calculation of restricted net position.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds

Rabun County implemented GASB No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, in fiscal year 2011. In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. All amounts reported as nonspendable at June 30, 2015 by the County are nonspendable in form. The County has not reported any amounts that are legally or contractually required to be maintained intact.

Restricted – includes amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

Committed – includes amounts that can be used only for the specific purposes determined by a formal action of the County's highest level of decision making authority. The Board of Commissioners (the County's highest level of authority) has authority to set aside funds for a specific purpose. Any funds set aside as Committed Fund Balance requires the passage of a resolution. The passage of the resolution must take place prior to the end of the applicable fiscal year. If the actual amount of the commitment is not available by the end of the fiscal year, the resolution, must state the process or formula to calculate the actual amount as soon as information is available. Commitments may be changed or lifted only by the Board taking the same formal action that imposed the constraint originally.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds, continued

Assigned – includes amounts that are intended to be used by the County for a specific purpose. Intent can only be expressed by the Board of Commissioners or their designee. An assignment of fund balance requires the majority vote of the Board. However, the Board has authorized the County Manager or designee to automatically assign fund balance in the following situations:

- If upon passage of a budget resolution, any fund balance is used to balance a future budget, the amount used will be automatically recorded as assigned fund balance.
- If any unspent funds for an ongoing capital project or donations for a specific purpose remain at fiscal year end, these funds will be automatically recorded as assigned fund balance until the project is complete or the donation has been spent for its intended purpose.
- If any residual fund balance exists in a special revenue fund, they will be automatically recorded as Assigned Fund Balance.

The County Manager has determined that all equity amounts reported in special revenue funds, capital project funds, debt service funds, or permanent funds not otherwise classified as nonspendable, restricted, or committed shall constitute assignments of fund balance.

2. Summary of Significant Accounting Policies (continued)

P. Fund Balances – Governmental Funds, continued

Unassigned – includes amounts that do not fall into one of the above four categories. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund is the only fund that should report this category of fund balance.

The County will make every effort to use unassigned funds following purposes (listed in order of priority):

- To address unexpected revenue shortfalls or expenditures encountered in the current fiscal year.
- To fund nonrecurring capital expenditures. Unassigned fund balance will not be used to fund recurring expenditures or to compensate for structural budget deficits.

When an expenditure is incurred for the purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, it shall be the policy of the County to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the County that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts.

Q. Compensation for Future Absences

It is the County's policy to permit employees to accumulate earned but unused vacation benefits which will be paid to the employees upon separation from County service. Accumulated unpaid vacation pay amounts are accrued when incurred by the County in the government-wide, proprietary, and fiduciary fund financial statements. The liability of the proprietary funds is recorded as an expense and a liability of those funds as the benefits accrue to the employees. In governmental fund types, a liability is recorded only if the benefit has matured and is expected to be liquidated with expendable available financial resources.

2. Summary of Significant Accounting Policies (continued)

R. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types, bond premiums and discounts, as well as issuance costs, are recognized during the current period. The face amount of debt issued is reported as an other financing source. Premiums received on debt issuances are reported as other financial sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

S. Capital Contributions

Federal, state and local government assistance in the form of grants that are permanent in nature and restricted for the construction or acquisition of specific property and equipment is recorded as an asset and as non-operating revenue.

3. Deposit and Investment Risk

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the County's deposits may not be returned. The County has no formal policy, but follows the State of Georgia requirement that all deposits be federally insured or fully collateralized.

Interest Rate Risk

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.

3. Deposit and Investment Risk (continued)

Concentration of Credit Risk

The County has no formal policy on the amount the County may invest in any one issuer.

Foreign currency risk

The County has no investments denominated in a foreign currency.

Credit Risk

State of Georgia law limits investments to include certificates of deposit, repurchase agreements, direct and agency obligations of the United States, obligations of the State of Georgia or other states, obligations of other political subdivisions of the State of Georgia, and pooled investment programs of the State of Georgia. The County has no investment policy that would further limit its investment choices. Investments are reported at fair value.

4. Accounts Receivable

Net accounts receivable at June 30, 2015 consist of the following:

Primary Government:		
Major Funds		
General Fund	$ 324,524	
Less: Allowance for Uncollectibles	(90,196)	$ 234,328
Enterprise Funds		
Solid Waste		36,175
Waste-Water Facility	537,265	
Less: Allowance for Uncollectibles	(537,265)	0
Nonmajor Funds		
Emergency 911 Special Revenue Fund		72,700
Total primary government		$ 343,203
Component Units		
Rabun County Health Department		$ 24,855

5. Intergovernmental Receivables

Intergovernmental receivables at June 30, 2015 consist of the following:

Major Funds		
General Fund		
State of Georgia	$ 220	
Economic Development Authority	3,411	
Georgia Department of Transportation	17,047	
Georgia Department of Revenue	3,854	
Rabun County Board of Education	22,234	
Rabun County Library	147	
City of Mountain City, Georgia	1,372	
City of Clayton, Georgia	929	
City of Dillard, Georgia	330	
Georgia Firefighters Pension Fund	4,370	
Town of Tallulah	1,603	
Appalachain Drug Task Force	1,319	$ 56,836
Nonmajor Funds		
Jail Special Revenue Fund		
City of Clayton, Georgia	1,888	
City of Dillard, Georgia	698	
City of Mountain City, Georgia	837	
Town of Tallulah	56	3,479
Drug Abuse Treatment Fund		
City of Dillard, Georgia		536
Total primary government		$ 60,851
Component Units		
Rabun County Economic Development Authority		
Rabun County, Georgia		$ 829

6. Property Taxes

Property tax rates are set by the Board of Commissioners each year and are limited by statutory or constitutional provision. Property values are assessed as of January 1st each year. Property taxes for digest year 2014, based upon the assessments of January 1, 2014, were levied on July 28, 2014, billed on September 26, 2014, and due on December 20, 2014. Tax liens may be issued 90 days after the due date.

7. Interfund Receivables and Payables

A summary of interfund receivables and payables as of June 30, 2015 is as follows:

Due to/Due from other funds:

Receivable Fund	Payable Fund	Amount
General	Hotel-Motel Fund	$ 20,681

The balances reported as Due to/Due from represent loans between the borrower funds and the lender funds. These balances resulted from the time lag between the dates that transactions are recorded in the accounting system and payments between the funds are made.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

8. Interfund Transfers

A summary of interfund receivables and payables as of June 30, 2015 is as follows:

	Transfers out: Major Funds		
	General	SPLOST #6	Total
Transfers in:			
Major Funds			
Solid Waste	$ 695,735	$ 0	$ 695,735
Waste-Water Facility	148,271	342,333	490,604
Golf Course	211,794	0	211,794
Nonmajor Funds			
Emergency 911	629,912	0	629,912
Hotel/Motel	16,168		16,168
Total	$ 1,701,880	$ 342,333	$ 2,044,213

Interfund transfers are used to 1) move revenues from the fund that statute or budget requires collecting them to the fund that statute or budget requires to expend them, and 2) use unrestricted revenues collected to finance various programs accounted for in other funds in accordance with budgetary authorizations. Transfers are eliminated in the government-wide financial statements if the interfund transfer is within the governmental fund group or business-type fund group.

9. Capital Assets

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

	Balance 6/30/2014	Increases	Decreases	Balance 6/30/2015
Governmental activities				
Non-depreciable assets				
Land	$ 1,738,496	$ 160,962	$ 0	$ 1,899,458
Construction in progress	658,828	1,985,555	(1,679,260)	965,123
Total non-depreciable assets	2,397,324	2,146,517	(1,679,260)	2,864,581
Depreciable assets				
Buildings	29,653,736	2,057,698	0	31,711,434
Machinery and equipment	5,725,973	72,322	(39,600)	5,758,695
Vehicles	8,293,210	386,992	(44,500)	8,635,702
Infrastructure	41,979,101	295,811	0	42,274,912
Total depreciable assets	85,652,020	2,812,823	(84,100)	88,380,743
Less accumulated depreciation				
Buildings	(6,671,609)	(609,845)	0	(7,281,454)
Machinery and equipment	(2,522,266)	(466,256)	9,247	(2,979,275)
Vehicles	(5,224,912)	(627,322)	35,048	(5,817,186)
Infrastructure	(22,886,104)	(998,470)	0	(23,884,574)
Total accumulated depreciation	(37,304,891)	(2,701,893)	44,295	(39,962,489)
Total depreciable assets, net	48,347,129	110,930	(39,805)	48,418,254
Governmental activities capital assets, net	$ 50,744,453	$ 2,257,447	$ (1,719,065)	$ 51,282,835

9. Capital Assets (Continued)

	Balance 6/30/14	Increases	Decreases	Balance 6/30/15
Business-type activities				
Non-depreciable assets				
Land	$ 1,298,811	$ 0	$ 0	$ 1,298,811
Construction in progress	203,432	342,333	0	545,765
Total non-depreciable assets	1,502,243	342,333	0	1,844,576
Depreciable assets				
Buildings	4,267,744	0	0	4,267,744
Machinery and equipment	957,693	17,900	0	975,593
Vehicles	495,187	0	0	495,187
Total depreciable assets	5,720,624	17,900	0	5,738,524
Less accumulated depreciation				
Buildings	(534,692)	(134,763)	0	(669,455)
Machinery and equipment	(625,652)	(59,892)	0	(685,544)
Vehicles	(238,866)	(26,760)	0	(265,626)
Total accumulated depreciation	(1,399,210)	(221,415)	0	(1,620,625)
Total depreciable assets, net	4,321,414	(203,515)	0	4,117,899
Business-type activities capital assets, net	$ 5,823,657	$ 138,818	$ 0	$ 5,962,475

Capital asset activity for the discretely presented component units for the year ended June 30, 2015 was as follows:

	Balance 6/30/14	Increases	Decreases	Balance 6/30/15
Rabun County Library				
Depreciable assets				
Furniture and equipment	$ 205,432	$ 6,835	$ 0	$ 212,267
Books and collections	927,516	63,845	(24,380)	966,981
Total depreciable assets	1,132,948	70,680	(24,380)	1,179,248
Less accumulated depreciation				
Furniture and equipment	(140,867)	(9,702)	0	(150,569)
Books and collections	(777,719)	(64,920)	24,380	(818,259)
Total accumulated depreciation	(918,586)	(74,622)	24,380	(968,828)
Total depreciable assets, net	214,362	(3,942)	0	210,420
Rabun County Library capital assets, net	$ 214,362	$ (3,942)	$ 0	$ 210,420
Rabun County Health Department				
Depreciable assets				
Equipment	$ 5,995	$ 0	$ 0	$ 5,995
Less accumulated depreciation				
Equipment	(5,995)	0	0	(5,995)
Rabun County Health Department capital assets, net	$ 0	$ 0	$ 0	$ 0

9. Capital Assets (Continued)

	Balance 6/30/14	Increases	Decreases	Balance 6/30/15
Rabun County Economic Development Authority				
Non-depreciable assets				
Land	$ 1,263,423	$ 0	0	$ 1,263,423
Total non-depreciable assets	1,263,423	0	0	1,263,423
Depreciable assets				
Buildings	12,969,067	0	0	12,969,067
Furniture and fixtures	56,135	0	0	56,135
Total depreciable assets	13,025,202	0	0	13,025,202
Less accumulated depreciation				
Buildings	(706,197)	(324,227)	0	(1,030,424)
Furniture and fixtures	(18,623)	(8,019)	0	(26,642)
Total accumulated depreciation	(724,820)	(332,246)	0	(1,057,066)
Total depreciable assets, net	12,300,382	(332,246)	0	11,968,136
Rabun County Economic Development Authority capital assets, net	$ 13,563,805	$ (332,246)	$ 0	$ 13,231,559

Depreciation expense was charged to functions/programs as follows:

Primary Government	
Governmental activities	
General Government	$ 148,025
Judicial	5,458
Public Safety	956,890
Public Works	1,235,448
Health and Welfare	77,287
Culture and Recreation	278,785
Total depreciation expense for governmental activities	$ 2,701,893
Business-type activities	
Solid Waste	$ 88,055
Waste-Water Facility	121,636
Golf Course	11,724
Total depreciation expense for busines-type activities	$ 221,415
Discretely presented component units	
Rabun County Library	$ 74,622
Rabun County Economic Development Authority	332,246
	$ 406,868

10. Long-Term Debt

General Obligation Bonds

General obligation bonds have been issued for governmental activities funds to pay, or to be applied or contributed toward, the cost of constructing, improving, expanding and extending public roads, highways, streets and related facilities as well as the construction, improvement and expansion of various municipal buildings.

General obligation bonds of the governmental activities are comprised of the following individual issues at June 30, 2015:

- On September 24, 2013 the County issued $8,625,000 General Obligation Sales Tax Bonds, Series 2014, with a premium of $663,945 and issue costs of $188,945, for a net proceeds to the County of $9,100,000. These bonds are to fund certain 2014 SPLOST projects. The bonds are due in annual principal payments on December 1 beginning in 2015, semi-annual interest payments (2.00% to 4.00%) due on June 1 and December 1.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	$ 1,445,000	$ 241,425	$ 1,686,425
2017	1,490,000	197,400	1,687,400
2018	1,535,000	152,025	1,687,025
2019	1,580,000	97,400	1,677,400
2020	1,645,000	32,900	1,677,900
	$ 7,695,000	$ 721,150	$ 8,416,150

10. Long-Term Debt (continued)

Revenue Bonds

Revenue bonds have been issued for governmental activities and are comprised of the following individual issue at June 30, 2015:

Revenue bonds have been issued for the Rabun County Economic Development Authority Component Unit and are comprised of the following individual issue at June 30, 2015:

- $15,975,000 – Development Authority of Rabun County Revenue Bonds – Series A and B series bonds due in annual principal payments on July 1 with semi-annual interest payments (2.5% - 4.4%) due on January 1 and July 1. The bonds were issued for the purpose of paying all or a portion of the costs of the acquisition and renovation of an approximately 1,021,294 square-foot manufacturing facility located on approximately 96 acres of land in Rabun County, Georgia and related fixtures and equipment. The bonds will also be used to pay interest on the Series 2010 Bonds and the costs related to issuance of the Series 2010 Bonds.

Annual debt service requirements to maturity for revenue bonds of the Rabun County Economic Development Authority are as follows:

Year Ending June 30,	Principal	Interest	Total
2016	$ 360,000	$ 617,005	$ 977,005
2017	370,000	606,775	976,775
2018	380,000	594,765	974,765
2019	395,000	580,702	975,702
2020	410,000	564,796	974,796
2021 - 2025	2,315,000	2,548,052	4,863,052
2026 - 2030	2,825,000	2,032,550	4,857,550
2031 - 2035	3,440,000	1,408,250	4,848,250
2036 - 2040	4,185,000	659,312	4,844,312
2041	945,000	19,491	964,491
Totals	$ 15,625,000	$ 9,631,698	$ 25,256,698

10. Long-Term Debt (continued)

Notes Payable

Waste-Water Facility Enterprise Fund

On January 29, 2008, the County entered into a lending agreement with the Georgia Environmental Facilities Authority (GEFA) to borrow up to $6,415,000 for the purchase of an existing water supply and wastewater treatment facility located on the former Rabun Apparel manufacturing site. The project also consists of rehabilitation and conversion of these existing facilities, a new water treatment plant, new pipe lines, and appurtenant work such that these facilities will provide regional, municipal water supply and wastewater services. The project was completed on June 21, 2012. The note will be payable in 240 consecutive monthly installments commencing on the earlier of the project completion date or December 31, 2011. Until this time, no payments are due and interest at 4.10% will accrue. As of June 30, 2015, the total principal drawn against the note amounted to $4,195,213 and interest of $14,334 has been accrued.

Annual debt service requirements are as follows:

Years Ending June 30,	Principal	Interest	Total
2016	$ 164,136	$ 168,942	$ 333,078
2017	170,994	162,085	333,079
2018	178,138	154,941	333,079
2019	185,580	147,498	333,078
2020	189,417	143,661	333,078
2021 - 2025	1,103,615	561,778	1,665,393
2026 - 2030	1,344,531	320,862	1,665,393
2031 - 2033	858,802	57,163	915,965
Totals	$ 4,195,213	$ 1,716,930	$ 5,912,143

10. Long-Term Debt (continued)

Changes in Long-Term Debt

The following is a summary of changes in long-term debt of the County for the fiscal year ending June 30, 2015:

	Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015	Due Within One Year
Governmental activities					
Capital lease obligations	$ 87,201	$ 0	$ 87,201	$ 0	$ 0
Guarantee obligation	17,536,996	0	1,019,330	16,517,666	981,884
Bonds payable	8,625,000	0	930,000	7,695,000	1,445,000
Bond premium	583,196	0	107,667	475,529	0
Compensated absences	314,910	369,065	314,910	369,065	369,065
Total governmental activities	$ 27,147,303	$ 369,065	$ 2,459,108	$ 25,057,260	$ 2,795,949
Business-type activities					
Notes payable	$ 4,352,768	$ 0	$ 157,555	$ 4,195,213	$ 164,136
Landfill closure/post-closure care	2,904,056	0	10,760	2,893,296	52,500
Compensated absences	42,437	42,453	42,437	42,453	42,453
	$ 7,299,261	$ 42,453	$ 210,752	$ 7,130,962	$ 259,089
Component Units					
Rabun County Health Department					
Compensated absences	$ 39,020	$ 36,206	$ 25,572	$ 49,654	$ 25,500
Rabun County Economic Development Authority					
Bonds Payable	15,975,000	0	350,000	15,625,000	360,000
Unamortized bond discount	(159,691)	0	(6,142)	(153,549)	0
Total component units	$ 15,854,329	$ 36,206	$ 369,430	$ 15,521,105	$ 385,500

In prior years, long-term liabilities, such as compensated absences, of the governmental activities were liquidated in the General Fund. The landfill post-closure care costs are paid for by the Solid Waste Fund. Compensated absences of the Rabun County Health Department are liquidated by the Rabun County Health Department. The total interest incurred and charged to expense for the fiscal year ended June 30, 2015 was $271,906 for governmental activities, $174,986 for business-type activities and $627,827 for the component units.

See Note 20 for more detail on the guarantee obligation.

11. Landfill Post-Closure Care Costs

On October 8, 1993, in accordance with the provisions of the Georgia Comprehensive Solid Waste Management Act (OCGA 12-8-20), the County was issued a closure certificate for its landfill. State and federal laws and regulations require the County to perform certain maintenance and monitoring operations at the landfill site for 30 years after official closure; the County has approximately 10 years remaining. The estimated cost of all post closure care activities related to the landfill is $2,354,883, and is reflected as a long-term liability in the Solid Waste Enterprise Fund. Because of future changes in technology, laws, or regulations, these costs may change.

During the fiscal year ended June 30, 2000, the County opened a new solid waste landfill. State and federal laws and regulations require that the County place a final cover on the landfill when closed and perform certain maintenance and monitoring functions at the landfill site for 30 years after 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 used during the year. The estimated liability for landfill closure and post-closure care costs has a balance of $538,413 as of June 30, 2015, which is based on 52.3% usage (filled) of the landfill. It is estimated that an additional $590,159 will be recognized as closure and post-closure care expense between the date of the balance sheet and the date the landfill is expected to be filled to capacity (2038).

The estimated total current cost of the landfill closure and post-closure care ($41,740) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of June 30, 2015. However, the actual cost of closure and post-closure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

12. Restricted, Committed, and Assigned Fund Balances

The following is a summary of restricted, committed, and assigned fund balances of the governmental funds for the fiscal year ended June 30, 2015:

	General	SPLOST #5	SPLOST #6	Nonmajor Governmental Funds	Total Governmental Funds
Restricted for:					
Judicial					
Juvenile supervision	$ 0	$ 0	$ 0	$ 2,908	$ 2,908
Law library operations	0	0	0	38,798	38,798
Drug programs	0	0	0	57,116	57,116
Public Safety					
Sheriff facilities and equipment	0	0	0	158,259	158,259
Health and welfare					
Senior services	100,863	0	0	0	100,863
Housing & Development					
Hotel/Motel	0	0	0	46,581	46,581
Capital projects	0	1,775,072	9,632,246	0	11,407,318
	$ 100,863	$ 1,775,072	$ 9,632,246	$ 303,662	$ 11,811,843
Assigned to:					
Public Safety					
Emergency 911 operations	$ 0	$ 0	$ 0	$ 518,884	$ 518,884
Budget	1,450,000	0	0	0	1,450,000
	$ 1,450,000	$ 0	$ 0	$ 518,884	$ 1,968,884

13. Changes in Beginning Balances

Governmental Activities

A prior period adjustment has been made to record a net pension liability and related deferred outflows/inflows of resources at June 30, 2014. This adjustment was required with the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This adjustment decreased beginning net position by $2,899,806.

Business-Type Activities

A prior period adjustment has been made to record a net pension liability and related deferred outflows/inflows of resources at June 30, 2014. This adjustment was required with the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. This adjustment decreased beginning net position by $168,478.

14. Pension Plan

Plan Description. The Plan provides retirement, disability and death benefits to plan members and beneficiaries. The Plan is affiliated with the Association County Commissioners of Georgia Defined Benefit Plan (the ACCG Plan), an agent multiple-employer defined benefit pension plan administered by the Government Employee Benefits Corporation of Georgia (GEBCorp). The ACCG, in its role as the Plan sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County retains the authority to amend the adoption agreement, which defines the specific operational provisions of the Plan. A separately issued financial report of the Plan may be obtained by writing GEBCORP at 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339.

Control over the operation and administration of the plan is vested with ACCG along with custody of the plan assets. The plan provides that the County has no liability with respect to payments or benefits or otherwise under the plan except to pay over to ACCG such actuarially determined contributions as are required to meet minimum funding standards of the Public Retirement Systems Standards Law and provide benefits thereunder. If terminated, the plan provides that if there are funds remaining after the satisfaction of all liabilities, such funds shall not revert to the County but shall be allocated to employees. All full-time County employees are eligible to participate in the Plan after completing one year of service and having reached their 21st birthday.

There are no loans to any of the County officials or other “party-in-interest,” and there are no prohibited transactions. The plan assets do not include any securities or investments in Rabun County. The funds are managed by independent money managers.

At December 31, 2014, the date of the most recent actuarial valuation, there were 220 participants consisting of the following:

Retirees, beneficiaries and disables currently receiving benefits	28
Terminated vested participants entitled to but not yet receiving benefits	57
Active participants	135
Total number of participants	220

14. Pension Plan (continued)

Benefits Provided. The plan provides retirement and death benefits. Benefits are based on years of credited service, equal to one year of full-time employment. Benefits vest evenly over five years of service. Participants become eligible to retire with unreduced benefits at age 65 with 5 years of plan participation. The amount of monthly retirement benefits to be provided for each participant at their normal retirement date is equal to one percent of the participant's average annual compensation multiplied by the participant's total number of years of service. County Commissioners receive a benefit equal to $30 per month multiplied by years of service. The Plan also provides benefits in the event of death or disability.

Contributions. Employees make no contributions to the plan. The County is required to contribute the remaining amounts necessary to fund the plan in compliance with the minimum funding standards of the Public Retirement Systems Standards Law. This funding policy, as specified by ordinance, has been the same since the inception of the plan. The current rate is 6.0% of annual covered payroll. The Board of Commissioners provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions. At June 30, 2015, the County reported a net pension liability of $2,082,402. The net pension asset was measured as of December 31, 2014, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2014. For the fiscal year ended June 30, 2015, the County recognized pension expense of $419,379.

At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	Deferred Outflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 33,909

14. Pension Plan (continued)

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

Year Ending June 30		
2016	$	(8,477)
2017		(8,477)
2018		(8,477)
2019		(8,478)
Totals	$	(33,909)

Actuarial Assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Projected salary increases	4.50% plus service based merit increases
Cost of living adjustments	2.50%
Net investment rate of return	7.75%

Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and on year for females. Disabled mortality rates were based on the RP-2000 Disabled Retiree Mortality Table with sex-distinct rates.

The mortality and economic actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period of January 1, 2010 through June 30, 2014.

14. Pension Plan (continued)

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

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

Benchmark	Asset Allocation	Average 20 Year Return	Weighted 20 Year Return	Average 30 Year Return	Weighted 30 Year Return
S&P 500	30%	8.80%	2.64%	10.74%	3.22%
Barlay's Agg.	30%	5.75%	1.73%	7.80%	2.34%
MSCI EAFE	15%	5.44%	0.82%	9.51%	1.43%
Citi Non US WEBI	5%	5.48%	0.27%	5.48%	0.27%
NAREIT Equity	5%	9.91%	0.50%	11.35%	0.57%
Russell 2000	5%	8.96%	0.45%	9.37%	0.47%
Russell 3000	5%	8.89%	0.44%	10.58%	0.53%
S&P Mid Cap	5%	11.83%	0.59%	13.21%	0.66%
Weighted Return			7.44%		9.49%

Discount Rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

14. Pension Plan (continued)

Changes in Net Pension Liability (Asset)

	Total Pension Liability (Asset) (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a) - (b)
Balances at 12/31/13	$ 7,695,425	$ 5,491,446	$ 2,203,979
Changes for the year:			
Service cost	189,083	0	189,083
Interest	567,575	0	567,575
Differences between expected and actual experience	0	0	0
Changes of assumptions	0	0	0
Changes of benefits	0	0	0
Contributions—employer	0	574,866	(574,866)
Contributions—employee	0	0	0
Net investment income	0	407,764	(407,764)
Benefit payments, including refunds of employee contributions	(255,518)	(255,518)	0
Administrative expense	0	(26,987)	26,987
Other changes	0	(77,408)	77,408
Net changes	501,140	622,717	(121,577)
Balances at 12/31/14	$ 8,196,565	$ 6,114,163	$ 2,082,402

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

	Discount Rate	Net Pension Liabilty (Asset)
1% decrease	6.50%	$ 3,172,517
Current discount rate	7.50%	2,082,402
1% increase	8.50%	1,172,032

14. Pension Plan (continued)

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Association County Commissioners of Georgia Benefit System financial report.

Other Plans

In addition to the plan above, various County employees are covered under the following plans, which are considered to be special funding situations: Georgia Firefighters' Pension Fund, Georgia State Employees' Retirement System (ERS), Peace Officers' Annuity and Benefit Fund of Georgia, Probate Judges' Retirement Fund of Georgia, Sheriffs' Retirement Fund of Georgia, and Superior Court Clerks' Retirement Fund of Georgia. Also, the Rabun County Library (A Component Unit of Rabun County, Georgia) participates in the Teacher's Retirement System of Georgia, which is considered to be a special funding situation. Further information regarding these plans can be obtained from the plans' annual reports.

Rabun County Department of Public Health Retirement Plan

Eligible employees of the Rabun County Department of Public Health participate in the Georgia State Employees' Retirement System (ERS), a statewide multiple-employer public employee retirement system. During the fiscal year ended June 30, 2015, the Department contributed $69,242. As of June 30, 2015, the Department reported a liability in the amount of $486,080 for its proportionate share (0.013%) of the net pension liability. The Department recognized pension expense of $69,242 for the fiscal year ended June 30, 2015. Further information regarding the plan can be obtained from Department's annual audit report by contacting the administrative offices of the Rabun County Health Department, 184 South Main Street, Clayton, GA 30525.

15. Defined Contribution Plan

The County approved the adoption of the *Rabun County Matching Thrift Plan, a Defined Contribution Plan*, effective July 1, 1996. The plan is funded exclusively through the purchase of annuity contracts from the Variable Annuity Life Insurance company (VALIC). All employees are eligible for participation in the plan. Eligible employees may enter the plan in the first quarter after completion of one year of service. The plan can be amended by a majority vote of the Rabun County Board of Commissioners. Employee contributions vest when made and employer contributions made before July 1, 2011 vest as follows:

Years of Service	% Vested
1	0%
2	0%
3	100%

Normal retirement age is 60. The plan does not provide for early retirement. During the fiscal year ended June 30, 2015, plan members made contributions to the plan of $40,986.

The County has no fiduciary relationship with the plan, and plan assets are not available to the County or its general creditors. The Plan assets are held in trust by the administrator for the exclusive benefit of the participants of the Plan. The County Commission provides for the funding policy though a County ordinance and maintains the authority to change the policy. Separate financial statements are not issued for the Plan.

16. Hotel/Motel Lodging Tax

The County has levied a 5% lodging tax in accordance with OCGA 48-13-51. A summary of the transactions for the fiscal year ending June 30, 2015 follows:

Lodging tax receipts	$	428,213	
Disbursements for tourism and trade	$	397,800	93%

17. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the northeast Georgia area, is a member of the Georgia Mountains Regional Commission (GMRC) and is required to pay annual dues thereto. During the year ended June 30, 2015, the County paid $14,685 in such dues. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34, which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official in each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. A copy of the GMRC financial statements can be obtained from GMRC, 1310 West Ridge Road, Gainesville, Georgia 30501.

On August 21, 2007, the Rabun County Economic Development Authority formed a joint authority with Rabun and Banks Counties. The initial investment in the joint authority was $10,000.

18. Risk Financing Activities

Material estimates have been made by management about the historical cost of capital assets and the life of the depreciated fixed assets. Management has used a conservative approach on these estimates.

The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other municipalities in the state as part of the Association of County Commissioners of Georgia Interlocal Risk Management Agency Property and Liability Insurance Fund and the Association of County Commissioners of Georgia Group Self-Insurance Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for member local governments. As part of these risk pools, the County is obligated to pay all contributions and assessments as prescribed by the pools, to cooperate with the pool's agents and attorneys, to follow loss reduction procedures established by the funds, and to report as promptly as possible, and in accordance with any coverage descriptions issued, all incidents which could result in the funds being required to pay any claim of loss. The County is also to allow the pool's agent and attorneys to represent the County in investigation, settlement discussions, and all levels of litigation arising out of any claim made against the County within the scope of loss protection furnished by the funds.

18. Risk Financing Activities (continued)

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

Settled claims in the past three years have not exceeded the coverages.

Management estimates liabilities for unpaid claims based on the probability of losses exceeding the occurrence limits and the reasonableness of estimating those losses. At June 30, 2015, the County has no losses that are probable or estimable and accordingly has not recognized any liability.

19. Commitments and Contingencies

Contingencies

Rabun County participates in a number of Revenue Sharing Grants. Expenditures financed by Revenue Sharing Grants are subject to a compliance audit by the grantor or its representative. If expenditures are disallowed due to noncompliance with program regulations, the County may be required to reimburse the grantor government. The County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual funds or the overall financial position of the County.

The County's legal counsel has stated that there are no outstanding law suits.

The County has guaranteed debt of the Development Authority of Rabun County. See Note 20 for details.

19. Commitments and Contingencies (continued)

Commitments

The County has active construction projects as of June 30, 2015. At fiscal year end, the County's commitments with contractors are as follows:

Project	Amount Spent to Date	Remaining Commitment
Kelley's Creek Road	$ 314,651	$ 12,928
Potable Water Plant	358,514	6,277
	$ 673,165	$ 19,205

20. Nonexchange Financial Guarantee

On September 1, 2010, the County adopted a resolution authorizing the execution and delivery of an intergovernmental agreement between Rabun County, Georgia and the Rabun County Economic Development Authority, a discreetly presented component unit of Rabun County, Georgia. The intergovernmental agreement establishes Rabun County, Georgia as the guarantor of the 30-year, $12,890,000 Series 2010A Revenue Bond issuance and the $3,085,000 Series 2010B Revenue Bond issuance of the Rabun County Economic Development Authority. In the event the Rabun County Economic Development Authority is unable to make the required payments of the bond issuance, the intergovernmental agreement requires the County to provide funds, which shall be sufficient to make the required debt service payments through the maturity dates of the bonds with the final maturity date being July 1, 2040. This is the only nonexchange financial guarantee extended by the County.

20. Nonexchange Financial Guarantee (continued)

The Authority issued these bonds for purchase and renovation of an industrial building facility that would then be leased to various businesses. Since completion of the facility, the Authority has been unable to lease then entire facility, which has caused significant cash shortages and therefore the Authority is unable to make the required bond payments. Due to the economic conditions, it is unlikely that the Authority will be able to lease the entire facility within the near future. As a result, in fiscal year 2014, the County began making the required bond payments and believes it is more likely than not that the County will be required to pay the remaining portion of the Authority's debt service payments based on the guarantee. At June 30, 2014, the County recognized a liability and expense in the amount of $17,536,996 for an amount that is the County's best estimate of the discounted present value of the future outflows the County expects to incur as a result of the guarantee. The detail of these bonds are listed in Note 10 page 49.

During fiscal year 2015, the County paid $981,881 in principal and interest on the guarantee obligation. The following is a summary of changes in the liability recognized for the nonexchange financial guarantee for the fiscal year ending June 30, 2015:

Balance 6/30/2014	Additions	Deductions	Balance 6/30/2015
$ 17,536,996	$ 0	$ 1,019,330	$ 16,517,666

The County does not expect to recover any payments it makes on the Authority's guaranteed debt.

REQUIRED SUPPLEMENTARY INFORMATION

RABUN COUNTY, GEORGIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
LAST TEN FISCAL YEARS
June 30, 2015
(Unaudited)

	Fiscal Year End 2015
Total pension liability	
Service cost	$ 189,083
Interest	567,575
Differences between expected and actual experience	0
Changes of assumptions	0
Changes of benefit terms	0
Benefit payments, including refunds of employee contributions	(255,518)
Net change in total pension liability	501,140
Total pension liability - beginning	7,695,425
Total pension liability - ending (a)	$ 8,196,565
Plan fiduciary net position	
Contributions - employer	$ 574,866
Contributions - employee	0
Net investment income	407,764
Benefit payments, including refunds of employee contributions	(255,518)
Administrative expense	(26,987)
Other	(77,408)
Net change in total pension liability	622,717
Plan fiduciary net position - beginning	5,491,446
Plan fiduciary net position - ending (b)	$ 6,114,163
Net pension liability (asset) - ending : (a) - (b)	$ 2,082,402
Plan's fiduciary net position as a percentage of the total pension liability	74.59%
Covered-employee payroll	$ 5,108,197
Net pension liability as a percentage of covered-employee payroll	40.77%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only one year is shown.

See accompanying notes to the required supplementary information.

RABUN COUNTY, GEORGIA
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS
June 30, 2015
(Unaudited)

	Fiscal Year End
	2015
Actuarially determined contribution	$ 574,866
Contributions in relation to the actuarially determined contribution	(574,866)
Contribution deficiency (excess)	$ 0
Covered-employee payroll	$ 6,482,782
Contributions as a percentage of covered-employee payroll	8.87%

Note: Fiscal year 2015 was the first year of implementation. Therefore, only one year is shown.

See accompanying notes to the required supplementary information.

1. Valuation Date

The actuarially determined contribution rate was determined as of December 31, 2014, with an interest adjustment to the fiscal year. Contributions in relation to this actuarially determined contribution rate will be reported for the fiscal year ending June 30, 2016.

2. Methods and Assumptions Used to Determine Contribution Rates

Actuarial cost method = Entry Age Normal

Amortization method = Closed level dollar for remaining unfunded liability

Remaining amortization period = Remaining amortization period varies for the bases, with a net effective amortization period of 15 years

Asset valuation method = Smoothed market value with a 5-year smoothing period.

Net investment rate of return = 7.5%

Projected salary increases = 4.00% per year with age based scale

Cost of living adjustments = N/A

Retirement age for inactive vested participants = 65

Mortality = Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table with sex-distinct rates, set forward two years for males and on year for females. Disabled mortality rates were based on the Social Security Administration standard rate.

3. Changes in Benefits

There have been no substantive changes since the last actuarial valuation.

4. Changes of Assumptions

There have been no substantive changes since the last actuarial valuation.

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COMBINING STATEMENTS

Nonmajor Governmental Funds

RABUN COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2015

	Special Revenue Funds		
	Confiscated Assets	**Jail**	**Law Library**
ASSETS			
Cash and cash equivalents	$ 3,497	$ 151,283	$ 38,798
Receivables (net)			
Accounts	0	0	0
Intergovernmental	0	3,479	0
Taxes	0	0	0
Total assets	$ 3,497	$ 154,762	$ 38,798
LIABILITIES AND FUND BALANCES			
Liabilities			
Payables			
Accounts	$ 0	$ 0	$ 0
Intergovernmental	0	0	0
Accrued salaries and expense	0	0	0
Due to other funds	0	0	0
Total liabilities	0	0	0
Fund balances			
Restricted for:			
Judicial	0	0	38,798
Public safety	3,497	154,762	0
Housing and development	0	0	0
Assigned to public safety	0	0	0
Total fund balances	3,497	154,762	38,798
Total liabilities and fund balances	$ 3,497	$ 154,762	$ 38,798

Special Revenue Funds					
Juvenile Case Management	Drug Abuse Treatment Education	Emergency 911	Hotel/Motel Tax	Total Nonmajor Governmental Funds
$ 2,908	$ 56,580	$ 458,851	$ 4,745	$ 716,662
0	0	72,700	0	72,700
0	536	0	0	4,015
0	0	0	62,517	62,517
$ 2,908	$ 57,116	$ 531,551	$ 67,262	$ 855,894
$ 0	$ 0	$ 2,300	$ 0	$ 2,300
0	0	158	0	158
0	0	10,209	0	10,209
0	0	0	20,681	20,681
0	0	12,667	20,681	33,348
2,908	57,116	0	0	98,822
0	0	0	0	158,259
0	0	0	46,581	46,581
0	0	518,884	0	518,884
2,908	57,116	518,884	46,581	822,546
$ 2,908	$ 57,116	$ 531,551	$ 67,262	$ 855,894

RABUN COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the fiscal year ended June 30, 2015

	Special Revenue Funds		
	Confiscated Assets	**Jail**	**Law Library**
REVENUES			
Taxes	$ 0	$ 0	$ 0
Fines, fees, and forfeitures	0	72,670	9,662
Charges for services	0	0	0
Interest	5	250	37
Total revenues	5	72,920	9,699
EXPENDITURES			
Current			
Judicial	0	0	9,433
Public safety	222	115,867	0
Housing and development	0	0	0
Total expenditures	222	115,867	9,433
Excess (deficiency) of revenues over (under) expenditures	(217)	(42,947)	266
Other financing sources (uses)			
Transfers in	0	0	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	(217)	(42,947)	266
Fund balances, July 1	3,714	197,709	38,532
Fund balances, June 30	$ 3,497	$ 154,762	$ 38,798

Special Revenue Funds				
Juvenile Case Management	Drug Abuse Treatment Education	Emergency 911	Hotel/Motel Tax	Total Nonmajor Governmental Funds
$ 0	$ 0	$ 0	$ 428,213	$ 428,213
0	18,552	0	0	100,884
0	0	354,127	0	354,127
4	72	624	0	992
4	18,624	354,751	428,213	884,216
0	5,969	0	0	15,402
0	0	921,080	0	1,037,169
0	0	0	397,800	397,800
0	5,969	921,080	397,800	1,450,371
4	12,655	(566,329)	30,413	(566,155)
0	0	629,912	16,168	646,080
4	12,655	63,583	46,581	79,925
2,904	44,461	455,301	0	742,621
$ 2,908	$ 57,116	$ 518,884	$ 46,581	$ 822,546

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GENERAL FUND

The general operating fund of the County is used to account for all financial resources except those required to be accounted for in another fund.

RABUN COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 13,367,519	$ 12,432,201
Certificates of deposit	100,632	100,632
Receivables (net)		
Accounts	234,328	197,898
Intergovernmental	56,836	53,366
Taxes	101,510	152,563
Prepaids	127,142	164,719
Due from other funds	20,681	20,681
Restricted assets		
Cash and cash equivalents	100,863	94,897
Total assets	$ 14,109,511	$ 13,216,957
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 181,191	$ 123,836
Intergovernmental	26,841	26,771
Accrued salaries and expenses	124,895	89,248
Total liabilities	332,927	239,855
Deferred Inflows of Resources		
Unavailable revenue - property taxes	55,018	95,825
Fund balances		
Nonspendable prepaids	127,142	164,719
Restricted for health and welfare	100,863	94,897
Assigned for budget	1,450,000	500,000
Unassigned	12,043,561	12,121,661
Total fund balances	13,721,566	12,881,277
Total liabilities, deferred inflows, and fund balances	$ 14,109,511	$ 13,216,957

RABUN COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
REVENUES		
Taxes	$ 16,601,336	$ 13,591,140
Licenses and permits	53,844	60,231
Fines, fees and forfeitures	395,732	414,383
Charges for services	1,204,116	1,155,489
Intergovernmental	584,995	632,997
Interest	19,824	18,823
Contributions	22,819	1,157
Other	52,492	83,580
Total revenues	18,935,158	15,957,800
EXPENDITURES		
Current		
General Government	2,380,241	2,002,090
Judicial	1,006,281	961,218
Public Safety	7,589,181	6,292,355
Public Works	1,792,308	1,986,788
Health and Welfare	1,074,046	1,029,848
Culture and Recreation	1,017,964	984,197
Housing and Development	1,480,093	1,467,000
Total Current	16,340,114	14,723,496
Debt Service		
Public Works	88,008	18,046
Total expenditures	16,428,122	14,741,542
Excess (deficiency) of revenues over (under) expenditures	2,507,036	1,216,258
Other financing sources (uses)		
Transfers in (out)		
Emergency 911 Fund	(629,912)	(831,500)
Hotel/Motel Tax Fund	(16,168)	0
Solid Waste Fund	(695,735)	(575,000)
Golf Course Fund	(211,794)	(158,575)
Waste-Water Facility Fund	(148,271)	(100,000)
Proceeds from the sale of assets	35,133	40,065
Total other financing sources (uses)	(1,666,747)	(1,625,010)
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	840,289	(408,752)
Fund balances, July 1	12,881,277	13,290,029
Fund balances, June 30	$ 13,721,566	$ 12,881,277

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes				
General property taxes				
Current and prior year levies	$ 14,939,568	$ 14,837,367	$ (102,201)	$ 11,859,826
Motor vehicle tax	559,000	558,781	(219)	571,880
Mobile home tax	40,000	41,604	1,604	39,573
Timber tax	60,000	60,223	223	8,000
Cost, penalties, and interest	75,000	82,510	7,510	124,160
Total general property taxes	15,673,568	15,580,485	(93,083)	12,603,439
Real estate transfer tax	290,500	290,581	81	301,316
Franchise tax	18,000	17,867	(133)	17,244
Insurance premium tax	585,345	585,344	(1)	559,671
Alcohol excise tax	110,000	103,429	(6,571)	101,228
Occupational tax	23,780	23,630	(150)	8,242
Total taxes	16,701,193	16,601,336	(99,857)	13,591,140
Licenses and permits				
Alcohol licenses	33,910	33,030	(880)	41,350
Building permits	20,000	19,415	(585)	18,375
Other permits	1,300	1,399	99	506
Total licenses and permits	55,210	53,844	(1,366)	60,231
Fines, fees and forfeitures	470,550	395,732	(74,818)	414,383
Charges for Services				
Emergency medical services	840,500	857,251	16,751	817,454
Sheriff services	36,000	49,319	13,319	38,432
Prisoner board	4,550	4,501	(49)	4,096
Recreation fees	171,650	173,269	1,619	148,979
Senior center fees	81,000	52,488	(28,512)	71,764
Civic center fees	30,000	29,951	(49)	39,021
Collection commissions	12,500	12,959	459	12,276
Other charges for services	25,150	24,378	(772)	23,467
Total charges for services	1,201,350	1,204,116	2,766	1,155,489
Intergovernmental	853,395	584,995	(268,400)	632,997
Interest	33,700	19,824	(13,876)	18,823
Contributions	10,700	22,819	12,119	1,157
Other	110,452	52,492	(57,960)	83,580
Total revenues	$ 19,436,550	$ 18,935,158	$ (501,392)	$ 15,957,800

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
EXPENDITURES				
Current				
General Government				
General Administration				
Personal services	$ 45,897	$ 45,685	$ 212	$ 39,378
Contract services	374,650	322,935	51,715	142,498
Capital outlay	0	160,962	(160,962)	191,913
Total General Administration	420,547	529,582	(109,035)	373,789
Elections				
Personal services	88,913	86,323	2,590	82,946
Contract services	27,450	14,553	12,897	14,519
Materials and supplies	20,810	16,357	4,453	13,118
Total Elections	137,173	117,233	19,940	110,583
Board of Commissioners				
Personal services	438,348	429,944	8,404	393,473
Contract services	77,346	70,506	6,840	59,641
Materials and supplies	13,210	10,464	2,746	4,586
Capital outlay	0	26,834	(26,834)	0
Total Board of Commissioners	528,904	537,748	(8,844)	457,700
Tax Commissioner				
Personal services	257,937	251,314	6,623	233,201
Contract services	59,025	51,328	7,697	53,866
Materials and supplies	13,030	12,768	262	4,039
Total Tax Commissioner	329,992	315,410	14,582	291,106
Tax Assessors				
Personal services	275,166	274,491	675	255,118
Contract services	31,290	26,786	4,504	40,848
Materials and supplies	16,310	14,922	1,388	2,899
Capital outlay	25,000	27,375	(2,375)	0
Total Tax Assessors	347,766	343,574	4,192	298,865
Buildings and Properties				
Personal services	269,573	215,334	54,239	235,467
Contract services	186,025	114,571	71,454	102,054
Materials and supplies	140,225	129,464	10,761	132,526
Capital outlay	11,450	77,325	(65,875)	0
Total Buildings and Properties	607,273	536,694	70,579	470,047
Total General Government	2,371,655	2,380,241	(8,586)	2,002,090
Judicial				
Clerk of Court				
Personal services	314,885	282,078	32,807	232,752
Contract services	66,967	64,716	2,251	64,295
Materials and supplies	11,275	7,277	3,998	11,407
Total Clerk of Court	393,127	354,071	39,056	308,454

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Judicial (continued)				
Probate Court				
Personal services	$ 167,463	$ 157,119	$ 10,344	$ 149,382
Contract services	51,570	44,001	7,569	46,199
Materials and supplies	6,260	6,022	238	4,076
Total Probate Court	225,293	207,142	18,151	199,657
Administration of Justice				
Personal services	46,330	46,233	97	45,226
Contract services	136,525	118,126	18,399	133,045
Payments to other agencies	153,972	150,761	3,211	129,345
Total Administration of Justice	336,827	315,120	21,707	307,616
District Attorney				
Personal services	105,000	99,736	5,264	103,565
Contract services	27,325	23,373	3,952	32,440
Materials and supplies	8,830	6,839	1,991	9,486
Total District Attorney	141,155	129,948	11,207	145,491
Total Judicial	1,096,402	1,006,281	90,121	961,218
Public Safety				
Sheriff				
Personal services	1,404,758	1,332,307	72,451	1,247,013
Contract services	128,948	110,100	18,848	89,352
Materials and supplies	131,085	124,322	6,763	155,195
Capital outlay	55,300	55,134	166	0
Total Sheriff	1,720,091	1,621,863	98,228	1,491,560
Rabun County Jail				
Personal services	1,209,072	1,135,845	73,227	1,095,376
Contract services	269,743	236,002	33,741	237,977
Materials and supplies	368,560	338,503	30,057	354,105
Capital outlay	22,700	22,700	0	0
Total Rabun County Jail	1,870,075	1,733,050	137,025	1,687,458
Coroner				
Personal services	4,231	4,103	128	3,543
Contract services	12,648	12,032	616	8,841
Materials and supplies	720	455	265	544
Total Coroner	17,599	16,590	1,009	12,928
Emergency Management Agency				
Personal services	11,699	11,408	291	11,200
Contract services	19,585	14,934	4,651	16,795
Materials and supplies	22,765	19,804	2,961	22,296
Total Emergency Management Agency	54,049	46,146	7,903	50,291

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Public Safety (continued)				
Fire Department				
Personal services	$ 224,819	$ 221,393	$ 3,426	$ 150,675
Contract services	234,213	226,427	7,786	208,281
Materials and supplies	323,815	310,476	13,339	302,141
Capital outlay	69,000	69,000	0	0
Total Fire Department	851,847	827,296	24,551	661,097
County Marshal				
Personal services	270,715	265,112	5,603	243,079
Contract services	10,435	9,513	922	10,400
Materials and supplies	10,535	8,665	1,870	10,813
Payments to other agencies	11,652	11,651	1	11,106
Total County Marshal	303,337	294,941	8,396	275,398
E911 Mapping & Addressing				
Personal services	107,461	99,994	7,467	79,271
Contract services	7,575	6,397	1,178	5,829
Materials and supplies	64,080	57,564	6,516	52,653
Total E911 Mapping & Addressing	179,116	163,955	15,161	137,753
Drug Task Force				
Personal services	51,220	43,058	8,162	56,326
Contract services	1,150	1,150	0	1,150
Total Drug Task Force	52,370	44,208	8,162	57,476
Emergency Medical Service				
Personal services	1,597,046	1,592,656	4,390	1,443,183
Contract services	131,162	129,506	1,656	126,086
Materials and supplies	123,150	116,631	6,519	164,149
Capital outlay	134,850	134,795	55	8,900
Total Emergency Medical Service	1,986,208	1,973,588	12,620	1,742,318
Boggs Mountain Animal Shelter				
Capital outlay	667,000	666,052	948	0
Payments to other agencies	210,525	201,492	9,033	176,076
Total Boggs Mountain Animal Shelter	877,525	867,544	9,981	176,076
Total Public Safety	7,912,217	7,589,181	323,036	6,292,355
Public Works				
Roads and Bridges				
Personal services	1,254,193	1,157,899	96,294	1,134,205
Contract services	197,283	165,292	31,991	173,500
Materials and supplies	467,650	340,360	127,290	421,999
Capital outlay	27,150	0	27,150	128,084
Total Roads and Bridges	1,946,276	1,663,551	282,725	1,857,788

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Public Works, continued				
Rabun County Water and Sewer Authority				
Payments to other agencies	$ 133,067	$ 128,757	$ 4,310	$ 129,000
Total Public Works	2,079,343	1,792,308	287,035	1,986,788
Health and Welfare				
Public Health				
Contract services	7,950	7,704	246	7,186
Materials and supplies	2,150	2,139	11	2,759
Payments to other agencies	293,278	285,721	7,557	271,108
Total Public Health	303,378	295,564	7,814	281,053
Public Welfare				
Contract services	1,400	0	1,400	2,100
Payments to other agencies	50,600	42,666	7,934	19,445
Total Public Welfare	52,000	42,666	9,334	21,545
Program on Aging				
Personal services	321,159	303,903	17,256	273,602
Contract services	53,824	57,447	(3,623)	35,492
Materials and supplies	267,178	262,516	4,662	267,664
Capital outlay	9,075	0	9,075	39,542
Payments to other agencies	9,450	9,450	0	8,450
Total Program on Aging	660,686	633,316	27,370	624,750
Court Appointed Special Advocates				
Payments to other agencies	7,500	7,500	0	7,500
F.A.I.T.H.				
Payments to other agencies	95,000	95,000	0	95,000
Total Health and Welfare	1,118,564	1,074,046	44,518	1,029,848
Culture and Recreation				
Civic Center				
Personal services	22,950	21,782	1,168	22,631
Contract services	23,098	14,068	9,030	16,200
Materials and supplies	35,230	27,056	8,174	30,610
Total Civic Center	81,278	62,906	18,372	69,441
Recreation				
Personal services	316,374	300,691	15,683	286,631
Contract services	93,905	83,573	10,332	77,283
Materials and supplies	180,154	179,440	714	161,253
Capital outlay	0	0	0	19,495
Total Recreation	590,433	563,704	26,729	544,662

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Culture and Recreation, continued				
Rabun Arena				
Personal services	$ 51,868	$ 51,679	$ 189	$ 44,612
Contract services	14,945	12,732	2,213	12,640
Materials and supplies	46,500	44,149	2,351	43,633
Total Rabun Arena	113,313	108,560	4,753	100,885
Rabun County Library				
Personal services	18,892	14,693	4,199	18,337
Contract services	2,370	2,170	200	2,366
Payments to other agencies	260,863	260,363	500	243,649
Total Rabun County Library	282,125	277,226	4,899	264,352
Rabun County Historical Society				
Payments to other agencies	5,825	5,568	257	4,857
Total Culture and Recreation	1,072,974	1,017,964	55,010	984,197
Housing and Development				
Extension Service				
Personal services	20,152	19,899	253	19,422
Contract services	10,795	8,275	2,520	6,584
Materials and supplies	4,653	3,637	1,016	3,615
Total Extension Service	35,600	31,811	3,789	29,621
Planning Commission				
Personal services	62,780	62,192	588	57,636
Contract services	5,955	4,380	1,575	3,887
Materials and supplies	2,480	2,342	138	2,930
Total Planning Commission	71,215	68,914	2,301	64,453
Rabun County Economic Development Authority				
Payments to other agencies	1,771,798	1,365,443	406,355	1,364,887
Soil Erosion Control				
Personal services	8,079	7,713	366	7,729
Contract services	5,812	5,812	0	60
Materials and supplies	400	400	0	250
Total Soil Erosion Control	14,291	13,925	366	8,039
Total Housing and Development	1,892,904	1,480,093	412,811	1,467,000
Total Current	17,544,059	16,340,114	1,203,945	14,723,496

RABUN COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
Debt Service				
Public Works				
Roads and Bridges	$ 90,596	$ 88,008	$ 2,588	$ 18,046
Total Expenditures	$ 17,634,655	$ 16,428,122	$ 1,206,533	$ 14,741,542

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally or donor restricted to expenditure for specified purposes.

Confiscated Assets Fund – This fund is used to account for the cash or property received from drug confiscations restricted for law enforcement.

Jail Fund – This fund is used to account for fines and fees received restricted for the maintenance of the County Jail.

Law Library Fund – This fund is used to account for fines and fees received restricted for operation of the Rabun County Law Library.

Juvenile Case Management Fund – This fund is used to account for fines and fees received restricted for juvenile supervision.

Drug Abuse Treatment Education Fund – This fund is used to account for fines and fees received restricted for drug treatment and education programs in the County.

Emergency 911 Fund – This fund is used to account for the County's share of telephone fees restricted for the operation of the 911 emergency system.

Hotel/Motel Tax Fund – This fund is used to account for hotel/motel tax collections restricted for trade and tourism in Rabun County.

RABUN COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 3,497	$ 3,714
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for public safety	$ 3,497	$ 3,714

RABUN COUNTY, GEORGIA
CONFISCATED ASSETS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 1,750	$ 0	$ (1,750)	$ 745
Interest	0	5	5	6
Total revenues	1,750	5	(1,745)	751
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	1,750	222	1,528	1,471
Total expenditures	1,750	222	1,528	1,471
Excess (deficiency) of revenues over (under) expenditures	0	(217)	(217)	(720)
Fund balances, July 1	0	3,714	3,714	4,434
Fund balances, June 30	$ 0	$ 3,497	$ 3,497	$ 3,714

RABUN COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 151,283	$ 192,666
Intergovernmental receivable	3,479	5,043
Total assets	$ 154,762	$ 197,709
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for public safety	$ 154,762	$ 197,709
Total liabilities and fund balances	$ 154,762	$ 197,709

RABUN COUNTY, GEORGIA
JAIL SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 77,500	$ 72,670	$ (4,830)	$ 60,855
Interest	0	250	250	331
Total revenues	77,500	72,920	(4,580)	61,186
EXPENDITURES				
Current				
Public Safety				
Materials and supplies	54,800	93,167	(38,367)	14,398
Capital outlay	22,700	22,700	0	5,100
Total expenditures	77,500	115,867	(38,367)	19,498
Excess (deficiency) of revenues over (under) expenditures	0	(42,947)	(42,947)	41,688
Fund balances, July 1	0	197,709	197,709	156,021
Fund balances, June 30	$ 0	$ 154,762	$ 154,762	$ 197,709

RABUN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 38,798	$ 38,532
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for judicial	$ 38,798	$ 38,532

RABUN COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 10,000	$ 9,662	$ (338)	$ 9,121
Interest	45	37	(8)	39
Total revenues	10,045	9,699	(346)	9,160
EXPENDITURES				
Current				
Judicial				
Contract services	2,400	2,400	0	2,400
Materials and supplies	7,645	7,033	612	6,112
Total expenditures	10,045	9,433	612	8,512
Excess (deficiency) of revenues over (under) expenditures	0	266	266	648
Fund balances, July 1	0	38,532	38,532	37,884
Fund balances, June 30	$ 0	$ 38,798	$ 38,798	$ 38,532

RABUN COUNTY, GEORGIA
JUVENILE CASE MANAGEMENT SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 2,908	$ 2,904
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for judicial	$ 2,908	$ 2,904

RABUN COUNTY, GEORGIA
JUVENILE CASE MANAGEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Intergovernmental	$ 1,000	$ 0	$ (1,000)	$ 1,000
Interest	0	4	4	5
Total revenues	1,000	4	(996)	1,005
EXPENDITURES				
Current				
Judicial				
Contract services	1,000	0	1,000	1,000
Total expenditures	1,000	0	1,000	1,000
Excess (deficiency) of revenues over (under) expenditures	0	4	4	5
Fund balances, July 1	0	2,904	2,904	2,899
Fund balances, June 30	$ 0	$ 2,908	$ 2,908	$ 2,904

RABUN COUNTY, GEORGIA
DRUG ABUSE TREATMENT EDUCATION SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 56,580	$ 43,775
Intergovernmental receivable	536	686
Total assets	$ 57,116	$ 44,461
LIABILITIES AND FUND BALANCES		
Fund balances		
Restricted for judicial	$ 57,116	$ 44,461

RABUN COUNTY, GEORGIA
DRUG ABUSE TREATMENT EDUCATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Fines, fees, and forfeitures	$ 20,550	$ 18,552	$ (1,998)	$ 21,297
Interest	0	72	72	76
Total revenues	20,550	18,624	(1,926)	21,373
EXPENDITURES				
Current				
Judicial				
Contract services	0	0	0	2,751
Materials and supplies	20,550	5,969	14,581	5,774
Total expenditures	20,550	5,969	14,581	8,525
Excess (deficiency) of revenues over (under) expenditures	0	12,655	12,655	12,848
Fund balances, July 1	0	44,461	44,461	31,613
Fund balances, June 30	$ 0	$ 57,116	$ 57,116	$ 44,461

RABUN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 458,851	$ 390,458
Accounts receivable (net)	72,700	73,863
Total assets	$ 531,551	$ 464,321
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 2,300	$ 521
Intergovernmental payable	158	149
Accrued salaries and expenses	10,209	8,350
Total liabilities	12,667	9,020
Fund balances		
Assigned to public safety	518,884	455,301
Total liabilities and fund balances	$ 531,551	$ 464,321

RABUN COUNTY, GEORGIA
EMERGENCY 911 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Charges for services	$ 355,000	$ 354,127	$ (873)	$ 362,656
Interest	0	624	624	682
Total revenues	355,000	354,751	(249)	363,338
EXPENDITURES				
Current				
Public Safety				
Personal Services	662,972	650,739	12,233	567,710
Contract services	272,475	224,762	47,713	214,439
Materials and supplies	17,725	13,932	3,793	18,531
Capital outlay	31,740	31,647	93	77,415
Total expenditures	984,912	921,080	63,832	878,095
Excess (deficiency) of revenues over (under) expenditures	(629,912)	(566,329)	63,583	(514,757)
Other financing sources (uses)				
Transfers in (out)				
General Fund	629,912	629,912	0	831,500
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	63,583	63,583	316,743
Fund balances, July 1	0	455,301	455,301	138,558
Fund balances, June 30	$ 0	$ 518,884	$ 518,884	$ 455,301

RABUN COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 4,745	$ 0
Taxes receivable	62,517	20,681
Total assets	$ 67,262	$ 20,681
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other funds	$ 20,681	$ 20,681
Fund balances		
Assigned for housing and development	46,581	0
Total liabilities and fund balances	$ 67,262	$ 20,681

RABUN COUNTY, GEORGIA
HOTEL/MOTEL TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL
For the fiscal year ended June 30, 2015
(With comparative actual amounts for the fiscal year ended June 30, 2014)

	2015			2014
	Final Budget	Actual	Variance	Actual
REVENUES				
Taxes	$ 382,000	$ 428,213	$ 46,213	$ 98,581
Interest	0	0	0	71
Total revenues	382,000	428,213	46,213	98,652
EXPENDITURES				
Current				
Housing and Development				
Tourism				
Rabun County Convention and Visitors Bureau	0	397,800	(397,800)	98,652
Total expenditures	0	397,800	(397,800)	98,652
Excess (deficiency) of revenues over (under) expenditures	382,000	30,413	(351,587)	0
Other financing sources (uses)				
Transfers in (out)				
General Fund	(382,000)	16,168	398,168	0
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	0	46,581	46,581	0
Fund balances, July 1	0	0	0	0
Fund balances, June 30	$ 0	$ 46,581	$ 46,581	$ 0

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CAPITAL PROJECTS FUNDS

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of specifically planned projects (other than those financed by proprietary funds).

Special Purpose Local Option Sales Tax #5 Fund – This fund is used to account for long-term projects financed by the 2007 passage of a special purpose local option sales tax.

Special Purpose Local Option Sales Tax #6 Fund – This fund is used to account for long-term projects financed by the 2013 passage of a special purpose local option sales tax.

RABUN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #5
CAPITAL PROJECTS FUND
COMPARATIVE BALANCE SHEETS
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 2,525,533	3,936,357
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 688,377	210,918
Retainage payable	62,084	25,650
Total liabilities	750,461	236,568
Fund balances		
Restricted for capital outlay	1,775,072	3,699,789
Total liabilities and fund balances	$ 2,525,533	$ 3,936,357

RABUN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #5
CAPITAL PROJECTS FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2015 and 2014

REVENUES	**2015**	**2014**
Taxes	$ 0	884,205
Intergovernmental	315,501	315,556
Interest	3,871	10,197
Total revenues	319,372	1,209,958
EXPENDITURES		
Capital Outlay		
Public Safety		
Fire Department	154,970	940,278
Public Works		
Roads and Bridges	1,419,542	1,379,580
Health and Welfare		
Public Health	669,577	312,028
Debt Service	0	1,566,991
Total expenditures	2,244,089	4,198,877
Excess (deficiency) of revenues over (under) expenditures	(1,924,717)	(2,988,919)
Fund balances, July 1	3,699,789	6,688,708
Fund balances, June 30	$ 1,775,072	$ 3,699,789

RABUN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
BALANCE SHEET
June 30, 2015 and 2014

ASSETS	**2015**	**2014**
Cash and cash equivalents	$ 1,935,275	$ 115,556
Taxes receivable	304,302	601,736
Restricted assets		
Cash and cash equivalents	7,583,306	8,643,487
Total assets	$ 9,822,883	$ 9,360,779
LIABILITIES AND FUND BALANCES		
Liabilities		
Payables		
Accounts	$ 174,813	$ 12,723
Retainages	15,824	0
Intergovernmental	0	465,314
Total liabilities	190,637	478,037
Fund balances		
Restricted for capital outlay	9,632,246	8,882,742
Total liabilities and fund balances	$ 9,822,883	$ 9,360,779

RABUN COUNTY, GEORGIA
SPECIAL PURPOSE LOCAL OPTION SALES TAX #6
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the fiscal years ended June 30, 2015 and 2014

REVENUES	**2015**	**2014**
Taxes	$ 3,214,341	$ 2,314,561
Interest	12,042	8,347
Total revenues	3,226,383	2,322,908
EXPENDITURES		
Capital Outlay		
Public Safety	0	735
Public Works	863,515	345,803
Debt Service	1,203,311	358,906
Intergovernmental	67,720	1,832,281
Total expenditures	2,134,546	2,537,725
Excess (deficiency) of revenues over (under) expenditures	1,091,837	(214,817)
Other financing sources (uses)		
Transfers in (out)		
Waste-Water Facility Fund	(342,333)	(191,388)
Long-term debt premium	0	663,946
Proceeds from long-term debt	0	8,625,000
Total other financing sources (uses)	(342,333)	9,097,558
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	749,504	8,882,741
Fund balances, July 1	8,882,742	0
Fund balances, June 30	$ 9,632,246	$ 8,882,741

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ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The funds are self-supporting in nature where the costs, including depreciation, of providing goods or services to the general public on a continuing basis are financed or recovered primarily through user charges.

Solid Waste Fund – This fund is used to account for the activities of solid waste disposal and recycling programs for Rabun County.

Waste-Water Facility Fund – This fund is used to account for activities connected with the waste water and water treatment facility of Rabun County.

Golf Course Fund – This fund is used to account for activities connected with the operations of a public golf course owned by Rabun County.

RABUN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	$ 238,224	$ 133,143
Accounts receivable (net)	36,175	57,429
Total current assets	274,399	190,572
Capital assets		
Land and land improvements	1,106,031	1,106,031
Buildings	577,300	577,300
Machinery and equipment	773,999	773,999
Vehicles	485,988	485,988
Construction in progress	12,045	12,045
Accumulated depreciation	(980,362)	(892,308)
Total capital assets (net of accumulated depreciation)	1,975,001	2,063,055
Total assets	2,249,400	2,253,627
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	1,225	0
LIABILITIES		
Current liabilities		
Accounts payable	12,827	13,803
Intergovernmental payable	80	69
Accrued salaries and other payroll liabilities	10,796	8,846
Compensated absences	21,868	18,819
Closure/post-closure care	52,500	64,285
Total current liabilities	98,071	105,822
Noncurrent liabilities		
Net pension liability	75,249	0
Closure/post-closure care	2,840,796	2,839,771
Total noncurrent liabilities	2,916,045	2,839,771
Total liabilities	3,014,116	2,945,593
NET POSITION		
Invested in capital assets	1,975,001	2,063,055
Unrestricted	(2,738,492)	(2,755,021)
Total net position	$ (763,491)	$ (691,966)

RABUN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
OPERATING REVENUES		
Charges for sales and services	$ 489,536	$ 448,288
Other	2,830	2,830
Total operating revenues	492,366	451,118
OPERATING EXPENSES		
Costs of sales and services	422,612	454,638
Personal services	669,395	627,088
Depreciation	88,054	72,976
Total operating expenses	1,180,061	1,154,702
Operating income (loss)	(687,695)	(703,584)
Non-operating revenues (expenses)		
Interest revenue	77	143
Intergovernmental revenue	0	247,151
Distributions of capital assets	0	(13,092)
Gain (loss) on sale of assets	0	(1,547)
Total non-operating revenues (expenses)	77	232,655
Net income (loss) before transfers	(687,618)	(470,929)
Transfers in (out)		
General fund	695,735	575,000
Change in net position	8,117	104,071
Net position, July 1 (original)	(691,966)	(796,037)
Prior period adjustments	(79,642)	0
Net position, July 1 (restated)	(771,608)	(796,037)
Net position, June 30	$ (763,491)	$ (691,966)

RABUN COUNTY, GEORGIA
SOLID WASTE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 513,620	$ 456,702
Payments to suppliers	(434,337)	(491,879)
Payments to employees	(670,014)	(620,834)
Net cash provided (used) by operating activities	(590,731)	(656,011)
Cash flows from non-capital financing activities:		
Receipts from other funds	695,735	575,000
Receipts from other governments	0	247,151
Net cash provided (used) by non-capital financing activities	695,735	822,151
Cash flows from capital and related financing activities:		
Acquisition of capital assets	0	(181,690)
Proceeds from sale of capital assets	0	54,000
Net cash provided (used) by capital and related financing activities	0	(127,690)
Cash flows from investing activities:		
Interest received	77	143
Net increase (decrease) in cash and cash equivalents	105,081	38,593
Cash and cash equivalents, July 1	133,143	94,550
Cash and cash equivalents, June 30	$ 238,224	$ 133,143
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (687,695)	$ (703,584)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	88,054	72,976
Closure/post-closure care costs	(10,760)	(18,302)
(Increase) decrease in accounts receivable	21,254	5,584
(Increase) decrease in pension investment return differences	(1,225)	0
Increase (decrease) in accounts payable	(976)	(18,944)
Increase (decrease) in intergovernmental payable	11	5
Increase (decrease) in accrued payroll liabilities	4,999	6,254
Increase (decrease) in net pension liability	(4,393)	0
Total adjustments	96,964	47,573
Net cash provided (used) by operating activities	$ (590,731)	$ (656,011)

Noncash capital and related financing activities:

Contributions of capital assets from governmental activities totaled $17,462 with related accumulated depreciation totaling $4,370 for the fiscal year ended June 30, 2014.

Distributions of capital assets to governmental activities totaled $96,242 with related accumulated depreciation totaling $96,242 for the fiscal year ended June 30, 2014.

RABUN COUNTY, GEORGIA
WASTE-WATER FACILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	$ 59,408	$ 144,173
Accounts receivable, net	0	970
Total current assets	59,408	145,143
Capital assets		
Land and land improvements	172,980	172,980
Buildings	3,570,442	3,570,442
Machinery and equipment	60,029	60,029
Vehicles	9,199	9,199
Construction in progress	533,720	191,387
Accumulated depreciation	(422,340)	(300,703)
Total capital assets (net of accumulated depreciation)	3,924,030	3,703,334
Total assets	3,983,438	3,848,477
DEFERRED OUTFLOWS OF RESOURCES		
Pension investment return differences	644	0
LIABILITIES		
Current liabilities		
Payables		
Accounts	559	2,040
Intergovernmental	0	29
Interest	14,334	14,872
Accrued salaries and other payroll liabilities	2,133	2,180
Compensated absences	7,059	10,958
Notes payable	164,136	157,554
Total current liabilities	188,221	187,633
Noncurrent liabilities		
Net pension liability	39,524	0
Notes payable	4,031,077	4,195,214
Total noncurrent liabilities	4,070,601	4,195,214
Total liabilities	4,258,822	4,382,847
NET POSITION		
Net invested in capital assets	(271,183)	(649,434)
Unrestricted	(3,557)	115,064
Total net position	$ (274,740)	$ (534,370)

RABUN COUNTY, GEORGIA
WASTE-WATER FACILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

OPERATING REVENUES	**2015**	**2014**
Charges for sales and services	$ 439,863	$ 368,100
Total operating revenues	439,863	368,100
OPERATING EXPENSES		
Costs of sales and services	191,915	285,838
Personal services	140,676	149,151
Depreciation	121,637	122,543
Total operating expenses	454,228	557,532
Operating income (loss)	(14,365)	(189,432)
Non-operating revenues (expenses)		
Interest revenue	209	386
Interest expense	(174,986)	(181,326)
Total non-operating revenues (expenses)	(174,777)	(180,940)
Net income (loss) before capital contributions and transfers	(189,142)	(370,372)
Capital contributions		
Contributions of capital assets	0	9,495
Net income (loss) before transfers	(189,142)	(360,877)
Transfers in (out)		
General Fund	148,271	100,000
SPLOST #6 Fund	342,333	237,231
Total transfers in (out)	490,604	337,231
Change in net position	301,462	(23,646)
Net position, July 1 (original)	(534,370)	(510,724)
Prior period adjustments	(41,832)	0
Net position, July 1 (restated)	(576,202)	(510,724)
Net position, June 30	$ (274,740)	$ (534,370)

RABUN COUNTY, GEORGIA
WASTE-WATER FACILITY ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 440,833	$ 367,344
Payments to suppliers	(193,425)	(296,088)
Payments to employees	(147,574)	(147,080)
Net cash provided (used) by operating activities	99,834	(75,824)
Cash flows from non-capital financing activities:		
Receipts from other funds	148,271	100,000
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(342,333)	(191,386)
Receipts from other funds	342,333	237,231
Interest payments	(175,524)	(181,843)
Principal payments - notes payable	(157,555)	(151,235)
Net cash provided (used) by capital and related financing activities	(333,079)	(287,233)
Cash flows from investing activities:		
Interest received	209	386
Net increase (decrease) in cash and cash equivalents	(84,765)	(262,671)
Cash and cash equivalents, July 1	144,173	406,844
Cash and cash equivalents, June 30	$ 59,408	$ 144,173
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (14,365)	$ (189,432)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	121,637	122,543
(Increase) decrease in accounts receivable	970	(756)
(Increase) decrease in pension investment return differences	(644)	0
Increase (decrease) in accounts payable	(1,481)	(10,250)
Increase (decrease) in intergovernmental payable	(29)	0
Increase (decrease) in accrued payroll liabilities	(3,946)	2,071
Increase (decrease) in net pension liability	(2,308)	0
Total adjustments	114,199	113,608
Net cash provided (used) by operating activities	$ 99,834	$ (75,824)

Noncash capital and related financing activities:

Contributions of capital assets from governmental activities totaled $60,029 with related accumulated depreciation totaling $50,534 for the fiscal year ended June 30, 2014.

RABUN COUNTY, GEORGIA
GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF NET POSITION
June 30, 2015 and 2014

	2015	2014
ASSETS		
Current assets		
Cash and cash equivalents	$ 75,440	$ 60,293
Capital assets		
Land and land improvements	19,800	19,800
Buildings	120,002	120,002
Machinery and equipment	141,566	123,665
Accumulated depreciation	(217,924)	(206,199)
Total capital assets (net of accumulated depreciation)	63,444	57,268
Total assets	138,884	117,561
DEFERRED INFLOWS OF RESOURCES		
Pension investment return differences	723	0
LIABILITIES		
Current liabilities		
Accounts payable	254	254
Intergovernmental payable	32	32
Accrued salaries and other payroll liabilities	3,253	2,654
Compensated absences	13,526	12,660
Total current liabilities	17,065	15,600
Noncurrent liabilities		
Net pension liability	44,411	0
Total liabilities	61,476	15,600
NET POSITION		
Invested in capital assets	63,444	57,268
Unrestricted	14,687	44,693
Total net position	$ 78,131	$ 101,961

RABUN COUNTY, GEORGIA
GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the fiscal years ended June 30, 2015 and 2014

OPERATING REVENUES	**2015**	**2014**
Charges for sales and services	$ 96,704	$ 92,675
Total operating revenues	96,704	92,675
OPERATING EXPENSES		
Costs of sales and services	62,948	59,502
Personal services	210,752	191,513
Depreciation	11,724	11,678
Total operating expenses	285,424	262,693
Operating income (loss)	(188,720)	(170,018)
Non-operating revenues (expenses)		
Interest revenue	100	104
Net income (loss) before transfers	(188,620)	(169,914)
Transfer in (out)		
General Fund	211,794	158,575
Change in net position	23,174	(11,339)
Net position, July 1 (original)	101,961	113,300
Prior period adjustments	(47,004)	0
Net position, July 1 (restated)	54,957	113,300
Net position, June 30	$ 78,131	$ 101,961

RABUN COUNTY, GEORGIA
GOLF COURSE ENTERPRISE FUND
COMPARATIVE STATEMENTS OF CASH FLOWS
For the fiscal years ended June 30, 2015 and 2014

	2015	2014
Cash flows from operating activities:		
Receipts from customers	$ 96,704	$ 92,675
Payments to suppliers	(62,948)	(59,742)
Payments to employees	(212,603)	(190,559)
Net cash provided (used) by operating activities	(178,847)	(157,626)
Cash flows from non-capital financing activities:		
Receipts from other funds	211,794	158,575
Cash flows from capital and related financing activities:		
Acquisition of capital assets	(17,900)	0
Cash flows from investing activities:		
Interest received	100	104
Net increase (decrease) in cash and cash equivalents	15,147	1,053
Cash and cash equivalents, July 1	60,293	59,240
Cash and cash equivalents, June 30	$ 75,440	$ 60,293
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	$ (188,720)	$ (170,018)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	11,724	11,678
(Increase) decrease in pension investment return differences	(723)	0
Increase (decrease) in accounts payable	0	(245)
Increase (decrease) in intergovernmental payable	0	5
Increase (decrease) in accrued payroll liabilities	1,465	954
Increase (decrease) in net pension liability	(2,593)	0
Total adjustments	9,873	12,392
Net cash provided (used) by operating activities	$ (178,847)	$ (157,626)

AGENCY FUNDS

These funds are used to account for assets held by the County as an agent to be expended in accordance with the conditions of its agency capacity.

Tax Commissioner - This fund accounts for assets and related liabilities for the collection of taxes and tag and title fees.

Clerk of Superior Court, Probate Court, and Magistrate Court - These funds account for assets and related liabilities for the collection of court related fees.

Sheriff Department - This fund accounts for deposits held for incarcerated inmates.

RABUN COUNTY, GEORGIA
AGENCY FUNDS
COMBINING BALANCE SHEET
June 30, 2015

	Tax Commissioner	Clerk of Superior Court
ASSETS		
Cash	$ 720,880	$ 166,592
Taxes receivable, net	276,133	0
Total assets	$ 997,013	$ 166,592
LIABILITIES AND FUND BALANCES		
Liabilities		
Due to other agencies	$ 997,013	$ 166,592

Probate Court	Magistrate Court	Sheriff Department	Totals
$ 42,773	$ 7,432	$ 21,093	$ 958,770
0	0	0	276,133
$ 42,773	$ 7,432	$ 21,093	$ 1,234,903
$ 42,773	$ 7,432	$ 21,093	$ 1,234,903

RABUN COUNTY, GEORGIA
AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
For the fiscal year ended June 30, 2015

	Balance July 1	Additions	Deletions	Balance June 30
TAX COMMISSIONER				
ASSETS				
Cash	$ 467,272	$ 35,226,323	$ 34,972,715	$ 720,880
Taxes receivable, net	470,164	276,133	470,164	276,133
Total	$ 937,436	$ 35,502,456	$ 35,442,879	$ 997,013
LIABILITIES				
Due to other agencies	$ 937,436	$ 35,502,456	$ 35,442,879	$ 997,013
CLERK OF SUPERIOR COURT				
ASSETS				
Cash	$ 166,174	$ 1,282,041	$ 1,281,623	$ 166,592
LIABILITIES				
Due to other agencies	$ 166,174	$ 1,282,041	$ 1,281,623	$ 166,592
PROBATE COURT				
ASSETS				
Cash	$ 25,367	$ 430,038	$ 412,632	$ 42,773
LIABILITIES				
Due to other agencies	$ 25,367	$ 430,038	$ 412,632	$ 42,773
MAGISTRATE COURT				
ASSETS				
Cash	$ 7,686	$ 115,251	$ 115,505	$ 7,432
LIABILITIES				
Due to other agencies	$ 7,686	$ 115,251	$ 115,505	$ 7,432
SHERIFF DEPARTMENT				
ASSETS				
Cash	$ 17,545	$ 92,419	$ 88,871	$ 21,093
LIABILITIES				
Due to other agencies	$ 17,545	$ 92,419	$ 88,871	$ 21,093
TOTALS				
ASSETS				
Cash	$ 684,044	$ 37,146,072	$ 36,871,346	$ 958,770
Taxes receivable, net	470,164	276,133	470,164	276,133
Total	$ 1,154,208	$ 37,422,205	$ 37,341,510	$ 1,234,903
LIABILITIES				
Due to other agencies	$ 1,154,208	$ 37,422,205	$ 37,341,510	$ 1,234,903

SINGLE AUDIT SECTION

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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*

Honorable Chairman and Members
of the Board of Commissioners
Rabun County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Rabun County, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Rabun County, Georgia's basic financial statements and have issued our report thereon dated December 31, 2015. Our report includes a reference to other auditors who audited the financial statements of the Rabun County Health Department, as described in our report on Rabun 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 were reported on separately by those auditors.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rabun County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants 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*.

Rabun County, Georgia's Responses to Findings

Rabun County, Georgia's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. Rabun County, Georgia's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

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 County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
December 31, 2015

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by OMB Circular A-133

Honorable Chairman and Members
of the Board of Commissioners
Rabun County, Georgia

Report on Compliance for Each Major Federal Program

We have audited Rabun County, Georgia's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Rabun County, Georgia's major federal programs for the year ended June 30, 2015. Rabun County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Rabun County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations.* Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Rabun County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on Rabun County, Georgia's compliance.

Opinion on Each Major Federal Program

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

Report on Internal Control over Compliance

Management of Rabun County, Georgia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Rabun County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Rabun County's internal control over compliance.

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

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

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Rushton & Company, LLC

Certified Public Accountants

Gainesville, Georgia
December 31, 2015

RABUN COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2015

Federal Grant/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Number	Expenditures
Department of Agriculture			
Passed through the Georgia Office of the State Treasury:			
Schools and Roads - Grants to States	10.665	FY2015	$ 83,477
Department of Housing and Urban Development			
Passed through the Georgia Department of Community Affairs:			
Community Development Block Grants/State's Program	14.228	13q-y-119-1-5616	300,000
Department of the Interior			
Payments in Lieu of Taxes	15.226	N/A	266,565
Department of Transportation			
Passed through the Georgia Department of Transportation:			
Formula Grants for Rural Areas	20.509	T005062	76,809
		GA-18-X033	0
			76,809
State and Community Highway Safety	20.600	GA-2014-000-00454	7,998
Passed through T&T Transportation			
New Freedom Program	20.521	FY2014-2015	8,755
Total Department of Transportation			93,562
Department of Health and Human Services			
Passed through T&T Transportation:			
Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	FY2014-2015	21,033
Social Services Block Grant	93.667	FY2014-2015	23,692
Total Department of Health and Human Services			44,725
Department of Homeland Security			
Passed through the Georgia Emergency Management Agency:			
Emergency Management Performance Grants	97.042	OEM14	5,500
Homeland Security Grant Program	97.067	EMW-2013-SS-00054	615
Homeland Security Grant Program	97.067	EMW-2014-SS-00092	220
Total Department of Homeland Security			6,335
Total Federal Awards			$ 794,664

See accompanying notes to the schedule of expenditures of federal awards and the schedule of findings and questioned costs.

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Rabun County, Georgia, under programs for the federal government for the year ended June 30, 2015. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because this schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position or cash flows of the County.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

RABUN COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2015

1. Summary of the Auditor's Results

A. Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant Deficiencie(s) identified not considered material weaknesses?	Yes
Noncompliance material to financial statements noted?	No

B. Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	None reported
Significant Deficiencie(s) identified not considered material weaknesses?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)?	None reported

Identification of major programs:

15.226	Payments in Lieu of Taxes
14.228	Community Development Block Grants/State's Program

Dollar threshold used to distinguish Between Type A and Type B programs:	$300,000
Auditee qualified as low-risk auditee?	No

2. Financial Statement Findings and Responses

A. Current Year Audit Findings

Comment 15-1

Condition: County personnel may require additional training in the application of generally accepted accounting principles and the preparation of financial statements. Currently, the County relies on the external auditors for technical assistance in applying generally accepted accounting principles and the preparation of the financial statements. This is common for governments of similar size and structure to the County. Under current auditing standards, providing technical assistance does not impair the independence of the external auditor. However, future changes to auditing standards by standards setting boards could state that providing technical assistance would impair the independence of the external auditor. This does not indicate that the County Clerk/CFO is not trained to perform the daily accounting functions, but that the County has elected as a cost benefit to outsource this expertise to their auditors. As required, we have indicated this as a significant deficiency in our letter on Internal Control and Compliance.

Criteria: Effective internal control requires that the County accept responsibility and understanding of the audited financial report.

Effect: Failure to understand the vast amount of requirements for reporting in financial statements may lead to material misstatements.

Recommendation: County personnel should continue to receive training in the identification and application of generally accepted accounting principles and the preparation of the County's financial statements.

Management Response: Management agrees with this finding and understands the requirement of SAS 115 to issue this statement as a Significant Deficiency. All employees of the Board of Commissioners Finance Office will continue to seek training in the application of generally accepted accounting principles and in the preparation of the County's financial statements. Until such time it is financially feasible for the County finance staff to prepare the County's financial statements, the Finance Office will continue to rely on an independent auditor to prepare them.

B. Prior Year Audit Findings Follow-Ups

Comment 14-1

Condition: County personnel may require additional training in the application of generally accepted accounting principles and the preparation of financial statements. Currently, the County relies on the external auditors for technical assistance in applying generally accepted accounting principles and the preparation of the financial statements. This is common for governments of similar size and structure to the County. Under current auditing standards, providing technical assistance does not impair the independence of the external auditor. However, future changes to auditing standards by standards setting boards could state that providing technical assistance would impair the independence of the external auditor. This does not indicate that the County Clerk/CFO is not trained to perform the daily accounting functions, but that the County has elected as a cost benefit to outsource this expertise to their auditors. As required, we have indicated this as a significant deficiency in our letter on Internal Control and Compliance.

Not Corrected – See Comment 15-1

2. Financial Statement Findings and Responses (continued)

B. Prior Year Audit Findings Follow-Ups, continued

Comment 14-2

Condition: While performing audit procedures on building permits, we noted that deposits are made only monthly.

Corrected

3. Federal Award Findings and Questioned Costs

A. Material Noncompliance

None reported.

B. Significant Deficiencies

None reported

C. *Prior Year Audit Findings Follow-Ups*

None reported

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STATE REPORTING SECTION

RABUN COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2015

Project	Estimated Cost *		Expenditures		
	Original	Current	Prior Years	Current Year	Total
SPLOST # 5					
Roads, Streets and Bridges	$ 7,541,850	$ 7,541,850	$ 3,365,968	$ 1,104,042	$ 4,470,010
Hospital Building	3,500,000	3,500,000	3,206,588	669,577	3,876,165
Multipurpose Arena	1,500,000	1,500,000	2,962,495	0	2,962,495
Health Department	1,000,000	1,000,000	1,010,430	0	1,010,430
Fire Fighting Equipment	1,000,000	1,000,000	1,185,089	154,970	1,340,059
Courthouse	900,000	900,000	979,286	0	979,286
City of Clayton	2,058,000	2,058,000	2,058,000	0	2,058,000
City of Dillard	450,000	450,000	450,000	0	450,000
City of Sky Valley	450,000	450,000	450,000	0	450,000
Mountain City	300,000	300,000	300,000	0	300,000
City of Tiger	300,000	300,000	300,000	0	300,000
City of Tallulah Falls	150,000	150,000	150,000	0	150,000
Total	$ 19,149,850	$ 19,149,850	$ 16,417,856	$ 1,928,589	$ 18,346,445

Current year SPLOST #5 Expenditures	$ 1,928,589
Expenditures Financed by Other Revenues	315,500
Total expenditures of the SPLOST #5 Capital Projects Fund	$ 2,244,089

RABUN COUNTY, GEORGIA
SCHEDULE OF PROJECTS FINANCED WITH SPECIAL PURPOSE LOCAL OPTION SALES TAX
For the fiscal year ended June 30, 2015

Project	Estimated Cost * Original	Estimated Cost * Current	Expenditures Prior Years	Expenditures Current Year	Expenditures Total
SPLOST # 6					
Roads, Streets and Bridges	$ 5,000,000	$ 5,000,000	$ 0	$ 0	$ 0
Water and Sewer Improvements	9,100,000	9,100,000	486,976	1,203,310	1,690,286
Parks and Recreation	2,000,000	2,000,000	0	0	0
Solid Waste Mgt Infrastructure	300,000	300,000	0	0	0
Senior Center	200,000	200,000	0	0	0
Fire Improvements	1,500,000	1,500,000	735	0	735
City of Dillard	400,000	400,000	400,000	0	400,000
City of Sky Valley	350,000	350,000	350,000	0	350,000
Mountain City	500,000	500,000	441,140	58,860	500,000
City of Tiger	450,000	450,000	441,140	8,860	450,000
City of Tallulah Falls	200,000	200,000	200,000	0	200,000
Total	$ 20,000,000	$ 20,000,000	$ 2,319,991	$ 1,271,030	$ 3,591,021

Current year SPLOST #6 Expenditures	$ 1,271,030
Debt proceeds expended	1,205,849
Total expenditures of the SPLOST #6 Capital Projects Fund	$ 2,476,879

* Estimated cost represents the portion of these projects to be financed with Special Purpose Local Option Sales Tax. Actual costs that are in excess of these amounts have been financed through alternative funds.

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