FINANCIAL STATEMENTS
AND
ADDITIONAL INFORMATION

WARE COUNTY, GEORGIA

For The Fiscal Year Ended June 30, 2008

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WARE COUNTY, GEORGIA
FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
For The Year Ending June 30, 2008

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Ware County, Georgia

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 Ware County, Georgia as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Ware County, Georgia's, management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Ware County Board of Health, which represents 2.41% and 31.16%, respectively, of the total assets and revenues of Ware County, Georgia. We did not audit the financial statements of the Okefenokee Area Development Authority, which represents 1.00% and .44% respectively, of the total assets and revenues of Ware County, Georgia. These financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for Ware County Board of Health and the Okefenokee Area Development Authority in the component units column, is based 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to in the first paragraph 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 Ware County, Georgia as of June 30, 2008, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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To the Board of Commissioners
Ware County, Georgia

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2008 on our consideration of Ware County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and budgetary comparison information on pages 3 through 13 and 55 through 63, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Ware County, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund statements, statistical tables and the Schedule of Projects Constructed With Special Sales Tax Proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis is 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 basic financial statements of Ware County, Georgia. The combining and individual nonmajor fund statements, the schedule of expenditures of federal awards and the Schedule of Projects Constructed With Special Sales Tax Proceeds have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Henderson & Godbee, LLP
Certified Public Accountants

Valdosta, Georgia
December 31, 2008

MANAGEMENT DISCUSSION AND ANALYSIS

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2008

As Management of Ware County, Georgia, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the year ending June 30, 2008. We encourage our readers to consider the information presented within this Management's discussion and analysis in conjunction with the basic financial statements. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Financial Highlights

Key financial highlights for FY08 are as follows:

The County's total net assets increased by $171,503 to $111,143,981, despite higher than expected fuel cost and health care cost. The County's investment in capital assets net of related debt is $102,053,746 and there is $10,095,541 of net assets that are restricted for various purposes, leaving a $1,005,306 deficit in unrestricted net assets.

At the end of the current year, the County's governmental funds reported an ending fund balance of $14,525,348, a decrease of $242,673 from the prior year fund balance. A large portion of the fund balance is reserved for various purposes in the amount of $12,991,474 and $1,533,874 is designated for property tax rollback, leaving no unreserved fund balance. The County is working toward having a positive unreserved fund balance to assure adequate cash reserves and to reduce tax anticipation loan balances.

Net assets for business-type activities increased $340,789 to $8,359,475.

The County spent most of their remaining SPLOST funds on road improvements as most other capital projects have been completed. A new six year SPLOST referendum was approved during FY08.

Overview of the Financial Statements

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

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

Government-Wide Financial Statements

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

Statement of Net Assets and the Statement of Activities

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

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

In the statement of net assets and the statement of activities, the County is divided into three kinds of activities:

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

Business-Type Activities—These services are provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The County's Emergency Telephone, Substance Center, Airport and Regional Landfill operations are reported here.

Component Units—The County's financial statements include financial data of the the Ware County Board of Health and the Okefenokee Area Development Authority. These component units are described in the notes to the financial statements. The component units are separate and may buy, sell, lease, and mortgage property in their own name and can sue or be sued in their own name.

Fund Financial Statements

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

The County's major governmental funds are the General Fund, the Capital Projects 1998 Special Purpose Sales Tax Fund and the Capital Projects 2003 Special Purpose Sales Tax Fund.

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

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements.

By doing so, readers may better understand the long-term effect of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

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

Proprietary Funds— Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements. The County uses enterprise funds to account for the Emergency Telephone, Substance Abuse Center, Airport and Regional Landfill. Internal Service funds are used to account for the financing of goods or services provided by one department to other departments of the County on a cost-reimbursement basis. The County used internal service funds to account for Workers Compensation and Health Insurance.

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

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

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

Government-Wide Financial Analysis

The following table reflects the condensed Statement of Net Assets for the years ending June 30, 2007 and 2008:

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2007	2008	2007	2008	2007	2008	2007-2008
Assets							
Current and other assets	$ 21.04	$ 22.58	$ (0.05)	$ (0.28)	$ 20.99	$ 22.30	6.24%
Capital assets, net	99.18	97.02	10.98	11.18	110.16	108.20	-1.78%
Total Assets	**120.22**	**119.60**	**10.93**	**10.90**	**131.15**	**130.50**	**-0.50%**
Liabilities							
Current and other liabilities	9.07	11.61	0.47	0.37	9.54	11.98	25.58%
Long-term liabilities	8.19	5.21	2.44	2.17	10.63	7.38	-30.57%
Total Liabilities	**17.26**	**16.82**	**2.91**	**2.54**	**20.17**	**19.36**	**-4.02%**
Net Assets							
Invested in capital assets, net of related debt	95.33	93.32	8.28	8.74	103.61	102.06	-1.50%
Restricted	10.12	10.09	-	-	10.12	10.09	-0.30%
Unrestricted	(2.49)	(0.63)	(0.26)	(0.38)	(2.75)	(1.01)	-63.27%
Total Net Assets	**$ 102.96**	**$ 102.78**	**$ 8.02**	**$ 8.36**	**$ 110.98**	**$ 111.14**	**0.14%**

As noted earlier, the County's net assets, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities by $111,143,981 ($102,784,506 in governmental activities and $8,359,475 in business-type activities) as of June 30, 2008. The largest portion of the County's net assets (92 percent) reflects its investment in capital assets (e.g., land and improvements, buildings and building improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Another 8% of net assets are restricted for use on capital projects.

An additional portion of the County's net assets (.7 percent) represents resources that are subject to other restrictions on how they can be used. The remaining balance of unrestricted assets is a deficit of $1,005,306.

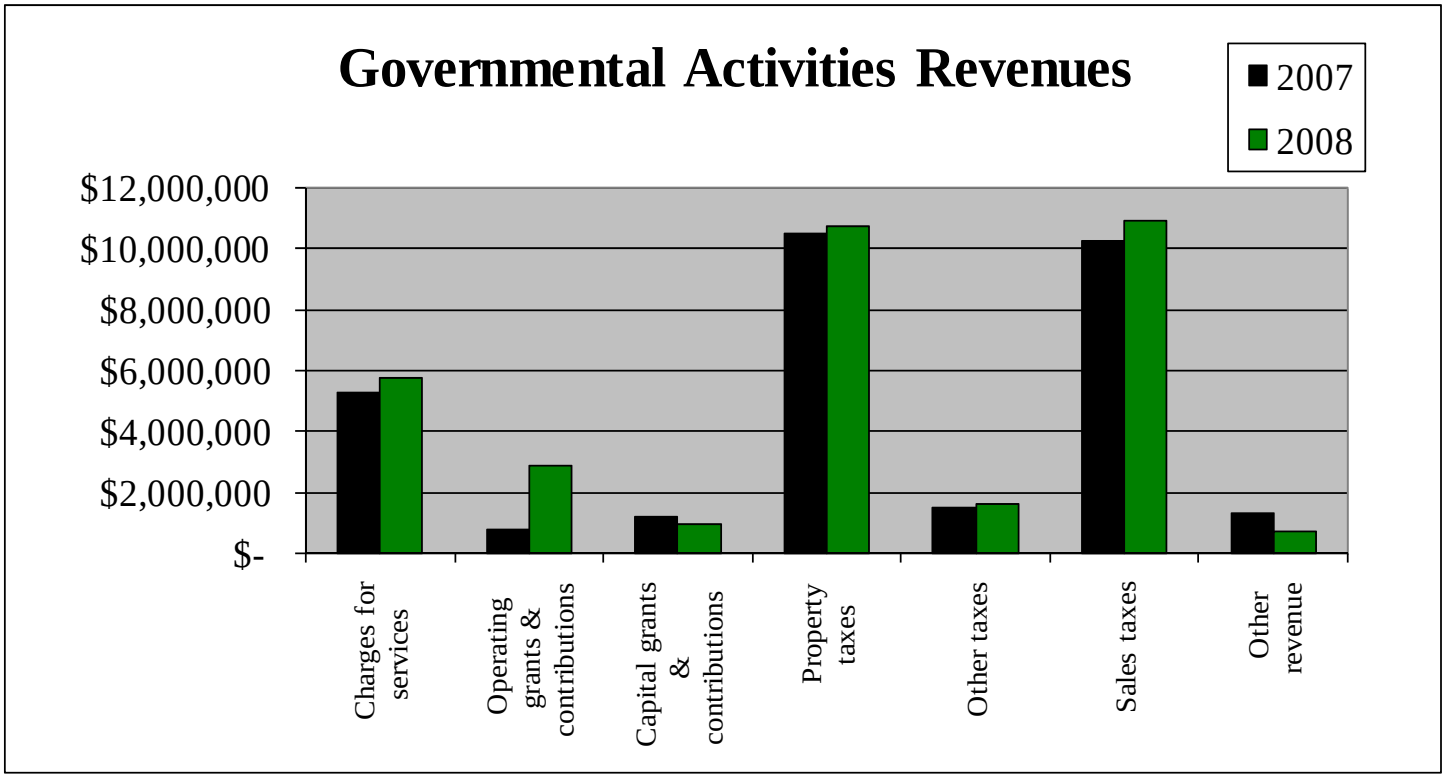
The next table shows the changes in net assets for the years ending June 30, 2008 and 2007:

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change	
	2007	2008	2007	2008	2007	2008	2007-2008	
Revenues								
Program Revenues								
Charges for services	$ 5.26	$ 5.74	$ 1.72	$ 1.31	$ 6.98	$ 7.05	1.00	%
Operating grants and contributions	0.79	2.90	-	-	0.79	2.90	267.09	%
Capital grants and contributions	1.22	0.94	0.95	0.44	2.17	1.38	(36.41)	%
Total Program Revenues	7.27	9.58	2.67	1.75	9.94	11.33	13.98	%
General Revenues								
Property taxes	10.49	10.75	-	-	10.49	10.75	2.48	%
Sales taxes	10.28	10.89	-	-	10.28	10.89	5.93	%
Occupation taxes	0.18	0.25	-	-	0.18	0.25	38.89	%
Other taxes	1.33	1.34	-	-	1.33	1.34	0.75	%
Investment earnings	0.56	0.52	-	-	0.56	0.52	(7.14)	%
Miscellaneous	0.76	0.17	0.03	0.02	0.79	0.19	(75.95)	%
Total General Revenues	23.60	23.92	0.03	0.02	23.63	23.94	1.31	%
Total Revenues	**30.87**	**33.50**	**2.70**	**1.77**	**33.57**	**35.27**	**5.06**	**%**

Overall revenues grew for governmental funds in FY08. The largest dollar growth in revenues came from property and sales taxes.

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2007	2008	2007	2008	2007	2008	2007-2008
Expenses							
Governmental Activities:							
General Government							
Legislative and executive	$ 3.54	$ 4.92	$ -	$ -	$ 3.54	$ 4.92	38.98 %
Judicial	2.63	2.86	-	-	2.63	2.86	8.75 %
Public safety	11.34	13.90	-	-	11.34	13.90	22.57 %
Public works	13.24	8.03	-	-	13.24	8.03	(39.35) %
Health and welfare	0.94	0.85	-	-	0.94	0.85	(9.57) %
Culture and recreation	1.45	1.59	-	-	1.45	1.59	9.66 %
Housing and development	0.41	0.65	-	-	0.41	0.65	58.54 %
Interest on long-term debt	0.39	0.33	-	-	0.39	0.33	(15.38) %
Business-type Activities:							
Emergency telephone	-	-	0.70	0.87	0.70	0.87	24.29 %
Substance abuse	-	-	0.15	0.13	0.15	0.13	(13.33) %
Airport	-	-	1.21	0.98	1.21	0.98	(19.01) %
Regional landfill	-	-	0.03	-	0.03	-	100.00 %
Total Expenses	**33.94**	**33.13**	**2.09**	**1.98**	**36.03**	**35.11**	**(2.55)** %
Revenue Over (Under) Expenses	**(3.07)**	**0.37**	**0.61**	**(0.21)**	**(2.46)**	**0.16**	**(106.50)**
Transfers	(0.58)	(0.55)	0.58	0.55	-	-	- %
Increase (Decrease) in Net Assets	**(3.65)**	**(0.18)**	**1.19**	**0.34**	**(2.46)**	**0.16**	**(106.50)** %
Net Assets, Beginning	106.60	102.96	6.83	8.02	113.43	110.98	(2.16) %
Net Assets, Ending	**$ 102.96**	**$ 102.78**	**$ 8.02**	**$ 8.36**	**$ 110.97**	**$ 111.14**	**0.15** %

Government Activities

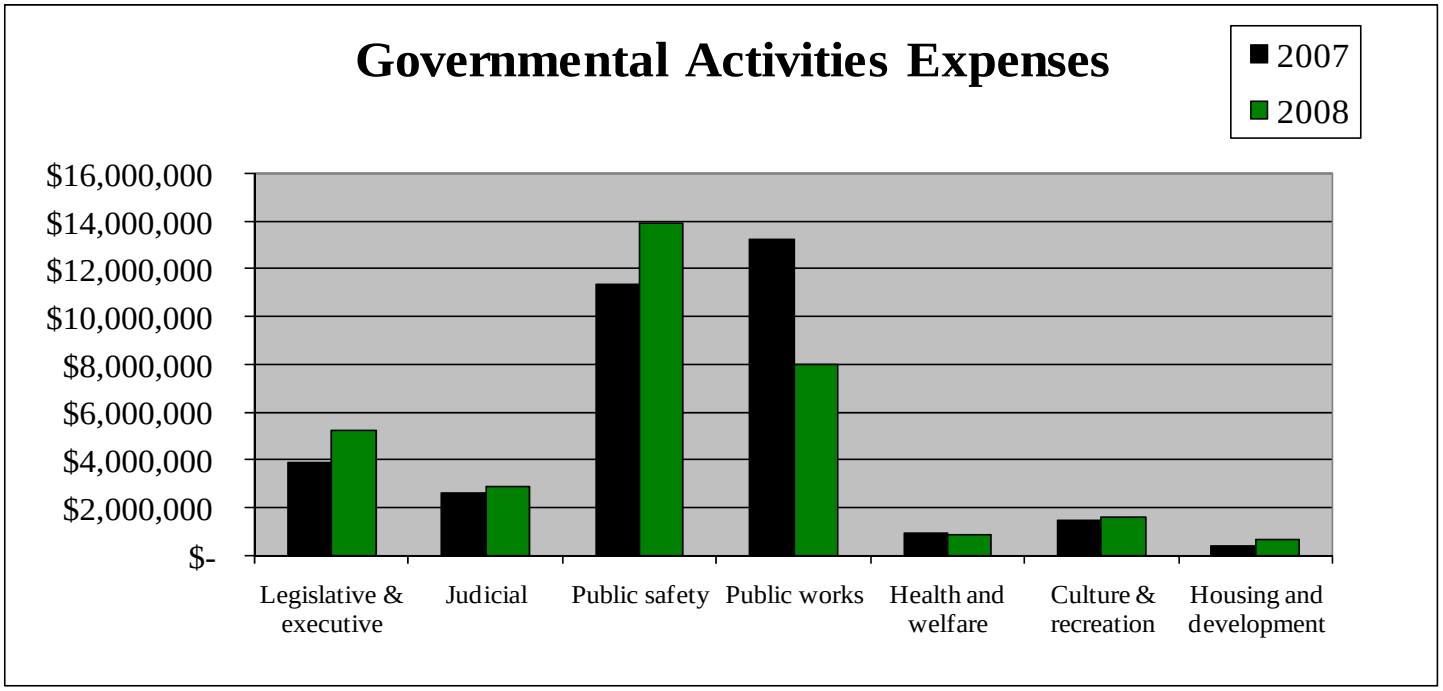


The largest portion of the County's program revenue is from charges for services which accounted for $5,745,677 or 60% of total program revenues. These charges include licenses and permits, fines and forfeitures related to judicial activity, fees for real estate transfers, fees associated with the collection of property taxes and fees charged through various County governmental departments.

Property tax revenues are the major contributor to general revenues and account for $10,750,867 or 45% of total general revenues. Another major component was sales taxes, which accounted for $10,893,361 or 45% of total general revenues.

Government Activities – Continued

The following chart compares governmental activities expenses for the year ending June 30, 2007 and 2008:



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

Net Cost of Ware County's Governmental Activities

(in millions of dollars)

Function	Total Cost of Services 2007	Total Cost of Services 2008	Percentage Change 2007-2008	Net Cost of Services 2007	Net Cost of Services 2008	Percentage Change 2007-2008
General Government						
Legislative and executive	$ 3.54	$ 4.92	38.98 %	$ 3.00	$ 4.43	47.68 %
Judicial	2.63	2.86	8.75 %	1.08	1.18	9.47 %
Public safety	11.34	13.90	22.57 %	8.20	8.26	0.68 %
Public works	13.24	8.03	(39.35) %	12.09	7.76	(35.79) %
Health and welfare	0.94	0.85	(9.57) %	0.44	0.60	36.91 %
Culture and recreation	1.45	1.59	9.66 %	1.16	1.32	13.58 %
Housing and development	0.41	0.65	58.54 %	0.29	0.00	100.00 %
Interest on long-term debt	0.39	0.33	(15.38) %	0.39	0.33	(14.97) %
Total	**$ 33.94**	**$ 33.13**	**(2.39)** %	**$ 26.65**	**$ 23.55**	**(11.62)** %

Business-Type Activities

The net assets for business-type activities increased by $340,789 during the year ending June 30, 2008. The major source of revenue was from charges for services which amounted to $1,307,402.

Financial Analysis of County Funds

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

Governmental Funds

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

As of June 30, 2008, the County's governmental funds reported a combined ending fund balance of $14,525,348 a decrease of $242,673. Most of the of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed to a variety of other restricted purposes. An amount of $1,533,874 is designated for a property tax roll back from prior year local option sales tax.

Major Funds

The General Fund is the primary operating fund of the County. At the end of June 30, 2008, the unreserved fund balance was $0 while total fund balance was $ 1,629,807. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Total fund balance represents 6.2 percent of the total fund expenditures.

The Capital Projects 1998 SPLOST Fund expended $1,056,000 in capital improvement funds decreasing the fund balance after investment income and miscellaneous revenue from $2,429,722 to $1,445,304 which is restricted for capital projects.

The Capital Projects 2003 SPLOST Fund expended $5,954,399 in capital improvement funds and debt service and received $7,623,053 in sales tax and investment income. The revenue exceeded expenditures resulting in an increase in the fund balance by $1,668,654 to $10,576,561, which is restricted for capital projects.

Enterprise Funds

The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Emergency Telephone Fund oversees the operations of the 911 call center. The fund is supported by fees assessed to all telephone users and assistance from the County general fund.

The Regional Landfill Fund oversees the operations of a landfill that was constructed but never opened.

The Substance Abuse Center Fund oversees the rental and payment of bonded indebtedness for a substance abuse facility.

The Airport Fund oversees the operations of the airport. The fund is supported by charges for services and assistance from the County general fund.

Budgetary Highlights

By State statute, the Board of County Commissioners adopts the annual operating budget for the County on or before the first day of the fiscal year.

For the General Fund, changes from the original to the final budget created no net change in fund balance. The budget changes were for personnel changes and capital outlay changes during the year and were all covered by higher than expected revenues. For the Special Revenue Funds, changes from the original to the final budget were due to higher than expected expenditures of current revenues and prior year fund balances.

Capital Assets

The County's investment in capital assets for governmental and business-type activities as of June 30, 2008, was $108,198,194 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure.

Major capital asset events during FY08 included continued improvements to roads.

Note 7 (Capital Assets) provides additional information about capital asset activity during FY08.

Debt

At June 30, 2008 the County had total general obligation bonded debt outstanding of $3,680,000. Revenue bonds of $880,000 are expected to be repaid from business-type activities and the balance of $2,800,000 is to be repaid from the 2003 Special Purpose Local Option Tax. Other outstanding debt included a TAN loan payable of $3,800,000 and capital leases of $5,264,448.

In addition to the bonded debt, the County's long-term obligations include compensated absences and closure/postclosure liability. Additional information on the County's long-term debt can be found in Notes 14 to 17 of this report.

Economic Factors

The gross tax digest growth grew by 12% but due to the growth of exemptions, the taxable digest grew by 11.4%.

Retail sales continued showing growth, resulting in an increase of 5.9% in sales tax revenues.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Ware County Clerk, P.O. Box 1079, Waycross, GA 31502.

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BASIC FINANCIAL STATEMENTS

WARE COUNTY, GEORGIA
STATEMENT OF NET ASSETS
June 30, 2008

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total Primary Government	Okefenokee Area Development Authority	Ware County Board of Health	Total Reporting Entity
ASSETS						
Cash	$ 9,470,884	$ 904,438	$ 10,375,322	$ 47,114	$ 1,319,210	$ 11,741,646
Investments	954,679	-	954,679	-	-	954,679
Government investment pool	1,180	-	1,180	-	-	1,180
Receivables (net of allowance for doubtful accounts):						
Taxes	490,120	-	490,120	-	-	490,120
Accounts	1,044,120	106,395	1,150,515	454,240	-	1,604,755
Sales tax	1,937,039	-	1,937,039	-	-	1,937,039
Internal balances	1,410,500	(1,410,500)	-	-	-	-
Due from other governments	2,697,505	-	2,697,505	-	1,272,962	3,970,467
Inventory	95,933	88,543	184,476	-	-	184,476
Deferred bond issue cost	-	26,768	26,768	-	-	26,768
Restricted cash and cash investments	4,268,075	-	4,268,075	-	-	4,268,075
Deferred expense	209,678	-	209,678	1,100	-	210,778
Nondepreciable capital assets	9,400,730	6,043,810	15,444,540	770,000	-	16,214,540
Depreciable capital assets, net	87,622,175	5,131,479	92,753,654	76,162	658,051	93,487,867
TOTAL ASSETS	119,602,618	10,890,933	130,493,551	1,348,616	3,250,223	135,092,390

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

WARE COUNTY, GEORGIA
STATEMENT OF NET ASSETS - CONTINUED
June 30, 2008

	Primary Government			Component Units		
	Governmental Activities	Business-Type Activities	Total Primary Government	Okefenokee Area Development Authority	Ware County Board of Health	Total Reporting Entity
LIABILITIES						
Accounts payable	2,827,992	27,174	2,855,166	7,350	-	2,862,516
Estimated health claims payable	345,866	-	345,866	-	-	345,866
Accrued wages	439,447	-	439,447	3,598	-	443,045
Accrued liabilities	48,056	23,145	71,201	2,457	-	73,658
Due to other governments	9,173	-	9,173	-	723,842	733,015
Deferred revenue	81,993	-	81,993	-	-	81,993
Long-term liabilities:						
Due within one year:						
Compensated absences payable	463,493	24,869	488,362	-	61,603	549,965
Capital lease obligations	445,451	198,704	644,155	-	-	644,155
Bonds payable	2,800,000	75,000	2,875,000	-	-	2,875,000
Notes payable	3,800,000	-	3,800,000	8,355	-	3,808,355
Landfill postclosure cost	41,660	-	41,660	-	-	41,660
Due in more than one year						
Compensated absences payable	308,996	16,579	325,575	-	41,068	366,643
Capital lease obligations	3,259,306	1,360,987	4,620,293	-	-	4,620,293
Bonds payable	-	805,000	805,000	-	-	805,000
Due to other governments	-	-	-	814,358	-	814,358
Notes payable	-	-	-	164,691	-	164,691
Landfill postclosure cost	1,946,679	-	1,946,679	-	-	1,946,679
TOTAL LIABILITIES	16,818,112	2,531,458	19,349,570	1,000,809	826,513	21,176,892
NET ASSETS						
Invested in capital assets, net of related debt	93,318,148	8,735,598	102,053,746	76,162	658,051	102,787,959
Restricted for:						
Drug education and treatment	125,801	-	125,801	-	-	125,801
Fire protection	20,945	-	20,945	-	-	20,945
Capital projects	9,272,534	-	9,272,534	-	-	9,272,534
Jail operations	204,800	-	204,800	-	-	204,800
Drug enforcement operations	90,370	-	90,370	-	-	90,370
Law library	85,527	-	85,527	-	-	85,527
Victim assistance	295,564	-	295,564	-	-	295,564
Prior year program fee income	-	-	-	-	904,377	904,377
Unrestricted	(629,183)	(376,123)	(1,005,306)	271,645	861,282	127,621
TOTAL NET ASSETS	$ 102,784,506	$ 8,359,475	$ 111,143,981	$ 347,807	$ 2,423,710	$ 113,915,498

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

WARE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2008

FUNCTION/PROGRAM	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants, Contributions, and Interest	Program Revenues: Capital Grants, Contributions, and Interest
GOVERNMENTAL ACTIVITIES				
General Government				
Legislative and Executive	$ 4,921,263	$ 511,970	$ 67,121	$ -
Judicial	2,861,024	1,428,204	250,515	-
Public Safety	13,901,268	3,400,943	2,369,228	63,193
Public Works	8,022,100	10,070	50,000	254,638
Health and Welfare	849,163	146,854	99,884	-
Culture and Recreation	1,593,246	246,121	350	29,233
Housing and Development	650,277	-	60,000	589,034
Interest on Long-term Debt	331,626	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	33,129,967	5,744,162	2,897,098	936,098
BUSINESS-TYPE ACTIVITIES				
Emergency Telephone	870,332	589,812	-	-
Substance Abuse Center	132,386	144,600	-	-
Airport	975,663	572,990	3,959	440,125
Regional Landfill	-	-	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	1,978,381	1,307,402	3,959	440,125
TOTAL PRIMARY GOVERNMENT	$ 35,108,348	$ 7,051,564	$ 2,901,057	$ 1,376,223
COMPONENT UNITS				
Okefenokee Area Development Authority	$ 222,104	$ -	$ 185,358	$ -
Ware County Board of Health	15,595,392	926,527	14,343,936	-
TOTAL COMPONENT UNITS	$ 15,817,496	$ 926,527	$ 14,529,294	$ -
GENERAL REVENUES				
Property Taxes Levied for:				
General Operating				
Alcoholic Beverage Taxes				
Occupational Taxes				
Franchise Taxes				
Insurance Premium Taxes				
Sales Taxes				
Premium On Bonds Sold				
Surplus Sales				
Miscellaneous				
Interest				
TOTAL GENERAL REVENUES				
TRANSFERS IN (OUT)				
CHANGES IN NET ASSETS				
BEGINNING NET ASSETS				
NET ASSETS AT END OF YEAR				

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

Net (Expense) Revenue and Changes in Net Assets					
Primary Government			Component Units		
Governmental Activities	Business-Type Activities	Total	Okefenokee Area Development Authority	Ware County Board of Health	
$ (4,342,172)	$ -	$ (4,342,172)	$ -	$ -	
(1,182,305)	-	(1,182,305)	-	-	
(8,067,904)	-	(8,067,904)	-	-	
(7,707,392)	-	(7,707,392)	-	-	
(602,425)	-	(602,425)	-	-	
(1,317,542)	-	(1,317,542)	-	-	
(1,243)	-	(1,243)	-	-	
(331,626)	-	(331,626)	-	-	
(23,552,609)	-	(23,552,609)	-	-	
-	(280,520)	(280,520)	-	-	
-	12,214	12,214	-	-	
-	41,411	41,411	-	-	
-	-	-	-	-	
-	(226,895)	(226,895)	-	-	
$ (23,552,609)	$ (226,895)	$ (23,779,504)	$ -	$ -	
$ -	$ -	$ -	$ (36,746)	$ -	
-	-	-	-	(324,929)	
$ -	$ -	$ -	$ (36,746)	$ (324,929)	
10,750,867	-	10,750,867	-	-	
206,214	-	206,214	-	-	
248,316	-	248,316	-	-	
158,729	-	158,729	-	-	
978,065	-	978,065	-	-	
10,893,361	-	10,893,361	-	-	
113,201	-	113,201	-	-	
1,102	-	1,102	5,500	-	
56,114	600	56,714	2,601	-	
524,646	19,792	544,438	21,184	-	
23,930,615	20,392	23,951,007	29,285	-	
(547,292)	547,292	-	-	-	
(169,286)	340,789	171,503	(7,461)	(324,929)	
102,953,792	8,018,686	110,972,478	355,268	2,748,639	
$ 102,784,506	$ 8,359,475	$ 111,143,981	$ 347,807	$ 2,423,710	

WARE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2008

	General	Capital Project Funds: 1998 SPLOST	Capital Project Funds: 2003 SPLOST	Other Governmental Funds	Total
ASSETS					
Cash	$ 2,833,265	$ 496,182	$ 9,286,066	$ 931,835	$ 13,547,348
Investments	-	954,679	-	-	954,679
Government investment pool	1,180	-	-	-	1,180
Receivables (net of allowance for doubtful accounts)					
Taxes	490,120	-	-	-	490,120
Accounts	855,465	-	-	74,587	930,052
Sales Tax	663,354	-	1,273,685	-	1,937,039
Inventory	95,933	-	-	-	95,933
Deferred expense	151,691	-	-	-	151,691
Due from other governments	2,325,323	-	-	372,182	2,697,505
Interfund receivable	1,695,810	-	260,218	35	1,956,063
TOTAL ASSETS	$ 9,112,141	$ 1,450,861	$ 10,819,969	$ 1,378,639	$ 22,761,610

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

WARE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET - CONTINUED
June 30, 2008

	General	Capital Project Funds: 1998 SPLOST	Capital Project Funds: 2003 SPLOST	Other Governmental Funds	Total
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 2,501,792	$ 5,557	$ 243,408	$ 53,057	$ 2,803,814
Accrued liabilities	485,254	-	-	2,248	487,502
Due to other governments	-	-	-	9,173	9,173
Interfund payable	281,099	-	-	358,928	640,027
Deferred revenue	414,189	-	-	81,557	495,746
Note payable	3,800,000	-	-	-	3,800,000
TOTAL LIABILITIES	7,482,334	5,557	243,408	504,963	8,236,262
FUND BALANCES					
Reserved for drug education and treatment	-	-	-	125,801	125,801
Reserved for fire protection	-	-	-	20,945	20,945
Reserved for capital projects	-	1,445,304	10,576,561	50,669	12,072,534
Reserved for jail operations	-	-	-	204,800	204,800
Reserved for drug enforcement operations	-	-	-	90,370	90,370
Reserved for law library	-	-	-	85,527	85,527
Reserved for victim assistance	-	-	-	295,564	295,564
Reserved for inventory	95,933	-	-	-	95,933
Unreserved:					
Designated for property tax roll back	1,533,874	-	-	-	1,533,874
Undesignated, reported in:					
General Fund	-	-	-	-	-
TOTAL FUND BALANCES	1,629,807	1,445,304	10,576,561	873,676	14,525,348
TOTAL LIABILITIES AND FUND BALANCES	$ 9,112,141	$ 1,450,861	$ 10,819,969	$ 1,378,639	$ 22,761,610

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

WARE COUNTY, GEORGIA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
June 30, 2008

Total Governmental Funds Balances	$ 14,525,348
Amounts reported for governmental activities on the statement of net assets are different because of the following:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	97,022,906
Internal service funds are used by management to charge the cost of certain activities, such as health insurance and workers compensation to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the government-wide statement of net assets.	
Net assets	88,084
Revenues are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
Deferred revenue	413,753
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Landfill postclosure cost	(1,988,339)
Compensated absences payable	(772,489)
Capital leases payable	(3,704,757)
Bonds payable	(2,800,000)
Net Assets of Governmental Activities	$ 102,784,506

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

WARE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For The Year Ended June 30, 2008

		Capital Project Funds			
	General	1998 SPLOST	2003 SPLOST	Other Governmental Funds	Total
REVENUES:					
Taxes	$ 15,728,872	$ -	$ 7,391,211	$ -	$ 23,120,083
Licenses and permits	248,316	-	-	-	248,316
Intergovernmental revenues	2,667,297	-	-	954,952	3,622,249
Charges for services	4,272,574	-	-	403,557	4,676,131
Fines and forfeitures	763,525	-	-	337,125	1,100,650
Investment income	153,108	49,082	231,842	18,242	452,274
Miscellaneous	94,640	22,500	-	-	117,140
TOTAL REVENUES	$ 23,928,332	$ 71,582	$ 7,623,053	$ 1,713,876	$ 33,336,843
EXPENDITURES					
Current					
General Government					
Legislative and executive	4,825,642	-	-	52,699	4,878,341
Judicial	2,624,224	-	-	264,303	2,888,527
Public safety	13,126,196	-	-	528,780	13,654,976
Public works	2,405,824	-	-	-	2,405,824
Health and welfare	735,181	-	-	112,283	847,464
Culture and recreation	1,408,165	-	-	-	1,408,165
Housing and development	376,927	-	-	592,078	969,005
Capital Outlay	-	1,056,000	5,424,510	-	6,480,510
Debt Service					
Principal retirement	425,882	-	-	-	425,882
Interest	164,826	-	-	-	164,826
TOTAL EXPENDITURES	26,092,867	1,056,000	5,424,510	1,550,143	34,123,520
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,164,535)	(984,418)	2,198,543	163,733	(786,677)
OTHER FINANCING SOURCES (USES):					
CAPITAL LEASE FINANCING	1,091,296	-	-	-	1,091,296
TRANSFER IN	645,889	-	-	-	645,889
TRANSFER OUT	(517,020)	-	(529,889)	(146,272)	(1,193,181)
TOTAL OTHER FINANCING SOURCES (USES)	1,220,165	-	(529,889)	(146,272)	544,004
NET CHANGES IN FUND BALANCE	(944,370)	(984,418)	1,668,654	17,461	(242,673)
BEGINNING FUND BALANCE	2,574,177	2,429,722	8,907,907	856,215	14,768,021
FUND BALANCES AT END OF YEAR	$ 1,629,807	$ 1,445,304	$ 10,576,561	$ 873,676	$ 14,525,348

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

WARE COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2008

Net Change in Fund Balances - Total Governmental Funds		$ (242,673)
Amounts reported for governmental activities on the statement of activities are different because of the following:		
Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year:		
Capital outlay - construction in progress	2,751,464	
Capital outlay - depreciable capital assets	530,642	
Depreciation	(5,432,150)	
		(2,150,044)
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:		
Property taxes	57,931	
		57,931
Capital leases funds are reported as other financing sources in governmental funds		
Other financing sources from capital leases		(1,091,296)
Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Internal service funds	41,783	
Landfill postclosure cost	37,947	
Compensated absences	(51,191)	
		28,539
Bond premiums increase bond proceeds in governmental funds, but are amortized over the life of the bonds on the statement of activities		
Amortization of bond premium	113,201	
		113,201
Bond issuance costs reduce bond proceeds in governmental funds, but are amortized over the life of the bonds on the statement of activities		
Amortization of bond premium	(50,826)	
		(50,826)
Repayment of principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of activities.		
Bond principle payments	2,740,000	
Capital lease principle payments	425,882	
		3,165,882
Changes in Net Assets of Governmental Activities		$ (169,286)

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

WARE COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
June 30, 2008

	Business-Type Activities-Enterprise Funds					Governmental Activities
	Emergency Telephone	Substance Abuse Center	Airport	Regional Landfill	Total	Internal Service Funds
ASSETS						
CURRENT ASSETS						
Cash	$ 362,909	$ 14,296	$ 527,233	$ -	$ 904,438	$ 251,734
Receivables (net of allowance for doubtful accounts):						
Accounts	85,910	-	20,485	-	106,395	114,068
Interfund receivable	1,566	-	31,508	-	33,074	294,463
Prepaid expenses	-	-	-	-	-	57,987
Inventory	-	-	88,543	-	88,543	-
TOTAL CURRENT ASSETS	450,385	14,296	667,769	-	1,132,450	718,252
NONCURRENT ASSETS						
Deferred bond issue cost	-	26,768	-	-	26,768	-
Capital Assets						
Land	-	-	1,043,408	-	1,043,408	-
Construction in progress	-	-	1,523,701	3,476,701	5,000,402	-
Depreciable capital assets, net	218,949	764,593	4,147,937	-	5,131,479	-
TOTAL NONCURRENT ASSETS	218,949	791,361	6,715,046	3,476,701	11,202,057	-
TOTAL ASSETS	669,334	805,657	7,382,815	3,476,701	12,334,507	718,252

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

WARE COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS - CONTINUED
June 30, 2008

	Business-Type Activities-Enterprise Funds					Governmental Activities
	Emergency Telephone	Substance Abuse Center	Airport	Regional Landfill	Total	Internal Service Funds
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable	18,999	-	8,175	-	27,174	84,301
Accrued expenses	-	-	3,817	-	3,817	345,866
Current portion of compensated absences payable	21,955	-	2,914	-	24,869	-
Accrued interest payable	-	19,328	-	-	19,328	-
Interfund payable	631,144	-	679,973	132,457	1,443,574	200,000
Current portion of capital lease obligations	65,690	-	133,014	-	198,704	-
Current portion of bonds payable	-	75,000	-	-	75,000	-
TOTAL CURRENT LIABILITIES	737,788	94,328	827,893	132,457	1,792,466	630,167
LONG-TERM LIABILITIES						
Compensated absences payable	14,636	-	1,943	-	16,579	-
Capital lease obligations	123,785	-	1,237,202	-	1,360,987	-
Bonds payable	-	805,000	-	-	805,000	-
TOTAL LONG-TERM LIABILITIES	138,421	805,000	1,239,145	-	2,182,566	-
TOTAL LIABILITIES	876,209	899,328	2,067,038	132,457	3,975,032	630,167
NET ASSETS						
Invested in capital assets, net of related debt	29,474	(115,407)	5,344,830	3,476,701	8,735,598	-
Unrestricted	(236,349)	21,736	(29,053)	(132,457)	(376,123)	88,085
TOTAL NET ASSETS	$ (206,875)	$ (93,671)	$ 5,315,777	$ 3,344,244	$ 8,359,475	$ 88,085

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

WARE COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET ASSETS
For The Year Ended June 30, 2008

	Business-Type Activities-Enterprise Funds					Governmental Activities
	Emergency Telephone	Substance Abuse Center	Airport	Regional Landfill	Total	Internal Service Funds
OPERATING REVENUES						
Charges for services	$ 589,812	$ 144,600	$ 572,990	$ -	$ 1,307,402	$ 3,840,530
Contributions	-		3,959	-	3,959	224,433
Miscellaneous	-	-	600	-	600	-
TOTAL OPERATING REVENUES	589,812	144,600	577,549	-	1,311,961	4,064,963
OPERATING EXPENSES						
Personal services	442,008	-	83,573	-	525,581	-
Payroll taxes	30,580	-	5,983	-	36,563	-
Fringe benefits	137,490	-	17,266	-	154,756	-
Contractual services	171,861	-	113,047	-	284,908	-
Materials and supplies	8,594	-	484,539	-	493,133	-
Claims paid	-	-	-	-	-	3,450,242
Other services and charges	22,671	18,337	-	-	41,008	581,132
Amortization of bond issue cost	-	3,074	-	-	3,074	-
Depreciation	25,381	50,412	212,453	-	288,246	-
TOTAL OPERATING EXPENSES	838,585	71,823	916,861	-	1,827,269	4,031,374
OPERATING INCOME (LOSS)	(248,773)	72,777	(339,312)	-	(515,308)	33,589
NON-OPERATING REVENUES (EXPENSES)						
Interest income	8,258	347	11,187	-	19,792	8,194
Intergovernmental revenue	1,000	-	439,125	-	440,125	-
Interest expense	(31,747)	(60,563)	(58,802)	-	(151,112)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(22,489)	(60,216)	391,510	-	308,805	8,194
INCOME (LOSS) BEFORE TRANSFERS	(271,262)	12,561	52,198	-	(206,503)	41,783
TRANSFERS IN (OUT)	239,900	-	307,392	-	547,292	-
CHANGE IN NET ASSETS	(31,362)	12,561	359,590	-	340,789	41,783
NET ASSETS AT BEGINNING OF YEAR	(175,513)	(106,232)	4,956,187	3,344,244	8,018,686	46,302
NET ASSETS AT END OF YEAR	$ (206,875)	$ (93,671)	$ 5,315,777	$ 3,344,244	$ 8,359,475	$ 88,085

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

WARE COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For The Year Ended June 30, 2008

	Business-Type Activities-Enterprise Funds					Governmental Activities-Internal Service Funds
	Emergency Telephone	Substance Abuse Center	Airport	Regional Landfill	Total	
Increase (Decrease) in Cash and Cash Equivalents						
Cash Flows From Operating Activities						
Cash received from customers	$ 601,188	$ 144,600	$ 592,185	$ -	$ 1,337,973	$ 4,167,300
Cash received from interfund transactions	113,391	-	18,580	-	131,971	(336,665)
Cash payments for personal services	(591,156)	-	(109,216)	-	(700,372)	(3,296,010)
Cash payments for contractual services	(171,861)	(18,337)	(113,047)	-	(303,245)	-
Cash payments for other services and charges	(22,671)	-	-	-	(22,671)	(630,552)
Cash payments for interfund transactions	-	-	(225,700)	-	(225,700)	-
Cash payments for materials and supplies	(8,594)	-	(676,923)	-	(685,517)	-
Net Cash Provided by (Used for) Operating Activities	(79,703)	126,263	(514,121)	-	(467,561)	(95,927)
Cash Flows From Noncapital Financing Activities						
Cash received from transfer-in	239,900	-	277,120	-	517,020	-
Net Cash From Noncapital Financing Activities	239,900	-	277,120	-	517,020	-
Cash Flows From Capital and Related Financing Activities						
Cash received from intergovernmental revenue	1,000	-	471,184	-	472,184	
Cash payments for the construction of capital assets	-	-	(314,031)	-	(314,031)	-
Cash payments for principle on debt	(66,211)	(70,000)	(127,700)	-	(263,911)	-
Cash payments for interest on debt	(31,747)	(62,100)	(58,802)	-	(152,649)	-
Net Cash Used For Capital and Related Financing Activities	(96,958)	(132,100)	(29,349)	-	(258,407)	-
Cash Flows From Investing Activities						
Cash received from interest	8,258	347	11,187	-	19,792	8,194
Net Cash Flows Provided By Investing Activities	8,258	347	11,187	-	19,792	8,194
Net Increase (Decrease) in Cash and Cash Equivalents	71,497	(5,490)	(255,163)	-	(189,156)	(87,733)
Cash and Cash Equivalents at Beginning of Year	291,412	19,786	782,396	-	1,093,594	339,467
Cash and Cash Equivalents at End of Year	$ 362,909	$ 14,296	$ 527,233	$ -	$ 904,438	$ 251,734

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

WARE COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS - CONTINUED
For The Year Ended June 30, 2008

	Business-Type Activities-Enterprise Funds					Governmental Activities-Internal Service Funds
	Emergency Telephone	Substance Abuse Center	Airport	Regional Landfill	Total	
Reconciliation of Operating Income (Loss) To Net Cash Provided by (Used For) Operating Activities						
Operating Income (Loss)	$ (248,773)	$ 72,777	$ (339,312)	$ -	$ (515,308)	$ 33,589
Adjustments to Reconcile Operating Income (Loss) To Net Cash Provided by (Used For) Operating Activities						
Depreciation	25,381	50,412	212,453	-	288,246	-
Amortization	-	3,074	-	-	3,074	-
Changes in Assets and Liabilities:						
(Increase) decrease in accounts receivable	11,376	-	18,595	44,027	73,998	(97,663)
(Increase) decrease in inventory	-	-	(29,542)	-	(29,542)	-
(Increase) decrease in prepaid items	-	-	-	-	-	(1,596)
(Increase) decrease in interfund receivable	1,734	-	18,580	-	20,314	(294,463)
Increase (decrease) in accounts payable	(136,010)	-	(162,842)	-	(298,852)	12,299
Increase (decrease) in compensated absences payable	18,922	-	(2,134)	-	16,788	-
Increase (decrease) in interfund payable	247,667	-	(225,700)	(44,027)	(22,060)	157,798
Increase (decrease) in deferred revenues	-	-	(3,959)	-	(3,959)	-
Increase (decrease) in accrued expenses	-	-	(260)	-	(260)	94,109
Net Cash Provided By (Used For) Operating Activities	$ (79,703)	$ 126,263	$ (514,121)	$ -	$ (467,561)	$ (95,927)

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

WARE COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2008

	Agency Funds
ASSETS	
Cash	$ 1,060,856
Due from others	156
TOTAL ASSETS	$ 1,061,012
LIABILITIES	
Due to others governments	$ 105,532
Due to others	955,480
TOTAL LIABILITIES	1,061,012
NET ASSETS	$ -

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

Note 1 – Reporting Entity

These financial statements present Ware County, Georgia (the primary government) which is governed by an elected five - member board, Ware County Board of Health and the Okefenokee Area Development Authority which are discretely presented component units. Also included are five elected constitutional officers: Clerk of the Superior Court, Sheriff, Tax Commissioner, Probate Judge and Magistrate Judge.

The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

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

Joint Ventures

Based on the criteria of GASB 2100, the following entities are considered joint venture organizations between the City of Waycross and Ware County:

The Southeast Georgia Regional Development Center is a joint venture of the members in the South Georgia 8 county area. Further information is provided in Note 22.

Component Units

Based on the criteria of GASB 2100, the following entities are considered a component unit of Ware County, Georgia:

The Ware County Board of Health is a component unit based on the criteria of the County appointing a voting majority to the board and the County's ability to impose its will upon the Ware County Board of Health. The financial statements for the Ware County Board of Health are presented in these financial statements using the method of discrete presentation. The Ware County Board of Health fiscal year end is June 30. A complete set of financial statements for the Ware County Board of Health is presented in a separate report and can be obtained from the Ware County Board of Health, 1101 Church Street, Waycross, Georgia 31501.

The Okefenokee Area Development Authority is a component unit based on the criteria of the County appointing a voting majority to the board. The financial statements for the Okefenokee Area Development Authority are presented in these financial statements using the method of discrete presentation. The Okefenokee Area Development Authority fiscal year end is December 31. A complete set of financial statements for the Okefenokee Area Development Authority is presented in a separate report and can be obtained from the Okefenokee Area Development Authority, 402 Elizabeth Street, Waycross, Georgia 31501.

Note 1 – Reporting Entity – Continued

Related Organizations

The Ware County Board of Commissioners are also responsible for appointing board members to other organizations, but the County's accountability for these organizations does not extend beyond making appointments. The Commissioners appoint members to the boards of the Clean Community Committee, Satilla Community Services Board, South Georgia Regional Community Services Board, Ware County Airport Advisory Committee, Ware County Department of Family and Children Services Board, Ware County Forestry Board, Ware County Hospital Authority, Ware County Recreation Board, Ware County Tax Assessors Board, Waycross-Ware County Board of Zoning Appeals, Waycross-Ware County Development Authority, Waycross-Ware County Library Board and the Waycross Ware County Planning Commission.

Note 2 - Summary of Significant Accounting Policies

The financial statements of Ware County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County has elected to apply Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989, to its business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements.

The following are the more significant of the County's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

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

Note 2 - Summary of Significant Accounting Policies - Continued

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

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

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

Capital Projects Special Sales Tax 1998 Fund. The Capital Projects Special Sales Tax 1998 Fund accounts for the special purpose local option sales tax that was renewed for the fourth time by referendum. The revenue is restricted to the stated purposes of the referendum.

Capital Projects Special Sales Tax 2003 Fund. The Capital Projects Special Sales Tax 2003 Fund accounts for the special purpose local option sales tax that was renewed for the fifth time by referendum. The revenue is restricted to the stated purposes of the referendum.

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

Note 2 - Summary of Significant Accounting Policies - Continued

Proprietary Funds

Proprietary Fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principle ongoing operations. All other revenues and expenses not meeting this definition are considered nonoperating. The County's enterprise funds may be used to account for any activity for which a fee is charged to external users of goods or services. The following are the County's major enterprise funds:

Emergency Telephone Fund. The fund accounts for fees collected to provide the emergency 911 call center.

Substance Abuse Center. The fund accounts for the rental of the building for the Substance Abuse Department. Rental fees are based on costs of maintaining the building and the annual debt service payments.

Airport Fund. The fund accounts for the operations of the Ware County Airport.

Regional Landfill. The fund accounts for the development and future operations of a regional landfill.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to the other departments of the County on a cost-reimbursement basis. The County has two internal service funds:

Health Fund. The fund accounts for charges to other funds and contributions from employees and for the payment of health insurance premiums and benefits.

Workers Compensation Fund. The fund accounts for transactions related to worker's compensation claims by the County.

In the Statement of Activities, internal service fund transactions have been eliminated, however those transactions between governmental and business-type activities have not been eliminated.

Note 2 - Summary of Significant Accounting Policies - Continued

Fund Financial Statements - Continued

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The County's agency funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

C. Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

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

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

Like the government-wide financial statements, the enterprise and internal service funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in revenues, expenses, and changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise and internal service activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide and enterprise and internal service fund financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; enterprise funds and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Note 2 – Summary of Significant Accounting Principles – Continued

Revenues—Exchange and Nonexchange Transactions

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

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

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

Deferred Revenues

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Property taxes for which there was an enforceable legal claim at June 30, 2008, but were levied to finance FY08 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

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

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

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

Note 2 - Summary of Significant Accounting Policies - Continued

E. Budgetary Process

An annual budget is adopted (as required by law) by the County for the general, special revenue and capital projects funds. Although not legally required, the County also adopts a budget for the enterprise funds and internal service funds. The budgets are adopted on a basis substantially consistent with U.S. generally accepted accounting principles.

The County uses the following procedures in establishing the annual budgets:

1. Prior to July 1, the County Manager submits to the Board of Commissioners a proposed budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.

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

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

4. The County has a policy of budgeting on a departmental basis.

5. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue, capital project, internal service and enterprise funds.

6. Budgeted amounts are shown as amended throughout the year.

7. Departments can, with County Manager approval, amend their budgets without Board approval on all expenditures excluding personal services.

F. Encumbrances

Encumbrance accounting, under which major purchase orders, contracts, and other commitments for the expenditures of monies are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Ware County does not utilize encumbrance accounting.

G. Cash and Cash Equivalents

For the proprietary fund types a statement of cash flows is presented, as is required by GASB Statement 9, instead of a statement of changes in financial position. For this statement, cash equivalents are defined as short term, highly liquid investments with a maturity of three months or less when purchased, that are readily convertible to known amounts of cash and so near their maturity that they present insignificant rates of changes in value because of changes in interest rates.

H. Investments

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

Note 2 - Summary of Significant Accounting Policies - Continued

I. Prepaid Expenses

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

J. Inventory

Inventory is presented at the lower of cost or market on a first-in, first-out basis and is expensed when used. Inventory consists of expendable supplies held for consumption.

K. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Certain resources set aside for the payment of revenue bond debt to be paid from 2003 SPLOST revenues are classified as restricted assets on the balance sheet because their use is limited.

L. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated fixed assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of $5,000. The County's infrastructure consists of roads, bridges, and culverts. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

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

Description	Estimated Lives
Buildings and Building Improvements	40–100 years
Improvements Other Than Buildings	40 years
Machinery and Equipment	5–20 years
Vehicles	6–20 years
Infrastructure	5–50 years

Note 2 - Summary of Significant Accounting Policies - Continued

M. Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "Interfund Receivables/Payables." Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net assets. The only interfund balances which remain on the government-wide statement of net assets are those between governmental and business-type activities. These amounts are reflected as "Internal Balances."

N. Compensated Absences

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

Sick leave benefits are not accrued as a liability.

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

On governmental fund financial statements, compensated absences are not recognized as a liability and expenditure. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

O. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise funds are reported on the enterprise fund financial statements.

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

P. Net Assets

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

Q. Governmental Fund Balance Reserves

The County reserves those portions of governmental fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure.

Note 2 - Summary of Significant Accounting Policies – Continued

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the County, these revenues are charges for services for water and sewer and street lighting. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

S. Interfund Transactions

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

T. Estimates

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

Note 3 – Accountability

Deficit Net Assets

The following funds had deficits at June 30, 2008:

Enterprise Fund:	Deficit
Emergency Telephone Fund	$206,875
Substance Abuse Center	$ 93,671

The County will be increasing revenues to the Emergency Telephone Fund from the General Fund to cover increasing cost that cannot be covered by fees. Higher than normal repair costs have been completed on the Substance Abuse Center building and the fund deficit should be reduced in future years.

Note 4 – Deposits and Investments

Ware County maintains investments in a local government investment pool through the State of Georgia Office of Treasury and Fiscal Services. The balance at June 30, 2008 was $1,134 for all funds. The funds have a 24 day weighted average maturity.

"Georgia Fund 1," created by O.C.G.A. 36-83-8, is a stable net asset value invested pool which follows Standard and Poor's criteria for AAAm rated money market funds. However, Georgia Fund 1 operates in a manner consistent with Rule 2a-7 of the Investment Company Act of 1940 and is considered to be a 2a-7 like pool. The pool is not registered with the SEC as an investment company. The pool's primary objectives are safety of capital, investment income, liquidity and diversification while maintaining principal ($1.00 per share value.) Net asset value is calculated weekly to ensure stability. The pool distributes earnings (net of management fees) on a monthly basis and determines participant's shares sold and redeemed based on $1.00 per share.

Ware County maintains a money market investment account for 1998 SPLOST funds through SunTrust Bank. The balance at June 30, 2008 was $954,679.

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.

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U. S. government or by a government agency of the United States; obligations of any corporation of the U. S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U. S. government, or bonds of public authorities, counties or municipalities.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U. S. government, or bonds of public authorities, counties or municipalities.

Note 5 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the County. The property taxes for Ware County are collected by the Ware County Tax Commissioners Office and remitted to the County monthly.

The property tax calendar is as follows:

January 1	-	Assessment date
July 1	-	Tax Assessors send returns to Tax Commissioner
July 25	-	Millage rate is set by the County Commission
July 28	-	County tax digest is submitted to the State Revenue Commissioner
September 30	-	Bills are mailed by Tax Commissioner
December 20	-	Due date for property taxes other than motor vehicles
December 21	-	Execution date for unpaid taxes

Taxes are collected throughout the year.

Note 6 – Receivables

Receivables at June 30, 2008, consisted of accounts (billings for user charged services, including unbilled utility services), sales taxes, accrued interest, grants, interfund, and property taxes. All amounts due from other governments are considered collectible in full. Delinquent property taxes may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

Receivables are recognized to the extent the amounts are determined material and substantiated, not only by supporting documentation but also by a reasonable systematic method of determining their existence, completeness, valuation, and collectibility.

Note 6 – Receivables - Continued

A summary of the principal amounts due from other governments is as follows:

General Fund	
District Attorney Cost - Other Counties	$ 88,503
Franchise Taxes	38,851
City of Waycross	6,257
FEMA	2,191,519
State of Georgia	193
Total - General Fund	$ 2,325,323
Special Revenue Funds	
Nonmajor funds:	
Victim Witness Fines - Other Governments	$ 9,335
Southeast Georgia RDC	2,116
CJCC	872
GEMA	2,729
OPD	1,531
Department of Justice	562
Judicial Circuit Mediator	82,355
Work Ready Community Grant	9,478
McKinney Community Center	3,986
Total - Special Revenue Funds	$ 112,964
Capital Project Funds	
Nonmajor funds:	
Department of Community Affairs	$ 259,218
Total - Due From Other Governments	$ 2,697,505

Note 7 – Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows:

	Balance at July 1, 2007	Additions	Reductions	Balance at June 30, 2008
Primary Government				
Governmental Activities:				
Nondepreciable Capital Assets:				
Land and improvements	$ 79,860	$ -	$ -	$ 79,860
Construction in progress	8,495,305	2,751,464	1,925,899	9,320,870
Total Nondepreciable Capital Assets	8,575,165	2,751,464	1,925,899	9,400,730
Depreciable Capital Assets:				
Buildings and building improvements	$ 20,845,834	$ 1,752,112	$ -	22,597,946
Improvements other than buildings	4,456,880	14,723	-	4,471,603
Infrastructure	151,707,500	173,787	-	151,881,287
Machinery and equipment	8,167,537	515,919	-	8,683,456
Total Depreciable Capital Assets	185,177,751	2,456,541	-	187,634,292
Less Accumulated Depreciation for:				
Buildings and building improvements	5,410,751	495,905	-	5,906,656
Improvements other than buildings	945,282	156,642	-	1,101,924
Infrastructure	83,059,659	4,173,499	-	87,233,158
Machinery and equipment	5,164,275	606,104	-	5,770,379
Total Accumulated Depreciation	94,579,967	5,432,150	-	100,012,117
Total Depreciable Capital Assets, Net	90,597,784	(2,975,609)	-	87,622,175
Governmental Activities Capital Assets, Net	$ 99,172,949	$ (224,145)	$ 1,925,899	$ 97,022,905

Note 7 – Capital Assets – Continued

	Balance at July 1, 2007	Additions	Reductions	Balance at June 30, 2008
Business Type Activities:				
Nondepreciable Capital Assets:				
Land and improvements	$ 1,043,408	$ -	$ -	$ 1,043,408
Construction in progress	5,977,042	368,697	1,345,337	5,000,402
Total Nondepreciable Capital Assets	7,020,450	368,697	1,345,337	6,043,810
Depreciable Capital Assets:				
Buildings and building improvements	$ 1,910,400	$ 139,288	$ -	$ 2,049,688
Improvements other than buildings	4,407,514	1,151,381	-	5,558,895
Machinery and equipment	651,237	-	-	651,237
Total Depreciable Capital Assets	6,969,151	1,290,669	-	8,259,820
Less Accumulated Depreciation for:				
Buildings and building improvements	980,394	66,942	-	1,047,336
Improvements other than buildings	1,577,774	185,350	-	1,763,124
Machinery and equipment	281,927	35,954	-	317,881
Total Accumulated Depreciation	2,840,095	288,246	-	3,128,341
Total Depreciable Capital Assets, Net	4,129,056	1,002,423	-	5,131,479
Business Type Activities Capital Assets, Net	$ 11,149,506	$ 1,371,120	$ 1,345,337	$ 11,175,289

Depreciation was charged to governmental functions as follows:

Governmental activities:	
General Government	
Legislative and Executive	$ 179,475
Judicial	4,819
Public Safety	613,232
Public Works	4,475,521
Health and Welfare	148,888
Culture and Recreation	10,215
Total Depreciation Expense - Governmental Activities	$ 5,432,150
Business-type activities:	
Emergency Telephone	$ 25,381
Substance Abuse Center	50,412
Airport	212,453
Total Depreciation Expense - Business-type Activities	$ 288,246

Note 8 – Interfund Balances and Transfers

	Interfund Receivable	Interfund Payable	Transfer In	Transfer Out
General Fund				
Emergency Telephone Fund	$ 618,962	$ -	$ -	$ 239,900
Airport Fund	678,755	-	-	277,120
Regional Landfill Fund	132,457	-	-	-
SPLOST 2003 Fund	-	-	529,889	-
Nonmajor Governmental Funds	68,439	35	116,000	-
Internal Service Funds	197,197	281,064	-	-
	1,695,810	281,099	645,889	517,020
Special Revenue Funds				
Nonmajor Governmental Funds				
General Fund	35	68,439	-	116,000
Airport Fund	-	30,271	-	30,272
	35	98,710	-	146,272
Capital Project Fund				
SPLOST 2003 Fund				
General Fund	-	-	-	529,889
CDBG Emerson Park	260,218	-	-	-
CDBG Emerson Park Fund				
SPLOST 2003 Fund	-	260,218	-	-
	260,218	260,218	-	529,889
Total Governmental Funds	1,956,063	640,027	645,889	1,193,181

Note 8 – Interfund Balances and Transfers - Continued

	Interfund Receivable	Interfund Payable	Transfer In	Transfer Out
Enterprise Funds				
Emergency Telephone Fund				
General Fund	$ -	$ 618,962	$ 239,900	$ -
Health Fund	-	12,182	-	-
Workers Compensation Fund	1,566	-	-	-
Airport Fund				
General Fund	-	678,755	277,120	-
Nonmajor Governmental Funds	30,271	-	30,272	-
Health Fund	-	1,218	-	-
Workers Compensation Fund	1,237	-	-	-
Regional Landfill Fund				
General Fund	-	132,457	-	-
	33,074	1,443,574	547,292	-
Internal Service Funds				
Health Fund				
General Fund	281,064	-	-	-
Airport Fund	1,218	-	-	-
Emergency Telephone Fund	12,182	-	-	-
Workers Compensation Fund				
General Fund	-	197,197	-	-
Airport Fund	-	1,237	-	-
Emergency Telephone Fund	-	1,566	-	-
Total Enterprise and Internal Service Funds	327,538	1,643,574	547,292	-
Total All Funds	$ 2,283,601	$ 2,283,601	$ 1,193,181	$ 1,193,181

The difference in interfund receivables and payables for government funds is due to amounts due to and from enterprise and internal service funds shown above. The interfund balances resulted from loans made to provide working capital for operations and projects and the time lag between dates that payments between funds are made.

Transfers were made from SPLOST funds to cover approved projects paid out of other funds. Transfers were made to enterprise funds to cover operational cost of the fund.

Note 9 – Risk Management

A. Property and Liability

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County established a Workers' Compensation Fund (internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Workers' Compensation Fund provides coverage for up to a maximum of $250,000 for each worker's compensation claim, $2,500 for each enforcement claim. The coverage has a $1,000,000 cap. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds of the County participate in the program and make payments to the Workers' Compensation Fund based on estimates of the amounts needed to pay prior and current-year claims and to establish a reserve for catastrophe losses. The Workers' Compensation Fund had a fund balance of $85,543 as of June 30, 2008. At June 30, 2008, the Workers' Compensation Fund had a claims liability of $24,178 reported based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

B. Health Care

The County is self-insured for medical claims by the employees and employee's dependents that are covered under the medical plan. The plan is a self funded welfare benefit plan providing health and hospitalization benefits. Claims under the plan are paid solely from the general assets of the County. Losses greater than $60,000 per aggregate individual claim are insured by a private insurance company. Included in the accounts payable of the Health Plan Fund is an estimated liability of $345,866 which reflects health claims incurred but not processed prior to year end. This health claims liability was estimated based on such claims paid subsequent to year end.

Changes in the Health Plan Fund's claim liability amount in fiscal year 2007 and 2008 were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes In Estimates	Claim Payments	Balance At Fiscal Year End
2006-2007	$ 157,816	2,529,719	2,435,778	$ 251,757
2007-2008	$ 251,757	3,377,932	3,283,823	$ 345,866

C. Workers' Compensation

The County participates in the ACCG - Group Self-Insurance Workers' Compensation Fund to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

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

Note 10 – Pension Plan

Plan Description

The County Sponsors the Association County Commissioners of Georgia Restated Pension Plan for Ware County Employees (The Plan), which is a defined benefit pension plan.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of the adoption agreement, is affiliated with the Association County Commissioners of Georgia Third Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by 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 has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document.

Participant Counts	
Active participants	25
Retirees and beneficiaries	54
Deferred vested (former employees)	107
Disabled in pay status	5
Total	191

Covered compensation for active participants	$722,007

Funding Policy

The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes.

Derivation of Net Pension Obligation:

	2007	2006
Net Pension Obligation as of the Beginning of Prior Year	$ (86,376)	$ (33,611)
Annual Pension Cost of Prior Year	82,206	93,823
Actual Contributions to Plan for Prior Year	74,591	146,588
Increase in Net Pension Obligation	$ 7,615	$ (52,765)
Net Pension Obligation as of Beginning of the Year	$ (78,761)	$ (86,376)

Derivation of Annual Pension Cost:

Annual Required Contribution	$ 23,266	$ 81,825
Interest on Net Pension Obligation	(6,301)	(6,910)
Amortization of Net Pension Obligation	6,648	7,291
Annual Pension Cost	$ 23,613	$ 82,206

Note 10 – Pension Plan – Continued

Basis of Valuation

Current Valuation Date	January 1, 2007
Annual Return on Invested Plan Assets	8.00%
Projected Annual Salary Increases	5.00%
Expected Annual Inflation	3.00%
Actuarial Value of Assets	Market Value
Actuarial Funding Method	Projected Unit Credit
Amortization Method	Level Percent of Pay (Closed)

TREND INFORMATION FOR THE PLAN

Year Ended 12/31	Annual Pension Cost	Actual County Contribution	Percentage Contributed	Net Pension Obligation (Asset)
2002	$ 97,274	$ 96,296	99%	$ (26,533)
2003	98,821	98,709	100%	(25,555)
2004	90,332	98,500	109%	(25,443)
2005	93,823	146,588	156%	(33,611)
2006	82,206	74,591	91%	(86,376)
2007	23,613	N/A	N/A	(78,761)

SCHEDULE OF FUNDING PROGRESS

Calendar Year	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded AAL UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2001	$ 2,670,775	$ 3,105,087	$ 434,312	86.0%	$1,228,181	35.4%
2002	2,456,192	3,122,716	666,524	78.7%	1,113,743	59.8%
2003	2,628,069	3,053,945	425,876	86.1%	1,041,620	40.9%
2004	2,634,549	3,009,376	374,827	87.5%	995,102	37.7%
2005	2,833,538	3,012,991	179,453	94.0%	980,814	18.3%
2006	3,041,381	2,926,982	(114,399)	103.9%	907,601	-12.6%

Note 10 – Pension Plan – Continued

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

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

which provide for certain sums from marriage licenses, fees, fines and forfeitures to be remitted directly to the pension plans before the payment of any costs or other claims.

A copy of both financial reports can be obtained at the following address:
GEBCorp
1100 Circle 75 Parkway
Suite 300
Atlanta, Georgia 30339

Note 11 - Deferred Compensation Plan

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

Beginning with fiscal year 1999, deferred compensation plan transactions formerly reported in the Agency Fund are excluded from the County's financial reporting.

As of July 1, 1999, the County implemented a new standard requiring changes to the accounting and financial reporting for the deferred compensation plans created in accordance with Internal Revenue Code 457. The plans are administered by independent plan administrators through administrative service agreements. The County's administrative involvement is limited to transmitting amounts withheld from payroll to the plan administrator, CBIZ Pension Services, who performs investing functions.

Amendments to the laws governing Section 457 plans substantially became effective January 1, 1999. The County approved plan amendments such that the plan assets are held in trust for the benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose. Therefore, the financial activity of these plans is no longer reported in the County's Agency Fund.

Note 12 – Post Employment Health Care Benefits

In addition to providing pension benefits, in accordance with County resolution, the County provides certain health care benefits for retired employees. The County's employees who are eligible for retirement benefits under the pension plan are also eligible for post employment health care benefits. The retired employees pay monthly premiums for this benefit. There are currently 10 retired employees who are participating in these health care benefits. Premiums paid by retired employees were $10,022 and claims paid were $101,194. Claims are funded in the same manner as active employees along with the premiums provided by the retired employees. Retired employees must have 15 years of service and are eligible for medical insurance until they become eligible for Medicare.

Note 13 – Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused leave benefits. A maximum of 192 hours of unused leave benefits will be paid to employees upon separation from County service. In the normal course of business, all payments of these accumulated benefits will be funded from appropriations of the year in which they are to be paid from the fund for which the employee's compensation is funded. While the General Fund covers a majority of the cost of compensated absences, the Emergency Telephone and Airport funds also contribute to compensated absences for employees paid through those funds.

	Balance at July 1, 2007	Additions	Reductions	Balance at June 30, 2008	Amount Due In One Year
Primary Government:					
Governmental Activities:					
Compensated absences	$ 721,297	$ 483,970	$ 432,778	$ 772,489	$ 463,493
Business Type Activities:					
Compensated absences	24,660	31,584	14,796	41,448	24,869
Total Primary Government	$ 745,957	$ 515,554	$ 447,574	$ 813,937	$ 488,362
Component Unit - Board of Health:					
Compensated absences	$ 105,114	$ 60,625	$ 63,068	$ 102,671	$ 61,603

Note 14 – Notes Payable

The County entered into a Georgia Tax Anticipation Note, Series 2008, on January 12, 2008 for $3,800,000 at an interest rate of 2.94% and a maturity date of December 31, 2008. The loan provides assistance with cash flow shortages due to property tax collections not occurring until September through November.

	Balance at July 1, 2007	Additions	Reductions	Balance at June 30, 2008	Amount Due In One Year
Governmental Activities					
Note Payable	$ 3,800,000	$ 3,800,000	$ 3,800,000	$ 3,800,000	$ 3,800,000
Total Governmental Activities	$ 3,800,000	$ 3,800,000	$ 3,800,000	$ 3,800,000	$ 3,800,000

Note 15 - Capital Leases

Various capital leases have been entered into for the acquisition of a fire truck, a truck, a filing system and for building improvements. Lease income for the building improvements was deferred in the prior year until the project was completed. Additional information is provided on each capital lease in Note 16. The acquisitions for governmental activities are as follows:

Asset:	
Vehicles and equipment	$ 282,887
Building improvements	808,409
Less: Accumulated Depreciation	(31,979)
Total	$ 1,059,317

Note 16 – Long-Term Debt

The following is a summary of long-term debt transactions of the County for the year ended June 30, 2008:

	Balance at July 1, 2007	Additions	Reductions	Balance at June 30, 2008	Amount Due In One Year
Governmental Activities					
Capital leases	$ 3,847,752	$ 282,887	$ 425,882	$ 3,704,757	$ 445,451
Revenue bonds	5,540,000	-	2,740,000	2,800,000	2,800,000
Total Governmental Activities	$ 9,387,752	$ 282,887	$ 3,165,882	$ 6,504,757	$ 3,245,451

	Balance at July 1, 2007	Additions	Reductions	Balance at June 30, 2008	Amount Due In One Year
Business - Type Activities					
Capital leases	$ 1,753,602	$ -	$ 193,911	$ 1,559,691	$ 198,704
Revenue bonds	950,000	-	70,000	880,000	75,000
Total Business-Type Activities	$ 2,703,602	$ -	$ 263,911	$ 2,439,691	$ 273,704

Capital lease amounts issued in FY07 in the amount of $808,409 were deferred to FY08 to complete building improvements. The $808,409 has been recognized as capital lease financing in FY08 and capital lease of $2,000,000 was recorded as a capital lease in FY07.

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

	Purpose	Original Issue Date	Interest Rate	Original Issue Amount	Maturity Date
Governmental Activities					
Capital Lease	Ambulance	2005	2.68%	$ 78,492	2008
Capital Lease	Backhoe and Excavator	2005	3.48%	$ 165,209	2010
Capital Lease	Trucks and Excavator	2006	3.88%	$ 460,203	2011
General Obligation Bonds	Courthouse, Jail & Recreation Facilities	2003	Variable	$ 13,500,000	2009
Capital Lease	Wheel Loader	2004	3.99%	$ 166,900	2010
Capital Lease	Wheel Loader	2006	4.10%	$ 107,585	2011
Capital Lease	Motor Graders	2006	4.10%	$ 863,399	2011
Capital Lease	Patrol Cars and Trucks	2007	3.81%	$ 163,756	2012
Capital Lease	Emergency Facility Storage Trailer	2007	4.14%	$ 104,250	2012
Capital Lease	Medical Equipment for Ambulances	2007	3.99%	$ 70,010	2011
Capital Lease	Courthouse Improvements	2007	4.48%	$ 2,000,000	2026
Capital Lease	Ambulance	2007	4.09%	$ 90,185	2012
Capital Lease	Fire Pumper Truck	2007	3.83%	$ 226,266	2012
Capital Lease	Truck and Filing System	2008	2.88%	$ 56,621	2011

Note 16 – Long-Term Debt - Continued

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

	Governmental Activities			
	Capital Leases		Sales Tax Bonds	
Year Ending June 30,	Principal	Interest	Principal	Interest
2009	$ 445,451	$ 149,679	$ 2,800,000	$ 112,000
2008	536,342	130,176	-	-
2009	933,795	110,719	-	-
2010	177,459	77,253	-	-
2011	98,281	71,213	-	-
2012-2016	469,141	295,278	-	-
2017-2021	588,055	176,363	-	-
2022-2026	456,233	36,897	-	-
Total	$ 3,704,757	$ 1,047,578	$ 2,800,000	$ 112,000

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

	Business Activities			
	Revenue Bonds		Capital Lease	
Year Ending June 30,	Principal	Interest	Principal	Interest
2009	$ 75,000	$ 58,300	$ 198,704	$ 59,418
2010	80,000	53,331	206,688	51,434
2011	85,000	48,031	187,512	43,490
2012	90,000	42,400	162,769	36,285
2013	95,000	36,437	156,576	29,927
2014-2017	455,000	77,512	647,442	51,942
Total	$ 880,000	$ 316,011	$ 1,559,691	$ 272,496

Note 17 – Landfill Postclosure Cost

State and federal laws and regulations require the County to cover a landfill and maintain monitoring functions for thirty years after closure. The County has accrued the expected postclosure cost for the landfill that closed in 1997. The amount accrued of $1,988,339 represents 100% of the total estimated remaining postclosure cost which is made up of estimated monitoring costs and maintenance costs. This estimate is subject to change based on changes in technology or applicable laws and regulations. The County plans to fund post closure costs through its general fund budget.

	Balance at July 1, 2007	Additions	Reductions	Balance at June 30, 2008	Due Within One Year
Governmental Activities:					
Postclosure care cost	$ 2,026,286	$ -	$ 37,947	$ 1,988,339	$ 41,660

Note 18 – Component Unit

A. Ware County Board of Health

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

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

Cash and Cash Equivalents The Board considers all highly liquid instruments purchased with a maturity of less than three months to be cash equivalents.

Property and Equipment Property and equipment are carried at cost or, if donated, the fair value on the date donated. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Property and equipment as of June 30, 2008, was as follows:

Equipment	$ 3,467,154
Less Accumulated Depreciation	(2,809,103)
Net Capital Assets	$ 658,051

Retirement Plan

The employees of the Health Department participate in the Georgia State Employees Retirement System, a multi-employer, defined contribution plan. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The Georgia State Employees' Retirement System of Georgia requires ten years of continuous service to become fully vested. The total retirement contributions to the Georgia State Employees Retirement System for the year ended June 30, 2008 were $510,639. Ten-year historical trend information and relevant actuarial information may be obtained from the Employee's Retirement System, Two Northside 75, Suite 300, Atlanta, Georgia 30316-7778 or calling 1-407-352-6400.

B. Okefenokee Area Development Authority

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

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

Note 18 – Component Unit - Continued

B. Okefenokee Area Development Authority - Continued

Cash and Cash Equivalents The Authority considers all highly liquid instruments purchased with a maturity of less than three months to be cash equivalents.

Property and Equipment Property and equipment are carried at cost or, if donated, the fair value on the date donated. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Property and equipment as of December 31, 2007, was as follows:

Land	$ 770,000
Furniture, Fixtures and Equipment	76,162
Less Accumulated Depreciation	(56,524)
Net Capital Assets	$ 789,638

Note 19 – Insurance Pools

A. ACCG – Group Self-Insurance Workers Compensation and Interlocal Risk Management Agency

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

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

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

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

Note 20 – Joint Ventures

The County, in conjunction with cities and counties in the (8) county South Georgia area are members of the South Georgia Regional Development Center (RDC). Membership in an RDC is automatic for each municipality and county in the state. The official Code Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RDCs. Each county and municipality in the state is required by law to pay minimum annual dues to the RDC. The County paid annual dues in the amount of $25,535 to the RDC for the year ended June 30, 2008. The RDC Board membership includes the Chief elected official of each county and the Chief elected official of each municipality. The County Board members and municipal Board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality to serve as the non-public Board member from a County.

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

A copy of the financial report can be obtained at the following address:
Southeast Georgia Regional Development Center
3395 Harris Road
Waycross, Georgia 31503

Note 21 – Contingent Liabilities

Possible Unasserted Claims. The County participates in federal and state assisted grant programs subject to program compliance audits by the grantors or their representatives. It is the County's opinion that no material unrecorded liabilities will arise from audits previously performed or to be performed. Regardless, receipt of these federal and state grant revenues is not assured in the future.

Commitments. On June 4, 1990, the County entered into an agreement proposed by the Hospital Authority of Ware County for the construction of a psychiatric and substance abuse hospital and for the expansion and renovation of Memorial Hospital. Whereby, the Board of Commissioners shall provide, by a contract to be entered into with the Authority, for the payment out of the general funds or tax revenues of Ware County, Georgia, amounts necessary, if any, to pay the principal and interest on the principal amount up to $13,000,000 of revenue anticipation certificates. These certificates are to be retired from revenues generated from the operations of Memorial Hospital and the proposed psychiatric and substance abuse facility.

On February 1, 1992, the County entered into a lease agreement with the Hospital Authority of Ware County whereby Ware County has agreed to provide funds sufficient to meet the obligations (described in Section 5.01 of the Lease Agreement) relating to $1,600,000 in bonds issued in accordance with the resolution dated March 5, 1992. These bonds have been recorded as a liability in the Substance Abuse Center Fund (Enterprise Fund).

Note 21 – Contingent Liabilities - Continued

On April 4, 2001, the County entered into an agreement with the Hospital Authority of Ware County which obligated the County to make monthly payments to the Authority in amounts sufficient to enable the Authority to pay the principal and interest coming due on the next payment date, whether at maturity or mandatory sinking fund redemption, for the Prior Certificates and the Series 2001 Certificates to the extent the revenues of the Hospital on deposit in the Sinking Fund established under the Resolution are insufficient. Such amounts may be used by the Authority only to provide for the payment of the principal of and interest on the Prior Certificates and the Series 2001 Certificates as they become due and payable. Such payments shall be made by the County directly to the Authority and deposited into the Sinking Fund established under the Resolution. The Contract requires the County to levy, within and subject to the seven mill limitation now provided by law, or such greater millage as may be hereafter authorized by law, an annual ad valorem tax on all property subject to taxation for such purpose in the County sufficient to enable the County to make the payments required by the Contract if necessary. Amounts available for payment under the Contract may be reduced to the extent proceeds of such tax are applied to payment of amounts due under the 1992B Lease.

Litigation. The County is a defendant in a number of claims and lawsuits. The County Attorney has reviewed these claims and lawsuits, and has concluded that it is not possible to evaluate the probability of an unfavorable outcome or to estimate the amount of potential loss. As a result and pursuant to Financial Accounting Standards Board Statement No. 5 (Accounting for Contingencies), no liabilities have been recorded. County management is of the opinion that any actual losses will not be material to the County.

Liability Insurance. The County acquires insurance for liability claims. The County is responsible for the first $5,000 per occurrence for general liability and the first $10,000 per occurrence for Public Officials Liability, Law Enforcement Liability, errors, and omissions.

Contract Negotiations. The County entered into a contract with a third party company to lease a landfill that was never opened by the County. The County is in the process of negotiating a cancellation of the contract which may result in a financial settlement from the County to the third party company.

REQUIRED SUPPLEMENTAL INFORMATION

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES:				
Taxes	$ 15,709,500	$ 16,294,078	$ 15,728,872	$ (565,206)
Licenses and permits	185,000	248,000	248,316	316
Intergovernmental revenues	459,263	2,708,263	2,667,297	(40,966)
Charges for services	4,286,250	4,493,850	4,272,574	(221,276)
Fines and forfeitures	801,000	801,000	763,525	(37,475)
Investment income	216,700	216,700	153,108	(63,592)
Miscellaneous	10,242	93,992	94,640	648
TOTAL REVENUES	**21,667,955**	**24,855,883**	**23,928,332**	**(927,551)**
EXPENDITURES:				
GENERAL GOVERNMENT				
Board of Commissioners				
Personal services	438,828	469,673	468,017	(1,656)
Supplies	36,941	36,941	33,566	(3,375)
Other services and charges	203,734	264,634	261,218	(3,416)
Capital outlay	6,070	6,070	6,095	25
	685,573	777,318	768,896	(8,422)
Human Resources				
Personal services	99,459	99,459	99,537	78
Supplies	3,400	6,317	5,795	(522)
Other services and charges	6,700	6,700	5,776	(924)
	109,559	112,476	111,108	(1,368)
Board of Elections				
Personal services	122,415	122,415	139,509	17,094
Supplies	27,000	17,000	13,146	(3,854)
Other services and charges	47,030	72,588	60,670	(11,918)
Capital outlay	81,000	25,000	22,436	(2,564)
	277,445	237,003	235,761	(1,242)
Purchasing				
Personal services	78,096	17,449	20,150	2,701
Supplies	2,860	2,860	1,183	(1,677)
Other services and charges	6,633	2,651	1,023	(1,628)
	87,589	22,960	22,356	(604)

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
Information Technology Services				
Personal services	120,940	120,940	157,322	36,382
Supplies	21,752	21,752	19,080	(2,672)
Other services and charges	138,116	138,116	116,771	(21,345)
Capital outlay	48,819	33,819	20,916	(12,903)
	329,627	314,627	314,089	(538)
Tax Commissioner				
Personal services	398,478	413,478	414,300	822
Supplies	16,110	16,110	14,258	(1,852)
Other services and charges	49,980	49,980	49,293	(687)
	464,568	479,568	477,851	(1,717)
Tax Assessors				
Personal services	562,271	569,486	572,544	3,058
Supplies	52,505	52,505	48,702	(3,803)
Other services and charges	58,530	58,530	57,808	(722)
	673,306	680,521	679,054	(1,467)
Board of Equalization				
Personal services	11,005	11,005	8,550	(2,455)
Supplies	500	500	2,066	1,566
Other services and charges	500	600	1,449	849
	12,005	12,105	12,065	(40)
Building Maintenance				
Personal services	316,580	350,443	348,638	(1,805)
Supplies	16,550	16,550	21,171	4,621
Other services and charges	389,130	428,250	564,078	135,828
Capital outlay	150,000	993,245	849,725	(143,520)
Debt service	176,434	176,434	176,002	(432)
	1,048,694	1,964,922	1,959,614	(5,308)
General Administration				
Personal services	5,000	5,000	-	(5,000)
Supplies	22,100	22,100	30,687	8,587
Other services and charges	251,035	260,535	252,676	(7,859)
Debt service	120,000	131,000	117,157	(13,843)
	398,135	418,635	400,520	(18,115)
Total - General Government	**4,086,501**	**5,020,135**	**4,981,314**	**(38,821)**

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
JUDICIAL				
Superior Court				
Personal services	139,257	165,081	168,100	3,019
Supplies	12,500	12,500	9,676	(2,824)
Other services and charges	142,650	142,650	139,477	(3,173)
Capital outlay	-	-	2,950	2,950
	294,407	320,231	320,203	(28)
Clerk of Court				
Personal services	529,720	519,720	526,590	6,870
Supplies	34,000	34,000	28,102	(5,898)
Other services and charges	59,350	59,350	56,832	(2,518)
Capital outlay	-	-	-	-
	623,070	613,070	611,524	(1,546)
District Attorney				
Personal services	172,826	184,220	184,471	251
Supplies	11,000	15,000	14,599	(401)
Other services and charges	23,100	23,100	23,613	513
Capital outlay	1,200	1,200	278	(922)
	208,126	223,520	222,961	(559)
State Court				
Personal services	117,691	123,033	123,072	39
Supplies	250	250	386	136
Other services and charges	88,900	100,900	100,596	(304)
Capital outlay	-	4,500	3,697	(803)
	206,841	228,683	227,751	(932)

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
Magistrate Court				
Personal services	429,233	438,733	443,039	4,306
Supplies	17,460	17,460	15,637	(1,823)
Other services and charges	15,000	15,000	14,905	(95)
Capital outlay	4,500	4,500	1,706	(2,794)
	466,193	475,693	475,287	(406)
Probate Court				
Personal services	137,221	149,705	150,319	614
Supplies	5,500	5,500	4,598	(902)
Other services and charges	19,700	13,700	12,991	(709)
Capital outlay	-	33,511	33,511	-
Debt Service	-	1,993	2,919	926
	162,421	204,409	204,338	(71)
Juvenile Court				
Personal services	145,940	145,940	151,767	5,827
Supplies	2,850	2,850	2,632	(218)
Other services and charges	68,503	59,503	53,487	(6,016)
	217,293	208,293	207,886	(407)
Public Defender				
Other services and charges	224,754	238,754	238,648	(106)
	224,754	238,754	238,648	(106)
Solicitor				
Personal services	137,004	113,004	107,957	(5,047)
Supplies	3,700	3,700	7,593	3,893
Other services and charges	3,530	3,530	3,862	332
	144,234	120,234	119,412	(822)
Total - Judicial	**2,547,339**	**2,632,887**	**2,628,010**	**(4,877)**
PUBLIC SAFETY				
Sheriff				
Personal services	1,728,416	1,775,993	1,819,777	43,784
Supplies	134,500	254,500	220,576	(33,924)
Other services and charges	96,171	96,171	85,716	(10,455)
Capital outlay	12,500	12,500	12,868	368
Debt service	11,157	11,157	10,566	(591)
	1,982,744	2,150,321	2,149,503	(818)

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
Jail				
Personal services	3,333,608	3,443,603	3,491,620	48,017
Supplies	608,500	608,500	652,593	44,093
Other services and charges	783,717	800,717	709,020	(91,697)
Capital outlay	5,000	5,000	3,952	(1,048)
	4,730,825	4,857,820	4,857,185	(635)
Probation Office				
Personal services	120,531	126,531	129,784	3,253
Supplies	2,800	2,800	2,408	(392)
Other services and charges	6,600	6,600	3,468	(3,132)
	129,931	135,931	135,660	(271)
Alternative Sentencing				
Other services and charges	75,000	70,000	69,492	(508)
	75,000	70,000	69,492	(508)
Emergency Management Agency				
Personal services	91,955	96,055	97,051	996
Supplies	8,580	11,556	11,555	(1)
Other services and charges	16,690	16,690	15,835	(855)
Capital outlay	3,000	3,000	2,829	(171)
	120,225	127,301	127,270	(31)
Coroner				
Personal services	13,030	13,030	12,659	(371)
Supplies	50	50	18	(32)
Other services and charges	7,550	10,650	11,021	371
	20,630	23,730	23,698	(32)
Emergency Medical Services				
Personal services	1,677,363	1,873,216	1,833,687	(39,529)
Supplies	131,500	2,388,800	2,410,153	21,353
Other services and charges	159,170	163,170	179,302	16,132
Capital outlay	52,000	-	-	-
Debt service	82,199	82,199	82,993	794
	2,102,232	4,507,385	4,506,135	(1,250)

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
Fire Department				
Personal services	759,492	760,492	814,067	53,575
Supplies	37,675	47,844	42,042	(5,802)
Other services and charges	113,810	113,810	113,335	(475)
Capital outlay	320,000	300,000	283,835	(16,165)
Debt service	40,898	40,898	8,705	(32,193)
	1,271,875	1,263,044	1,261,984	(1,060)
Animal Control				
Other services and charges	151,850	151,850	151,125	(725)
	151,850	151,850	151,125	(725)
Total - Public Safety	**10,585,312**	**13,287,382**	**13,282,052**	**(5,330)**
PUBLIC WORKS				
Administration				
Personal services	856,906	899,404	832,683	(66,721)
Supplies	260,100	359,113	433,556	74,443
Other services and charges	294,000	345,000	319,793	(25,207)
Capital outlay	7,500	7,500	9,236	1,736
Debt service	269,596	269,596	275,390	5,794
	1,688,102	1,880,613	1,870,658	(9,955)
Drainage				
Personal services	312,471	312,471	316,350	3,879
Supplies	50,000	50,000	51,767	1,767
Other services and charges	7,250	7,250	827	(6,423)
	369,721	369,721	368,944	(777)
Equipment Maintenance				
Personal services	381,520	396,820	400,473	3,653
Supplies	12,500	12,500	14,292	1,792
Other services and charges	2,800	2,800	1,727	(1,073)
Capital outlay	24,000	24,000	23,110	(890)
Debt Service	8,567	6,574	2,012	(4,562)
	429,387	442,694	441,614	(1,080)
Total - Public Works	**2,487,210**	**2,693,028**	**2,681,216**	**(11,812)**

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
HEALTH AND WELFARE				
Planning and Codes				
Personal services	314,621	314,621	325,511	10,890
Supplies	18,400	18,400	20,325	1,925
Other services and charges	85,701	54,354	41,430	(12,924)
	418,722	387,375	387,266	(109)
Vital Statistics				
Other services and charges	2,000	2,300	2,257	(43)
	2,000	2,300	2,257	(43)
Public Health Services				
Other services and charges	205,000	205,000	205,000	-
	205,000	205,000	205,000	-
MH/MR Health Services				
Other services and charges	62,964	62,964	62,964	-
	62,964	62,964	62,964	-
Senior Citizens Center				
Supplies	11,400	12,000	11,963	(37)
	11,400	12,000	11,963	(37)
Welfare Services				
Other services and charges	66,000	66,000	65,731	(269)
	66,000	66,000	65,731	(269)
Total - Health and Welfare	**766,086**	**735,639**	**735,181**	**(458)**
CULTURE AND RECREATION				
Recreation				
Personal services	557,119	584,119	559,652	(24,467)
Supplies	20,775	36,775	33,074	(3,701)
Other services and charges	524,631	526,131	553,645	27,514
Capital outlay	15,372	15,372	14,797	(575)
	1,117,897	1,162,397	1,161,168	(1,229)

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
Library				
Other services and charges	246,998	246,998	246,998	-
	246,998	246,998	246,998	-
Total - Culture & Recreation	**1,364,895**	**1,409,395**	**1,408,166**	**(1,229)**
HOUSING AND DEVELOPMENT				
Conservation - Water Resources				
Other services and charges	950	950	950	-
	950	950	950	-
Farm and Home Agent				
Personal services	104,404	119,265	118,506	(759)
Supplies	12,714	15,814	13,991	(1,823)
Other services and charges	16,216	61,816	63,851	2,035
	133,334	196,895	196,348	(547)
Economic Development				
Other services and charges	180,030	180,030	179,630	(400)
	180,030	180,030	179,630	(400)
Total - Housing & Development	**314,314**	**377,875**	**376,928**	**(947)**
TOTAL EXPENDITURES	**22,151,657**	**26,156,341**	**26,092,867**	**(63,474)**
EXCESS OF REVENUES OVER EXPENDITURES	(483,702)	(1,300,458)	(2,164,535)	(864,077)
OTHER FINANCING SOURCES (USES)				
CAPITAL LEASE FINANCING	311,000	1,127,756	1,091,296	(36,460)
TRANSFERS IN	689,721	689,721	645,889	(43,832)
TRANSFERS (OUT)	(517,019)	(517,019)	(517,020)	(1)
TOTAL OTHER FINANCING SOURCES (USES)	483,702	1,300,458	1,220,165	(80,293)
NET CHANGE IN FUND BALANCE	-	-	(944,370)	(944,370)
FUND BALANCE, BEGINNING OF YEAR	-	-	2,574,177	2,574,177
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 1,629,807	$ 1,629,807

See independent auditors' report.

WARE COUNTY, GEORGIA
NOTES TO BUDGETARY COMPARISON SCHEDULES
For the Year Ended June 30, 2008

Note 1 – Budgetary Basis of Accounting

An annual budget is adopted (as required by law) by the County for the general, special revenue and capital projects funds. Although not legally required, the County also adopts a budget for the enterprise funds and internal service funds. The budgets are adopted on a basis substantially consistent with U.S. generally accepted accounting principles.

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUND

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

Capital Projects 1998 Special Local Option Sales Tax Fund - To account for the special purpose local option sales tax that was renewed in 1998 by referendum. The revenue is restricted to the stated purposes of the referendum.

Capital Projects 2003 Special Local Option Sales Tax Fund – To account for the special purpose local option sales tax that was renewed in 2003 by referendum. The revenue is restricted to the stated purposes of the referendum.

WARE COUNTY, GEORGIA
CAPITAL PROJECTS 1998 SPECIAL LOCAL OPTION SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Investment income	$ 45,000	$ 45,000	$ 49,082	$ 4,082
Miscellaneous	-	-	22,500	22,500
TOTAL REVENUES	45,000	45,000	71,582	26,582
EXPENDITURES				
Current				
Public works	2,445,000	2,445,000	1,056,000	(1,389,000)
TOTAL EXPENDITURES	2,445,000	2,445,000	1,056,000	(1,389,000)
EXCESS OF REVENUES (UNDER) EXPENDITURES	(2,400,000)	(2,400,000)	(984,418)	1,415,582
FUND BALANCE AT BEGINNING OF YEAR	2,400,000	2,400,000	2,429,722	29,722
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 1,445,304	$ 1,445,304

See independent auditors' report.

WARE COUNTY, GEORGIA
CAPITAL PROJECTS 2003 SPECIAL LOCAL OPTION SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Taxes	$ 6,220,000	$ 6,220,000	$ 7,391,211	$ 1,171,211
Investment income	250,000	250,000	231,842	(18,158)
TOTAL REVENUES	6,470,000	6,470,000	7,623,053	1,153,053
EXPENDITURES				
Current				
Public works	5,900,279	5,900,279	5,424,510	(475,769)
TOTAL EXPENDITURES	5,900,279	5,900,279	5,424,510	(475,769)
EXCESS OF REVENUES OVER EXPENDITURES	569,721	569,721	2,198,543	1,628,822
OTHER FINANCING USES				
TRANSFERS OUT	(569,721)	(569,721)	(529,889)	(39,832)
TOTAL OTHER FINANCING USES	(569,721)	(569,721)	(529,889)	(39,832)
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	-	-	1,668,654	1,668,654
FUND BALANCE AT BEGINNING OF YEAR	-	-	8,907,907	8,907,907
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 10,576,561	$ 10,576,561

See independent auditors' report.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Jail Fee Fund – To account for funds accessed with fines and designated for the operations of jails.

Sheriff's Drug & Equipment – To account for funds received through drug seizures.

Drug Abuse & Treatment – To account for funds accessed with fines and designated for drug abuse education and treatment programs.

Supplemental Juvenile Services – To account for fees that go toward juvenile services.

Jail Commissary – To account for funds generated from the commissary and used toward operations of the jail.

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

Timber Sales – To account for funds generated from the sale of timber on County property.

D.A.'s Drug Forfeiture – To account for funds received through drug convictions.

Superior Court Victim Assistance – To account for funds accessed with fines and designated for the assistance programs for victims and witnesses.

State Court Victim Assistance – To account for funds accessed with fines and designated for the assistance programs for victims and witnesses.

Fire Safety House – To account for funds received through grants and contributions for fire safety education.

Intergovernmental Grants – To account for various grant revenues received.

Rural Fire Assistance – To account for grant funds received for fire equipment.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

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

CHIP Grant Fund – To account for grant funds for homeowner capital improvements.

CDBG Emerson Park Fund – To account for grant funds provided for infrastructure improvements.

CDBG EIP MRCX Railroad Fund – To account for grant funds provided for infrastructure improvements.

WARE COUNTY, GEORGIA
ALL NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2008

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 915,473	$ 16,362	$ 931,835
Due from other governments	112,964	-	112,964
Interfund receivable	35	-	35
Accounts receivable	74,587	-	74,587
TOTAL ASSETS	$ 1,103,059	$ 16,362	$ 1,119,421
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	$ 53,057	$ -	$ 53,057
Accrued liabilities	2,248	-	2,248
Due to other governments	-	9,173	9,173
Interfund payable	98,710	260,218	358,928
Deferred revenue	81,557	-	81,557
TOTAL LIABILITIES	235,572	269,391	504,963
Fund Balance			
Reserved for drug education and treatment	125,801	-	125,801
Reserved for fire protection	20,945	-	20,945
Reserved for capital projects	44,480	6,189	50,669
Reserved for jail operations	204,800	-	204,800
Reserved for drug enforcement operations	90,370	-	90,370
Reserved for law library	85,527	-	85,527
Reserved for victim assistance	295,564	-	295,564
TOTAL FUND BALANCE	867,487	6,189	873,676
TOTAL LIABILITIES AND FUND BALANCE	$ 1,103,059	$ 275,580	$ 1,378,639

See independent auditors' report.

WARE COUNTY, GEORGIA
ALL NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Year Ending June 30, 2008

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental revenues	$ 360,333	$ 594,619	$ 954,952
Charges for services	403,557	-	403,557
Fines and forfeitures	337,125	-	337,125
Investment income	18,242	-	18,242
TOTAL REVENUES	1,119,257	594,619	1,713,876
EXPENDITURES			
Current			
General government			
Legislative and executive	52,699	-	52,699
Judicial	264,303	-	264,303
Public safety	528,780	-	528,780
Health and welfare	112,283	-	112,283
Capital outlay	-	592,078	592,078
TOTAL EXPENDITURES	958,065	592,078	1,550,143
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	161,192	2,541	163,733
OTHER FINANCING SOURCES:			
TRANSFERS OUT	(146,272)	-	(146,272)
TOTAL OTHER FINANCING SOURCES	(146,272)	-	(146,272)
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	14,920	2,541	17,461
FUND BALANCE BEGINNING OF YEAR	852,567	3,648	856,215
FUND BALANCE, END OF YEAR	$ 867,487	$ 6,189	$ 873,676

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WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2008

	Jail Fee Fund	Sheriff's Drug & Equipment	Drug Abuse & Treatment	Supplemental Juvenile Service	Jail Commissary
ASSETS					
Cash	$ 12,044	$ 33,244	$ 124,191	$ 2,085	$ 123,337
Due from other governments	-	-	-	-	-
Interfund receivable	-	-	-	-	-
Accounts receivable	8,953	-	2,060	-	60,466
TOTAL ASSETS	$ 20,997	$ 33,244	$ 126,251	$ 2,085	$ 183,803
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ -	$ -	$ 450	$ -	$ -
Accrued liabilities	-	-	-	-	-
Interfund payable	-	-	-	-	-
Deferred revenue	-	-	-	-	-
TOTAL LIABILITIES	-	-	450	-	-
FUND BALANCES					
Reserved for drug education and treatment	-	-	125,801	-	-
Reserved for fire protection	-	-	-	-	-
Reserved for capital projects	-	-	-	-	-
Reserved for jail operations	20,997	-	-	-	183,803
Reserved for drug enforcement operations	-	33,244	-	-	-
Reserved for law library	-	-	-	-	-
Reserved for victim assistance	-	-	-	2,085	-
TOTAL FUND BALANCES	20,997	33,244	125,801	2,085	183,803
TOTAL LIABILITIES AND FUND BALANCES	$ 20,997	$ 33,244	$ 126,251	$ 2,085	$ 183,803

See independent auditors' report.

Law Library	Timber Sales	D.A.'S Drug Forfeiture	Superior Court Victim Assistance	State Court Victim Assistance	Fire Safety House	Inter-Governmental Grants	Rural Fire Assistance	Total
$ 84,302	$ 74,752	$ 57,294	$ 278,765	$ 21,911	$ 8,373	$ 82,603	$ 12,572	$ 915,473
-	-	-	9,335	-	-	103,629	-	112,964
35	-	-	-	-	-	-	-	35
1,190	-	-	-	1,918	-	-	-	74,587
$ 85,527	$ 74,752	$ 57,294	$ 288,100	$ 23,829	$ 8,373	$ 186,232	$ 12,572	$ 1,103,059
$ -	$ -	$ 168	$ 6,733	$ 83	$ -	$ 45,623	$ -	$ 53,057
-	-	-	1,352	896	-	-	-	$ 2,248
-	30,272	-	5,702	3,684	-	59,052	-	98,710
-	-	-	-	-	-	81,557	-	81,557
-	30,272	168	13,787	4,663	-	186,232	-	235,572
-	-	-	-	-	-	-	-	125,801
-	-	-	-	-	8,373	-	12,572	20,945
-	44,480	-	-	-	-	-	-	44,480
-	-	-	-	-	-	-	-	204,800
-	-	57,126	-	-	-	-	-	90,370
85,527	-	-	-	-	-	-	-	85,527
-	-	-	274,313	19,166	-	-	-	295,564
85,527	44,480	57,126	274,313	19,166	8,373	-	12,572	867,487
$ 85,527	$ 74,752	$ 57,294	$ 288,100	$ 23,829	$ 8,373	$ 186,232	$ 12,572	$ 1,103,059

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Year Ending June 30, 2008

	Jail Fee Fund	Sheriff's Drug & Equipment Fund	Drug Abuse & Treatment	Supplemental Juvenile Service	Jail Commissary
REVENUES					
Intergovernmental revenues	$ -	$ -	$ -	$ -	$ -
Charges for services	-	-	-	1,355	402,202
Fines and forfeitures	112,113	39,091	42,302	-	-
Investment income	1,335	753	2,832	34	4,019
TOTAL REVENUES	113,448	39,844	45,134	1,389	406,221
EXPENDITURES					
Current					
General Government					
Legislative and executive	-	-	-	-	-
Judicial	-	-	-	953	-
Public safety	-	32,505	-	-	428,430
Health and welfare	-	-	26,149	-	-
TOTAL EXPENDITURES	-	32,505	26,149	953	428,430
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	113,448	7,339	18,985	436	(22,209)
OTHER FINANCING SOURCES (USES):					
TRANSFER OUT	(116,000)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(116,000)	-	-	-	-
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(2,552)	7,339	18,985	436	(22,209)
BEGINNING FUND BALANCE	23,549	25,905	106,816	1,649	206,012
FUND BALANCE, END OF YEAR	$ 20,997	$ 33,244	$ 125,801	$ 2,085	$ 183,803

See independent auditors' report.

Law Library	Timber Sales	D.A.'s Drug Forfeiture	Superior Court Victim Assistance	State Court Victim Assistance	Fire Safety House	Inter-governmental Grants	Rural Fire Assistance	Total
$ -	$ -	$ -	$ 72,586	$ -	$ -	$ 287,747	$ -	$ 360,333
-	-	-	-	-	-	-	-	403,557
30,014	-	10,088	78,049	25,468	-	-	-	337,125
-	907	1,365	6,970	16	4	-	7	18,242
30,014	907	11,453	157,605	25,484	4	287,747	7	1,119,257
-	-	-	-	-	-	52,699	-	52,699
11,159	-	5,959	123,038	37,473	-	85,721	-	264,303
-	-	-	-	-	752	63,193	3,900	528,780
-	-	-	-	-	-	86,134	-	112,283
11,159	-	5,959	123,038	37,473	752	287,747	3,900	958,065
18,855	907	5,494	34,567	(11,989)	(748)	-	(3,893)	161,192
-	(30,272)	-	-	-	-	-	-	(146,272)
-	(30,272)	-	-	-	-	-	-	(146,272)
18,855	(29,365)	5,494	34,567	(11,989)	(748)	-	(3,893)	14,920
66,672	73,845	51,632	239,746	31,155	9,121	-	16,465	852,567
$ 85,527	$ 44,480	$ 57,126	$ 274,313	$ 19,166	$ 8,373	$ -	$ 12,572	$ 867,487

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2008

	CDBG Emerson Park	CDBG MRCX Railroad	CHIP Grant	Total Nonmajor Capital Projects Funds
ASSETS				
Cash	$ 1,000	$ 5,585	$ 9,777	$ 16,362
Due from other government	259,218	-	-	259,218
TOTAL ASSETS	$ 260,218	$ 5,585	$ 9,777	$ 275,580
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Interfund payable	$ 260,218	$ -	$ -	$ 260,218
Due to other governments	-	-	9,173	9,173
TOTAL LIABILITIES	260,218	-	9,173	269,391
FUND BALANCES				
Reserved for capital projects	-	5,585	604	6,189
TOTAL FUND BALANCES	-	5,585	604	6,189
TOTAL LIABILITIES AND FUND BALANCES	$ 260,218	$ 5,585	$ 9,777	$ 275,580

See independent auditors' report.

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Year Ending June 30, 2008

	CDBG Emerson Park	CDBG MRCX Railroad	CHIP Grant	Total Nonmajor Capital Projects Funds
REVENUES				
Intergovernmental revenues	$ 470,000	$ 5,585	$ 119,034	$ 594,619
Investment income	-	-	-	-
TOTAL REVENUES	470,000	5,585	119,034	594,619
EXPENDITURES				
Housing and development	470,000	-	122,078	592,078
TOTAL EXPENDITURES	470,000	-	122,078	592,078
EXCESS OF REVENUES OVER EXPENDITURES	-	5,585	(3,044)	2,541
FUND BALANCE, BEGINNING OF YEAR	-	-	3,648	3,648
FUND BALANCE, END OF YEAR	$ -	$ 5,585	$ 604	$ 6,189

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WARE COUNTY, GEORGIA
JAIL FEE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 100,000	$ 116,000	$ 112,113	$ (3,887)
Investment income	-	-	1,335	1,335
TOTAL REVENUES	100,000	116,000	113,448	(2,552)
EXPENDITURES				
Current:				
Public safety	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES (UNDER) EXPENDITURES	100,000	116,000	113,448	(2,552)
OTHER FINANCING SOURCES (USES)				
TRANSFER OUT	(100,000)	(116,000)	(116,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(100,000)	(116,000)	(116,000)	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	-	(2,552)	(2,552)
FUND BALANCE AT BEGINNING OF YEAR	-	-	23,549	23,549
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 20,997	$ 20,997

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WARE COUNTY, GEORGIA
SHERIFF'S DRUG & EQUIPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 20,000	$ 35,000	$ 39,091	$ 4,091
Investment income	-	-	753	753
TOTAL REVENUES	20,000	35,000	39,844	4,844
EXPENDITURES				
Current:				
Public safety	20,000	35,000	32,505	(2,495)
TOTAL EXPENDITURES	20,000	35,000	32,505	(2,495)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	7,339	7,339
FUND BALANCE AT BEGINNING OF YEAR	-	-	25,905	25,905
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 33,244	$ 33,244

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WARE COUNTY, GEORGIA
DRUG ABUSE AND TREATMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 28,500	$ 28,500	$ 42,302	$ 13,802
Investment income	-	-	2,832	2,832
TOTAL REVENUES	28,500	28,500	45,134	16,634
EXPENDITURES				
Current:				
Health and welfare	28,500	28,500	26,149	(2,351)
TOTAL EXPENDITURES	28,500	28,500	26,149	(2,351)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	18,985	18,985
FUND BALANCE AT BEGINNING OF YEAR	-	-	106,816	106,816
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 125,801	$ 125,801

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WARE COUNTY, GEORGIA
SUPPLEMENTAL JUVENILE SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Charges for services	$ 3,250	$ 3,250	$ 1,355	$ (1,895)
Investment income	20	20	34	14
TOTAL REVENUES	3,270	3,270	1,389	(1,881)
EXPENDITURES				
Current:				
General government				
Judicial	3,270	3,270	953	(2,317)
TOTAL EXPENDITURES	3,270	3,270	953	(2,317)
EXCESS OF REVENUES (UNDER) EXPENDITURES	-	-	436	(436)
FUND BALANCE AT BEGINNING OF YEAR	-	-	1,649	1,649
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 2,085	$ (2,085)

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WARE COUNTY, GEORGIA
JAIL COMMISSARY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Charges for services	$ 40,000	$ 305,000	$ 402,202	$ 97,202
Investment income	700	700	4,019	3,319
Miscellaneous	188,000	188,000	-	(188,000)
TOTAL REVENUES	228,700	493,700	406,221	(87,479)
EXPENDITURES				
Current:				
Public safety	228,700	493,700	428,430	(65,270)
TOTAL EXPENDITURES	228,700	493,700	428,430	(65,270)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	(22,209)	(22,209)
FUND BALANCE AT BEGINNING OF YEAR	-	-	206,012	206,012
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 183,803	$ 183,803

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WARE COUNTY, GEORGIA
LAW LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 32,475	$ 32,475	$ 30,014	$ (2,461)
TOTAL REVENUES	32,475	32,475	30,014	(2,461)
EXPENDITURES				
Current:				
General government				
Judicial	32,475	32,475	11,159	(21,316)
TOTAL EXPENDITURES	32,475	32,475	11,159	(21,316)
EXCESS OF REVENUES (UNDER) EXPENDITURES	-	-	18,855	18,855
FUND BALANCE AT BEGINNING OF YEAR	-	-	66,672	66,672
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 85,527	$ 85,527

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WARE COUNTY, GEORGIA
TIMBER SALES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Investment income	$ -	$ -	$ 907	$ 907
Miscellaneous income	-	30,360	-	(30,360)
TOTAL REVENUES	-	30,360	907	(29,453)
EXPENDITURES				
Current:				
Public works	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	30,360	907	(29,453)
OTHER FINANCING SOURCES (USES):				
TRANSFER OUT	(30,360)	(30,360)	(30,272)	88
TOTAL OTHER FINANCING SOURCES	(30,360)	(30,360)	(30,272)	88
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(30,360)	-	(29,365)	(29,365)
FUND BALANCE AT BEGINNING OF YEAR	30,360	-	73,845	73,845
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 44,480	$ 44,480

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WARE COUNTY, GEORGIA
D. A.'S DRUG FORFEITURES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 12,000	$ 12,000	$ 10,088	$ (1,912)
Investment income	500	500	1,365	865
TOTAL REVENUES	12,500	12,500	11,453	(1,047)
EXPENDITURES				
Current:				
General Government				
Judicial	12,500	12,500	5,959	(6,541)
TOTAL EXPENDITURES	12,500	12,500	5,959	(6,541)
EXCESS OF REVENUES (UNDER) EXPENDITURES	-	-	5,494	5,494
FUND BALANCE AT BEGINNING OF YEAR	-	-	51,632	51,632
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 57,126	$ 57,126

See independent auditors' report.

WARE COUNTY, GEORGIA
SUPERIOR COURT VICTIM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenues	$ 45,000	$ 45,000	$ 72,586	$ 27,586
Fines and forfeitures	75,000	75,000	78,049	3,049
Investment income	8,000	8,000	6,970	(1,030)
TOTAL REVENUES	128,000	128,000	157,605	29,605
EXPENDITURES				
Current:				
General Government				
Judicial	128,000	128,000	123,038	(4,962)
TOTAL EXPENDITURES	128,000	128,000	123,038	(4,962)
EXCESS OF REVENUES (UNDER) EXPENDITURES	-	-	34,567	34,567
FUND BALANCE AT BEGINNING OF YEAR	-	-	239,746	239,746
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 274,313	$ 274,313

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WARE COUNTY, GEORGIA
STATE COURT VICTIM ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 25,500	$ 38,558	$ 25,468	$ (13,090)
Investment income	500	500	16	(484)
TOTAL REVENUES	26,000	39,058	25,484	(13,574)
EXPENDITURES				
Current:				
General Government				
Judicial	36,058	39,058	37,473	(1,585)
TOTAL EXPENDITURES	36,058	39,058	37,473	(1,585)
EXCESS OF REVENUES (UNDER) EXPENDITURES	(10,058)	-	(11,989)	(11,989)
FUND BALANCE AT BEGINNING OF YEAR	10,058	-	31,155	31,155
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 19,166	$ 19,166

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WARE COUNTY, GEORGIA
FIRE SAFETY HOUSE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Investment income	$ 10	$ 10	$ 4	$ (6)
Miscellaneous	-	1,114	-	(1,114)
TOTAL REVENUES	10	1,124	4	(1,120)
EXPENDITURES				
Current:				
Public safety	1,124	1,124	752	(372)
TOTAL EXPENDITURES	1,124	1,124	752	(372)
EXCESS OF REVENUES (UNDER) EXPENDITURES	(1,114)	-	(748)	(748)
FUND BALANCE AT BEGINNING OF YEAR	1,114	-	9,121	9,121
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 8,373	$ 8,373

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WARE COUNTY, GEORGIA
INTERGOVERNMENTAL GRANTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenues	$ 454,627	$ 552,169	$ 287,747	$ (264,422)
TOTAL REVENUES	454,627	552,169	287,747	(264,422)
EXPENDITURES				
Current:				
General Government				
Legislative and executive	-	71,360	52,699	(18,661)
Judicial	108,558	108,558	85,721	(22,837)
Public safety	20,086	54,926	63,193	8,267
Health and welfare	228,783	220,125	86,134	(133,991)
Culture and recreation	97,200	97,200	-	(97,200)
TOTAL EXPENDITURES	454,627	552,169	287,747	(148,561)
EXCESS OF REVENUES (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCE AT END OF YEAR	$ -	$ -	$ -	$ -

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WARE COUNTY, GEORGIA
RURAL FIRE ASSISTANCE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenues	$ 18,107	$ 18,107	$ -	$ (18,107)
Investment income	150	150	7	(143)
TOTAL REVENUES	18,257	18,257	7	(18,250)
EXPENDITURES				
Current:				
Public safety	18,257	18,257	3,900	(14,357)
TOTAL EXPENDITURES	18,257	18,257	3,900	(14,357)
EXCESS OF REVENUES (UNDER) EXPENDITURES	-	-	(3,893)	(3,893)
FUND BALANCE AT BEGINNING OF YEAR	-	-	16,465	16,465
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 12,572	$ 12,572

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WARE COUNTY, GEORGIA
CAPITAL PROJECTS
CHIP GRANT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenue	$ 100,000	$ 130,000	$ 119,034	$ (10,966)
TOTAL REVENUES	100,000	130,000	119,034	(10,966)
EXPENDITURES				
Current:				
Housing and development	100,000	130,000	122,078	(7,922)
TOTAL EXPENDITURES	100,000	130,000	122,078	(7,922)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	(3,044)	(3,044)
FUND BALANCE AT BEGINNING OF YEAR	-	-	3,648	3,648
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 604	$ 604

See independent auditors' report.

WARE COUNTY, GEORGIA
CAPITAL PROJECTS
CDBG EMERSON PARK
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenue	$ -	$ 470,000	$ 470,000	$ -
TOTAL REVENUES	-	470,000	470,000	-
EXPENDITURES				
Current:				
Housing and development	-	470,000	470,000	-
TOTAL EXPENDITURES	-	470,000	470,000	-
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCE AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCE AT END OF YEAR	$ -	$ -	$ -	$ -

See independent auditors' report.

WARE COUNTY, GEORGIA
CAPITAL PROJECTS
CDBG EIP MRCX RAILROAD
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2008

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental income	$ -	$ 6,000	$ 5,585	$ (415)
TOTAL REVENUES	-	6,000	5,585	(415)
EXPENDITURES				
Current:				
Housing and development	-	6,000	-	(6,000)
TOTAL EXPENDITURES	-	6,000	-	(6,000)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	5,585	5,585
FUND BALANCE AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCE AT END OF YEAR	$ -	$ -	$ 5,585	$ 5,585

See independent auditors' report.

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Workers Compensation Fund – to account for charges to other funds and contributions from employees and for the payment of workers compensation insurance premiums and benefits.

Health Fund – to account for charges to other funds and contributions from employees and for the payment of health insurance premiums and benefits.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2008

	Workers Compensation Fund	Health Fund	Total
ASSETS			
Current Assets			
Cash	$ 251,734	$ -	$ 251,734
Receivables (net of allowance for doubtful accounts):			
Accounts	-	114,068	114,068
Interfund receivables	-	294,463	294,463
Prepaid expenses	57,987	-	57,987
TOTAL ASSETS	309,721	408,531	718,252
LIABILITIES			
Current Liabilities			
Accounts payable	24,178	60,123	84,301
Accrued expenses	-	345,866	345,866
Interfund payable	200,000	-	200,000
TOTAL LIABILITIES	224,178	405,989	630,167
NET ASSETS			
Reserve for workers compensation claims	85,543	-	85,543
Reserve for health claims	-	2,542	2,542
TOTAL NET ASSETS	$ 85,543	$ 2,542	$ 88,085

See independent auditors' report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
For The Year Ending June 30, 2008

	Workers Compensation Fund	Health Fund	Total
OPERATING REVENUES			
Charges for services	$ 319,410	$ 3,521,120	$ 3,840,530
Contributions	-	224,433	224,433
TOTAL OPERATING REVENUES	319,410	3,745,553	4,064,963
OPERATING EXPENSES			
Claims paid	165,560	3,284,682	3,450,242
Other services and charges	114,873	466,259	581,132
TOTAL OPERATING EXPENSES	280,433	3,750,941	4,031,374
OPERATING INCOME (LOSS)	38,977	(5,388)	33,589
NON-OPERATING REVENUES (EXPENSES)			
Interest revenue	2,805	5,389	8,194
TOTAL NON-OPERATING REVENUES (EXPENSES)	2,805	5,389	8,194
CHANGE IN NET ASSETS	41,782	1	41,783
NET ASSETS AT BEGINNING OF YEAR	43,761	2,541	46,302
NET ASSETS AT END OF YEAR	$ 85,543	$ 2,542	$ 88,085

See independent auditors' report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATTEMENT OF CASH FLOWS
For The Year Ending June 30, 2008

	Workers Compensation Fund	Health Fund	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows From Operating Activities			
Cash received from customers	$ 519,410	$ 3,647,890	$ 4,167,300
Cash received from interfund transactions	-	(336,665)	(336,665)
Cash payments for claims paid	(165,560)	(3,130,450)	(3,296,010)
Cash payments for other services and charges	(164,293)	(466,259)	(630,552)
Net Cash Provided by (Used for) Operating Activities	189,557	(285,484)	(95,927)
Cash Flows From Investing Activities			
Cash received from interest	2,805	5,389	8,194
Net Cash Flows Provided By Investing Activities	2,805	5,389	8,194
Net Increase in Cash	192,362	(280,095)	(87,733)
Cash at Beginning of Year	59,372	280,095	339,467
Cash at End of Year	$ 251,734	$ -	$ 251,734

See independent auditors' report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For The Year Ending June 30, 2008

	Workers Compensation Fund	Health Fund	Total
Reconciliation of Operating Income (Loss) To Net Cash Provided by (Used For) Operating Activities			
Operating Income (Loss)	$ 38,977	$ (5,388)	$ 33,589
Adjustments to Reconcile Operating Income (Loss) To Net Cash Provided by (Used For) Operating Activities			
Changes in Assets and Liabilities:			
(Increase) decrease in accounts receivable	-	(97,663)	(97,663)
(Increase) decrease in prepaid expenses	(1,596)	-	(1,596)
(Increase) decrease in interfund receivable	-	(294,463)	(294,463)
Increase (decrease) in accounts payable	(47,824)	60,123	12,299
Increase (decrease) in interfund payable	200,000	(42,202)	157,798
Increase (decrease) in accrued expenses	-	94,109	94,109
Net Cash Provided By (Used For) Operating Activities	$ 189,557	$ (285,484)	$ (95,927)

See independent auditors' report.

FIDUCIARY FUNDS

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

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

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

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

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

Probation Office - to account for collection of fees, fines, forfeitures, etc. which are disbursed to other parties.

Probate Court - to account for the collection of fees from probating wills which are disbursed to other parties.

Juvenile Court - to account for the collection of fines and fees from juvenile court which are disbursed to other parties.

WARE COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
June 30, 2008

	AGENCY FUNDS			
	OFFICE OF TAX COMMISSIONER	CLERK OF COURT	MAGISTRATE COURT	OFFICE OF SHERIFF
ASSETS				
Cash	$ 221,183	$ 153,583	$ 53,701	$ 223,548
Due from others	-	-	-	-
TOTAL ASSETS	$ 221,183	$ 153,583	$ 53,701	$ 223,548
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Due to other governments	$ 13,621	$ 30,461	$ -	$ 61,450
Due to others	207,562	123,122	53,701	162,098
TOTAL LIABILITIES	221,183	153,583	53,701	223,548
NET ASSETS	$ -	$ -	$ -	$ -

See independent auditors' report.

PROBATION OFFICE	PROBATE COURT	JUVENILE COURT	TOTAL
$ 14,623	$ 388,193	$ 6,025	$ 1,060,856
-	-	156	156
$ 14,623	$ 388,193	$ 6,181	$ 1,061,012
$ -	$ -	$ -	$ 105,532
14,623	388,193	6,181	955,480
14,623	388,193	6,181	1,061,012
$ -	$ -	$ -	$ -

WARE COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABIILTIES
For The Year Ending June 30, 2008

	Balance July 1, 2007	Additions	Deductions	Balance June 30, 2008
OFFICE OF TAX COMMISSIONER				
ASSETS				
Cash	$ 104,479	$ 25,075,131	$ 24,958,427	$ 221,183
TOTAL ASSETS	$ 104,479	$ 25,075,131	$ 24,958,427	$ 221,183
LIABILITIES				
Due to other governments	$ 13,245	$ 13,976,148	$ 13,975,772	$ 13,621
Due to others	91,234	11,098,983	10,982,655	207,562
TOTAL LIABILITIES	$ 104,479	$ 25,075,131	$ 24,958,427	$ 221,183
CLERK OF COURT				
ASSETS				
Cash	$ 179,028	$ 2,632,437	$ 2,657,882	$ 153,583
TOTAL ASSETS	$ 179,028	$ 2,632,437	$ 2,657,882	$ 153,583
LIABILITIES				
Due to other governments	$ 91,396	$ 1,203,685	$ 1,264,620	$ 30,461
Due to others	87,632	1,428,752	1,393,262	123,122
TOTAL LIABILITIES	$ 179,028	$ 2,632,437	$ 2,657,882	$ 153,583
MAGISTRATE COURT				
ASSETS				
Cash	$ 81,142	$ 674,067	$ 701,508	$ 53,701
TOTAL ASSETS	$ 81,142	$ 674,067	$ 701,508	$ 53,701
LIABILITIES				
Due to other governments	$ -	$ 68,648	$ 68,648	$ -
Due to others	81,142	605,419	632,860	53,701
TOTAL LIABILITIES	$ 81,142	$ 674,067	$ 701,508	$ 53,701

See independent auditors' report.

WARE COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABIILTIES - CONTINUED
For The Year Ending June 30, 2008

	Balance July 1, 2007	Additions	Deductions	Balance June 30, 2008
OFFICE OF SHERIFF				
ASSETS				
Cash	$ 186,485	$ 1,454,600	$ 1,417,537	$ 223,548
TOTAL ASSETS	$ 186,485	$ 1,454,600	$ 1,417,537	$ 223,548
LIABILITIES				
Due to other governments	$ 96,219	$ 227,599	$ 262,368	$ 61,450
Due to others	90,266	1,227,001	1,155,169	162,098
TOTAL LIABILITIES	$ 186,485	$ 1,454,600	$ 1,417,537	$ 223,548
PROBATION OFFICE				
ASSETS				
Cash	$ 61,678	$ 184,656	$ 231,711	$ 14,623
TOTAL ASSETS	$ 61,678	$ 184,656	$ 231,711	$ 14,623
LIABILITIES				
Due to others	$ 61,678	$ 184,656	$ 231,711	$ 14,623
TOTAL LIABILITIES	$ 61,678	$ 184,656	$ 231,711	$ 14,623
PROBATE COURT				
ASSETS				
Cash	$ 660,296	$ 71,392	$ 343,495	$ 388,193
TOTAL ASSETS	$ 660,296	$ 71,392	$ 343,495	$ 388,193
LIABILITIES				
Due to others	$ 660,296	$ 71,392	$ 343,495	$ 388,193
TOTAL LIABILITIES	$ 660,296	$ 71,392	$ 343,495	$ 388,193
JUVENILE COURT				
ASSETS				
Cash	$ 6,423	$ 10,274	$ 10,672	$ 6,025
Due from others	57	99	-	156
TOTAL ASSETS	$ 6,480	$ 10,373	$ 10,672	$ 6,181
LIABILITIES				
Due to others	$ 6,480	$ 10,373	$ 10,672	$ 6,181
TOTAL LIABILITIES	$ 6,480	$ 10,373	$ 10,672	$ 6,181

See independent auditors' report.

SPECIAL REPORTS SECTION

WARE COUNTY, GEORGIA
1998 SPECIAL LOCAL OPTION SALES TAX
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
Year Ended June 30, 2008

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Roads, Streets, and Bridges	$16,250,000	$13,131,805	$10,630,501	$ 1,056,000	$11,686,501	88.99%
Recreation	4,000,000	4,503,070	4,503,070	-	4,503,070	100.00%
Fire Station	750,000	767,590	767,590	-	767,590	100.00%
Jail	10,000,000	10,429,576	10,429,576	-	10,429,576	100.00%
Totals	$31,000,000	$28,832,041	$26,330,737	$ 1,056,000	$27,386,737	

See independent auditors' report.

WARE COUNTY, GEORGIA
2003 SPECIAL LOCAL OPTION SALES TAX
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
Year Ended June 30, 2008

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Roads, Streets, and Bridges	$ 12,500,000	$ 24,272,571	$ 11,390,978	$ 5,434,780	$ 16,825,758	69.32%
Recreation	6,000,000	6,375,489	5,914,813	257,647	6,172,460	96.82%
Fire Station & Public Safety Building	1,500,000	1,500,613	1,500,613	-	1,500,613	100.00%
Public Safety Equipment	500,000	557,808	447,272	110,536	557,808	100.00%
Jail	5,000,000	5,052,275	5,052,275	-	5,052,275	100.00%
Industrial Development	1,000,000	1,000,000	1,000,000	-	1,000,000	100.00%
Economic Development	1,000,000	1,000,000	874,447	110,834	985,281	98.53%
Downtown Development	500,000	500,000	459,398	40,602	500,000	100.00%
Debt Retirement	1,000,000	1,052,269	1,052,269	-	1,052,269	100.00%
Totals	$ 29,000,000	$ 41,311,025	$ 27,692,065	$ 5,954,399	$ 33,646,464	

See independent auditors' report.

SOURCE and APPLICATION OF FUNDS SCHEDULE
Community Development Block Grant

Ware County, Georgia

05p-y-148-1-3105

For the Period Ending: June 30, 2008
Cumulative

I. Total Fiscal Year 2005 CDBG Funds Awarded to Recipient:	$ 500,000
II. Total Amount of Drawdown by Recipient from DCA:	$ 210,782
III. Less: CDBG Funds Expended by Recipient:	$ 470,000
IV. Amount of Fiscal Year 2005 CDBG Funds held by Recipient:	$ (259,218)

See independent auditors' report.

SOURCE and APPLICATION OF FUNDS SCHEDULE
Community Development Block Grant

Ware County, Georgia

06q-y-148-1-3257

For the Period Ending: June 30, 2008
Cumulative

I. Total Fiscal Year 2006 CDBG Funds Awarded to Recipient:	$	372,340
II. Total Amount of Drawdown by Recipient from DCA:	$	5,585
III. Less: CDBG Funds Expended by Recipient:	$	-
IV. Amount of Fiscal Year 2006 CDBG Funds held by Recipient:	$	5,585

See independent auditors' report.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PROJECT COST SCHEDULE

Recipient: Ware County, Georgia

Grant #: 05p-y-148-1-3105

For the Period Ending: June 30, 2008

Program Activity	CDBG Activity Number	Latest Approved Budget	Accumulative CDGB Expenditures To Date	Accumulative Expenditures To Date (Other Funds)	Grand Total of Expenditures To Date	Questioned Costs
Drainage Improvements	P-03K-02	$ 470,000	$ 470,000	$ -	$ 470,000	$ -
Administration	A-21A-00	$ 30,000	$ -	$ -	$ -	$ -
TOTAL		$ 500,000	$ 470,000	$ -	$ 470,000	$ -

See independent auditors' report.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PROJECT COST SCHEDULE

Recipient: Ware County, Georgia

Grant #: 06q-y-148-1-3257

For the Period Ending: June 30, 2008

Program Activity	CDBG Activity Number	Latest Approved Budget	Accumulative CDGB Expenditures To Date	Accumulative Expenditures To Date (Other Funds)	Grand Total of Expenditures To Date	Questioned Costs
Public Facilities and Improvemen	E-17B-00	$ 350,000	$ -	$ -	$ -	$ -
Administration	A-21A-00	$ 22,340	$ -	$ -	$ -	$ -
TOTAL		$ 372,340	$ -	$ -	$ -	$ -

See independent auditors' report.

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

To the Board of Commissioners
Ware County, Georgia

We have audited 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 Ware County, Georgia as of and for the year ended June 30, 2008 which collectively comprise the County's basic financial statements and have issued our report thereon, dated December 31, 2008. 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. We did not audit the financial statements of Ware County Board of Health which represents 2.41% and 31.16%, respectively of the total assets and revenues of Ware County, Georgia. We did not audit the financial statements of the Okefenokee Area Development Authority, which represents 1.00% and .44% respectively, of the total assets and revenues of Ware County, Georgia. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Ware County Board of Health and Okefenokee Area Development Authority are based on the reports 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 *Governmental Auditing Standards,* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ware County, Georgia's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purposes of expressing an opinion on the effectiveness of Ware County, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Ware County, Georgia's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects Ware County, Georgia's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote

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To the Board of Commissioners
Ware County, Georgia

likelihood that a misstatement of Ware County, Georgia's financial statements that is more than inconsequential will not be prevented or detected by Ware County, Georgia's internal control. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2008-1 and 2008-2 to be significant deficiencies in internal control over financial reporting.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Ware County, Georgia's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not disclose all significant deficiencies that are considered to be material weaknesses. However, we believe that none of the significant deficiencies described above is a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ware County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have 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.*

Ware County, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Ware County, Georgia's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Commissioners, management, the State of Georgia Department of Audits and is not intended to be and should not be used by anyone other than these specified parties.

Henderson & Godbee, LLP
Certified Public Accountants

Valdosta, Georgia
December 31, 2008

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Commissioners
Ware County, Georgia

Compliance

We have audited the compliance of Ware County, Georgia with the types of compliance requirements described in the US. Office of Management and Budget (OMB) Circular,A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2008. Ware 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. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of Ware County, Georgia's management. Our responsibility is to express an opinion on Ware County, Georgia's compliance based on our audit.

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 Ware County, Georgia'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. Our audit does not provide a legal determination on Ware County, Georgia's compliance with those requirements.

In our opinion, Ware County, Georgia complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2008.

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To the Board of Commissioners
Ware County, Georgia

Internal Control Over Compliance

The management of Ware County, Georgia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Ware County, Georgia's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 Ware County, Georgia's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Commissioners, management, the State of Georgia Department of Audits and is not intended to be and should not be used by anyone other than these specified parties.

Henderson & Godbee, LLP
Certified Public Accountants

Valdosta, Georgia
December 31, 2008

WARE COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2008

Section I – Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs Material weaknesses identified?	_____ Yes __X__ No
Significant deficiencies identified not considered to be material weaknesses?	_____ Yes __X__ None reported
Type of auditor's report issued on compliance for major programs:	Unqualified
Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section .510(a)?	_____ Yes __X__ No

Identification of major programs:

CFDA Number	Name of Federal Program
14.218	Community Development Block Grant
20.106	Airport Improvement Grant
97.046	Fire Management Assistance Grant

Dollar threshold used to distinguish between Type A and Type B programs:	$300,000
Auditee considered a low risk auditee	_____ Yes __X__ No

WARE COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2008

Section II – Financial Statement Findings

Reportable Conditions – Considered Material Weaknesses

Current Year Findings

None

Prior Year Findings

2008-1 - Criteria

To the extent possible, duties should be segregated to serve as a check and balance on the employee's integrity and to maintain the best control system possible.

2008-1 - Condition - Lack of Segregation of Duties

Due to a limited number of people working in the finance department and each constitutional office, many critical duties are combined and given to the available employees. Presently the following duties are combined:

- Mail is opened by someone which is not independent of recording transactions in the accounting records;
- A list of incoming checks is not prepared by someone independent of recording transactions in the accounting records;
- Bank deposits are not made by someone other than a cashier or accounts receivable bookkeeper;
- Cashiers are not restricted from gaining access to accounts receivable records and bank and customer statements;
- Postings to the general ledger are not always made by a person independent of the person receiving the money;
- The check-signing function is not always independent of the functions of purchasing, bookkeeping, and preparation of checks.

2008-1 – Cause

In most offices there is not an adequate number of employees to provide for the proper segregation of duties and a plan has not been developed to assign duties or implement compensation controls to improve checks and balances in the control system.

2008-1 – Effect

This condition represents a significant deficiency in the design or operation of the County's internal control structure and could possibly adversely affect the County's ability to record, process, summarize, and report financial data consistent with assertions of management in the County's financial statements.

WARE COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2008

2008-1 – Recommendation

The Board of Commissioners and elected officials of the constitutional offices should develop a plan to improve the lack of segregation of duties in each office. The assignment of responsibilities should be developed to provide adequate segregation of duties. The manpower resources in each constitutional office, the administrative office, financial office, and other offices could be utilized.

2008-1 – Management Response

Ware County management concurs with the finding and will work where possible to create better separation of duties.

2008-2 – Criteria

The County needs a comprehensive accounting manual to document the policies, procedures, and forms to be utilized by the County in its financial management and accounting system. An Antifraud Program is needed to reduce or mitigate fraud risk.

2008-2 – Condition – Lack of Comprehensive Accounting Manual

The County does not have a current, comprehensive manual of accounting policies and procedures, including an Antifraud Program.

2008-2 – Cause

The County may have not placed the need for a comprehensive accounting manual as a priority, and therefore resources have not been directed toward the development of an accounting manual.

2008-2 – Effect

This condition represents a significant deficiency in the design or operation of the County's internal control structure. Policies and procedures are not documented, proper accounting procedures may not be applied, similar transactions may not be treated consistently, proper financial reporting may not occur, and fraud risk may not be reduced or mitigated.

2008-2 – Recommendation

The County should establish a standard accounting manual that would inform all employees of desired operating procedures and policies. The accounting manual should include an Antifraud Program. An accounting manual would serve as an aid in training new employees, monitoring the performance of existing employees, improve internal communications, strengthen the County's internal control system, and reduce or mitigate fraud risk.

2008-2 – Management Response

Ware County management concurs with the finding and will work toward developing a comprehensive manual of accounting policies and procedures, including an Antifraud Program.

WARE COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2008

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

Prior Year Findings and Questioned Cost:

No matters were reported.

WARE COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2008

	Federal CFDA Number	Pass Through Grantor Number	Federal Expenditures
Department of Agriculture			
Pass Through the Georgia Department of Early Care and Learning			
Summer Food Program For Children	10.559	08066	$ 26,283
Pass Through the Southeast Georgia Agency on Aging			
Child and Adult Care Food Program	10.558	AAA-2008-33	44,226
Total Department of Agriculture			70,509
Department of Housing and Urban Development			
Pass Through the Georgia Department of Community Affairs			
Community Housing Incentive Program (CHIP)	14.228	04m-y-148-1-2905	122,078
Community Development Block Grants/Entitlement Grants	14.218	05p-y-148-1-3105	470,000
Total Department of Housing and Urban Development			592,078
Department of Justice			
Bullet Proof Vest Grant	16.710	2004BUBX04023559	562
Pass Through The Council of Juvenile Court Judges of Georgia			
Juvenile Accountability Incentive Block Grant	16.523	03B-ST-0003/04B-ST-001	8,697
Total Department of Justice			9,259
Department of Transportation			
Pass Through the Georgia Department of Transportation			
Airport Improvement Program	20.106	3-13-0119-03/03-13-0119-07	427,963
Federal Transit Capital Investment Grant	20.500	MTG00-0128-00-111	36,360
Total Department of Transportation			464,323
Department of Interior			
Rural Fire Assistance	15.228	144840181-01-G-302	3,900
Total Department of Commerce			3,900
Department of Homeland Security			
Federal Emergency Management Agency			
Pass Through the Georgia Emergency Management Agency			
Fire Management Assistance Grant	97.046	2685-FS-GA	1,712,124
Emergency Operations Centers	97.052		3,552
Pass Through the Criminal Justice Coordinating Council			
State Domestic Preparedness Equipment Support Program	97.004	G08-08-044S01	23,534
Total Department of Homeland Security			1,739,210
Total Expenditures of Federal Awards			$ 2,879,279

WARE COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2008

NOTE 1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Ware County, Georgia (the "County"). The County receives pass-through financial assistance from several state agencies.

NOTE 2. REPORTING ENTITY

The authoritative criteria for determining the programs, organizations and functions of government included in the financial statements of the County are as follows: oversight responsibility, including selection of governing authority, designation of management, and ability to significantly influence operations; accountability for fiscal matters, including budget, surplus/deficits, debt, fiscal management and revenue characteristics; scope of public service; and special financial relationships.

NOTE 3. BASIS OF ACCOUNTNG

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities.

Henderson & Godbee, LLP

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INDEPENDENT AUDITORS' REPORT ON LOCAL ASSISTANCE GRANTS

To the Board of Commissioners
Ware County, Georgia

We have examined management's assertion included in the accompanying State of Georgia Grant Certification Form about Ware County's compliance during the fiscal year ended June 30, 2008 with the requirement to use grant proceeds solely for the purpose or purposes for which the grant was made for each of the following grant awards:

1. 07-C-L-205
2. 08-C-L-373

Management is responsible for Ware County's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Ware County's compliance based on our examination.

Our examination was made in accordance with standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Ware County's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Ware County's compliance with the specific requirements.

In our opinion, management's assertion that Ware County complied with the aforementioned requirement for the fiscal year ended June 30, 2008 is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Georgia Department of Audits and Accounts and is not intended to be and should not be used by anyone other than the specified parties.

Henderson & Godbee, LLP
Certified Public Accountants

Valdosta, Georgia
December 31, 2008

3488 North Valdosta Road
Valdosta, GA 31602

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LINE		
A	Local Government	Ware County, Georgia
B	State Awarding Agency	DEPT. OF COMMUNITY AFFAIRS
C	Grant Identification Number	07-C-L-205
D	Grant Title	Local Assistance Grant
E	Grant Award Date	July 26, 2007
F	Grant Amount	$20,000.00

		COLUMN 1 **Current Year Activity** For the Year Ended:	COLUMN 2 **Cumulative Grant Activity** Through the Year Ended:
G		June 30, 2008	June 30, 2008
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue)	-$5,000.00	
I	Grant Receipts or Revenue Recognized	$5,000.00	$20,000.00
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES	$0.00	$20,000.00
K	Disbursements or Expenditures for Audit Fees	$0.00	$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K]	$0.00	$0.00

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made. I understand that failure to comply with the provisions of the law applicable to this grant award shall result in a forfeiture of such grant and the return to the state of any such grant funds received.

Signature of Chief Elected Official Tommy Rouse Date: December 31, 2008

Signature of Chief Financial Officer Pam McGee Date: December 31, 2008

A	Local Government	Ware County, Georgia
B	State Awarding Agency	DEPT. OF COMMUNITY AFFAIRS
C	Grant Identification Number	08-C-L-373
D	Grant Title	Local Assistance Grant
E	Grant Award Date	August 13, 2007
F	Grant Amount	$40,000.00

		COLUMN 1 **Current Year Activity** For the Year Ended: June 30, 2008	COLUMN 2 **Cumulative Grant Activity** Through the Year Ended: June 30, 2008
G			
H	Balance - Prior Year (Cash or Accrued or Deferred Revenue)	$0.00	
I	Grant Receipts or Revenue Recognized	$30,000.00	$30,000.00
J	Grant Disbursements or Expenditures EXCLUDING AUDIT FEES	$34,836.63	$34,863.63
K	Disbursements or Expenditures for Audit Fees	$0.00	$0.00
L	Balance - Current Year (Cash or Accrued or Deferred Revenue) [Line H (col 1 only) + Line I - Line J - Line K]	-$4,836.63	-$4,863.63

Certification of Local Government Officials

I have reviewed the information presented above and certify that it is accurate and correct. I further certify that the proceeds of the grant award identified above were used solely for the express purpose or purposes for which the grant was made. I understand that failure to comply with the provisions of the law applicable to this grant award shall result in a forfeiture of such grant and the return to the state of any such grant funds received.

Signature of Chief Elected Official Tommy Rowe Date: December 31, 2008

Signature of Chief Financial Officer Pam Gibson Date: December 31, 2008

Henderson & Godbee, LLP

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Scott R. Simpson, CPA

INDEPENDENT AUDITOR'S REPORT

We have examined management's assertion included in the accompanying Annual Report of 9-1-1 Collections and Expenditures about Ware County, Georgia's compliance during the fiscal year ended June 30, 2008 with the requirement to expend 9-1-1 funds in compliance with the expenditure requirements of the Official Code of Georgia Annotated, Section 46-5-134. Management is responsible for Ware County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Ware County, Georgia's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Ware County, Georgia's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Ware County, Georgia's compliance with the specified requirement.

In our opinion, management's assertion that Ware County, Georgia complied with the aforementioned requirement during the fiscal year ended June 30, 2008 is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Georgia Department of Audits and Accounts and is not intended to be and should not be used by anyone other than the specified parties.

Henderson & Godbee, LLP
Certified Public Accountants

Valdosta, Georgia
December 31, 2008

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Ware County, Georgia
Annual Report of 9-1-1 Collections and Expenditures
For the Year Ended June 30, 2008

Line No.		O.C.G.A. Reference:		
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):			
	____ Special Revenue Fund __x__ Enterprise Fund			
2	Monthly 9-1-1 charge billed to each exchange access facility subscriber:	46-5-134(a)(1)	$ 1.50	
3	Total revenue from exchange access facility subscribers:			$ 282,378
4	Does 9-1-1 system provide automatic number identification of a wireless telecommunications connection? (choose one)			
	__x__ Yes _____ No			
5	If the answer to Line 4 is "yes", indicate below which of the following apply (choose one)			
	__x__ System provides location of base station or cell site	46-5-134(a)(2)(A)		
	_____ System provides automatic location identification	46-5-134(a)(2)(B)		
6	If the answer to Line 4 is "yes", identify the monthly 9-1-1 charge billed to each wireless telecommunications connection subscriber:	46-5-134(a)(2)	$ 1.50	
7	Total revenue from wireless telecommunications connection subscribers:			307,013
8	Total Line 3 plus Line 7 (should equal UCOA Revenue Source 34.2500)			589,391
9	Additional revenue sources:			
9a	Federal (UCOA Revenue Source 33.1000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
				-
9b	State (UCOA Revenue Source 33.4000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		
	C.A.R.E. Public Education Grant			1,000
9c	Local (UCOA Revenue Source 33.6000) Identify each unit of local government individually. Attach list, if necessary.	46-5-134(j)		
				-
				-
				-
9d	Private (UCOA Revenue Source 37.1000) Identify each private source individually. Attach list, if necessary.	46-5-134(j)		
				-

Ware County, Georgia
Annual Report of 9-1-1 Collections and Expenditures - Continued
For the Year Ended June 30, 2008

10	Investment Income (UCOA Revenue Source 36.1000 through 36.3000)		8,258
11	Other revenue sources not included above. Identify each source individually. Transfers from other funds of the local government should be reported on Line 25 and not included here.		
	Open record charges		421
12	Total Revenues (total of all amounts reported on Lines 8 through 11)		$ 599,070
	Expenditures (UCOA Activity 3800)		
13	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
			$ -
			-
			-
14	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
14a	Lease costs	46-5-134(f)(1)	-
14b	Purchase costs	46-5-134(f)(1)	-
14c	Maintenance costs	46-5-134(f)(1)	-
15	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(2)	-
16	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system: Number of employees classified as: Full time 34 Part time 0		
16a	Salaries and wages	46-5-134(f)(3)	442,008
16b	Employee benefits	46-5-134(f)(3)	168,070

Ware County, Georgia
Annual Report of 9-1-1 Collections and Expenditures - Continued
For the Year Ended June 30, 2008

17	Cost of training of employees who work as dispatchers	46-5-134(f)(3)	3,771
18	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(4)	3,449
19a	Building used as a public safety answering point:		
19a1	Lease costs	46-5-134(f)(5)	-
19a2	Purchase costs	46-5-134(f)(5)	-
19b	Has the local government completed its street addressing plan? (choose one)	46-5-134(f)(5)	-
	_X_ Yes _____ No		
20	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems:		
20a	Lease costs	46-5-134(f)(6)	31,747
20b	Purchase costs	46-5-134(f)(6)	-
20c	Maintenance costs	46-5-134(f)(6)	941
21	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(7)	1,073
22	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
22a	Lease costs	46-5-134(f)(8)	-
22b	Purchase costs	46-5-134(f)(8)	-
22c	Maintenance costs	46-5-134(f)(8)	-
23	Other expenditures not included in Lines 13 through 22 above. Identify by object and purpose. Transfers to other funds of the local government should be reported on Line 26 and not included here.		
	Telephone		7,468
	Fuel		298
	Uniform expense		3,216
	C.A.R.E. Public Education Grant		856
	Travel		268
	Advertising		1,456
	Line and administration fees		171,861
	Utilities		6,867
	Dues and subscriptions		457
	Depreciation		25,381
	Radio Service		1,145
24	Total Expenditures (total of all amounts reported on Lines 13 through 23 above)		$ 870,332

Ware County, Georgia
Annual Report of 9-1-1 Collections and Expenditures - Continued
For the Year Ended June 30, 2008

25	Transfers From Other Funds (identify by fund)	
	Ware County General Fund	$ 239,900
26	Transfers To Other Funds (identify by fund)	
		-
27	Proceeds from Capital Lease (identify by asset class and, if equipment, purpose)	
		-
28	Net Change in Fund Balance (Line 12 - Line 24 + Line 25 - Line 26 + Line 27)	(31,362)
29	Fund Balance - Beginning of Year	(175,513)
30	Fund Balance - End of Year	$ (206,875)

31a Do amounts on Lines 12, 24, 28, 29, and 30 agree to amounts reported in the government's audited financial statements submitted to the Georgia Department of Audits and Accounts?

X Yes _____ No

31b If the answer to Line 31a is "no", provide explanation (including amounts) to reconcile each line item specified in Line 31a above to government's audited financial statements. Reconciliation should be attached to this report.

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official Tommy M Rouse Date 12/31/2008

Print Name of Chief Elected Official Tommy M. Rouse

Title of Chief Elected Official County Commission Chairman

Signature of Chief Financial Officer Pam Gibson Date 12/31/2008

Print Name of Chief Financial Officer Pam Gibson