# FINANCIAL STATEMENTS
# AND
# ADDITIONAL INFORMATION

## WARE COUNTY, GEORGIA

For The Fiscal Year Ended June 30, 2015

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# WARE COUNTY, GEORGIA
# FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
**For The Year Ending June 30, 2015**

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# WARE COUNTY, GEORGIA
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# WARE COUNTY, GEORGIA
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# FINANCIAL SECTION

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CRI CARR RIGGS & INGRAM
CPAs and Advisors

**Carr, Riggs & Ingram, LLC**
202 Love Avenue
Tifton, GA 31794
P.O. Box 7650
Tifton, GA 31793

(229) 382-8576
(229) 238-0643 (fax)
www.cricpa.com

# INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
of Ware County, Georgia
Waycross, Georgia

## Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Ware County, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the component unit financial statements of the Ware County Board of Health or the Okefenokee Area Development Authority, which collectively comprises 100% of the assets, net position and revenues of the County's aggregate discretely presented component units. Those 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 the Ware County Board of Health and the Okefenokee Area Development Authority is based on the reports of the other auditors.

## Management's Responsibility for the Financial Statements

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

## Auditor's Responsibility

We did not audit the financial statements of the Ware County Board of Health or the Okefenokee Area Development Authority, which collectively comprises all of the County's aggregate discretely presented component units. Those 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 these component units, is based solely 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 Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the Ware County Board of Health and the Okefenokee Area Development Authority were audited in accordance with Government Auditing Standards, issued by the Comptroller General of the United States.

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

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

**Opinions**

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the 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, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of changes in net pension liability, schedule of employer contribution and schedule of proportionate share of net pension liabilities on pages 4 through 14 and 65 through 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Ware County, Georgia's basic financial statements as a whole. The combining and individual nonmajor fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Ware County, Georgia.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements, schedules listed in the table of contents and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The accompanying Schedules of Projects Constructed with Special Sales Tax Proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2016 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Ware County, Georgia's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

March 4, 2016
Tifton, Georgia

# MANAGEMENT DISCUSSION AND ANALYSIS

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2015

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, 2015. We encourage our readers to consider the information presented within this Management's discussion and analysis in conjunction with the basic financial statements. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

**Financial Highlights**

Key financial highlights for FY15 are as follows:

The County's total net position increased by $200,129 to $106,728,079. The County's investment in capital assets net of related debt is $86,760,335 and there is $17,960,682 of net position that are restricted for various purposes, leaving a $2,007,062 in unrestricted net position.

At the end of the current year, the County's governmental funds reported an ending fund balance of $22,665,083, an increase of $2,026,496 from the prior year fund balance. A large portion of the fund balance is restricted for various purposes in the amount of $18,063,966 and $3,483,923 is assigned for property tax rollback, leaving an unreserved fund balance of $1,117,194.

Net position for business-type activities increased $726,165 to $10,573,133.

The County spent most of their remaining SPLOST funds from prior SPLOST on road improvements as most other capital projects have been completed. The SPLOST that ended in June 2014 has been used to obtain public safety and public works equipment as well as acquire property near the Courthouse to provide more space for County government. The new SPLOST which began in July 2014 will also provide public safety and public works equipment as well as recreation facilities and has paid off the remaining Courthouse debt and the hanger debt at the airport. Improvements for roads and bridges will also be a large portion of this SPLOST.

**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 Position and the Statement of Activities

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

The change in net position is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, 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 position 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, Airport and Regional Landfill operations are reported here.

Component Units—The County's financial statements include financial data of 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 and the Capital Projects Funds which include the 2008 Special Purpose Sales Tax Fund and the 2014 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, 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 Position for the years ending June 30, 2014 and 2015:

**Ware County's Net Position**
*(in millions of dollars)*

| | Governmental Activities | | Business-Type Activities | | Total | | Total Percentage Change |
|---|---|---|---|---|---|---|---|
| | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014-2015 |
| Assets | | | | | | | |
| Current and other assets | $ 23.39 | $ 26.01 | $ 0.42 | $ 0.47 | $ 23.81 | $ 26.48 | 11.21% |
| Capital assets, net | 81.34 | 77.36 | 10.29 | 10.19 | 91.63 | 87.55 | -4.45% |
| **Total Assets** | **104.73** | **103.37** | **10.71** | **10.66** | **115.44** | **114.03** | **-1.22%** |
| **Deferred Outflows of Resources** | **-** | **0.01** | **-** | **-** | **-** | **0.01** | **0.00%** |
| Liabilities | | | | | | | |
| Current and other liabilities | 2.19 | 3.90 | 0.54 | 0.07 | 2.73 | 3.97 | 45.42% |
| Long-term liabilities | 5.81 | 3.33 | 0.30 | 0.02 | 6.11 | 3.35 | -45.17% |
| **Total Liabilities** | **8.00** | **7.23** | **0.84** | **0.09** | **8.84** | **7.32** | **-17.19%** |
| **Deferred Inflows of Resources** | **0.05** | **-** | **0.02** | **-** | **0.07** | **-** | **0.00%** |
| **Net Position** | | | | | | | |
| Net investment in capital assets | 79.21 | 76.57 | 9.76 | 10.19 | 88.97 | 86.76 | -2.48% |
| Restricted | 16.56 | 17.96 | - | - | 16.56 | 17.96 | 8.45% |
| Unrestricted | 0.91 | 1.62 | 0.09 | 0.38 | 1.00 | 2.00 | 100.00% |
| **Total Net Position** | **$ 96.68** | **$ 96.15** | **$ 9.85** | **$ 10.57** | **$ 106.53** | **$ 106.72** | **0.18%** |

As noted earlier, the County's net position, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets and deferred outflows exceeded liabilities and deferred inflows by $106,728,079 ($96,154,944 in governmental activities and $10,573,135 in business-type activities) as of June 30, 2015. The largest portion of the County's net position (81.29 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 14.87 percent of net position is restricted for use on capital projects. An additional portion of the County's net position (1.96 percent) represents resources that are subject to other restrictions on how they can be used. The remaining balance of unrestricted assets (1.88 percent) amounts to $1,622,090.

The next table shows the changes in net position for the years ending June 30, 2015 and 2014:

**Changes in Ware County's Net Position**
*(in millions of dollars)*

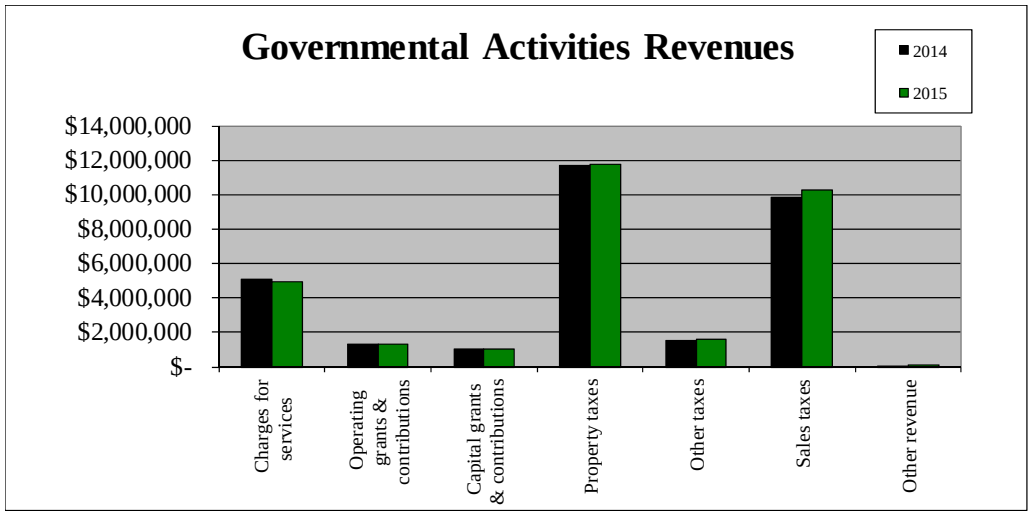
| | Governmental Activities | | Business-Type Activities | | Total | | Total Percentage Change | |
|---|---|---|---|---|---|---|---|---|
| | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014-2015 | |
| **Revenues** | | | | | | | | |
| Program Revenues | | | | | | | | |
| Charges for services | $ 5.09 | $ 4.96 | $ 0.99 | $ 0.94 | $ 6.08 | $ 5.90 | (2.96) | % |
| Operating grants and contributions | 1.31 | 1.31 | - | - | 1.31 | 1.31 | - | % |
| Capital grants and contributions | 1.01 | 1.03 | 0.13 | 0.18 | 1.14 | 1.21 | 6.14 | % |
| Total Program Revenues | 7.41 | 7.30 | 1.12 | 1.12 | 8.53 | 8.42 | (1.29) | % |
| General Revenues | | | | | | | | |
| Property taxes | 11.72 | 11.77 | - | - | 11.72 | 11.77 | 0.43 | % |
| Sales taxes | 9.85 | 10.26 | - | - | 9.85 | 10.26 | 4.16 | % |
| Occupation taxes | 0.22 | 0.22 | - | - | 0.22 | 0.22 | - | % |
| Other taxes | 1.30 | 1.35 | - | - | 1.30 | 1.35 | 3.85 | % |
| Miscellaneous | 0.03 | 0.12 | - | - | 0.03 | 0.12 | 300.00 | % |
| Total General Revenues | 23.12 | 23.72 | - | - | 23.12 | 23.72 | 2.60 | % |
| **Total Revenues** | **30.53** | **31.02** | **1.12** | **1.12** | **31.65** | **32.14** | **1.55** | **%** |

Overall revenues increased in FY15 with the largest increases in sales tax revenue.

**Changes in Ware County's Net Position**
*(in millions of dollars)*

| | Governmental Activities | | Business-Type Activities | | Total | | Total Percentage Change |
|---|---|---|---|---|---|---|---|
| | 2014 | 2015 | 2014 | 2015 | 2014 | 2015 | 2014-2015 |
| **Expenses** | | | | | | | |
| **Governmental Activities:** | | | | | | | |
| General Government | | | | | | | |
| Legislative and executive | $ 4.05 | $ 4.03 | $ - | $ - | $ 4.05 | $ 4.03 | (0.49) % |
| Judicial | 3.21 | 3.26 | - | - | 3.21 | 3.26 | 1.56 % |
| Public safety | 11.90 | 11.93 | - | - | 11.90 | 11.93 | 0.25 % |
| Public works | 9.67 | 8.57 | - | - | 9.67 | 8.57 | (11.38) % |
| Health and welfare | 0.75 | 0.72 | - | - | 0.75 | 0.72 | (4.00) % |
| Culture and recreation | 1.55 | 1.57 | - | - | 1.55 | 1.57 | 1.29 % |
| Housing and development | 0.24 | 0.22 | - | - | 0.24 | 0.22 | (8.33) % |
| Interest on long-term debt | 0.03 | 0.02 | - | - | 0.03 | 0.02 | (33.33) % |
| **Business-type Activities:** | | | | | | | |
| Emergency telephone | - | - | 0.71 | 0.76 | 0.71 | 0.76 | 7.04 % |
| Airport | - | - | 0.89 | 0.87 | 0.89 | 0.87 | (2.25) % |
| Regional landfill | - | - | 0.01 | - | 0.01 | - | - % |
| **Total Expenses** | **31.40** | **30.32** | **1.61** | **1.63** | **33.01** | **31.95** | **(3.21)** % |
| **Revenue Over (Under) Expenses** | **(0.87)** | **0.70** | **(0.49)** | **(0.51)** | **(1.36)** | **0.19** | **(113.97)** |
| Transfers | (1.01) | (1.23) | 1.01 | 1.23 | - | - | - % |
| **Increase (Decrease) in Net Position** | **(1.88)** | **(0.53)** | **0.52** | **0.72** | **(1.36)** | **0.19** | **(113.97)** % |
| **Net Position, Restated** | 98.56 | 96.68 | 9.33 | 9.85 | 107.89 | 106.53 | (1.26) % |
| **Net Position, Ending** | **$ 96.68** | **$ 96.15** | **$ 9.85** | **$ 10.57** | **$ 106.53** | **$ 106.72** | **0.18** % |

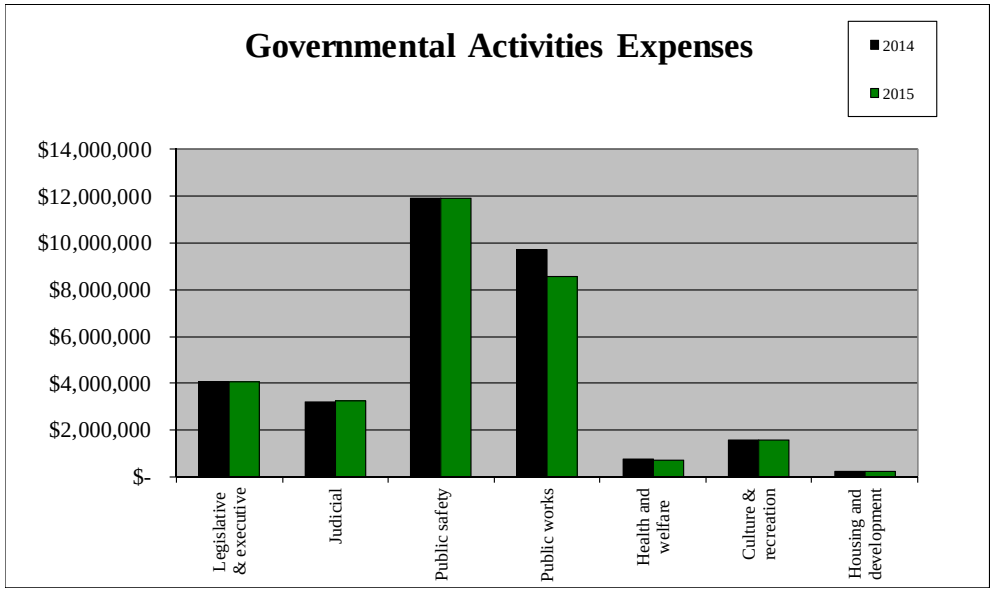
**Government Activities**




The largest portion of the County's program revenue is from charges for services which accounted for $4,957,729 or 68% 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 $11,763,880 or 50% of total general revenues. Another major component was sales taxes, which accounted for $10,259,951 or 43% of total general revenues.

The following chart compares governmental activities expenses for the year ending June 30, 2014 and 2015:



**Government Activities – Continued**

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 2014 | Total Cost of Services 2015 | Percentage Change 2014-2015 | Net Cost of Services 2014 | Net Cost of Services 2015 | Percentage Change 2014-2015 |
|---|---|---|---|---|---|---|
| General Government | | | | | | |
| Legislative and executive | $ 4.05 | $ 4.03 | (0.49) % | $ 2.75 | $ 2.88 | 4.63 % |
| Judicial | 3.21 | 3.26 | 1.56 % | 1.22 | 1.39 | 13.79 % |
| Public safety | 11.90 | 11.93 | 0.25 % | 9.16 | 9.07 | (0.94) % |
| Public works | 9.67 | 8.57 | (11.38) % | 8.66 | 7.53 | (13.09) % |
| Health and welfare | 0.75 | 0.72 | (4.00) % | 0.69 | 0.66 | (4.67) % |
| Culture and recreation | 1.55 | 1.57 | 1.29 % | 1.28 | 1.29 | 0.60 % |
| Housing and development | 0.24 | 0.22 | (8.33) % | 0.24 | 0.22 | (7.84) % |
| Interest on long-term debt | 0.03 | 0.02 | (33.33) % | 0.03 | 0.02 | (27.24) % |
| **Total** | **$ 31.40** | **$ 30.32** | **(3.44)** % | **$ 24.03** | **$ 23.05** | **(4.04)** % |

**Business-Type Activities**

The net position for business-type activities increased by $726,165 during the year ending June 30, 2015. The major source of revenue was from charges for services which amounted to $941,739.

**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, 2015, the County's governmental funds reported a combined ending fund balance of $22,665,083 an increase of $2,026,496. Most of the of the fund balance is restricted 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 $3,483,923 is assigned 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, 2015, the assigned fund balance for property tax relief was $3,483,923 and non-spendable funds for inventory were $103,284. 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 23.06% percent of the total fund expenditures.

The Capital Projects 2008 SPLOST Fund expended $492,535 in capital improvement funds, debt service, and public works and received $11,472 in investment and miscellaneous income. The expenditures exceeded revenues resulting in a decrease in the fund balance of $481,063 to $12,796,581, which is restricted for capital projects.

The Capital Projects 2014 SPLOST Fund is a new fund which accounts for the new SPLOST. The fund received $6,601,059 in SPLOST funds and interest income. The fund spent $3,946,751 in capital outlay, debt retirement and intergovernmental payments to the City of Waycross and that left a fund balance of $2,391,113 which is restricted for future capital outlays.

**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 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 or lower than expected expenditures in other departments. 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, 2015, was $87,546,687 (net of accumulated depreciation and debt). 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 FY15 included continued improvements to roads, renovations of buildings for government services, acquisition of public safety and public works equipment and completion of recreation facilities.

Note 5 (Capital Assets) provides additional information about capital asset activity during FY15.

**Debt**

At June 30, 2015 the County had outstanding debt through capital leases in the amount of $786,352.

In addition to this 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 10 to 13 of this report.

**Economic Factors**

The Net M&O tax digest growth grew by 8.86%.

**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 1069, Waycross, GA 31502.

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# BASIC FINANCIAL STATEMENTS

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

| | Primary Government | | | Component Units | |
|---|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total Primary Government | Okefenokee Area Development Authority | Ware County Board of Health |
| ASSETS | | | | | |
| Cash | $ 22,683,653 | $ 188,729 | $ 22,872,382 | $ 122 | $ 3,007,489 |
| Certificates of deposit | 198,706 | - | 198,706 | - | - |
| Receivables (net of allowance for doubtful accounts) | | | | | |
| Taxes | 673,469 | - | 673,469 | - | - |
| Accounts | 962,485 | 103,541 | 1,066,026 | 361,969 | 5,694 |
| Sales tax | 854,137 | - | 854,137 | - | - |
| Internal balances | (106,931) | 106,931 | - | - | - |
| Prepaid items | 448,782 | - | 448,782 | - | 118,423 |
| Due from other governments | 192,182 | - | 192,182 | - | 1,674,271 |
| Inventory | 103,285 | 75,139 | 178,424 | - | - |
| Nondepreciable capital assets | 640,789 | 5,645,324 | 6,286,113 | 770,000 | - |
| Depreciable capital assets, net | 76,717,735 | 4,542,839 | 81,260,574 | 34,388 | 2,548,202 |
| TOTAL ASSETS | 103,368,292 | 10,662,503 | 114,030,795 | 1,166,479 | 7,354,079 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | |
| Pensions | 12,934 | - | 12,934 | - | 1,010,687 |

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

WARE COUNTY, GEORGIA
STATEMENT OF NET POSITION - CONTINUED
June 30, 2015

| | Primary Government | | | Component Units | |
|---|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total Primary Government | Okefenokee Area Development Authority | Ware County Board of Health |
| LIABILITIES | | | | | |
| Accounts payable | $ 909,682 | $ 6,222 | $ 915,904 | $ - | $ 683,462 |
| Accrued wages | 293,537 | 15,842 | 309,379 | - | - |
| Accrued liabilities | 2,027 | - | 2,027 | - | - |
| Due to other governments | 606,361 | 23,346 | 629,707 | 770,000 | 17,029 |
| Unearned revenue | 41,812 | - | 41,812 | - | - |
| Long-term liabilities: | | | | | |
| Due within one year: | | | | | |
| Compensated absences payable | 663,539 | 26,375 | 689,914 | - | 234,437 |
| Capital lease obligations | 654,465 | - | 654,465 | - | - |
| Notes payable | - | - | - | 5,252 | - |
| Landfill postclosure cost | 95,057 | - | 95,057 | - | - |
| Due in more than one year | | | | | |
| Compensated absences payable | 442,359 | 17,583 | 459,942 | - | 351,656 |
| Capital lease obligations | 131,887 | - | 131,887 | - | - |
| Notes payable | - | - | - | 80,661 | - |
| Net other postemployment benefits | 1,527,554 | - | 1,527,554 | - | - |
| Net pension obligation liability | 635,438 | - | 635,438 | - | 7,989,004 |
| Landfill postclosure cost | 1,222,564 | - | 1,222,564 | - | - |
| TOTAL LIABILITIES | 7,226,282 | 89,368 | 7,315,650 | 855,913 | 9,275,588 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Pensions | - | - | - | - | 2,114,413 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | - | - | - | - | 2,114,413 |
| NET POSITION | | | | | |
| Net investment in capital assets | 76,572,172 | 10,188,163 | 86,760,335 | 723,727 | 2,548,202 |
| Restricted for: | | | | | |
| Drug education and treatment | 976,631 | - | 976,631 | - | - |
| Fire protection | 8,811 | - | 8,811 | - | - |
| Capital projects | 15,869,258 | - | 15,869,258 | - | - |
| Jail operations | 392,077 | - | 392,077 | - | - |
| Drug enforcement operations | 157,994 | - | 157,994 | - | - |
| Law library | 249,997 | - | 249,997 | - | - |
| Victim assistance | 305,914 | - | 305,914 | - | - |
| Special programs | - | - | - | - | 2,137,529 |
| Prior year program fee income | - | - | - | - | 719,305 |
| Unrestricted | 1,622,090 | 384,972 | 2,007,062 | (413,161) | (8,430,271) |
| TOTAL NET POSITION | $ 96,154,944 | $ 10,573,135 | $ 106,728,079 | $ 310,566 | $ (3,025,235) |

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

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

| FUNCTION/PROGRAM | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants, Contributions, and Interest | Program Revenues: Capital Grants, Contributions, and Interest |
|---|---|---|---|---|
| GOVERNMENTAL ACTIVITIES | | | | |
| General Government | | | | |
| Legislative and Executive | $ 4,043,372 | $ 594,265 | $ 571,695 | $ - |
| Judicial | 3,265,680 | 1,361,655 | 515,816 | - |
| Public Safety | 11,930,812 | 2,694,174 | 163,163 | - |
| Public Works | 8,572,208 | 5,583 | 6,680 | 1,033,114 |
| Health and Welfare | 719,190 | 14,000 | 47,400 | - |
| Culture and Recreation | 1,575,680 | 288,052 | - | - |
| Housing and Development | 221,189 | - | - | - |
| Interest on Long-term Debt | 21,828 | - | - | - |
| TOTAL GOVERNMENTAL ACTIVITIES | 30,349,959 | 4,957,729 | 1,304,754 | 1,033,114 |
| BUSINESS-TYPE ACTIVITIES | | | | |
| Emergency Telephone | 759,566 | 486,244 | - | - |
| Airport | 868,710 | 455,495 | - | 180,365 |
| Regional Landfill | - | - | - | - |
| TOTAL BUSINESS-TYPE ACTIVITIES | 1,628,276 | 941,739 | - | 180,365 |
| TOTAL PRIMARY GOVERNMENT | $ 31,978,235 | $ 5,899,468 | $ 1,304,754 | $ 1,213,479 |
| COMPONENT UNITS | | | | |
| Okefenokee Area Development Authority | $ 10,970 | $ - | $ - | $ - |
| Ware County Board of Health | 17,689,653 | 897,962 | 18,674,679 | - |
| TOTAL COMPONENT UNITS | $ 17,700,623 | $ 897,962 | $ 18,674,679 | $ - |
| GENERAL REVENUES | | | | |
| Property Taxes Levied for: | | | | |
| General Operating | | | | |
| Alcoholic Beverage Taxes | | | | |
| Occupational Taxes | | | | |
| Franchise Taxes | | | | |
| Insurance Premium Taxes | | | | |
| Sales Taxes | | | | |
| Excise Taxes | | | | |
| Surplus Sales | | | | |
| Miscellaneous | | | | |
| Interest | | | | |
| TOTAL GENERAL REVENUES | | | | |
| EXCESS BEFORE TRANSFERS | | | | |
| TRANSFERS IN (OUT) | | | | |
| CHANGES IN NET POSITION | | | | |
| NET POSITION, RESTATED | | | | |
| NET POSITION, END OF YEAR | | | | |

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

| Net (Expense) Revenue and Changes in Net Position | | | | | |
|---|---|---|---|---|---|
| Primary Government | | | | Component Units | |
| Governmental Activities | Business-Type Activities | Total | | Okefenokee Area Development Authority | Ware County Board of Health |
| $ (2,877,412) | $ - | $ (2,877,412) | | $ - | $ - |
| (1,388,209) | - | (1,388,209) | | - | - |
| (9,073,475) | - | (9,073,475) | | - | - |
| (7,526,831) | - | (7,526,831) | | - | - |
| (657,790) | - | (657,790) | | - | - |
| (1,287,628) | - | (1,287,628) | | - | - |
| (221,189) | - | (221,189) | | - | - |
| (21,828) | - | (21,828) | | - | - |
| (23,054,362) | - | (23,054,362) | | - | - |
| - | (273,322) | (273,322) | | - | - |
| - | (232,850) | (232,850) | | - | - |
| - | - | - | | - | - |
| - | (506,172) | (506,172) | | - | - |
| $ (23,054,362) | $ (506,172) | $ (23,560,534) | | $ - | $ - |
| $ - | $ - | $ - | | $ (10,970) | $ - |
| - | - | - | | - | 1,882,988 |
| $ - | $ - | $ - | | $ (10,970) | $ 1,882,988 |
| 11,763,880 | - | 11,763,880 | | - | - |
| 176,795 | - | 176,795 | | - | - |
| 218,290 | - | 218,290 | | - | - |
| 108,081 | - | 108,081 | | - | - |
| 1,061,785 | - | 1,061,785 | | - | - |
| 10,259,951 | - | 10,259,951 | | - | - |
| 57,103 | - | 57,103 | | | |
| 89,708 | - | 89,708 | | - | - |
| 24,948 | - | 24,948 | | 991 | - |
| - | 122 | 122 | | - | - |
| 23,760,541 | 122 | 23,760,663 | | 991 | - |
| 706,179 | (506,050) | 200,129 | | (9,979) | 1,882,988 |
| (1,232,215) | 1,232,215 | - | | - | - |
| (526,036) | 726,165 | 200,129 | | (9,979) | 1,882,988 |
| 96,680,980 | 9,846,970 | 106,527,950 | | 320,545 | (4,908,223) |
| $ 96,154,944 | $ 10,573,135 | $ 106,728,079 | | $ 310,566 | $ (3,025,235) |

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

| | General | Capital Projects Funds: 2008 SPLOST | Capital Projects Funds: 2014 SPLOST | Other Governmental Funds | Total |
|---|---|---|---|---|---|
| ASSETS | | | | | |
| Cash | $ 4,507,162 | $ 12,765,930 | $ 2,175,170 | $ 2,587,358 | $ 22,035,620 |
| Certificates of deposit | - | - | - | 198,706 | 198,706 |
| Receivables (net of allowance for doubtful accounts): | | | | | |
| Taxes | 673,469 | - | - | - | 673,469 |
| Accounts | 813,235 | - | 39,651 | 70,522 | 923,408 |
| Sales Tax | 304,877 | - | 549,261 | - | 854,138 |
| Inventory | 103,284 | - | - | - | 103,284 |
| Due from other governments | 108,201 | 43,480 | - | 40,501 | 192,182 |
| Interfund receivable | 7,071 | - | - | - | 7,071 |
| TOTAL ASSETS | $ 6,517,299 | $ 12,809,410 | $ 2,764,082 | $ 2,897,087 | $ 24,987,878 |

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

WARE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET - CONTINUED
June 30, 2015

| | General | Capital Projects Funds 2008 SPLOST | Capital Projects Funds 2014 SPLOST | Other Governmental Funds | Total |
|---|---|---|---|---|---|
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | $ 372,510 | $ 5,125 | $ 175,643 | $ 91,537 | $ 644,815 |
| Accrued liabilities | 289,695 | 3,035 | - | 2,834 | 295,564 |
| Due to other governments | 410,000 | - | 196,361 | 28,680 | 635,041 |
| Unearned revenue | 13,133 | - | - | - | 13,133 |
| Interfund payable | 107,320 | 4,669 | 965 | 1,048 | 114,002 |
| TOTAL LIABILITIES | 1,192,658 | 12,829 | 372,969 | 124,099 | 1,702,555 |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| Deferred property taxes | 620,240 | - | - | - | 620,240 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 620,240 | - | - | - | 620,240 |
| FUND BALANCES | | | | | |
| Nonspendable: | | | | | |
| Inventory | 103,284 | - | - | - | 103,284 |
| Restricted for: | | | | | |
| Drug education and treatment | - | - | - | 976,631 | 976,631 |
| Fire protection | - | - | - | 8,811 | 8,811 |
| Capital projects | - | 12,796,581 | 2,391,113 | 681,564 | 15,869,258 |
| Jail operations | - | - | - | 392,077 | 392,077 |
| Drug enforcement operations | - | - | - | 157,994 | 157,994 |
| Law library | - | - | - | 249,997 | 249,997 |
| Victim assistance | - | - | - | 305,914 | 305,914 |
| Assigned for: | | | | | |
| Property tax roll back | 3,483,923 | - | - | - | 3,483,923 |
| Unassigned reported in: | | | | | |
| General Fund | 1,117,194 | - | - | - | 1,117,194 |
| TOTAL FUND BALANCES | 4,704,401 | 12,796,581 | 2,391,113 | 2,772,988 | 22,665,083 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | $ 6,517,299 | $ 12,809,410 | $ 2,764,082 | $ 2,897,087 | $ 24,987,878 |

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

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

| | |
|---|---|
| Total Governmental Funds Balances | $ 22,665,083 |
| **Amounts reported for governmental activities on the statement of Net Position are different because of the following:** | |
| Net Pension Obligation | |
| Pension liabilities resulting from contributions in excess on the annual required contribution | (635,438) |
| Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. | 77,358,524 |
| 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 Position. | |
| Net Position | 871,026 |
| Revenues are not available to pay for current period expenditures and, therefore, are not reported in the funds. | |
| Deferred property taxes | 620,240 |
| Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds: | |
| Landfill postclosure cost | (1,317,621) |
| Compensated absences payable | (1,105,898) |
| Deferred outflow of resource - pension | 12,934 |
| Net other postemployment benefits | (1,527,554) |
| Capital leases payable | (786,352) |
| Net Position of Governmental Activities | $ 96,154,944 |

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, 2015

| | General | Capital Project Funds 2008 SPLOST | Capital Project Funds 2014 SPLOST | Other Governmental Funds | Total |
|---|---|---|---|---|---|
| REVENUES: | | | | | |
| Taxes | $ 17,200,304 | $ - | $ 6,600,669 | $ - | $ 23,800,973 |
| Licenses and permits | 218,290 | - | - | - | 218,290 |
| Intergovernmental revenues | 477,496 | - | - | 1,766,268 | 2,243,764 |
| Charges for services | 3,068,632 | - | - | 647,489 | 3,716,121 |
| Fines and forfeitures | 600,826 | - | - | 255,723 | 856,549 |
| Investment income | 2,398 | 6,290 | 390 | 2,329 | 11,407 |
| Miscellaneous | 262,327 | 5,182 | - | 10,095 | 277,604 |
| TOTAL REVENUES | 21,830,273 | 11,472 | 6,601,059 | 2,681,904 | 31,124,708 |
| EXPENDITURES | | | | | |
| Current | | | | | |
| General Government | | | | | |
| Legislative and executive | 3,555,462 | - | 22,433 | 124,812 | 3,702,707 |
| Judicial | 2,640,258 | - | - | 597,017 | 3,237,275 |
| Public safety | 10,680,310 | - | 24,695 | 669,024 | 11,374,029 |
| Public works | 1,415,913 | 400,827 | 190,221 | - | 2,006,961 |
| Health and welfare | 653,687 | - | - | 47,400 | 701,087 |
| Culture and recreation | 1,233,920 | - | - | - | 1,233,920 |
| Housing and development | 217,500 | - | - | - | 217,500 |
| Intergovernmental | - | - | 1,687,709 | - | 1,687,709 |
| Capital outlay | - | - | 569,102 | 1,755,428 | 2,324,530 |
| Debt service | | | | | |
| Principal retirement | - | 69,880 | 1,427,848 | - | 1,497,728 |
| Interest | - | 21,828 | 24,743 | - | 46,571 |
| TOTAL EXPENDITURES | 20,397,050 | 492,535 | 3,946,751 | 3,193,681 | 28,030,017 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 1,433,223 | (481,063) | 2,654,308 | (511,777) | 3,094,691 |
| OTHER FINANCING SOURCES (USES): | | | | | |
| CAPITAL LEASE FINANCING | - | - | 164,020 | - | 164,020 |
| TRANSFER OUT | (805,000) | - | (427,215) | - | (1,232,215) |
| TOTAL OTHER FINANCING SOURCES (USES) | (805,000) | - | (263,195) | - | (1,068,195) |
| NET CHANGES IN FUND BALANCE | 628,223 | (481,063) | 2,391,113 | (511,777) | 2,026,496 |
| FUND BALANCE, BEGINNING OF YEAR | 4,076,178 | 13,277,644 | - | 3,284,765 | 20,638,587 |
| FUND BALANCE, END OF YEAR | $ 4,704,401 | $ 12,796,581 | $ 2,391,113 | $ 2,772,988 | $ 22,665,083 |

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, 2015

| | | |
|---|---|---|
| Net Change in Fund Balances - Total Governmental Funds | | $ 2,026,496 |
| **Amounts reported for governmental activities on the statement of activities are different because of the following:** | | |
| Net Pension Obligation | | |
| Change in pension assets resulting from contributions in excess of the annual required contribution | | (3,233) |
| 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 | 1,756,653 | |
| Capital outlay - depreciable capital assets | 623,625 | |
| Depreciation | (6,361,036) | |
| | | (3,980,758) |
| Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds: | | |
| Property taxes | (68,569) | |
| | | (68,569) |
| Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds: | | |
| Capital lease financing | (164,020) | |
| | | (164,020) |
| 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 | 295,042 | |
| Landfill postclosure cost | 71,884 | |
| Other postemployment benefits | (167,387) | |
| Compensated absences | (77,153) | |
| | | 122,386 |
| Repayment of principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of activities. | | |
| Amortization of deferred outflows of resources - pension | 31,043 | |
| Capital lease payments | 1,510,619 | |
| | | 1,541,662 |
| Changes in Net Position of Governmental Activities | | $ (526,036) |

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

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

| | Business-Type Activities-Enterprise Funds | | | | Governmental Activities |
|---|---|---|---|---|---|
| | Emergency Telephone | Airport | Regional Landfill | Total | Internal Service Funds |
| ASSETS | | | | | |
| CURRENT ASSETS | | | | | |
| Cash | $ 167,093 | $ 21,636 | $ - | $ 188,729 | $ 648,032 |
| Receivables (net of allowance for doubtful accounts): | | | | | |
| Accounts | 66,266 | 37,275 | - | 103,541 | 39,078 |
| Interfund receivable | 37,080 | 70,240 | - | 107,320 | - |
| Prepaid items | - | - | - | - | 448,782 |
| Inventory | - | 75,139 | - | 75,139 | - |
| TOTAL CURRENT ASSETS | 270,439 | 204,290 | - | 474,729 | 1,135,892 |
| NONCURRENT ASSETS | | | | | |
| Capital Assets | | | | | |
| Land | - | 1,043,408 | 4,412,450 | 5,455,858 | - |
| Construction in progress | - | 189,466 | - | 189,466 | - |
| Depreciable capital assets, net | 74,402 | 4,468,437 | - | 4,542,839 | - |
| TOTAL NONCURRENT ASSETS | 74,402 | 5,701,311 | 4,412,450 | 10,188,163 | - |
| TOTAL ASSETS | 344,841 | 5,905,601 | 4,412,450 | 10,662,892 | 1,135,892 |

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

WARE COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION - CONTINUED
June 30, 2015

| | Business-Type Activities-Enterprise Funds | | | | Governmental Activities |
|---|---|---|---|---|---|
| | Emergency Telephone | Airport | Regional Landfill | Total | Internal Service Funds |
| LIABILITIES | | | | | |
| CURRENT LIABILITIES | | | | | |
| Accounts payable | 3,007 | 3,215 | - | 6,222 | 264,865 |
| Accrued expenses | 13,117 | 2,725 | - | 15,842 | - |
| Current portion of compensated absences payable | 14,954 | 11,420 | - | 26,375 | - |
| Unearned revenue | - | 23,346 | - | 23,346 | - |
| Interfund payable | - | 389 | - | 389 | - |
| TOTAL CURRENT LIABILITIES | 31,078 | 41,095 | - | 72,174 | 264,865 |
| LONG-TERM LIABILITIES | | | | | |
| Compensated absences payable | 9,970 | 7,614 | - | 17,583 | - |
| TOTAL LONG-TERM LIABILITIES | 9,970 | 7,614 | - | 17,583 | - |
| TOTAL LIABILITIES | 41,048 | 48,709 | - | 89,757 | 264,865 |
| NET POSITION | | | | | |
| Net investment in capital assets | 74,402 | 5,701,311 | 4,412,450 | 10,188,163 | - |
| Restricted for workers compensation and health claims | - | - | - | - | 871,027 |
| Unrestricted | 229,391 | 155,581 | - | 384,972 | - |
| TOTAL NET POSITION | $ 303,793 | $ 5,856,892 | $ 4,412,450 | $ 10,573,135 | $ 871,027 |

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 POSITION
For The Year Ended June 30, 2015

| | Business-Type Activities-Enterprise Funds | | | | Governmental Activities |
|---|---|---|---|---|---|
| | Emergency Telephone | Airport | Regional Landfill | Total | Internal Service Funds |
| OPERATING REVENUES | | | | | |
| Charges for services | $ 486,244 | $ 455,495 | $ - | $ 941,739 | $ 3,704,453 |
| Contributions | - | - | - | - | 144,725 |
| TOTAL OPERATING REVENUES | 486,244 | 455,495 | - | 941,739 | 3,849,178 |
| OPERATING EXPENSES | | | | | |
| Personal services | 449,307 | 103,757 | - | 553,064 | - |
| Payroll taxes | 30,719 | 7,082 | - | 37,801 | - |
| Fringe benefits | 157,925 | 40,695 | - | 198,620 | - |
| Contractual services | 74,498 | 76,626 | - | 151,124 | - |
| Materials and supplies | 8,120 | 347,392 | - | 355,512 | - |
| Claims paid | - | - | - | - | 38,606 |
| Other services and charges | 18,852 | - | - | 18,852 | 3,515,774 |
| Depreciation | 20,145 | 276,406 | - | 296,551 | - |
| TOTAL OPERATING EXPENSES | 759,566 | 851,958 | - | 1,611,524 | 3,554,380 |
| OPERATING INCOME (LOSS) | (273,322) | (396,463) | - | (669,785) | 294,798 |
| NON-OPERATING REVENUES (EXPENSES) | | | | | |
| Interest income | 96 | 26 | - | 122 | 245 |
| Intergovernmental revenue | - | 180,365 | - | 180,365 | - |
| Interest expense | - | (16,752) | - | (16,752) | - |
| TOTAL NON-OPERATING REVENUES (EXPENSES) | 96 | 163,639 | - | 163,735 | 245 |
| INCOME (LOSS) BEFORE TRANSFERS | (273,226) | (232,824) | - | (506,050) | 295,043 |
| TRANSFERS IN (OUT) | 300,000 | 602,215 | 330,000 | 1,232,215 | - |
| CHANGE IN NET POSITION | 26,774 | 369,391 | 330,000 | 726,165 | 295,043 |
| NET POSITION AT BEGINNING OF YEAR | 277,019 | 5,487,501 | 4,082,450 | 9,846,970 | 575,984 |
| NET POSITION AT END OF YEAR | $ 303,793 | $ 5,856,892 | $ 4,412,450 | $ 10,573,135 | $ 871,027 |

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, 2015

| | Business-Type Activities-Enterprise Funds | | | | Governmental Activities-Internal Service Funds |
|---|---|---|---|---|---|
| | Emergency Telephone | Airport | Regional Landfill | Total | |
| **Increase (Decrease) in Cash and Cash Equivalents** | | | | | |
| **Cash Flows From Operating Activities** | | | | | |
| Cash received from customers | $ 495,288 | $ 465,386 | $ - | $ 960,674 | $ 3,812,058 |
| Cash received from interfund transactions | - | 276 | - | 276 | - |
| Cash payments for personal services | (626,483) | (147,507) | - | (773,990) | (38,606) |
| Cash payments for contractual services | (72,991) | (76,626) | - | (149,617) | - |
| Cash payments for other services and charges | (18,852) | - | - | (18,852) | (3,371,978) |
| Cash payments for interfund transactions | (361) | - | - | (361) | - |
| Cash payments for materials and supplies | (8,120) | (368,946) | - | (377,066) | - |
| Net Cash Provided by (Used For) Operating Activities | (231,519) | (127,417) | - | (358,936) | 401,474 |
| **Cash Flows From Noncapital Financing Activities** | | | | | |
| Cash received from transfer-in | 262,920 | 531,975 | - | 794,895 | - |
| Net Cash Provided By Noncapital Financing Activities | 262,920 | 531,975 | - | 794,895 | - |
| **Cash Flows From Capital and Related Financing Activities** | | | | | |
| Cash received from intergovernmental revenue | - | 180,365 | - | 180,365 | - |
| Cash payments for principle on debt | - | (438,611) | - | (438,611) | - |
| Cash payments for interest on debt | - | (16,752) | - | (16,752) | - |
| Cash payments for capital assets | - | (195,632) | - | (195,632) | - |
| Net Cash Provided by (Used For) Capital and Related Financing Activities | - | (470,630) | - | (470,630) | - |
| **Cash Flows From Investing Activities** | | | | | |
| Cash received from interest | 95 | 27 | - | 122 | 245 |
| Net Cash Flows Provided By Investing Activities | 95 | 27 | - | 122 | 245 |
| Net Increase (Decrease) in Cash and Cash Equivalents | 31,496 | (66,045) | - | (34,549) | 401,719 |
| Cash and Cash Equivalents at Beginning of Year | $ 135,597 | $ 87,681 | $ - | $ 223,278 | $ 246,313 |
| Cash and Cash Equivalents at End of Year | $ 167,093 | $ 21,636 | $ - | $ 188,729 | $ 648,032 |

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, 2015

| | Business-Type Activities-Enterprise Funds | | | | Governmental Activities-Internal Service Funds |
|---|---|---|---|---|---|
| | Emergency Telephone | Airport | Regional Landfill | Total | |
| **Reconciliation of Operating Income (Loss) To Net Cash Provided by (Used For) Operating Activities** | | | | | |
| Operating Income (Loss) | $ (273,322) | $ (396,463) | $ - | $ (669,785) | $ 294,798 |
| **Adjustments to Reconcile Operating Income (Loss) To Net Cash Provided by (Used For) Operating Activities** | | | | | |
| Depreciation | 20,145 | 276,406 | - | 296,551 | - |
| Changes in Assets and Liabilities: | | | | | |
| (Increase) decrease in accounts receivable | 9,044 | 11,526 | - | 20,570 | (37,120) |
| (Increase) decrease in inventory | - | (4,315) | - | (4,315) | - |
| (Increase) decrease in prepaid items | - | - | - | - | 12,875 |
| Increase (decrease) in accounts payable | 1,507 | (17,239) | - | (15,732) | 130,921 |
| Increase (decrease) in unearned revenue | - | (1,635) | - | (1,635) | - |
| Increase (decrease) in compensated absences payable | 5,376 | 2,788 | - | 8,164 | - |
| Increase (decrease) in interfund payable | (361) | 276 | - | (85) | - |
| Increase (decrease) in accrued expenses | 6,092 | 1,239 | - | 7,331 | - |
| Net Cash Provided By (Used For) Operating Activities | $ (231,519) | $ (127,417) | $ - | $ (358,936) | $ 401,474 |

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

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

| | Agency Funds |
|---|---|
| ASSETS | |
| Cash | $ 2,254,664 |
| TOTAL ASSETS | $ 2,254,664 |
| | |
| LIABILITIES | |
| Due to others governments | $ 511,110 |
| Due to others | 1,743,554 |
| TOTAL LIABILITIES | 2,254,664 |
| | |
| NET POSITION | $ - |

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

## Note 1 – 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.

### A. The Reporting Entity

These financial statements present Ware County, Georgia (the primary government) which is governed by an elected five - member board, and discretely presented component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational and financial relationships with the County. In conformity with GAAP, as set forth in the Statement of Governmental Accounting Standards No. 14, *The Financial Reporting Entity* and amended by GASB No. 61, the component units' financial statements have been included as discretely presented component units. Each discretely presented component unit, on the other hand, is reported separately in the government-wide financial statements reflects the most recently audited financial statements. The following is a brief review of each component unit addressed in defining the government's reporting entity.

#### Ware County Board of Health

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.

#### Okefenokee Area Development Authority

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.

#### 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 Commission is a joint venture of the members in the South Georgia 8 county area. Further information is provided in Note 18.

**Note 1 – Summary of Significant Accounting Policies - Continued**

**A. The 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.

**B. Basis of Presentation**

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

**Government-Wide Financial Statements**

The statement of net position and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The 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 position 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 1 - 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.

**C. 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 2008 Fund.** The Capital Projects Special Sales Tax 2008 Fund accounts for the special purpose local option sales tax that was renewed for the sixth time by referendum. The revenue is restricted to the stated purposes of the referendum.

**Capital Projects Special Sales Tax 2012 Fund.** The Capital Projects Special Sales Tax 2012 Fund accounts for the special purpose local option sales tax that was renewed for the seventh 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 1 - Summary of Significant Accounting Policies - Continued**

**Proprietary Funds**

Proprietary Fund reporting focuses on the determination of operating income, changes in net position, 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.

**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 1 - Summary of Significant Accounting Policies - Continued**

**Fund Financial Statements - Continued**

**Fiduciary Funds**

Fiduciary fund reporting focuses on net position and changes in net position. The County's agency funds account for assets held by the County 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.

**D. Measurement Focus**

**Government-Wide Financial Statements**

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

**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 position. The statement of changes in revenues, expenses, and changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise and internal service activities.

**E. 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 1 – Summary of Significant Accounting Principles – Continued**

**E. Basis of Accounting - Continued**

**Revenue—Exchange and Nonexchange Transactions**

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is 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 Outflows/Inflows of Resources**

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditures) until then. The County has no deferred outflows.

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

Property taxes for which there was an enforceable legal claim at June 30, 2015, but were levied to finance FY15 operations are deferred and recognized as an inflow of resources in the period that amounts become available. The unavailable revenues from property taxes amount to $620,240.

**Note 1 - Summary of Significant Accounting Policies - Continued**

**E. Basis of Accounting - Continued**

**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.

**F. 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.

**G. 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.

**Note 1 - Summary of Significant Accounting Policies - Continued**

**H. 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.

**I. 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.

**J. Prepaid Items**

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

**K. 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.

**L. Restricted Assets**

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

**M. Capital Assets**

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net position but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net position 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 capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of $5,000. The County's infrastructure consists of roads, bridges, and culverts. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All infrastructure acquired prior to the implementation of GASB 34 has been capitalized and reported. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

**Note 1 - Summary of Significant Accounting Policies - Continued**

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 |

**N. 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 position. The only interfund balances which remain on the government-wide statement of net position are those between governmental and business-type activities. These amounts are reflected as "Internal Balances."

**O. 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.

**P. 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.

**Note 2 - Summary of Significant Accounting Policies – Continued**

**Q. Fund Equity**

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

**Fund Balance**

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

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

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

**Committed:** Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Board of Commissioners through the adoption of a resolution. Only the Board of Commissioners may modify or rescind the commitment.

**Assigned:** Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's Finance Director to assign fund balances.

**Unassigned:** Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. Positive unassigned fund balance may be reported only in the General Fund. Negative unassigned fund balances may be reported in all funds.

**Flow Assumptions**

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

**Note 1 - Summary of Significant Accounting Policies – Continued**

**Q. Fund Equity - Continued**

**Net Position**

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

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

**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. Management Estimates**

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

**Q. Change in Presentation**

In conformity with GAAP, as set forth in the Statement of Governmental Accounting Standards No. 65. *Items Previously Recognized as Assets and Liabilities*, items previously reported as assets and liabilities are now shown as deferred outflows of resources or deferred in flows of resources. This reclassification had no affect on the prior year net positions of Ware County.

## Note 2 – Deposits and Investments

**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 3 – 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 4 – Receivables**

Receivables at June 30, 2015, 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 collectability.

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

| | |
|---|---|
| General Fund | |
| District Attorney Cost - Other Counties | $ 81,563 |
| Cable franchise tax | 26,638 |
| Total - General Fund | $ 108,201 |
| Special Revenue Funds | |
| Nonmajor funds: | |
| Victim Assistance Fines - Other Governments | $ 9,393 |
| Southern Georgia Regional Commission | 16 |
| Georgia Department of Transportation | 22,656 |
| Drug Fines - Other Governments | 8,436 |
| Total - Special Revenue Funds | $ 40,501 |
| Capital Projects Funds | |
| SPLOST 2008 | |
| Ware County Board of Education | $ 43,480 |
| Total - Capital Projects Funds | $ 43,480 |
| Total - Due From Other Governments | $ 192,182 |

## Note 5 – Capital Assets

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

| | Balance at July 1, 2014 | Additions | Reductions | Balance at June 30, 2015 |
|---|---|---|---|---|
| Primary Government | | | | |
| Governmental Activities: | | | | |
| Nondepreciable Capital Assets: | | | | |
| Land and improvements | $ 194,860 | $ 222,287 | $ - | $ 417,147 |
| Construction in progress | 797,955 | 1,756,653 | 2,330,966 | 223,642 |
| Total Nondepreciable Capital Assets | 992,815 | 1,978,940 | 2,330,966 | 640,789 |
| Depreciable Capital Assets: | | | | |
| Buildings and building improvements | $ 27,929,352 | $ 18,295 | $ - | $ 27,947,647 |
| Improvements other than buildings | 10,894,279 | - | - | 10,894,279 |
| Infrastructure | 163,041,188 | 2,108,679 | - | 165,149,867 |
| Machinery and equipment | 12,642,842 | 605,330 | - | 13,248,172 |
| Total Depreciable Capital Assets | 214,507,661 | 2,732,304 | - | 217,239,965 |
| Less Accumulated Depreciation for: | | | | |
| Buildings and building improvements | 9,052,533 | 540,313 | - | 9,592,846 |
| Improvements other than buildings | 2,902,623 | 371,479 | - | 3,274,102 |
| Infrastructure | 113,643,990 | 4,654,455 | - | 118,298,445 |
| Machinery and equipment | 8,562,048 | 794,789 | - | 9,356,837 |
| Total Accumulated Depreciation | 134,161,194 | 6,361,036 | - | 140,522,230 |
| Total Depreciable Capital Assets, Net | 80,346,467 | (3,628,732) | - | 76,717,735 |
| Governmental Activities Capital Assets, Net | $ 81,339,282 | $ (1,649,792) | $ 2,330,966 | $ 77,358,524 |

## Note 5 – Capital Assets – Continued

| | Balance at July 1, 2014 | Additions | Reductions | Balance at June 30, 2015 |
|---|---|---|---|---|
| Business Type Activities: | | | | |
| Nondepreciable Capital Assets: | | | | |
| Land and improvements | $ 5,455,858 | $ - | $ - | $ 5,455,858 |
| Construction in progress | 92,854 | 170,572 | 73,960 | 189,466 |
| Total Nondepreciable Capital Assets | 5,548,712 | 170,572 | 73,960 | 5,645,324 |
| Depreciable Capital Assets: | | | | |
| Buildings and building improvements | $ 2,039,286 | $ - | $ - | $ 2,039,286 |
| Improvements other than buildings | 6,173,355 | - | - | 6,173,355 |
| Machinery and equipment | 651,237 | 99,020 | - | 750,257 |
| Total Depreciable Capital Assets | 8,863,878 | 99,020 | - | 8,962,898 |
| Less Accumulated Depreciation for: | | | | |
| Buildings and building improvements | 682,473 | 62,011 | - | 744,484 |
| Improvements other than buildings | 2,954,235 | 200,802 | - | 3,155,037 |
| Machinery and equipment | 486,800 | 33,738 | - | 520,538 |
| Total Accumulated Depreciation | 4,123,508 | 296,551 | - | 4,420,059 |
| Total Depreciable Capital Assets, Net | 4,740,370 | (197,531) | - | 4,542,839 |
| Business Type Activities Capital Assets, Net | $ 10,289,082 | $ (26,959) | $ 73,960.0 | $ 10,188,163 |

Depreciation was charged to governmental functions as follows:

| | |
|---|---|
| Governmental activities: | |
| General Government | |
| Legislative and Executive | $ 196,392 |
| Judicial | 29,950 |
| Public Safety | 871,291 |
| Public Works | 4,897,966 |
| Health and Welfare | 12,320 |
| Culture and Recreation | 353,117 |
| Total Depreciation Expense - Governmental Activities | $ 6,361,036 |
| Business-type activities: | |
| Emergency Telephone | $ 20,145 |
| Airport | 276,406 |
| Total Depreciation Expense - Business-type Activities | $ 296,551 |

## Note 6 – Interfund Balances and Transfers

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

| | Interfund Receivable | Interfund Payable | Transfer In | Transfer Out |
|---|---|---|---|---|
| General Fund | | | | |
| Emergency Telephone Fund | $ - | $ 37,080 | $ - | $ 300,000 |
| Airport Fund | 389 | 70,240 | - | 175,000 |
| Regional Landfill Fund | - | - | - | 330,000 |
| SPLOST 2008 Fund | 4,669 | - | - | - |
| SPLOST 2014 Fund | 965 | - | - | - |
| Intergovernmental Fund | 1,048 | - | - | - |
| | 7,071 | 107,320 | - | 805,000 |
| Special Revenue Funds | | | | |
| Intergovernmental Fund | | | | |
| General Fund | - | 1,048 | - | - |
| | - | 1,048 | - | - |
| Capital Project Fund | | | | |
| SPLOST 2008 Fund | | | | |
| General Fund | - | 4,669 | - | - |
| SPLOST 2014 Fund | | | | |
| General Fund | - | 965 | - | - |
| Airport Fund | - | - | - | 427,215 |
| | - | 5,634 | - | 427,215 |
| Total Governmental Funds | $ 7,071 | $ 114,002 | $ - | $ 1,232,215 |
| Enterprise Funds | | | | |
| Emergency Telephone Fund | | | | |
| General Fund | $ 37,080 | $ - | $ 300,000 | $ - |
| Airport Fund | | | | |
| General Fund | 70,240 | 389 | 175,000 | - |
| SPLOST 2014 Fund | - | - | 427,215 | - |
| Regional Landfill Fund | | | | |
| General Fund | - | - | 330,000 | - |
| Total Enterprise Funds | 107,320 | 389 | 1,232,215 | - |

**Note 6 – Interfund Balances and Transfers - Continued**

The difference in interfund receivables and payables for government funds is due to amounts due to and from enterprise 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.

Funds were advanced from the General Fund to cover payroll liabilities for the 2003 and 2008 SPLOST Funds and the Emergency Telephone and Airport Funds and were paid back in July 2015. Funds were advanced to the Intergovernmental Fund to cover grant expenditures until grant revenues could be received. Funds were transferred from the General Fund to the Regional Landfill Fund to provide funds needed for a note payment. The General Fund provides budgeted appropriations to the Emergency Telephone Fund and the Airport Fund annually.

**Note 7 – 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 net position of $336,026 as of June 30, 2015. At June 30, 2015, the Workers' Compensation Fund had a claims liability of $19,612 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 fully insured for medical claims by the employees and employee's dependents that are covered under the medical plan. The County pays monthly premiums for the employee coverage. Employees contribute a fixed amount through payroll deduction that is a small percentage of their premium.

**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. The County is fully insured for workers compensation claims with no deductible.

**Note 8 – Pension Plan**

**Plan Description**

The County contributes to the Association County Commissioners of Georgia (ACCG) Defined Benefit Plan (Plan), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agency for participating counties in Georgia.

The specific benefit provisions of the County's plan were established by an adoption agreement executed by the County Board of Commissioners. The Plan provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met.

**Statement of Fiduciary Net Position for the Measurement Period Ended December 31, 2014**

| | | |
|---|---|---|
| Market Value of Assets | | |
| Cash and cash equivalents | $ | 96,746 |
| Bonds | | - |
| Fixed interest insurance account | | 21,803 |
| Marketable securities | | 2,192,448 |
| Total | $ | 2,310,997 |
| | | |
| Receivable | | |
| Employer contributions | $ | 108,793 |
| Employee contributions | | - |
| Due from insurance pool | | - |
| Accrued interest income | | 2,775 |
| | $ | 111,568 |
| | | |
| Liabilities | | |
| Administrative expenses | $ | 2,668 |
| Accrued investment fee | | 2,251 |
| Accrued auditing fee | | - |
| Payable to insurance pool | | - |
| | $ | 4,919 |
| | | |
| Fiduciary net position | $ | 2,417,646 |

**Note 8 – Pension Plan – Continued**

**Statement of Net Fiduciary Net Position for the Measurement Period Ended December 31, 2014 – Continued**

| | | |
|---|---|---|
| Additions | | |
| Asset transfer | $ | - |
| Employer contributions | | 108,793 |
| Employee contributions | | - |
| Net investment income | | 171,615 |
| Employee contribution - buyback | | - |
| Total additions | $ | 280,408 |
| | | |
| Deductions | | |
| Investment expense | $ | 11,602 |
| Administrative expenses | | 2,668 |
| Benefit payments | | 278,020 |
| Post-retirement death benefit expense | | 9,178 |
| Pre-retirement death benefit expense | | 1,785 |
| Transfer to successor plans | | - |
| Refund of employee contributions | | - |
| | $ | 303,253 |
| | | |
| Net increase (decrease) in fiduciary net position | $ | (22,845) |
| | | |
| Net position held in trust for pension benefits | | |
| | | |
| Beginning of year | $ | 2,440,491 |
| | | |
| End of year | $ | 2,417,646 |
| | | |
| Money weighted rates of return | | 8.26% |

**Net Position Restricted for Pension**

| | | |
|---|---|---|
| Fiduciary net position | $ | 2,417,646 |
| Deferred outflow of resources | | 12,934 |
| Deferred inflow of resources | | - |
| Net position restricted for pensions | $ | 2,404,712 |

**Note 8 – Pension Plan – Continued**

**Notes to the Statement of Fiduciary Net Position For the Year Ended December 31, 2014**

**Summary of Significant Accounting Policies**

The Plan's financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan.

Plan member contributions are recognized in the period in which contributions are due. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 70% equities and 30% fixed income securities on a cost basis.

**Contributions**

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code set forth the minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual fund requirement.

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

**Board of Trustees**

The Trustees for the Association County Commissioners of Georgia (ACCG) Pension Plan and Trust oversees the administration, investment and funding of the Association County Commissioners of Georgia Retirement Program for member employers.

The County contributes to the Association County Commissioners of Georgia ("ACCG") Defined Benefit Plan, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia.

**Benefits**

The specific benefit provisions of the County's plan were established by an adoption agreement executed by the County Board of Commissioners. The Plan provides for benefits upon retirement, death, disablement, and termination of employment, if certain eligibility conditions are met.

**Note 8 – Pension Plan – Continued**

Participant counts of those eligible for benefits as of January 1, 2014, (the most recent actuarial valuation date) and covered compensation (based on coverage earnings for the preceding year) are shown below:

| | | |
|---|---|---|
| Retirees, beneficiaries and disables receiving benefits | | 67 |
| Terminated plan members entitled to but not yet receiving benefits | | 97 |
| Active plan members | | 8 |
| Total number of plan participants | | 172 |
| Covered compensation for active participants | $ | 255,001 |

**Contributions**

The annual County contribution to the Plan is determined using the actuarial basis described in the annual valuation report. The annual County contribution meets or exceeds the minimum funding requirements of Georgia Statute 47-20. The County contributions for the calendar year ending December 31, 2014 were $108,793.

**Net Pension Liability**

The County's net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2015. The amount recognized as by the County as the net pension liability was as follows:

| | |
|---|---|
| Net Pension Liability | $635,438 |

*Actuarial assumptions.* The actuarial assumptions used for the January 1, 2015 valuation was applied to all periods included in the measurement were as follows:

| | |
|---|---|
| Investment return | 7.50% |
| Future salary increases | 3.00% per year with an age based scale as follows: |
| Age | Salary Increase |
| Under 30 | 3.0% rate plus 1.5% |
| 30-39 | 3.0% rate plus 1.0% |
| 40-49 | 3.0% rate less 0.5% |
| 50+ | 3.0% rate less 10% |
| Future payroll growth for level percentage compensation amortization | 5.5% per year |
| Mortality | RP-2000, Combined |

**Note 8 – Pension Plan – Continued**

**Net Pension Liability – Continued**

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

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
|---|---|---|
| Fixed income | 30% | 25%-35% |
| Equities: | 70% | 65%-75% |
| Large Cap | 30% | 25%-35% |
| Mid Cap | 5% | 2.5%-10% |
| Small Cap | 5% | 2.5%-10% |
| REIT | 5% | 2.5%-10% |
| International | 15% | 10%-20% |
| Multi Cap | 5% | 2.5%-10% |
| Global Allocation | 5% | 2.5%-10% |
| | 170% | |

*Discount rate.* The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that employee contribution will be made at the current contribution rate and that Country contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Note 8 – Pension Plan – Continued**

**Net Pension Liability – Continued**

**Changes in the Net Pension Liability**

| | Total Pension Liability (a) | Fiduciary Net Pension (b) | Net Pension Liability (a)-(b) |
|---|---|---|---|
| Balance at December 31, 2013 | $ 3,106,972 | $ 2,440,491 | $ 666,481 |
| Changes for the year: | | | |
| Service cost | 1,535 | - | 1,535 |
| Interest | 222,597 | - | 222,597 |
| Liability experience (gain)/loss | - | - | - |
| Employer contributions | - | 108,793 | (108,793) |
| Employee contributions | - | - | - |
| Net investment income | - | 171,615 | (171,615) |
| Benefit payment | (278,020) | (278,020) | - |
| Administrative expense | - | (2,668) | 2,668 |
| Other changes | - | (22,565) | 22,565 |
| Net Changes | (53,888) | (22,845) | (31,043) |
| Balance at December 31, 2014 | $ 3,053,084 | $ 2,417,646 | $ 635,438 |

*Sensitivity of the net pension liability to changes in the discount rate.* The following presents the net pension liability of the County, calculated using the discount rate of 7.5%, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1-percentage-point higher (8.5%) than the current rate:

| | 6.50% | 7.50% | 8.50% |
|---|---|---|---|
| Total Pension Liability | $ 3,294,598 | $ 3,083,084 | $ 2,842,652 |
| Fiduciary Net Position | 2,417,646 | 2,417,646 | 2,417,646 |
| Net Pension Liability | $ 876,952 | $ 665,438 | $ 425,006 |

**Note 8 – Pension Plan – Continued**

**Pension Expense and Deferred Outflows of Resources and Deferred Inflow of Resources Related to Pensions**

For the year ended December 31, 2014, the County recognized pension expense of $2,267,517. At June 30, 2015, the County reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ - | $ - |
| Changes of assumptions | - | - |
| Net difference between projected and actual earnings on pension plan investments | 12,934 | - |
| Total | $ 12,934 | $ - |

Amounts reported as deferred outflows of resources and deferred inflow of resources related to pensions will be recognized in pension expense as follows:

| Year ended June 30, | |
|---|---|
| 2016 | $ 3,233 |
| 2017 | 3,233 |
| 2018 | 3,234 |
| 2019 | 3,234 |

**Payable to the Pension Plan**

At June 30, 2015, the County reported a payable of $1,527,554 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2015.

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

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

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

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

**Other Retirement Plans**

**Defined Contribution Plan**

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

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

The County makes a base contribution to the 401(a) plan equal to four percent (4%) of each participating employee's salary if hired prior to September 1, 2012 and three percent (3%) if hired after that date. For employees participating in the deferred compensation program, the County will make an additional matching contribution to the 401(a) plan equal to one percent (1%) for every two percent (2%) the employee contributes up to a maximum match of two percent (2%) if hired prior to September 1, 2012. For employees hired after that date, the match by the County is one percent (1%) for an employee contribution of three percent (3%). During the year ended June 30, 2015, the plan members contributed $422,111 and the County contributed $440,645 to the plan.

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

**Deferred Compensation Plan**

The 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.

The assets of the plan are held in trust, (custodial account or annuity contract) as described in IRC Section 457(g) for the exclusive benefit of the participants (employees) and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this Section 457 plan, and the assets may not be diverted to any other use. The Administrators are agents of the employer for the purposes of providing direction to the custodian of the custodial account from time to time for the investment of funds held in the account, transfers of assets to or from the account and all other matters. In accordance with provisions of GASB Statement 32, plan balances are reflected in Ware County, Georgia's financial statements.

**Note 8 – Pension Plan - Continued**

**Ware County Board of Health Pension Plan**

**General Information about the Employees Retirement System (ERS)**

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

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

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

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

**Contributions:** Employees are required to pay 1.25% of gross earnings to the retirement account and .25% of gross earnings to the Group Term Life Insurance (GTLI) premiums except for employees covered by the new GSEPS plan that was effective January 1, 2009. The GSEPS plan employees contribute 1.25% of their gross pay and are not eligible for the GTLI. GSEPS participants are also eligible to participate in a 401K Plan with employer match contributions based on employee contributions. The Lowndes County Board of Health makes annual contributions to the pension plan equal to the amount required as set by the Board of Trustees of the PERS as determined by the system's actuary. Employer contributions amounted to 13.71%, 18.46% and 15.18% of covered compensation for the fiscal year for participants in the old, new and GSEPS plan respectively for the year ended June 30, 2015. Employer contributions made for the year ended June 30, 2015 totaled $1,010,687.

**Note 8 – Pension Plan - Continued**

**Ware County Board of Health Pension Plan**

**Pension Liabilities and Pension Expense**

At fiscal year end, the Board of Health reported $7,989,004 as a liability for its proportionate share of the net pension liabilities.

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

| | |
|---|---|
| Proportion – June 30, 2013 | .218515% |
| Proportion – June 30, 2014 | .213005% |

For the year ended June 30, 2015, the Board of Health recognized pension expense of $385,042. At June 30, 2015 the Board of Health reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual experience | $ - | $ - |
| Changes of assumptions | - | - |
| Net difference between projected and actual earnings on pension plan investments | - | 1,949,871 |
| Changes in proportion and differences between Employer contributions and proportion share of contributions | - | 164,542 |
| Employer contributions subsequent to the measurement date | 1,010,687 | - |
| Total | $ 1,010,687 | $ 2,114,413 |

Deferred outflows of resources related to contributions subsequent to the measurement date of $1,040,207 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year Ended June 30 | |
|---|---|
| 2016 | $ (590,307) |
| 2017 | (549,172) |
| 2018 | (487,468) |
| 2019 | (487,466) |
| 2020 | - |
| Thereafter | - |

**Note 8 – Pension Plan - Continued**

**Ware County Board of Health Pension Plan**

**Pension Liabilities and Pension Expense - Continued**

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

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

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

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

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

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

| | 1% Decrease (6.5%) | Current discount rate (7.5%) | 1% Increase (8.5%) |
|---|---|---|---|
| Employer's proportionate share of the net pension liability | 11,649,552 | 7,989,004 | 4,873,024 |

**Note 9 – Post Employment Health Care Benefits**

**Plan Description**

In addition to providing pension benefits, in accordance with County resolution, the County provides certain health care benefits for retired employees under the Ware County Other Post Employment Benefits Plan (the Plan). Retirees who are full time employees with at least 15 years of service and who have reached age 59 ½ may stay on the health care plan until they become eligible for Medicare by making the required monthly contribution. Only spouses are eligible for this benefit if covered at the time of retirement. These benefits are provided by the Ware County Board of Commissioners each year and are not statutory, contractual, or required by other authority. Currently, 3 retirees are receiving group health benefits under the Plan.

The plan is a single employer plan and does not issue separate financial statements. OPEB obligations are generally liquidated by the General Fund. The Ware County Board of Commissioners administers the plan.

**Note 9 – Post Employment Health Care Benefits - Continued**

**Funding Policy**

The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners. The required contribution is based on a projected pay-as-you-go financing requirement as determined by the Board of Commissioners.

The monthly retiree contributions are as follows:

| Medical Tier | Non-Medicare Eligible Retiree |
|---|---|
| Retiree Only | $ 120.00 |
| Retiree & Spouse | $ 202.00 |

**Annual OPEB Cost and Net OPEB Obligation**

The County's annual Other Postemployment Benefit (OPEB) cost is calculated based on the Annual Required Contribution of the Employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.* The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or unfunded excess) over a period not to exceed 30 years.

**Funded Status and Funding Progress**

Funding is provided through the general fund as required to the self- insurance fund. Premiums paid by retired employees were $5,437 and the County's funding was $16,517.

The annual required contribution amount was determined using actuarial methods.

| | |
|---|---|
| Annual Required Contribution | $ 185,779 |
| Interest on net OPEB Obligation | 54,407 |
| Adjustment to annual required contribution | (51,975) |
| Annual OPEB cost | 188,211 |
| Employer contributions for period ending June 30, 2015 | (20,824) |
| Increase in net OPEB Obligation | 167,387 |
| Net OPEB obligation beginning of year | 1,360,167 |
| Net OPEB obligation end of year | $ 1,527,554 |

The annual required contribution was determined as part of the January 1, 2015 actuarial valuation. The chart below shows the annual OPEB cost for the current fiscal year, along with the percentage actually contributed by the County.

| Fiscal Year Ending | Annual OPEB Cost (AOC) | Percentage of AOC Contributed | Net OPEB Obligation |
|---|---|---|---|
| 6/30/2015 | $ 188,211 | 11.06% | $ 1,527,554 |

**Note 9 – Post Employment Health Care Benefits - Continued**

**Funded Status and Funding Progress - Continued**

As of the most recent valuation date, January 1, 2013, the funded status of the OPEB Plan is as follows:

| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability | Unfunded AAL UAAL | Funded Ratio | Covered Payroll | UAAL as a Percentage Covered Payroll |
|---|---|---|---|---|---|---|
| 1/1/2011 | $ - | $ 2,675,545 | $ 2,675,545 | 0.0% | $ 8,370,156 | 31.97% |
| 1/1/2013 | $ - | $ 1,512,422 | $ 1,512,422 | 0.0% | $ 8,925,252 | 16.95% |

**Actuarial Methods and Assumptions**

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as a result are compared to past expectations and new estimates are made about the future Actuarial calculations reflect a long-term perspective.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members at that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

Calculations are based on the plan in effect at January 1, 2013. The assumptions used in the January 1, 2013 actuarial valuation are as follows:

| | |
|---|---|
| Valuation date | January 1, 2013 |
| Actuarial cost method | Projected unit credit |
| Amortization method | Level Percentage of Pay, open |
| Amortization period | 30 Years |
| Asset valuation method | Market Value of Assets |
| Actuarial assumptions: | |
| Investment rate of return* | 4.00% |
| Pre-Medicare trend rate | 8.50%-5.00% |
| Year of Ultimate trend rate | 2018 |
| *Includes inflation at | 3.00% |

## Note 10 – 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, 2014 | Additions | Reductions | Balance at June 30, 2015 | Amount Due In One Year |
|---|---|---|---|---|---|
| Primary Government: | | | | | |
| Governmental Activities: | | | | | |
| Compensated absences | $ 1,028,745 | $ 694,400 | $ 617,247 | $ 1,105,898 | $ 663,539 |
| Business Type Activities: | | | | | |
| Compensated absences | 35,794 | 29,640 | 21,476 | 43,958 | 26,375 |
| Total Primary Government | $ 1,064,539 | $ 724,040 | $ 638,723 | $ 1,149,856 | $ 689,914 |
| Component Unit - Board of Health: | | | | | |
| Compensated absences | $ 586,784 | $ 351,379 | $ 352,070 | $ 586,093 | $ 234,437 |

## Note 11 - Capital Leases

Various capital leases have been entered into for the acquisition of a public works and public safety equipment and for building improvements over several years. The assets acquired through capital leases are as follows:

| | |
|---|---|
| Governmental Activities: | |
| Buildings | $ 1,522,918 |
| Equipment | 899,754 |
| Less: Accumulated Depreciation | (659,576) |
| | $ 1,763,096 |

The FY15 amortization included in depreciation expense was $128,157.

| | |
|---|---|
| Business Type Activities: | |
| Buildings | $ 1,497,759 |
| Less Accumulated Depreciation | (329,590) |
| | $ 1,168,169 |

The FY15 amortization included in depreciation expense was $50,064

Additional information is provided on each capital lease in Note 12.

## Note 12 – Long-Term Debt

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

| | Balance at July 1, 2014 | Additions | Reductions | Balance at June 30, 2015 | Amount Due In One Year |
|---|---|---|---|---|---|
| Governmental Activities | | | | | |
| Capital leases | $ 2,132,951 | $ 164,020 | $ 1,510,619 | $ 786,352 | $ 654,465 |
| Total Governmental Activities | $ 2,132,951 | $ 164,020 | $ 1,510,619 | $ 786,352 | $ 654,465 |

| | Balance at July 1, 2014 | Additions | Reductions | Balance at June 30, 2015 | Amount Due In One Year |
|---|---|---|---|---|---|
| Business - Type Activities | | | | | |
| Capital leases | $ 438,611 | $ - | $ 438,611 | $ - | $ - |
| Total Business-Type Activities | $ 438,611 | $ - | $ 438,611 | $ - | $ - |

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 | Annual Installments |
|---|---|---|---|---|---|---|
| **Governmental Activities** | | | | | | |
| Capital Lease | Courthouse Improvements | 2007 | 4.48% | $ 2,000,000 | 2026 | $ 152,884 |
| Capital Lease | Wheel Loader | 2011 | 3.40% | $ 129,404 | 2016 | $ 15,684 |
| Capital Lease | Motor Graders | 2012 | 3.40% | $ 771,050 | 2016 | $ 76,265 |
| Capital Lease | Motor Grader | 2014 | 2.00% | $ 164,020 | 2019 | $ 22,090 |
| **Business Activities** | | | | | | |
| Capital Lease | T Hangers | 2007 | 4.08% | $ 1,529,036 | 2017 | $ 186,502 |

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

| | Governmental Activities | |
|---|---|---|
| | Capital Leases | |
| Year Ending June 30, | Principal | Interest |
| 2016 | $ 654,465 | $ 21,179 |
| 2017 | 19,632 | 2,458 |
| 2018 | 20,028 | 2,032 |
| 2019 | 20,432 | 1,658 |
| 2020 | 71,795 | 570 |
| Total | $ 786,352 | $ 27,897 |

**Note 13 – 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 $1,317,621 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, 2014 | Additions | Reductions | Balance at June 30, 2015 | Due Within One Year |
|---|---|---|---|---|---|
| Governmental Activities: | | | | | |
| Postclosure care cost | $ 1,389,505 | $ - | $ 71,884 | $ 1,317,621 | $ 95,057 |

**Note 14 – 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, 2015, was as follows:

| | |
|---|---|
| Equipment | $ 6,566,905 |
| Less Accumulated Depreciation | (4,018,703) |
| Net Capital Assets | $ 2,548,202 |

**Note 14 – Component Unit – Continued**

**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.

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, 2014, was as follows:

| | |
|---|---|
| Land | $ 770,000 |
| Furniture, Fixtures and Equipment | 34,388 |
| Net Capital Assets | $ 804,388 |

**Note 15 – 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 16 – Joint Ventures**

The County, in conjunction with cities and counties in the (18) county South Georgia area are members of the Southern Georgia Regional Commission. Membership in a Regional Commission is automatic for each municipality and county in the state. The official Code Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the Regional Commissions. Each county and municipality in the state is required by law to pay minimum annual dues to the Regional Commission. The County paid annual dues in the amount of $26,874 to the South Georgia Regional Commission for the year ended June 30, 2015. The Regional Commission 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 a Regional Commission as "public agencies and instrumentality's of their members." Georgia laws also provide that the member governments are liable for any debts or obligations of a Regional Commission beyond its resources. (O.C.G.A. 50-8-39.1)

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

**Note 17 – 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.

*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 has cancelled that contract and reached a financial settlement.

**Note 20 – Subsequent Events**

Subsequent events were evaluated through March 4, 2016 which is the date the financial statements were available to be issued.

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# 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, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| **REVENUES:** | | | | |
| Taxes | $ 16,447,000 | $ 17,278,870 | $ 17,200,304 | $ (78,566) |
| Licenses and permits | 200,000 | 220,000 | 218,290 | (1,710) |
| Intergovernmental revenues | 477,309 | 501,809 | 477,496 | (24,313) |
| Charges for services | 3,002,860 | 3,110,110 | 3,068,632 | (41,478) |
| Fines and forfeitures | 637,250 | 687,250 | 600,826 | (86,424) |
| Investment income | 1,500 | 2,500 | 2,398 | (102) |
| Miscellaneous | 93,600 | 295,600 | 262,327 | (33,273) |
| **TOTAL REVENUES** | **20,859,519** | **22,096,139** | **21,830,273** | **(265,866)** |
| **EXPENDITURES:** | | | | |
| **LEGISLATIVE & EXECUTIVE** | | | | |
| Board of Commissioners | | | | |
| Personal services | 410,719 | 410,719 | 408,811 | (1,908) |
| Supplies | 10,000 | 10,000 | 11,909 | 1,909 |
| Other services and charges | 82,910 | 82,910 | 64,505 | (18,405) |
| | 503,629 | 503,629 | 485,225 | (18,404) |
| Human Resources | | | | |
| Personal services | 93,605 | 93,605 | 87,117 | (6,488) |
| Other services and charges | 30,250 | 30,250 | 31,989 | 1,739 |
| | 123,855 | 123,855 | 119,106 | (4,749) |
| Board of Elections | | | | |
| Personal services | 135,995 | 135,995 | 140,566 | 4,571 |
| Supplies | 9,540 | 9,540 | 7,108 | (2,432) |
| Other services and charges | 43,800 | 61,800 | 59,129 | (2,671) |
| | 189,335 | 207,335 | 206,803 | (532) |
| Information Technology Services | | | | |
| Personal services | 169,234 | 169,234 | 174,564 | 5,330 |
| Supplies | 6,250 | 6,250 | 3,647 | (2,603) |
| Other services and charges | 86,900 | 86,900 | 76,409 | (10,491) |
| Capital outlay | 25,000 | 25,000 | 26,118 | 1,118 |
| | 287,384 | 287,384 | 280,738 | (6,646) |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| Tax Commissioner | | | | |
| Personal services | 370,698 | 380,698 | 383,588 | 2,890 |
| Supplies | 4,500 | 4,500 | 3,612 | (888) |
| Other services and charges | 52,035 | 99,035 | 96,891 | (2,144) |
| | 427,233 | 484,233 | 484,091 | (142) |
| Tax Assessors | | | | |
| Personal services | 536,405 | 536,405 | 503,838 | (32,567) |
| Supplies | 12,850 | 12,850 | 14,528 | 1,678 |
| Other services and charges | 82,275 | 82,275 | 62,336 | (19,939) |
| | 631,530 | 631,530 | 580,702 | (50,828) |
| Board of Equalization | | | | |
| Personal services | 5,215 | 5,215 | 3,295 | (1,920) |
| Supplies | 50 | 50 | - | (50) |
| Other services and charges | 4,000 | 5,000 | 6,653 | 1,653 |
| | 9,265 | 10,265 | 9,948 | (317) |
| Building Maintenance | | | | |
| Personal services | 375,303 | 375,303 | 344,722 | (30,581) |
| Supplies | 19,500 | 19,500 | 16,167 | (3,333) |
| Other services and charges | 338,300 | 425,300 | 458,723 | 33,423 |
| Debt service | - | - | - | - |
| | 733,103 | 820,103 | 819,612 | (491) |
| General Administration | | | | |
| Other services and charges | 951,236 | 1,053,236 | 569,237 | (483,999) |
| Debt service | 25,000 | 25,000 | - | (25,000) |
| | 976,236 | 1,078,236 | 569,237 | (508,999) |
| **Total - Legislative & Executive** | **3,881,570** | **4,146,570** | **3,555,462** | **(591,108)** |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| **JUDICIAL** | | | | |
| Superior Court | | | | |
| Personal services | 210,970 | 250,970 | 276,440 | 25,470 |
| Supplies | 4,150 | 4,150 | 4,173 | 23 |
| Other services and charges | 147,500 | 147,500 | 121,133 | (26,367) |
| | 362,620 | 402,620 | 401,746 | (874) |
| Clerk of Court | | | | |
| Personal services | 463,111 | 464,311 | 465,529 | 1,218 |
| Supplies | 18,000 | 18,000 | 20,635 | 2,635 |
| Other services and charges | 53,900 | 53,900 | 49,985 | (3,915) |
| | 535,011 | 536,211 | 536,149 | (62) |
| District Attorney | | | | |
| Personal services | 249,787 | 249,787 | 218,589 | (31,198) |
| Supplies | 12,500 | 12,500 | 21,502 | 9,002 |
| Other services and charges | 27,150 | 27,150 | 27,078 | (72) |
| | 289,437 | 289,437 | 267,169 | (22,268) |
| State Court | | | | |
| Personal services | 138,454 | 140,454 | 139,366 | (1,088) |
| Supplies | 1,000 | 1,000 | 1,124 | 124 |
| Other services and charges | 103,115 | 103,115 | 104,004 | 889 |
| | 242,569 | 244,569 | 244,494 | (75) |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| Magistrate Court | | | | |
| Personal services | 422,205 | 432,205 | 429,136 | (3,069) |
| Supplies | 8,225 | 8,225 | 10,629 | 2,404 |
| Other services and charges | 34,900 | 35,900 | 35,909 | 9 |
| | 465,330 | 476,330 | 475,674 | (656) |
| Probate Court | | | | |
| Personal services | 126,400 | 126,400 | 125,560 | (840) |
| Supplies | 4,000 | 4,000 | 7,169 | 3,169 |
| Other services and charges | 10,700 | 10,700 | 7,770 | (2,930) |
| Debt Service | 1,800 | 1,800 | - | (1,800) |
| | 142,900 | 142,900 | 140,499 | (2,401) |
| Juvenile Court | | | | |
| Personal services | 126,980 | 129,980 | 129,510 | (470) |
| Supplies | 2,750 | 2,750 | 3,085 | 335 |
| Other services and charges | 39,225 | 54,225 | 54,017 | (208) |
| | 168,955 | 186,955 | 186,612 | (343) |
| Public Defender | | | | |
| Other services and charges | 235,000 | 257,500 | 257,012 | (488) |
| | 235,000 | 257,500 | 257,012 | (488) |
| Solicitor | | | | |
| Personal services | 115,196 | 115,796 | 116,019 | 223 |
| Supplies | 5,500 | 7,000 | 6,808 | (192) |
| Other services and charges | 8,175 | 8,175 | 8,076 | (99) |
| | 128,871 | 130,971 | 130,903 | (68) |
| **Total - Judicial** | **2,570,693** | **2,667,493** | **2,640,258** | **(27,235)** |
| **PUBLIC SAFETY** | | | | |
| Sheriff | | | | |
| Personal services | 2,211,645 | 2,211,645 | 2,174,328 | (37,317) |
| Supplies | 21,200 | 21,200 | 21,254 | 54 |
| Other services and charges | 396,950 | 396,950 | 379,811 | (17,139) |
| Capital outlay | 3,500 | 3,500 | - | (3,500) |
| | 2,633,295 | 2,633,295 | 2,575,393 | (57,902) |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| Jail | | | | |
| Personal services | 3,602,000 | 3,820,000 | 3,697,707 | (122,293) |
| Supplies | 511,800 | 511,800 | 601,014 | 89,214 |
| Other services and charges | 640,700 | 640,700 | 673,163 | 32,463 |
| Capital outlay | 2,500 | 2,500 | 2,336 | (164) |
| | 4,757,000 | 4,975,000 | 4,974,220 | (780) |
| Alternative Sentencing | | | | |
| Other services and charges | 30,000 | 47,000 | 46,208 | (792) |
| | 30,000 | 47,000 | 46,208 | (792) |
| Emergency Management Agency | | | | |
| Personal services | 87,104 | 87,104 | 84,984 | (2,120) |
| Supplies | 1,250 | 1,250 | 2,283 | 1,033 |
| Other services and charges | 37,925 | 37,925 | 30,792 | (7,133) |
| Capital outlay | 250 | 250 | - | (250) |
| | 126,529 | 126,529 | 118,059 | (8,470) |
| Coroner | | | | |
| Personal services | 13,310 | 13,310 | 13,126 | (184) |
| Supplies | 25 | 25 | - | (25) |
| Other services and charges | 12,150 | 18,650 | 18,721 | 71 |
| | 25,485 | 31,985 | 31,847 | (138) |
| Emergency Medical Services | | | | |
| Personal services | 1,543,105 | 1,585,605 | 1,600,852 | 15,247 |
| Supplies | 85,000 | 85,000 | 95,176 | 10,176 |
| Other services and charges | 227,200 | 227,200 | 201,269 | (25,931) |
| | 1,855,305 | 1,897,805 | 1,897,297 | (508) |
| Fire Department | | | | |
| Personal services | 925,259 | 925,259 | 829,045 | (96,214) |
| Supplies | 8,500 | 8,500 | 11,293 | 2,793 |
| Other services and charges | 134,300 | 134,300 | 166,984 | 32,684 |
| | 1,068,059 | 1,068,059 | 1,007,322 | (60,737) |

See independent auditor’s report.

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

| | Budgeted Amounts | | | Variance With Final Budget Over (Under) |
|---|---|---|---|---|
| | Original | Final | Actual | |
| Animal Control | | | | |
| Personal services | 54,625 | 54,625 | 25,654 | (28,971) |
| Supplies | 750 | 750 | 1,451 | 701 |
| Other services and charges | 6,200 | 6,200 | 2,859 | (3,341) |
| | 61,575 | 61,575 | 29,964 | (31,611) |
| **Total - Public Safety** | **10,557,248** | **10,841,248** | **10,680,310** | **(160,938)** |
| **PUBLIC WORKS** | | | | |
| Administration | | | | |
| Personal services | 625,728 | 667,728 | 679,473 | 11,745 |
| Supplies | 20,750 | 35,750 | 32,028 | (3,722) |
| Other services and charges | 283,550 | 283,550 | 275,287 | (8,263) |
| | 930,028 | 987,028 | 986,788 | (240) |
| Equipment Maintenance | | | | |
| Personal services | 404,756 | 410,256 | 415,580 | 5,324 |
| Supplies | 250 | 250 | 61 | (189) |
| Other services and charges | 19,200 | 19,200 | 13,484 | (5,716) |
| | 424,206 | 429,706 | 429,125 | (581) |
| **Total - Public Works** | **1,354,234** | **1,416,734** | **1,415,913** | **(821)** |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| **HEALTH AND WELFARE** | | | | |
| Planning and Codes | | | | |
| Personal services | 286,766 | 286,766 | 221,166 | (65,600) |
| Supplies | 5,000 | 5,000 | 5,725 | 725 |
| Other services and charges | 12,750 | 12,750 | 9,825 | (2,925) |
| | 304,516 | 304,516 | 236,716 | (67,800) |
| Vital Statistics | | | | |
| Other services and charges | 2,500 | 2,500 | 2,144 | (356) |
| | 2,500 | 2,500 | 2,144 | (356) |
| Public Health Services | | | | |
| Other services and charges | 175,550 | 175,550 | 175,550 | - |
| | 175,550 | 175,550 | 175,550 | - |
| MH/MR Health Services | | | | |
| Other services and charges | 55,000 | 55,000 | 55,000 | - |
| | 55,000 | 55,000 | 55,000 | - |
| Senior Citizens Center | | | | |
| Other services and charges | 14,500 | 14,500 | 9,747 | (4,753) |
| | 14,500 | 14,500 | 9,747 | (4,753) |
| Animal Shelter | | | | |
| Other services and charges | 140,500 | 140,500 | 140,500 | - |
| | 140,500 | 140,500 | 140,500 | - |
| Welfare Services | | | | |
| Other services and charges | 47,925 | 47,925 | 34,030 | (13,895) |
| | 47,925 | 47,925 | 34,030 | (13,895) |
| **Total - Health and Welfare** | **740,491** | **740,491** | **653,687** | **(86,804)** |
| **CULTURE AND RECREATION** | | | | |
| Recreation | | | | |
| Personal services | 431,088 | 447,088 | 428,202 | (18,886) |
| Supplies | 15,150 | 15,150 | 16,012 | 862 |
| Other services and charges | 497,500 | 572,500 | 589,706 | 17,206 |
| | 943,738 | 1,034,738 | 1,033,920 | (818) |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| Library | | | | |
| Other services and charges | 200,000 | 200,000 | 200,000 | - |
| | 200,000 | 200,000 | 200,000 | - |
| **Total - Culture & Recreation** | **1,143,738** | **1,234,738** | **1,233,920** | **(818)** |
| **HOUSING AND DEVELOPMENT** | | | | |
| Conservation - Water Resources | | | | |
| Other services and charges | 900 | 900 | 900 | - |
| | 900 | 900 | 900 | - |
| Farm and Home Agent | | | | |
| Personal services | 117,565 | 117,565 | 99,424 | (18,141) |
| Supplies | 5,000 | 5,000 | 8,838 | 3,838 |
| Other services and charges | 29,900 | 29,900 | 39,125 | 9,225 |
| | 152,465 | 152,465 | 147,387 | (5,078) |
| Economic Development | | | | |
| Other services and charges | 90,500 | 90,500 | 69,213 | (21,287) |
| | 90,500 | 90,500 | 69,213 | (21,287) |
| **Total - Housing & Development** | **243,865** | **243,865** | **217,500** | **(26,365)** |
| **TOTAL EXPENDITURES** | **20,491,839** | **21,291,139** | **20,397,050** | **(894,089)** |
| EXCESS OF REVENUES OVER EXPENDITURES | 367,680 | 805,000 | 1,433,223 | 628,223 |
| OTHER FINANCING SOURCES (USES) TRANSFERS (OUT) | (367,680) | (805,000) | (805,000) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | (367,680) | (805,000) | (805,000) | - |
| NET CHANGE IN FUND BALANCE | - | - | 628,223 | 628,223 |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 4,076,178 | 4,076,178 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 4,704,401 | $ 4,704,401 |

See independent auditor's report.

WARE COUNTY, GEORGIA
NOTES TO BUDGETARY COMPARISON SCHEDULES
For the Year Ended June 30, 2015

**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.

WARE COUNTY, GEORGIA
REQUIRED SUPPLEMENTAL INFORMATION – PENSION PLAN
June 30, 2015

SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY AND RELATED RATIOS

| | | 2014 |
|---|---|---|
| Total Pension Liability as of beginning of year | $ | 3,106,972 |
| Service cost | | 1,535 |
| Interest | | 233,023 |
| Plan change | | - |
| Assumption change | | - |
| Benefit payments (adjusted for interest) | | (288,446) |
| Experience (gain)/(loss) | | - |
| Total Pension Liability as of December 31, 2014 | $ | 3,053,084 |
| Fiduciary Net Position as of beginning of year | $ | 2,440,491 |
| Employer contributions | | 108,793 |
| Employee contributions (including buyback) | | - |
| Net investment income | | 171,615 |
| Benefit payments | | (278,020) |
| Employee contribution refunds | | - |
| Administrative expense | | (2,668) |
| Other | | (22,565) |
| Fiduciary Net Position as of December 31, 2014 | $ | 2,417,646 |
| Net pension liability as of beginning of year | $ | 666,481 |
| Net pension liability as of end of year | $ | 635,438 |
| Fiduciary Net Position as a percentage of Total Pension Liability | | 79.2% |
| Covered-employee payroll | $ | 255,001 |
| Net pension liability as a percentage of covered-employee payroll | | 249.2% |

**Note:** This schedule will present 10 years of information once the data is available.

WARE COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION – PENSION PLAN
June 30, 2015

SCHEDULE OF COUNTY CONTRIBUTIONS

| | 2014 | 2013 | 2012 | 2011 | 2010 |
|---|---|---|---|---|---|
| Actuarially determined contribution | $ 86,138 | $ 90,066 | $ 71,501 | $ 51,629 | $ 39,143 |
| Contribution in relation to the actuarially determined contribution | 108,792 | - | - | - | - |
| Contribution deficiency (excess) | $ (22,654) | $ 90,066 | $ 71,501 | $ 51,629 | $ 39,143 |
| Covered-employee payroll | $ 255,001 | $ 336,091 | $ 349,757 | $ 337,347 | $ 350,563 |
| Contributions as a percentage of covered-employee payroll | 42.7% | 0.0% | 0.0% | 0.0% | 0.0% |

**Notes to Schedule:**

| | |
|---|---|
| Valuation date | January 1, 2015 |
| Methods and assumptions used to determine contribution rates: | |
| Actuarial cost method | Entry Age Normal |
| Amortization method | Level percentage of payroll, closed |
| Remaining amortization period | 10 years |
| Asset valuation method | Smoothed market value with a 5-year smoothing perio |
| Inflation | 2.50% |
| Salary increases | 5.50% |
| Investment rate of return | 7.50% |
| Retirement: | Probability of Retirement |
| age 55 to 60 | 10% |
| ages 61 to 64 | 20% |
| age 65 to age 69 | 30% |
| age 70 | 100% |
| Mortality | RP-2000, Combined |

| 2009 | 2008 | 2007 | 2006 | 2005 |
|---|---|---|---|---|
| $ 36,910 | $ 10,634 | $ 23,266 | $ 78,051 | $ 93,675 |
| - | 308,099 | 59,282 | 74,617 | 146,601 |
| $ 36,910 | $ (297,465) | $ (36,016) | $ 3,434 | $ (52,926) |
| $ 448,967 | $ 703,132 | $ 722,007 | $ 907,601 | $ 980,814 |
| 0.0% | 43.8% | 8.2% | 8.2% | 14.9% |

**WARE COUNTY BOARD OF HEALTH**

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2015

| | |
|---|---|
| Employer's proportion of the net pension liability | 0.213005% |
| Employer's proportion share of the net pension liability | 7,989,004 |
| Employer's covered-employee payroll during the measurement period | 5,642,690 |
| Employer's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 141.58% |
| Plan fiduciary net position as a percentage of the total pension liability | 77.99% |

## WARE COUNTY BOARD OF HEALTH

**Notes to Schedule:**

**Changes of assumptions:** There were no changes in assumptions or benefits that affect the measurement of the total pension liability since the prior measurement date.

**Method and assumptions used in calculations of actuarially determined contributions:** The actuarially determined contribution rates in the schedule of contributions are calculated as of June 30, three years prior to the end of the fiscal year in which contributions are reported. The following actuarial methods and assumptions were used to determine the contractually required contributions for year ended June 30, 2015 reported in that schedule:

| | |
|---|---|
| Valuation date | June 30, 2014 |
| Actuarial cost method | Entry age |
| Amortization method | Level dollar, closed |
| Remaining amortization period | 22.6 years |
| Asset valuation method | 5-year smoothed market |
| Inflation rate | 3.00% |
| Salary increases | 5.45% - 9.25% |
| Investment rate of return | 7.50%, net of pension plan investment expense, including inflation |

WARE COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION – OPEB
June 30, 2015

SCHEDULE OF FUNDING PROGRESS – OPEB
2011 & 2013
(Unaudited)

| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Accrued Liability | Unfunded AAL UAAL | Funded Ratio | Covered Payroll | UAAL as a Percentage Covered Payroll |
|---|---|---|---|---|---|---|
| 1/1/2011 | $ - | $ 2,675,545 | $ 2,675,545 | 0.0% | $ 8,370,156 | 31.97% |
| 1/1/2013 | $ - | $ 1,512,422 | $ 1,512,422 | 0.0% | $ 8,925,252 | 16.95% |

TREND INFORMATION
2013-2015
(Unaudited)

| Fiscal Year Ending | Annual OPEB Cost (AOC) | Percentage of AOC Contributed | Net OPEB Obligation |
|---|---|---|---|
| 6/30/2013 | $ 365,480 | 8.45% | $ 1,020,975 |
| 6/30/2014 | 366,078 | 7.38% | 1,360,167 |
| 6/30/2015 | 188,211 | 11.06% | 1,527,554 |

**Note:** See assumptions used for the Schedule of Funding Progress in Note 9 to the financial statements.

# 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 2008 Special Local Option Sales Tax Fund –** To account for the special purpose local option sales tax that was renewed in 2008 by referendum. The revenue is restricted to the stated purposes of the referendum.

**Capital Projects 2014 Special Local Option Sales Tax Fund -** To account for the special purpose local option sales tax that was renewed in 2014 by referendum. The revenue is restricted to the stated purposes of the referendum.

WARE COUNTY, GEORGIA
CAPITAL PROJECTS 2008 SPECIAL LOCAL OPTION SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Investment income | $ 4,000 | $ 4,000 | $ 6,290 | $ 2,290 |
| Miscellaneous income | - | - | 5,182 | 5,182 |
| TOTAL REVENUES | 4,000 | 4,000 | 11,472 | 7,472 |
| EXPENDITURES | | | | |
| Current | | | | |
| Public works | 8,503,100 | 8,503,100 | 400,827 | (8,102,273) |
| Intergovernmental | 1,501,955 | 1,501,955 | - | (1,501,955) |
| Debt service | 129,929 | 129,929 | 91,708 | (38,221) |
| TOTAL EXPENDITURES | 10,134,984 | 10,134,984 | 492,535 | (9,642,449) |
| EXCESS OF REVENUES OVER EXPENDITURES | (10,130,984) | (10,130,984) | (481,063) | 9,649,921 |
| FUND BALANCE, BEGINNING OF YEAR | 10,130,984 | 10,130,984 | 13,277,644 | 3,146,660 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 12,796,581 | $ 12,796,581 |

See independent auditor's report.

WARE COUNTY, GEORGIA
CAPITAL PROJECTS 2014 SPECIAL LOCAL OPTION SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Taxes | $ 5,886,849 | $ 5,886,849 | $ 6,600,669 | $ 713,820 |
| Investment income | 500 | 500 | 390 | (110) |
| TOTAL REVENUES | 5,887,349 | 5,887,349 | 6,601,059 | 713,710 |
| EXPENDITURES | | | | |
| Current | | | | |
| General Government | | | | |
| Legislative and executive | 36,000 | 36,000 | 22,433 | (13,567) |
| Public safety | 825,000 | 825,000 | 24,695 | (800,305) |
| Public works | 1,736,096 | 1,736,096 | 190,221 | (1,545,875) |
| Intergovernmental | 1,459,000 | 1,459,000 | 1,687,709 | 228,709 |
| Capital outlay | - | - | 569,102 | 569,102 |
| Debt service | 1,427,848 | 1,427,848 | 1,452,591 | 24,743 |
| TOTAL EXPENDITURES | 5,483,944 | 5,483,944 | 3,946,751 | (1,537,193) |
| EXCESS OF REVENUES OVER EXPENDITURES | 403,405 | 403,405 | 2,654,308 | 2,250,903 |
| OTHER FINANCING SOURCES (USES): | | | | |
| CAPITAL LEASE FINANCING | - | - | 164,020 | 164,020 |
| TRANSFER OUT | (403,405) | (403,405) | (427,215) | (23,810) |
| TOTAL OTHER FINANCING SOURCES (USES) | (403,405) | (403,405) | (263,195) | 140,210 |
| NET CHANGES IN FUND BALANCE | - | - | 2,391,113 | 2,391,113 |
| FUND BALANCE, BEGINNING OF YEAR | - | - | - | - |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 2,391,113 | $ 2,391,113 |

See independent auditor's 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.

**Drug Court Fund –** To account for funds received through fines, fees and grants to assist in treatment for drug abuse.

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

**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.

**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.

**Intergovernmental Grants –** To account for various grant revenues received.

## 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.

**CDBG FY12** – To account for grant funds provided for infrastructure improvements.

**Public Roads Fund –** To account for the road funds from the Department of Transportation LMIG program.

**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
ALL NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2015

| | Total Nonmajor Special Revenue Funds | Total Nonmajor Capital Projects Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|
| ASSETS | | | |
| Cash | $ 1,851,374 | $ 735,984 | $ 2,587,358 |
| Certificate of deposit | 198,706 | - | 198,706 |
| Due from other governments | 40,501 | - | 40,501 |
| Accounts receivable | 70,522 | - | 70,522 |
| TOTAL ASSETS | $ 2,161,103 | $ 735,984 | $ 2,897,087 |
| LIABILITIES AND FUND BALANCE | | | |
| Liabilities | | | |
| Accounts payable | $ 37,117 | $ 54,420 | $ 91,537 |
| Accrued liabilities | 2,834 | - | 2,834 |
| Unearned revenue | 28,680 | - | 28,680 |
| Interfund payable | 1,048 | - | 1,048 |
| TOTAL LIABILITIES | 69,679 | 54,420 | 124,099 |
| Fund Balance | | | |
| Restricted for drug education and treatment | 976,631 | - | 976,631 |
| Restricted for fire protection | 8,811 | - | 8,811 |
| Restricted for jail operations | 392,077 | - | 392,077 |
| Restricted for capital projects | - | 681,564 | 681,564 |
| Restricted for drug enforcement operations | 157,994 | - | 157,994 |
| Restricted for law library | 249,997 | - | 249,997 |
| Restricted for victim assistance | 305,914 | - | 305,914 |
| TOTAL FUND BALANCE | 2,091,424 | 681,564 | 2,772,988 |
| TOTAL LIABILITIES, AND FUND BALANCE | $ 2,161,103 | $ 735,984 | $ 2,897,087 |

See independent auditor's report.

WARE COUNTY, GEORGIA
ALL NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Year Ending June 30, 2015

| | Total Nonmajor Special Revenue Funds | Total Nonmajor Capital Project Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|
| REVENUES | | | |
| Intergovernmental revenues | $ 733,526 | $ 1,032,742 | $ 1,766,268 |
| Charges for services | 647,489 | - | 647,489 |
| Fines and forfeitures | 255,723 | - | 255,723 |
| Investment income | 1,957 | 372 | 2,329 |
| Miscellaneous income | 10,095 | - | 10,095 |
| TOTAL REVENUES | 1,648,790 | 1,033,114 | 2,681,904 |
| EXPENDITURES | | | |
| Current | | | |
| General government | | | |
| Legislative and executive | 124,812 | - | 124,812 |
| Judicial | 597,017 | - | 597,017 |
| Public safety | 669,024 | - | 669,024 |
| Health and welfare | 47,400 | - | 47,400 |
| Capital outlay | - | 1,755,428 | 1,755,428 |
| TOTAL EXPENDITURES | 1,438,253 | 1,755,428 | 3,193,681 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | 210,537 | (722,314) | (511,777) |
| FUND BALANCE, BEGINNING OF YEAR | 1,880,887 | 1,403,878 | 3,284,765 |
| FUND BALANCE, END OF YEAR | $ 2,091,424 | $ 681,564 | $ 2,772,988 |

See independent auditor's report.

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2015

| | Jail Fee Fund | Drug Court | Sheriff's Drug & Equipment | Supplemental Juvenile Service | Jail Commissary |
|---|---|---|---|---|---|
| ASSETS | | | | | |
| Cash | $ 3,746 | $ 743,813 | $ 61,951 | $ 731 | $ 357,518 |
| Certificates of deposit | - | 198,706 | - | - | - |
| Due from other governments | - | 8,436 | - | - | - |
| Accounts receivable | 7,986 | 33,450 | - | 40 | 25,343 |
| TOTAL ASSETS | $ 11,732 | $ 984,405 | $ 61,951 | $ 771 | $ 382,861 |
| LIABILITIES AND FUND BALANCES | | | | | |
| LIABILITIES | | | | | |
| Accounts payable | $ 2,516 | $ 7,774 | $ - | $ - | $ - |
| Accrued liabilities | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - |
| Interfund payable | - | - | - | - | - |
| TOTAL LIABILITIES | 2,516 | 7,774 | - | - | - |
| FUND BALANCES | | | | | |
| Restricted for drug education and treatment | - | 976,631 | - | - | - |
| Restricted for fire protection | - | - | - | - | - |
| Restricted for jail operations | 9,216 | - | - | - | 382,861 |
| Restricted for drug enforcement operations | - | - | 61,951 | - | - |
| Restricted for law library | - | - | - | - | - |
| Restricted for victim assistance | - | - | - | 771 | - |
| TOTAL FUND BALANCES | 9,216 | 976,631 | 61,951 | 771 | 382,861 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE | $ 11,732 | $ 984,405 | $ 61,951 | $ 771 | $ 382,861 |

See independent auditor's report.

| Law Library | D.A.'S Drug Forfeiture | Superior Court Victim Assistance | State Court Victim Assistance | Inter-Governmental Grants | Total |
|---|---|---|---|---|---|
| $ 249,056 | $ 96,043 | $ 247,805 | $ 52,172 | $ 38,539 | $ 1,851,374 |
| - | - | - | - | - | 198,706 |
| - | - | 9,393 | - | 22,672 | 40,501 |
| 941 | - | 638 | 2,124 | - | 70,522 |
| $ 249,997 | $ 96,043 | $ 257,836 | $ 54,296 | $ 61,211 | $ 2,161,103 |
| | | | | | |
| $ - | $ - | $ 4,077 | $ 78 | $ 22,672 | $ 37,117 |
| - | - | 1,053 | 1,781 | - | 2,834 |
| - | - | - | - | 28,680 | 28,680 |
| - | - | - | - | 1,048 | 1,048 |
| - | - | 5,130 | 1,859 | 52,400 | 69,679 |
| | | | | | |
| - | - | - | - | - | 976,631 |
| - | - | - | - | 8,811 | 8,811 |
| - | - | - | - | - | 392,077 |
| - | 96,043 | - | - | - | 157,994 |
| 249,997 | - | - | - | - | 249,997 |
| - | - | 252,706 | 52,437 | - | 305,914 |
| 249,997 | 96,043 | 252,706 | 52,437 | 8,811 | 2,091,424 |
| $ 249,997 | $ 96,043 | $ 257,836 | $ 54,296 | $ 61,211 | $ 2,161,103 |

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, 2015

| | Jail Fee Fund | Drug Court | Sheriff's Drug & Equipment | Supplemental Juvenile Service | Jail Commissary |
|---|---|---|---|---|---|
| REVENUES | | | | | |
| Intergovernmental revenues | $ - | $ 469,446 | $ - | $ - | $ - |
| Charges for services | - | 82,125 | - | 620 | 564,744 |
| Fines and forfeitures | 83,899 | - | 28,389 | - | - |
| Investment income | 4 | 1,175 | - | - | 580 |
| Miscellaneous income | - | - | 10,095 | - | - |
| TOTAL REVENUES | 83,903 | 552,746 | 38,484 | 620 | 565,324 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General Government | | | | | |
| Legislative and executive | - | - | - | - | - |
| Judicial | - | 370,872 | - | 375 | - |
| Public safety | 86,209 | - | 46,684 | - | 503,267 |
| Health and welfare | - | - | - | - | - |
| TOTAL EXPENDITURES | 86,209 | 370,872 | 46,684 | 375 | 503,267 |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (2,306) | 181,874 | (8,200) | 245 | 62,057 |
| FUND BALANCE, BEGINNING OF YEAR | 11,522 | 794,757 | 70,151 | 526 | 320,804 |
| FUND BALANCE, END OF YEAR | $ 9,216 | $ 976,631 | $ 61,951 | $ 771 | $ 382,861 |

See independent auditor's report.

| Law Library | D.A.'s Drug Forfeiture | Superior Court Victim Assistance | State Court Victim Assistance | Inter-governmental Grants | Total |
|---|---|---|---|---|---|
| $ - | $ - | 59,146 | $ - | $ 204,934 | $ 733,526 |
| - | - | - | - | - | 647,489 |
| 22,848 | 19,000 | 67,507 | 34,080 | - | 255,723 |
| - | 44 | 129 | 25 | - | 1,957 |
| - | - | - | - | - | 10,095 |
| 22,848 | 19,044 | 126,782 | 34,105 | 204,934 | 1,648,790 |
| | | | | | |
| - | - | - | - | 124,812 | 124,812 |
| 9,986 | 1,595 | 175,324 | 38,865 | - | 597,017 |
| - | - | - | - | 32,864 | 669,024 |
| - | - | - | - | 47,400 | 47,400 |
| 9,986 | 1,595 | 175,324 | 38,865 | 205,076 | 1,438,253 |
| | | | | | |
| 12,862 | 17,449 | (48,542) | (4,760) | (142) | 210,537 |
| | | | | | |
| 237,135 | 78,594 | 301,248 | 57,197 | 8,953 | 1,880,887 |
| | | | | | |
| $ 249,997 | $ 96,043 | $ 252,706 | $ 52,437 | $ 8,811 | $ 2,091,424 |

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2015

| | CDBG FY12 | Public Roads Fund | 2003 SPLOST | Total Nonmajor Capital Projects Funds |
|---|---|---|---|---|
| ASSETS | | | | |
| Cash | $ - | $ 681,564 | $ 54,420 | $ 735,984 |
| TOTAL ASSETS | $ - | $ 681,564 | $ 54,420 | $ 735,984 |
| LIABILITIES AND FUND BALANCES | | | | |
| LIABILITIES | | | | |
| Accounts payable | $ - | $ - | $ 54,420 | $ 54,420 |
| TOTAL LIABILITIES | - | - | 54,420 | 54,420 |
| FUND BALANCES | | | | |
| Restricted for capital projects | - | 681,564 | - | 681,564 |
| TOTAL FUND BALANCES | - | 681,564 | - | 681,564 |
| TOTAL LIABILITIES AND FUND BALANCES | $ - | $ 681,564 | $ 54,420 | $ 735,984 |

See independent auditor's 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, 2015

| | CDBG FY12 | Public Roads Fund | 2003 SPLOST | Total Nonmajor Capital Projects Funds |
|---|---|---|---|---|
| REVENUES | | | | |
| Intergovernmental revenue | $ 233,459 | $ 656,663 | $ 142,620 | $ 1,032,742 |
| Investment income | - | 185 | 187 | 372 |
| TOTAL REVENUES | 233,459 | 656,848 | 142,807 | 1,033,114 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public works | - | - | 62,729 | 62,729 |
| Capital outlay | 233,459 | 366,342 | 1,092,898 | 1,692,699 |
| TOTAL EXPENDITURES | 233,459 | 366,342 | 1,155,627 | 1,755,428 |
| EXCESS OF REVENUES (UNDER) EXPENDITURES | - | 290,506 | (1,012,820) | (722,314) |
| FUND BALANCE, BEGINNING OF YEAR | - | 391,058 | 1,012,820 | 1,403,878 |
| FUND BALANCE, END OF YEAR | $ - | $ 681,564 | $ - | $ 681,564 |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Fines and forfeitures | $ 90,500 | $ 90,500 | $ 83,899 | $ (6,601) |
| Investment income | 20 | 20 | 4 | (16) |
| TOTAL REVENUES | 90,520 | 90,520 | 83,903 | (6,617) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 100,520 | 100,520 | 86,209 | (14,311) |
| TOTAL EXPENDITURES | 100,520 | 100,520 | 86,209 | (14,311) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (10,000) | (10,000) | (2,306) | 7,694 |
| FUND BALANCE, BEGINNING OF YEAR | 10,000 | 10,000 | 11,522 | 1,522 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 9,216 | $ 9,216 |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Intergovernmental revenues | $ 367,000 | $ 448,760 | $ 469,446 | $ 20,686 |
| Charges for services | 72,000 | 72,000 | 82,125 | 10,125 |
| Investment income | 220 | 220 | 1,175 | 955 |
| TOTAL REVENUES | 439,220 | 520,980 | 552,746 | 31,766 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Judicial | 439,220 | 520,980 | 370,872 | (150,108) |
| TOTAL EXPENDITURES | 439,220 | 520,980 | 370,872 | (150,108) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | 181,874 | 181,874 |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 794,757 | 794,757 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 976,631 | $ 976,631 |

See independent auditor's report.

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, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Fines and forfeitures | $ 40,000 | $ 40,000 | $ 28,389 | $ (11,611) |
| Miscellaneous | - | 7,000 | 10,095 | 3,095 |
| TOTAL REVENUES | 40,000 | 47,000 | 38,484 | (8,516) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 40,000 | 47,000 | 46,684 | (316) |
| TOTAL EXPENDITURES | 40,000 | 47,000 | 46,684 | (316) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | (8,200) | (8,200) |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 70,151 | 70,151 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 61,951 | $ 61,951 |

See independent auditor's report.

WARE COUNTY, GEORGIA
SUPPLEMENTAL JUVENILE SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Charges for services | $ 1,500 | $ 1,500 | $ 620 | $ (880) |
| Investment income | 5 | 5 | - | (5) |
| TOTAL REVENUES | 1,505 | 1,505 | 620 | (885) |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | | | | |
| Judicial | 1,505 | 1,505 | 375 | (1,130) |
| TOTAL EXPENDITURES | 1,505 | 1,505 | 375 | (1,130) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | 245 | (245) |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 526 | 526 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 771 | $ (771) |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Charges for services | $ 485,000 | $ 548,000 | $ 564,744 | $ 16,744 |
| Investment income | 200 | 200 | 580 | 380 |
| TOTAL REVENUES | 485,200 | 548,200 | 565,324 | 17,124 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public safety | 485,200 | 548,200 | 503,267 | (44,933) |
| TOTAL EXPENDITURES | 485,200 | 548,200 | 503,267 | (44,933) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | 62,057 | 62,057 |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 320,804 | 320,804 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 382,861 | $ 382,861 |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Fines and forfeitures | $ 37,320 | $ 37,320 | $ 22,848 | $ (14,472) |
| TOTAL REVENUES | 37,320 | 37,320 | 22,848 | (14,472) |
| EXPENDITURES | | | | |
| Current: | | | | |
| General government | | | | |
| Judicial | 37,320 | 37,320 | 9,986 | (27,334) |
| TOTAL EXPENDITURES | 37,320 | 37,320 | 9,986 | (27,334) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | 12,862 | 12,862 |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 237,135 | 237,135 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 249,997 | $ 249,997 |

See independent auditor's report.

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, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Fines and forfeitures | $ 25,000 | $ 25,000 | $ 19,000 | $ (6,000) |
| Investment income | 30 | 30 | 44 | 14 |
| TOTAL REVENUES | 25,030 | 25,030 | 19,044 | (5,986) |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | | | | |
| Judicial | 25,030 | 25,030 | 1,595 | (23,435) |
| TOTAL EXPENDITURES | 25,030 | 25,030 | 1,595 | (23,435) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | 17,449 | 17,449 |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 78,594 | 78,594 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 96,043 | $ 96,043 |

See independent auditor's 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, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Intergovernmental revenues | $ 60,000 | $ 60,000 | $ 59,146 | $ (854) |
| Fines and forfeitures | 59,030 | 59,030 | 67,507 | 8,477 |
| Investment income | 150 | 150 | 129 | (21) |
| TOTAL REVENUES | 119,180 | 119,180 | 126,782 | 7,602 |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | | | | |
| Judicial | 157,629 | 188,975 | 175,324 | (13,651) |
| TOTAL EXPENDITURES | 157,629 | 188,975 | 175,324 | (13,651) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | (38,449) | (69,795) | (48,542) | 21,253 |
| FUND BALANCE, BEGINNING OF YEAR | 38,449 | - | 301,248 | 301,248 |
| FUND BALANCE, END OF YEAR | $ - | $ (69,795) | $ 252,706 | $ 322,501 |

See independent auditor's report.

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, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Fines and forfeitures | $ 49,393 | $ 49,393 | $ 34,080 | $ (15,313) |
| Investment income | 25 | 25 | 25 | - |
| TOTAL REVENUES | 49,418 | 49,418 | 34,105 | (15,313) |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | | | | |
| Judicial | 49,418 | 49,418 | 38,865 | (10,553) |
| TOTAL EXPENDITURES | 49,418 | 49,418 | 38,865 | (10,553) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | (4,760) | (4,760) |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 57,197 | 57,197 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 52,437 | $ 52,437 |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Intergovernmental revenues | $ 217,700 | $ 217,700 | $ 204,934 | $ (12,766) |
| TOTAL REVENUES | 217,700 | 217,700 | 204,934 | (12,766) |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | | | | |
| Legislative and executive | 140,000 | 140,000 | 124,812 | (15,188) |
| Judicial | 17,000 | 17,000 | - | (17,000) |
| Public safety | 13,200 | 13,200 | 32,864 | 19,664 |
| Health and welfare | 47,500 | 47,500 | 47,400 | (100) |
| TOTAL EXPENDITURES | 217,700 | 217,700 | 205,076 | (12,624) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | (142) | (142.00) |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 8,953 | 8,953.00 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 8,811 | $ 8,811 |

See independent auditor's report.

WARE COUNTY, GEORGIA
CAPITAL PROJECTS
CDBG FY12 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Intergovernmental income | $ 370,873 | $ 370,873 | $ 233,459 | $ (137,414) |
| TOTAL REVENUES | 370,873 | 370,873 | 233,459 | (137,414) |
| EXPENDITURES | | | | |
| Capital outlay | 370,873 | 370,873 | 233,459 | (137,414) |
| TOTAL EXPENDITURES | 370,873 | 370,873 | 233,459 | (137,414) |
| EXCESS OF REVENUES OVER (UNDER) EXPENDITURES | - | - | - | - |
| FUND BALANCE, BEGINNING OF YEAR | - | - | - | - |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ - | $ - |

See independent auditor's report.

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

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Intergovernmental revenues | $ 660,000 | $ 660,000 | $ 656,663 | $ (3,337) |
| Investment income | 200 | 200 | 185 | (15) |
| TOTAL REVENUES | 660,200 | 660,200 | 656,848 | (3,352) |
| EXPENDITURES | | | | |
| Capital outlay | 660,200 | 660,200 | 366,342 | (293,858) |
| TOTAL EXPENDITURES | 660,200 | 660,200 | 366,342 | (293,858) |
| EXCESS OF REVENUES OVER EXPENDITURES | - | - | 290,506 | 290,506 |
| FUND BALANCE, BEGINNING OF YEAR | - | - | 391,058 | 391,058 |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ 681,564 | $ 681,564 |

See independent auditor's report.

WARE COUNTY, GEORGIA
CAPITAL PROJECTS
2003 SPLOST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2015

| | Budgeted Amounts | | | Variance With Final Budget |
|---|---|---|---|---|
| | Original | Final | Actual | Over (Under) |
| REVENUES | | | | |
| Intergovernmental revenues | $ - | $ - | $ 142,620 | $ 142,620 |
| Investment income | 500 | 500 | 187 | (313) |
| TOTAL REVENUES | 500 | 500 | 142,807 | 142,307 |
| EXPENDITURES | | | | |
| Current | | | | |
| Public works | 144,200 | 144,200 | 62,729 | (81,471) |
| Capital outlay | 1,115,000 | 1,115,000 | 1,092,898 | (22,102) |
| TOTAL EXPENDITURES | 1,259,200 | 1,259,200 | 1,155,627 | (103,573) |
| EXCESS OF REVENUES OVER EXPENDITURES | (1,258,700) | (1,258,700) | (1,012,820) | 245,880 |
| FUND BALANCE, BEGINNING OF YEAR | 1,258,700 | 1,258,700 | 1,012,820 | (245,880) |
| FUND BALANCE, END OF YEAR | $ - | $ - | $ - | $ - |

See independent auditor's 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 POSITION
June 30, 2015

| | Workers Compensation Fund | Health Fund | Total |
|---|---|---|---|
| ASSETS | | | |
| Current Assets | | | |
| Cash | $ 379,262 | $ 268,770 | $ 648,032 |
| Receivables (net of allowance for doubtful accounts): | | | |
| Accounts | 34,170 | 4,908 | 39,078 |
| Prepaid expenses | 185,530 | 263,252 | 448,782 |
| TOTAL ASSETS | 598,962 | 536,930 | 1,135,892 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Accounts payable | 262,936 | 1,929 | 264,865 |
| TOTAL LIABILITIES | 262,936 | 1,929 | 264,865 |
| NET POSITION | | | |
| Restricted for workers compensation claims | 336,026 | - | 336,026 |
| Restricted for health claims | - | 535,001 | 535,001 |
| TOTAL NET POSITION | $ 336,026 | $ 535,001 | $ 871,027 |

See independent auditor's report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION
For The Year Ending June 30, 2015

| | Workers Compensation Fund | Health Fund | Total |
|---|---|---|---|
| OPERATING REVENUES | | | |
| Charges for services | $ 414,708 | $ 3,289,745 | $ 3,704,453 |
| Miscellaneous | 119,920 | 24,805 | 144,725 |
| TOTAL OPERATING REVENUES | 534,628 | 3,314,550 | 3,849,178 |
| OPERATING EXPENSES | | | |
| Claims paid | 38,606 | - | 38,606 |
| Other services and charges | 353,883 | 3,161,891 | 3,515,774 |
| TOTAL OPERATING EXPENSES | 392,489 | 3,161,891 | 3,554,380 |
| OPERATING INCOME (LOSS) | 142,139 | 152,659 | 294,798 |
| NON-OPERATING REVENUES (EXPENSES) | | | |
| Interest revenue | 102 | 143 | 245 |
| TOTAL NON-OPERATING REVENUES (EXPENSES) | 102 | 143 | 245 |
| CHANGE IN NET POSITION | 142,241 | 152,802 | 295,043 |
| NET POSITION, BEGINNING OF YEAR | 193,785 | 382,199 | 575,984 |
| NET POSITION, END OF YEAR | $ 336,026 | $ 535,001 | $ 871,027 |

See independent auditor's report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For The Year Ending June 30, 2015

| | Workers Compensation Fund | Health Fund | Total |
|---|---|---|---|
| **Increase (Decrease) in Cash and Cash Equivalents** | | | |
| **Cash Flows From Operating Activities** | | | |
| Cash received from customers | $ 500,539 | $ 3,311,519 | $ 3,812,058 |
| Cash payments for claims paid | (38,606) | - | (38,606) |
| Cash payments for other services and charges | (221,590) | (3,150,388) | (3,371,978) |
| Net Cash Provided by (Used for) Operating Activities | 240,343 | 161,131 | 401,474 |
| **Cash Flows From Investing Activities** | | | |
| Cash received from interest | 102 | 143 | 245 |
| Net Cash Flows Provided By Investing Activities | 102 | 143 | 245 |
| Net Increase in Cash | 240,445 | 161,274 | 401,719 |
| Cash at Beginning of Year | 138,817 | 107,496 | 246,313 |
| Cash at End of Year | $ 379,262 | $ 268,770 | $ 648,032 |

See independent auditor's report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For The Year Ending June 30, 2015

| | Workers Compensation Fund | Health Fund | Total |
|---|---|---|---|
| **Reconciliation of Operating Income (Loss) To Net Cash Provided by (Used For) Operating Activities** | | | |
| Operating Income (Loss) | $ 142,139 | $ 152,659 | $ 294,798 |
| **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 | (34,089) | (3,031.00) | (37,120) |
| (Increase) decrease in prepaid expenses | 3,301 | 9,574 | 12,875 |
| Increase (decrease) in accounts payable | 128,992 | 1,929 | 130,921 |
| Net Cash Provided By (Used For) Operating Activities | $ 240,343 | $ 161,131 | $ 401,474 |

See independent auditor's report.

## FIDUCIARY FUNDS

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

**Tax Commissioner** - to account for the collection of property taxes, motor vehicle 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.

**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, 2015

| | AGENCY FUNDS | | | | | | |
|---|---|---|---|---|---|---|---|
| | OFFICE OF TAX COMMISSIONER | CLERK OF COURT | MAGISTRATE COURT | OFFICE OF SHERIFF | PROBATE COURT | JUVENILE COURT | TOTAL |
| ASSETS | | | | | | | |
| Cash | $ 754,213 | $587,376 | $ 56,281 | $ 187,220 | $ 664,715 | $ 4,859 | $2,254,664 |
| TOTAL ASSETS | $ 754,213 | $587,376 | $ 56,281 | $ 187,220 | $ 664,715 | $ 4,859 | $2,254,664 |
| LIABILITIES AND FUND BALANCE | | | | | | | |
| LIABILITIES | | | | | | | |
| Due to other governmen | $ 484,252 | $ 26,858 | $ - | $ - | $ - | $ - | $ 511,110 |
| Due to others | 269,961 | 560,518 | 56,281 | 187,220 | 664,715 | 4,859 | 1,743,554 |
| TOTAL LIABILITIES | 754,213 | 587,376 | 56,281 | 187,220 | 664,715 | 4,859 | 2,254,664 |
| NET POSITION | $ - | $ - | $ - | $ - | $ - | $ - | $ - |

See independent auditor's report.

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

| | Balance July 1, 2014 | Additions | Deductions | Balance June 30, 2015 |
|---|---|---|---|---|
| OFFICE OF TAX COMMISSIONER | | | | |
| ASSETS | | | | |
| Cash | $ 387,024 | $ 31,805,869 | $ 31,438,680 | $ 754,213 |
| TOTAL ASSETS | $ 387,024 | $ 31,805,869 | $ 31,438,680 | $ 754,213 |
| LIABILITIES | | | | |
| Due to other governments | $ 292,311 | $ 13,988,675 | $ 13,796,734 | $ 484,252 |
| Due to others | 94,713 | 17,817,194 | 17,641,946 | 269,961 |
| TOTAL LIABILITIES | $ 387,024 | $ 31,805,869 | $ 31,438,680 | $ 754,213 |
| CLERK OF COURT | | | | |
| ASSETS | | | | |
| Cash | $ 353,417 | $ 1,745,282 | $ 1,511,323 | $ 587,376 |
| TOTAL ASSETS | $ 353,417 | $ 1,745,282 | $ 1,511,323 | $ 587,376 |
| LIABILITIES | | | | |
| Due to other governments | $ 32,608 | $ 348,376 | $ 354,126 | $ 26,858 |
| Due to others | 320,809 | 1,396,906 | 1,157,197 | 560,518 |
| TOTAL LIABILITIES | $ 353,417 | $ 1,745,282 | $ 1,511,323 | $ 587,376 |
| MAGISTRATE COURT | | | | |
| ASSETS | | | | |
| Cash | $ 52,054 | $ 385,848 | $ 381,621 | $ 56,281 |
| TOTAL ASSETS | $ 52,054 | $ 385,848 | $ 381,621 | $ 56,281 |
| LIABILITIES | | | | |
| Due to other governments | $ - | $ 35,695 | $ 35,695 | $ - |
| Due to others | 52,054 | 350,153 | 345,926 | 56,281 |
| TOTAL LIABILITIES | $ 52,054 | $ 385,848 | $ 381,621 | $ 56,281 |

See independent auditor's report.

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

| | | Balance July 1, 2014 | Additions | Deductions | Balance June 30, 2015 |
|---|---|---|---|---|---|
| OFFICE OF SHERIFF | | | | | |
| ASSETS | | | | | |
| Cash | | $ 182,360 | $ 1,151,788 | $ 1,146,928 | $ 187,220 |
| | TOTAL ASSETS | $ 182,360 | $ 1,151,788 | $ 1,146,928 | $ 187,220 |
| LIABILITIES | | | | | |
| Due to others | | $ 182,360 | $ 1,151,788 | $ 1,146,928 | $ 187,220 |
| | TOTAL LIABILITIES | $ 182,360 | $ 1,151,788 | $ 1,146,928 | $ 187,220 |
| PROBATE COURT | | | | | |
| ASSETS | | | | | |
| Cash | | $ 736,669 | $ 286,104 | $ 358,058 | $ 664,715 |
| | TOTAL ASSETS | $ 736,669 | $ 286,104 | $ 358,058 | $ 664,715 |
| LIABILITIES | | | | | |
| Due to others | | $ 736,669 | $ 286,104 | $ 358,058 | $ 664,715 |
| | TOTAL LIABILITIES | $ 736,669 | $ 286,104 | $ 358,058 | $ 664,715 |
| JUVENILE COURT | | | | | |
| ASSETS | | | | | |
| Cash | | $ 6,859 | $ 3,344 | $ 5,344 | $ 4,859 |
| | TOTAL ASSETS | $ 6,859 | $ 3,344 | $ 5,344 | $ 4,859 |
| LIABILITIES | | | | | |
| Due to others | | $ 6,859 | $ 3,344 | $ 5,344 | $ 4,859 |
| | TOTAL LIABILITIES | $ 6,859 | $ 3,344 | $ 5,344 | $ 4,859 |

See independent auditor's report.

# SPECIAL REPORTS SECTION

WARE COUNTY, GEORGIA
2003 SPECIAL LOCAL OPTION SALES TAX
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
Year Ended June 30, 2015

| | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|---|---|---|---|---|---|---|
| Roads, Streets, and Bridges | $12,500,000 | $29,481,633 | $28,326,006 | $1,155,627 | $29,481,633 | 100.00% |
| Recreation | 6,000,000 | 6,390,705 | 6,390,705 | - | 6,390,705 | 100.00% |
| Fire Station & Public Safety Building | 1,500,000 | 1,500,613 | 1,500,613 | - | 1,500,613 | 100.00% |
| Public Safety Equipment | 500,000 | 690,041 | 690,041 | - | 690,041 | 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 | 985,281 | 985,281 | - | 985,281 | 100.00% |
| Downtown Development | 500,000 | 500,000 | 500,000 | - | 500,000 | 100.00% |
| Debt Retirement | 1,000,000 | 1,052,269 | 1,052,269 | - | 1,052,269 | 100.00% |
| Totals | $29,000,000 | $46,652,817 | $45,497,190 | $1,155,627 | $46,652,817 | |

See independent auditor's report.

WARE COUNTY, GEORGIA
2008 SPECIAL LOCAL OPTION SALES TAX
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
Year Ended June 30, 2015

| | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|---|---|---|---|---|---|---|
| Roads, Streets, and Bridges | $11,093,188 | $ 5,931,596 | $ 3,260,108 | $ 446,698 | $ 3,706,806 | 62.49% |
| Fire Equipment & Facility Improvements | 4,000,000 | 2,766,787 | 2,634,323 | - | 2,634,323 | 95.21% |
| Pursuit Vehicles, Ambulances & Public Work Equipment | 2,000,000 | 2,458,097 | 2,458,097 | - | 2,458,097 | 100.00% |
| Retirement of Lease-Purchase Obligation For Courthouse Improvements | 2,000,000 | 917,353 | 917,353 | - | 917,353 | 100.00% |
| Courthouse & County Administration Property Acquisition and Demolition | 2,125,000 | 2,133,362 | 2,106,555 | 26,807 | 2,133,362 | 100.00% |
| Courthouse Security Facilities | 875,000 | 362,327 | 359,686 | 2,641 | 362,327 | 100.00% |
| Renovation of City Auditorium* | 1,000,000 | - | - | - | - | 0.00% |
| Debt Retirement or Construction of Administrative Building and Design Cost | 9,500,000 | 9,242,857 | 286,031 | 16,389 | 302,420 | 3.27% |
| Construction of Multi-purpose Recreation Building | 5,000,000 | 3,625,571 | 3,625,571 | - | 3,625,571 | 100.00% |
| Purchase and Improvement of Land for Economic Development and/or the Improvement of Existing Publically Owned Land | 2,000,000 | 1,497,502 | - | - | - | 0.00% |
| City of Waycross | 13,509,264 | 11,017,971 | 11,017,971 | - | 11,017,971 | 100.00% |
| Totals | $53,102,452 | $39,953,423 | $26,665,695 | $ 492,535 | $27,158,230 | |

* - The percentage of SPLOST was increased to include the City Auditorium project in the City of Waycross direct funds. The City will manage this project and pay for it from the additional SPLOST funds they receive each month as their share of SPLOST receipts.

See independent auditor's report.

WARE COUNTY, GEORGIA
2014 SPECIAL LOCAL OPTION SALES TAX
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
Year Ended June 30, 2015

| | Original Estimated Cost | Current Estimated Cost | Prior Years | Current Year | Total | Estimated Percentage of Completion |
|---|---|---|---|---|---|---|
| Retire Previously Incurred Debt | $ 2,120,000 | $ 1,879,806 | $ - | $ 1,879,806 | $ 1,879,806 | 100.00% |
| Facility Improvements & Equipment - Blackburn Training Center | 1,200,000 | 1,200,000 | - | - | - | 0.00% |
| Economic Development Projects | 1,000,000 | 1,000,000 | - | - | - | 0.00% |
| Facility Improvements & Equipment (Serving All Residents) | 900,000 | 900,000 | - | 160,558 | 160,558 | 17.84% |
| Facility Improvements & Equipment at Sheriff Complex | 900,000 | 900,000 | - | 8,426 | 8,426 | 0.94% |
| Facility Improvements & Equipment at 911 Center | 200,000 | 200,000 | - | - | - | 0.00% |
| Roads, Streets & Bridge Projects & Necessary Equipment | 15,708,000 | 15,948,194 | - | 122,242 | 122,242 | 0.77% |
| Public Safety Equipment & Improvements | 3,250,000 | 3,250,000 | - | 32,158 | 32,158 | 0.99% |
| Public Facility Projects and Necessary Equipment | 1,500,000 | 1,500,000 | - | - | - | 0.00% |
| Public Works Equipment and Improvements | 1,000,000 | 1,000,000 | - | 20,342 | 20,342 | 2.03% |
| Facility Improvements & Equipment at Recreation Center | 900,000 | 900,000 | - | - | - | 0.00% |
| Public Safety & County Vehicle Fleet & Equipment | 600,000 | 600,000 | - | 276,272 | 276,272 | 46.05% |
| Information Technology Equipment, Software & Training | 250,000 | 250,000 | - | 22,433 | 22,433 | 8.97% |
| City of Waycross | 15,472,000 | 15,472,000 | - | 1,687,709 | 1,687,709 | 10.91% |
| Totals | $45,000,000 | $45,000,000 | $ - | 4,209,946 | $ 4,209,946 | |
| Capital Lease Purchase | | | | 164,020 | | |
| | | | | $ 4,373,966 | | |

See independent auditor's report.

SOURCE and APPLICATION OF FUNDS SCHEDULE
Community Development Block Grant

Ware County, Georgia

12p-y-148-1-5500

For the Period Ending: June 30, 2015
*Cumulative*

| | |
|---|---|
| I. Total Fiscal Year 2012 CDBG Funds Awarded to Recipient: | $ 500,000 |
| II. Total Amount of Drawdown by Recipient from DCA: | $ 436,045 |
| III. Less: CDBG Funds Expended by Recipient: | $ 436,045 |
| IV. Amount of Fiscal Year 2013 CDBG Funds held by Recipient: | $ - |

See independent auditor's report.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PROJECT COST SCHEDULE

Recipient: Ware County, Georgia

Grant #: 12p-y-148-1-5500

For the Period Ending: June 30, 2015

| Program Activity | CDBG Activity Number | Latest Approved Budget | Accumulative CDBG Expenditures To Date | Accumulative Expenditures To Date (Other Funds) | Grand Total of Expenditures To Date | Questioned Costs |
|---|---|---|---|---|---|---|
| Contingencies | C-022-00 | $ 19,079 | $ - | $ - | $ - | $ - |
| Engineering | T-03K-00 | $ 36,855 | $ 36,855 | $ - | $ 36,855 | $ - |
| Street Improvements | P-03K-01 | $ 227,572 | $ 183,993 | $ - | $ 183,993 | $ - |
| Flood and Drainage Facilities | P-03K-02 | $ 216,494 | $ 215,197 | $ - | $ 215,197 | $ - |
| TOTAL | | $ 500,000 | $ 436,045 | $ - | $ 436,045 | $ - |

See independent auditor's report.

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Carr, Riggs & Ingram, LLC
202 Love Avenue
Tifton, GA 31794
P.O. Box 7650
Tifton, GA 31793

(229) 382-8576
(229) 238-0643 (fax)
www.cricpa.com

## INDEPENDENT AUDITORS' 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
of Ware County, Georgia
Waycross, 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, 2015, which collectively comprise Ware County, Georgia's basic financial statements and have issued our report thereon dated March 4, 2016. Our report includes a reference to other auditors who audited the financial statements of the Ware County Board of Health and the Okefenokee Area Development Authority, as described in our report on Ware County's financial statements. This report includes our consideration of the results of the other auditor's testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

### Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. [Findings 2015-1]

**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 Standards*.

**Ware County, Georgia's Response to Findings**

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

**Purpose of this Report**

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

Carr, Riggs & Ingram, L.L.C.

March 4, 2016
Tifton, Georgia

Carr, Riggs & Ingram, LLC
202 Love Avenue
Tifton, GA 31794
P.O. Box 7650
Tifton, GA 31793

(229) 382-8576
(229) 238-0643 (fax)

## INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Commissioners
of Ware County, Georgia
Waycross, Georgia

### Report on Compliance for Each Major Federal Program

We have audited Ware County, Georgia's compliance, with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Ware County, Georgia's major federal programs for the year ended June 30, 2015. 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.

### Management's Responsibility

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

### Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Ware County, Georgia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 on compliance for each major federal program. However, our audit does not provide a legal determination of Ware County, Georgia's compliance.

### Opinion on Each Major Federal Program

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

**Report on Internal Control Over Compliance**

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

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

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

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

Carr, Riggs & Ingram, L.L.C.

March 4, 2016
Tifton, Georgia

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

**Section I – Summary of Auditor's Results**

Financial Statements

| | |
|---|---|
| Type of auditor's report issued | Unmodified |
| Internal control over financial reporting<br>Material weakness identified? | ____Yes __X__ No |
| Significant deficiencies identified not<br>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<br>Material weaknesses identified? | _____ Yes __X__ No |
| Significant deficiencies identified not<br>considered to be material weaknesses? | _____ Yes __X__ None reported |
| Type of auditor's report issued on compliance<br>for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported<br>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 (CDBG) |
| 20.509 | Transit Operations Assistance Program (MIDS) |

Dollar threshold used to distinguish between Type A and Type B programs: $300,000

Auditee considered a low risk auditee __X__ Yes _____No

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

**Section II – Financial Statement Findings**

**Current Year Findings**

**Significant Deficiencies – Not Considered a Material Weakness**

2015-1 - 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.

2015-1 - 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.

2015-1 – 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.

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

2015-1 – 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.

2015-1 – 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.

2015-1 – Management Response

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

**Prior Year Findings**

The current year finding 2015-1 was reported as finding 2014-1 in the prior year.

WARE COUNTY, GEORGIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2015

| | Federal CFDA Number | Pass Through Grantor Number | Federal Expenditures |
|---|---|---|---|
| **Department of Housing and Urban Development** | | | |
| Pass Through the Georgia Department of Community Affairs | | | |
| Community Development Block Grant/Entitlement Grants | 14.218 | 12p-y-148-1-5500 | $ 233,459 |
| **Total Department of Housing and Urban Development** | | | **233,459** |
| **Department of Justice** | | | |
| Pass Through the Criminal Justice Coordinating Council | | | |
| 2015 CJCC Accountability Grant | 16.803 | J15-8-037 | 248,665 |
| 2015 CJCC Mental Health Grant | 16.803 | J15-8-061 | 9,916 |
| **Total Department of Justice** | | | **258,581** |
| **Department of Transportation** | | | |
| Pass Through the Georgia Department of Transportation | | | |
| 5311 Transit Operations Assistance Program | 20.509 | T005202 | 122,158 |
| **Total Department of Transportation** | | | **122,158** |
| **Department of Health and Human Services** | | | |
| Pass Through the National Association of County & City Health Officials | | | |
| NACCHO | 93.008 | 5MRCSB101005-02 | 2,052 |
| Pass Through the Southeast Georgia Agency on Aging | | | |
| Special Programs for the Aging, Title III, Part C, Nutrition | 93.045 | AAA-2015-33 | 36,267 |
| **Total Department of Health and Human Services** | | | **38,319** |
| **Department of Homeland Security** | | | |
| Federal Emergency Management Agency | | | |
| Pass Through the Georgia Emergency Management Agency | | | |
| FY09 Fire Rescue Grant | 97.005 | 2007-GE-T7-0054 | 28,357 |
| | | | 28,357 |
| Canine Grant | 97.007 | 2009-SS-T9-0047 | 2,455 |
| | | | 2,455 |
| **Total Department of Homeland Security** | | | **30,812** |
| **Total Expenditures of Federal Awards** | | | **$ 683,329** |

WARE COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2015

## 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 ACCOUNTING

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.

# Ware County, Georgia
# Certificate of 9-1-1 Expenditures
# For the Year Ended June 30, 2015

| 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 | | |
| | Expenditures (UCOA Activity 3800) | | |
| 2 | Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary) | 46-5-134(e) | |
| | _____ | | $ _____ |
| | _____ | | $ _____ |
| | _____ | | $ _____ |
| 3 | Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system: | | |
| 3a | Lease costs | 46-5-134(f)(1)(A) | $ _____ |
| 3b | Purchase costs | 46-5-134(f)(1)(A) | $ _____ |
| 3c | Maintenance costs | 46-5-134(f)(1)(A) | $ _____ |
| 4 | Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges | 46-5-134(f)(1)(B) | $ _____ |
| 5 | Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2 | | |
| 5a | Salaries and wages | 46-5-134(f)(1)(C) | $ 449,307 |
| 5b | Employee benefits | 46-5-134(f)(1)(C) | $ 188,644 |
| 6 | Cost of training of employees who work as dispatchers or directors | 46-5-134(f)(1)(D) | $ 7,790 |
| 7 | Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services | 46-5-134(f)(1)(E) | $ 8,317 |
| 8 | Building used as a public safety answering point: | | |
| 8a | Lease costs | 46-5-134(f)(1)(F) | $ _____ |
| 8b | Purchase costs | 46-5-134(f)(1)(F) | $ _____ |
| 9 | Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems: | | |
| 9a | Lease costs | 46-5-134(f)(1)(G) | $ 0 |
| 9b | Purchase costs | 46-5-134(f)(1)(G) | $ _____ |
| 9c | Maintenance costs | 46-5-134(f)(1)(G) | $ 0 |

Ware County, Georgia
Certificate of 9-1-1 Expenditures
For the Year Ended June 30, 2015

| | | | |
|---|---|---|---|
| 10 | 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)(1)(H) | $ _____ |
| 11 | Logging recorders used at a public safety answering point to record telephone and radio traffic: | | |
| 11a | Lease costs | 46-5-134(f)(1)(I) | $ _____ |
| 11b | Purchase costs | 46-5-134(f)(1)(I) | $ _____ |
| 11c | Maintenance costs | 46-5-134(f)(1)(I) | $ _____ |
| 12 | Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors | 46-5-134(f)(2)(B)(i) | $ _____ |
| 13 | Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center | | |
| 13a | Lease costs | 46-5-134(f)(2(B)(ii) | $ _____ |
| 13b | Purchase costs | 46-5-134(f)(2(B)(ii) | $ _____ |
| 13c | Maintenance costs | 46-5-134(f)(2(B)(ii) | $ _____ |
| 14 | Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities | 46-5-134(f)(2)(B)(iii) | $ _____ |
| 15 | Mobile public safety voice and data equipment, geo-targeted test messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations | | |
| 15a | Lease costs | 46-5-134(f)(2(B)(iv) | $ _____ |
| 15b | Purchase costs | 46-5-134(f)(2(B)(iv) | $ _____ |
| 15c | Maintenance costs | 46-5-134(f)(2(B)(iv) | $ _____ |
| 16 | Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems | | |
| 16a | Lease costs | 46-5-134(f)(2(B)(v) | $ _____ |
| 16b | Purchase costs | 46-5-134(f)(2(B)(v) | $ _____ |
| 16c | Maintenance costs | 46-5-134(f)(2(B)(v) | $ _____ |

# Ware County, Georgia
# Certificate of 9-1-1 Expenditures
# For the Year Ended June 30, 2015

17 Other expenditures not included in Lines 2 through 16 above.
Identify by object and purpose.

| | | |
|---|---|---|
| Telephone | $ | 5,281 |
| Language interpreter | $ | 76 |
| Vehicle fuel and oil | $ | 445 |
| Advertising | $ | 1,034 |
| Line and administration fees | $ | 69,140 |
| Utilities | $ | 8,732 |
| Dues and subscriptions | $ | 655 |
| Depreciation | $ | 20,145 |
| | $ | |
| | $ | |

18 Total Expenditures (total of all amounts reported on Lines 2 through 17 above) $ 759,566

**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 the 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  Date 02/25/16

Print Name of Chief Elected Official Jimmy Brown

Title of Chief Elected Official County Commission Chairman

Signature of Chief Financial Officer  Date 02/25/16

Print Name of Chief Financial Officer Deborah Deal