FINANCIAL STATEMENTS
AND
ADDITIONAL INFORMATION

WARE COUNTY, GEORGIA

For the Fiscal Year Ended June 30, 2018

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WARE COUNTY, GEORGIA
FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
For the Year Ending June 30, 2018

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FINANCIAL SECTION

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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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Ware County, Georgia, as of and for the year ended June 30, 2018, 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, which comprise 100% of the assets, net position and revenues of the County's discretely presented component unit. 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 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

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Ware County Board of Health, which comprise 100% of the assets, net position and revenues of the County's discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for this component unit, 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.

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 discretely presented component unit, each major fund, and the aggregate remaining fund information of Ware County, Georgia, as of June 30, 2018, 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.

Emphasis of Matter

As discussed in Note 20 to the financial statements, the County adopted the provisions of Governmental Accounting Standards Board ("GASB") Satement no. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, during the year ended June 30, 2018. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 – 14, budgetary comparison information on pages 60 – 62, schedule of changes in net pension liability and related ratios on page 63, schedule of county contributions on pages 64 - 66, and schedule of changes in total OPEB liability and related ratios on pages 67-70 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 budgetary comparison information on pages 71 – 72, the combining and individual nonmajor fund financial statements and schedules on pages 73 – 99, Community Development Block Grant Schedules on page 102, and the Certificate of 9-1-1 Expenditures on pages 113 – 115, are presented for purposes of additional analysis and are not a required part of the basic financial statements of Ware County, Georgia. The schedule of expenditures of federal awards on pages 107 – 109 is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The accompanying Schedules of Projects Constructed with Special Sales Tax Proceeds on pages 100-101 are presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and are also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, Schedule of Expenditures of Federal Awards, and Schedule of Projects Constructed with Special Sales Tax Proceeds

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 combining and individual nonmajor fund financial statements and schedules, Schedule of Expenditures of Federal Awards, and Schedule of Projects Constructed with Special Sales Tax Proceeds are fairly stated in all material respects in relation to the financial statements as a whole.

The budgetary comparison information, Community Development Block Grant Schedules and the Certificate of 9-1-1 Expenditures have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2019 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Ware County, Georgia's 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, Rigge & Ingram, L.L.C.

Tifton, Georgia
June 28, 2019

MANAGEMENT DISCUSSION AND ANALYSIS

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2018

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, 2018. 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 FY18 are as follows:

The County's total net position decreased by $13,602 to $104,123,458. The County's investment in capital assets net of related debt is $86,080,051 and there is $14,101,011 of net position that are restricted for various purposes, leaving a $3,942,396 in unrestricted net position.

At the end of the current year, the County's governmental funds reported an ending fund balance of $20,801,415, a decrease of $2,537,782 from the prior year fund balance. A large portion of the fund balance is nonspendable or restricted for various purposes in the amount of $14,101,011 and $3,822,825 is assigned for property tax rollback, leaving an unreserved fund balance of $2,515,340.

Net position for business-type activities decreased $192,563 to $10,109,640.

The County spent most of their remaining SPLOST funds from prior SPLOST on road improvements and new administrative facilities as most other capital projects have been completed. 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 Unit—The County's financial statements include financial data of the Ware County Board of Health. This component unit is described in the notes to the financial statements. The component unit is separate and may buy, sell, lease, and mortgage property in their own name and can sue or be sued in their own name. 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.

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, 2017 and 2018:

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2017	2018	2017	2018	2017	2018	2017-2018
Assets							
Current and other assets	$ 26.73	$ 24.39	$ 0.55	$ 0.55	$ 27.28	$ 24.94	-8.58%
Capital assets, net	75.49	77.81	9.92	9.71	85.41	87.52	2.47%
Total Assets	**102.22**	**102.20**	**10.47**	**10.26**	**112.69**	**112.46**	**-0.20%**
Deferred Outflows of Resources	**0.12**	**0.10**	**-**	**-**	**0.12**	**0.10**	**0.00%**
Liabilities							
Current and other liabilities	3.84	3.57	0.15	0.13	3.99	3.70	-7.27%
Long-term liabilities	4.79	4.50	0.02	0.02	4.81	4.52	-6.03%
Total Liabilities	**8.63**	**8.07**	**0.17**	**0.15**	**8.80**	**8.22**	**-6.59%**
Deferred Inflows of Resources	**-**	**0.22**	**-**	**-**	**-**	**0.22**	**0.00%**
Net Position							
Net investment in capital assets	73.88	76.37	9.92	9.71	83.80	86.08	2.72%
Restricted	16.98	14.10	-	-	16.98	14.10	-16.96%
Unrestricted	2.85	3.54	0.38	0.40	3.23	3.94	21.98%
Total Net Position	**$ 93.71**	**$ 94.01**	**$ 10.30**	**$ 10.11**	**$ 104.01**	**$ 104.12**	**0.11%**

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 $104,123,458 ($94,013,818 in governmental activities and $10,109,640 in business-type activities) as of June 30, 2018. The largest portion of the County's net position (82.67 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 11.34 percent of net position is restricted for use on capital projects. An additional portion of the County's net position (2.20 percent) represents resources that are subject to other restrictions on how they can be used. The remaining balance of unrestricted assets (3.79 percent) amounts to $3,942,396.

The next table shows the changes in net position for the years ending June 30, 2018 and 2017:

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

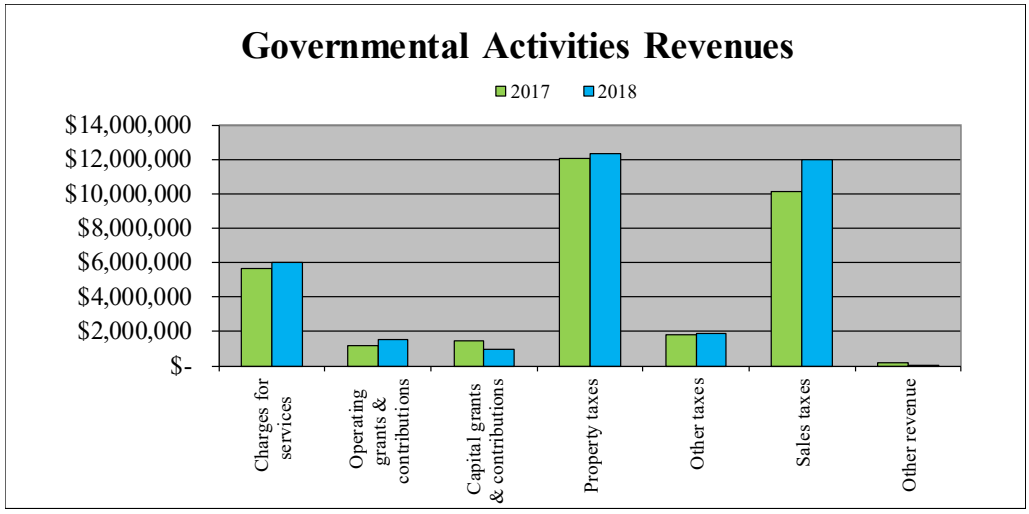
	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2017	2018	2017	2018	2017	2018	2017-2018
Revenues							
Program Revenues							
Charges for services	$ 5.62	$ 5.98	$ 0.96	$ 0.95	$ 6.58	$ 6.93	5.32 %
Operating grants and contributions	1.20	1.53	-	-	1.20	1.53	27.50 %
Capital grants and contributions	1.45	0.97	0.06	0.06	1.51	1.03	(31.79) %
Total Program Revenues	8.27	8.48	1.02	1.01	9.29	9.49	2.15 %
General Revenues							
Property taxes	12.01	12.34	-	-	12.01	12.34	2.75 %
Sales taxes	10.14	11.95	-	-	10.14	11.95	17.85 %
Occupation taxes	0.24	0.22	-	-	0.24	0.22	(8.33) %
Other taxes	1.55	1.65	-	-	1.55	1.65	6.45 %
Miscellaneous	0.17	0.06	-	-	0.17	0.06	(64.71) %
Total General Revenues	24.11	26.22	-	-	24.11	26.22	8.75 %
Total Revenues	**32.38**	**34.70**	**1.02**	**1.01**	**33.40**	**35.71**	**6.92 %**

Overall revenues increased in FY18 with increases in tax revenues.

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

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2017	2018	2017	2018	2017	2018	2017-2018
Expenses							
Governmental Activities:							
General Government							
Legislative and executive	$ 4.00	$ 4.04	$ -	$ -	$ 4.00	$ 4.04	1.00 %
Judicial	3.64	3.78	-	-	3.64	3.78	3.85 %
Public safety	12.57	13.85	-	-	12.57	13.85	10.18 %
Public works	9.42	9.68	-	-	9.42	9.68	2.76 %
Health and welfare	0.76	0.73	-	-	0.76	0.73	(3.95) %
Culture and recreation	1.57	1.62	-	-	1.57	1.62	3.18 %
Housing and development	0.85	0.32	-	-	0.85	0.32	(62.35) %
Interest on long-term debt	0.03	0.04	-	-	0.03	0.04	33.33 %
Business-type Activities:							
Emergency telephone	-	-	0.76	0.85	0.76	0.85	11.84 %
Airport	-	-	0.81	0.81	0.81	0.81	- %
Regional landfill	-	-	-	-	-	-	- %
Total Expenses	**32.84**	**34.06**	**1.57**	**1.66**	**34.41**	**35.72**	**3.81** %
Revenue Over (Under) Expenses	**(0.46)**	**0.64**	**(0.55)**	**(0.65)**	**(1.01)**	**(0.01)**	**(99.01)**
Transfers	(0.40)	(0.46)	0.40	0.46	-	-	- %
Increase (Decrease) in Net Position	**(0.86)**	**0.18**	**(0.15)**	**(0.19)**	**(1.01)**	**(0.01)**	**(99.01)** %
Net Position, Beginning Restated	94.57	93.83	10.45	10.30	105.02	104.13	(0.85) %
Net Position, Ending	**$ 93.71**	**$ 94.01**	**$ 10.30**	**$ 10.11**	**$ 104.01**	**$ 104.12**	**0.11** %

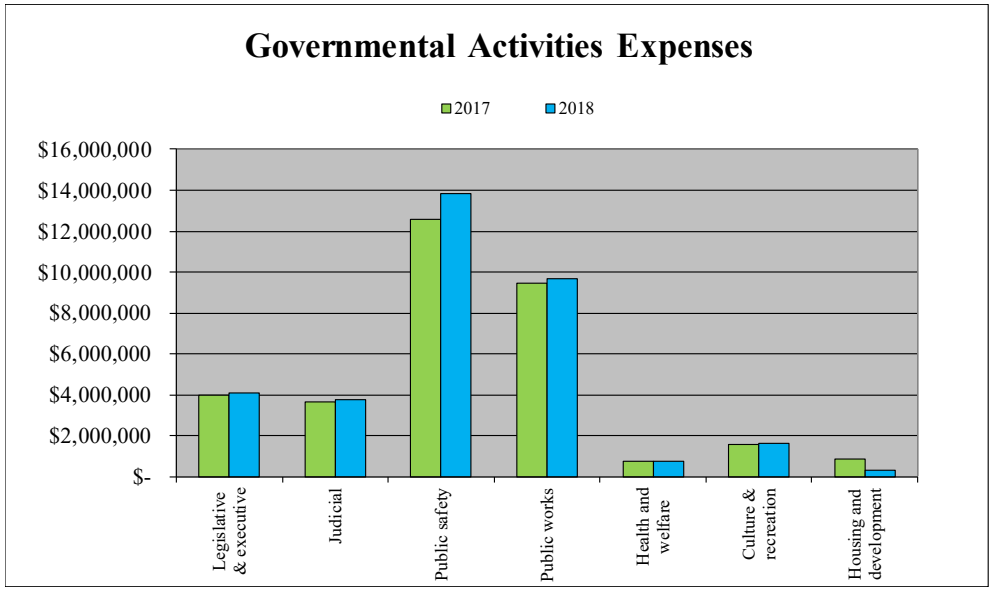
Government Activities



The largest portion of the County's program revenue is from charges for services which accounted for $5,976,078 or 71% 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 $12,343,935 or 47% of total general revenues. Another major component was sales taxes, which accounted for $11,946,851 or 46% of total general revenues.

The following chart compares governmental activities expenses for the year ending June 30, 2017 and 2018:



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 2017	Total Cost of Services 2018	Percentage Change 2017-2018	Net Cost of Services 2017	Net Cost of Services 2018	Percentage Change 2017-2018
General Government						
Legislative and executive	$ 4.00	$ 4.04	1.00 %	$ 2.85	$ 2.73	(4.36) %
Judicial	3.64	3.78	3.85 %	1.76	1.78	1.30 %
Public safety	12.57	13.85	10.18 %	9.20	9.99	8.63 %
Public works	9.42	9.68	2.76 %	7.93	8.68	9.51 %
Health and welfare	0.76	0.73	(3.95) %	0.69	0.68	(1.20) %
Culture and recreation	1.57	1.62	3.18 %	1.26	1.35	7.18 %
Housing and development	0.85	0.32	(62.35) %	0.85	0.33	(61.75) %
Interest on long-term debt	0.03	0.04	33.33 %	0.03	0.04	36.31 %
Total	**$ 32.84**	**$ 34.06**	**3.71** %	**$ 24.57**	**$ 25.59**	**4.13** %

Business-Type Activities

The net position for business-type activities decreased by $192,563 during the year ending June 30, 2018. The major source of revenue was from charges for services which amounted to $945,819.

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, 2018, the County's governmental funds reported a combined ending fund balance of $20,801,415 a decrease of $2,537,782. 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 $3,822,825 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, 2018, the assigned fund balance for property tax relief was $3,822,825 and non-spendable funds for inventory were $102,508 and prepaid items in the amount of $259,731. 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 29.43% percent of the total fund expenditures.

The Capital Projects 2008 SPLOST Fund expended $5,374,380 in capital improvement funds, debt service, and public works and received $12,979 in investment income. The expenditures exceeded revenues resulting in a decrease in the fund balance of $5,361,401 to $3,037,801, which is restricted for capital projects.

The Capital Projects 2014 SPLOST Fund accounts for the current active SPLOST. The fund received $7,195,872 in SPLOST funds and interest income. The fund spent $5,692,187 in capital outlay, debt retirement and intergovernmental payments to the City of Waycross and that left a fund balance of $6,962,131 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, 2018, was $86,080,051 (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 FY18 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 FY18.

Debt

At June 30, 2018 the County had outstanding debt through capital leases in the amount of $1,433,272.

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 increased by .46%.

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, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total Primary Government	Ware County Board of Health
ASSETS				
Cash	$ 20,186,319	$ 353,015	$ 20,539,334	$ 2,326,258
Certificates of deposit	201,409	-	201,409	-
Receivables (net of allowance for doubtful accounts):				
Taxes	1,118,027	-	1,118,027	-
Accounts	1,284,506	122,443	1,406,949	274,905
Sales tax	938,921	-	938,921	-
Internal balances	21,556	(21,556)	-	-
Prepaid items	445,561	-	445,561	292,778
Due from other governments	98,488	4,352	102,840	3,179,029
Inventory	102,508	96,582	199,090	-
Net OPEB asset	-	-	-	617,784
Nondepreciable capital assets	10,851,522	5,469,993	16,321,515	-
Depreciable capital assets, net	66,954,394	4,237,414	71,191,808	1,552,426
TOTAL ASSETS	102,203,211	10,262,243	112,465,454	8,243,180
DEFERRED OUTFLOWS OF RESOURCES				
Pensions	79,414	-	79,414	1,957,236
Other post employee benefits	19,615	-	19,615	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	99,029	-	99,029	1,957,236

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

WARE COUNTY, GEORGIA
STATEMENT OF NET POSITION - CONTINUED
June 30, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total Primary Government	Ware County Board of Health
LIABILITIES				
Accounts payable	$ 942,913	$ 50,737	$ 993,650	$ 2,436,872
Accrued wages	424,264	21,594	445,858	-
Accrued liabilities	11,584	-	11,584	-
Due to other governments	556,251	-	556,251	159,041
Unearned revenue	18,049	31,802	49,851	-
Long-term liabilities:				
Due within one year:				
Compensated absences payable	799,975	29,082	829,057	281,485
Capital lease obligations	177,684	-	177,684	-
Landfill postclosure cost	72,959	-	72,959	-
Due in more than one year				
Compensated absences payable	533,316	19,388	552,704	422,228
Capital lease obligations	1,255,588	-	1,255,588	-
Net other postemployment benefits	1,691,525	-	1,691,525	-
Net pension obligation liability	571,545	-	571,545	9,057,346
Landfill postclosure cost	1,014,911	-	1,014,911	-
TOTAL LIABILITIES	8,070,564	152,603	8,223,167	12,356,972
DEFERRED INFLOWS OF RESOURCES				
Pensions	146,334	-	146,334	128,995
Other post employment benefits	71,524	-	71,524	-
TOTAL DEFERRED INFLOWS OF RESOURCES	217,858	-	217,858	128,995
NET POSITION				
Net investment in capital assets	76,372,644	9,707,407	86,080,051	1,552,426
Restricted for:				
Drug education and treatment	1,147,758	-	1,147,758	-
Fire protection	1,980	-	1,980	-
Capital projects	11,806,386	-	11,806,386	-
Jail operations	659,702	-	659,702	-
Drug enforcement operations	119,008	-	119,008	-
Law library	206,941	-	206,941	-
Victim assistance	159,236	-	159,236	-
Special programs	-	-	-	973,086
Unrestricted	3,540,163	402,233	3,942,396	(4,811,063)
TOTAL NET POSITION	$ 94,013,818	$ 10,109,640	$ 104,123,458	$ (2,285,551)

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

WARE COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2018

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	$ 4,038,198	$ 644,009	$ 668,446	$ -
Judicial	3,778,293	1,464,272	531,157	-
Public Safety	13,849,538	3,601,509	233,788	20,026
Public Works	9,675,496	8,517	29,781	952,989
Health and Welfare	734,432	3,500	49,227	-
Culture and Recreation	1,619,683	254,271	15,000	-
Housing and Development	325,085	-	-	-
Interest on Long-term Debt	40,894	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	34,061,619	5,976,078	1,527,399	973,015
BUSINESS-TYPE ACTIVITIES				
Emergency Telephone	848,903	472,498	-	-
Airport	811,405	473,373	-	58,658
Regional Landfill	-	-	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	1,660,308	945,871	-	58,658
TOTAL PRIMARY GOVERNMENT	$ 35,721,927	$ 6,921,949	$ 1,527,399	$ 1,031,673
COMPONENT UNIT				
Ware County Board of Health	19,287,080	1,074,393	18,585,830	-
TOTAL COMPONENT UNITS	$ 19,287,080	$ 1,074,393	$ 18,585,830	$ -
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, BEGINNING OF YEAR 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 Unit
Governmental Activities	Business-Type Activities	Total	Ware County Board of Health
$ (2,725,743)	$ -	$ (2,725,743)	$ -
(1,782,864)	-	(1,782,864)	-
(9,994,215)	-	(9,994,215)	-
(8,684,209)	-	(8,684,209)	-
(681,705)	-	(681,705)	-
(1,350,412)	-	(1,350,412)	-
(325,085)	-	(325,085)	-
(40,894)	-	(40,894)	-
(25,585,127)	-	(25,585,127)	-
-	(376,405)	(376,405)	-
-	(279,374)	(279,374)	-
-	-	-	-
-	(655,779)	(655,779)	-
$ (25,585,127)	$ (655,779)	$ (26,240,906)	$ -
-	-	-	373,143
$ -	$ -	$ -	$ 373,143
12,343,935	-	12,343,935	-
159,522	-	159,522	-
225,101	-	225,101	-
97,708	-	97,708	-
1,295,821	-	1,295,821	-
11,946,851	-	11,946,851	-
95,748	-	95,748	-
41,036	-	41,036	-
21,566	-	21,566	-
-	16	16	-
26,227,288	16	26,227,304	-
642,161	(655,763)	(13,602)	373,143
(463,200)	463,200	-	-
178,961	(192,563)	(13,602)	373,143
93,834,857	10,302,203	104,137,060	(2,658,694)
$ 94,013,818	$ 10,109,640	$ 104,123,458	$ (2,285,551)

WARE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2018

	General	Capital Projects Funds 2008 SPLOST	Capital Projects Funds 2014 SPLOST	Other Governmental Funds	Total
ASSETS					
Cash	$ 6,180,905	$ 3,425,055	$ 6,629,936	$ 3,527,338	$ 19,763,234
Certificates of deposit	-	-	-	201,409	201,409
Receivables (net of allowance for doubtful accounts):					
Taxes	832,332	-	-	-	832,332
Accounts	1,102,579	-	-	285,695	1,388,274
Sales Tax	335,087	-	603,836	181,928	1,120,851
Inventory	102,508	-	-	-	102,508
Due from other governments	21,255	-	-	77,233	98,488
Prepaid items	259,731	-	-	-	259,731
Interfund receivable	25,962	12,678	13,701	52	52,393
TOTAL ASSETS	$ 8,860,359	$ 3,437,733	$ 7,247,473	$ 4,273,655	$ 23,819,220

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

WARE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET - CONTINUED
June 30, 2018

	General	Capital Projects Funds 2008 SPLOST	Capital Projects Funds 2014 SPLOST	Other Governmental Funds	Total
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ 369,797	$ 399,932	$ 67,200	$ 105,985	$ 942,914
Accrued liabilities	426,665	-	2,271	6,912	435,848
Due to other governments	330,674	-	215,871	9,706	556,251
Unearned revenue	-	-	-	18,048	18,048
Interfund payable	278,020	-	-	31,925	309,945
TOTAL LIABILITIES	1,405,156	399,932	285,342	172,576	2,263,006
DEFERRED INFLOWS OF RESOURCES					
Deferred property taxes	754,799	-	-	-	754,799
TOTAL DEFERRED INFLOWS OF RESOURCES	754,799	-	-	-	754,799
FUND BALANCES					
Nonspendable:					
Inventory	102,508	-	-	-	102,508
Prepaid items	259,731	-	-	-	259,731
Restricted for:					
Drug education and treatment	-	-	-	1,147,758	1,147,758
Fire protection	-	-	-	1,980	1,980
Capital projects	-	3,037,801	6,962,131	1,806,454	11,806,386
Jail operations	-	-	-	659,702	659,702
Drug enforcement operations	-	-	-	119,008	119,008
Law library	-	-	-	206,941	206,941
Victim assistance	-	-	-	159,236	159,236
Assigned for:					
Property tax roll back	3,822,825	-	-	-	3,822,825
Unassigned reported in:					
General Fund	2,515,340	-	-	-	2,515,340
TOTAL FUND BALANCES	6,700,404	3,037,801	6,962,131	4,101,079	20,801,415
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 8,860,359	$ 3,437,733	$ 7,247,473	$ 4,273,655	$ 23,819,220

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, 2018

Total Governmental Funds Balances	$ 20,801,415
Amounts reported for governmental activities on the statement of Net Position are different because of the following:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	77,805,916
Revenues are not available to pay for current period expenditures and, therefore, are not reported in the funds.	
Deferred property taxes	754,796
Deferred outflows/(inflows) of governmental activities are not current financial resources and therefore are not reported in the governmental funds.	
Deferred outflows - pension and OPEB	99,029
Deferred inflows - pension and OPEB	(217,858)
The net other postemployment benefits obligation are not financial resources and therefore are not reported in the governmental funds.	(1,691,525)
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:	
Landfill postclosure cost	(1,087,870)
Compensated absences payable	(1,333,291)
Net pension obligation	(571,545)
Capital leases payable	(1,433,273)
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	888,024
Net Position of Governmental Activities	$ 94,013,818

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, 2018

	General	Capital Project Funds: 2008 SPLOST	Capital Project Funds: 2014 SPLOST	Other Governmental Funds	Total
REVENUES:					
Taxes	$ 18,066,429	$ -	$ 7,182,147	$ 779,340	$ 26,027,916
Licenses and permits	225,101	-	-	-	225,101
Intergovernmental revenues	714,159	-	-	1,847,551	2,561,710
Charges for services	3,824,024	-	-	854,042	4,678,066
Fines and forfeitures	595,001	-	-	249,415	844,416
Investment income	25,136	12,979	13,725	1,084	52,924
Miscellaneous	118,679	-	-	8,078	126,757
TOTAL REVENUES	23,568,529	12,979	7,195,872	3,739,510	34,516,890
EXPENDITURES					
Current					
General Government					
Legislative and executive	3,547,526	-	50,398	113,704	3,711,628
Judicial	2,976,942	-	-	781,360	3,758,302
Public safety	12,108,603	-	93,454	1,012,127	13,214,184
Public works	1,922,433	3,210,541	184,804	-	5,317,778
Health and welfare	672,935	-	-	49,227	722,162
Culture and recreation	1,273,708	-	-	-	1,273,708
Housing and development	262,582	13,875	-	-	276,457
Intergovernmental	-	-	2,567,618	-	2,567,618
Capital outlay	-	2,145,354	2,622,380	803,758	5,571,492
Debt service					
Principal retirement	-	4,610	132,639	-	137,249
Interest	-	-	40,894	-	40,894
TOTAL EXPENDITURES	22,764,729	5,374,380	5,692,187	2,760,176	36,591,472
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	803,800	(5,361,401)	1,503,685	979,334	(2,074,582)
OTHER FINANCING SOURCES (USES):					
CAPITAL LEASE FINANCING	-	-	-	-	-
TRANSFER OUT	(463,200)	-	-	-	(463,200)
TOTAL OTHER FINANCING SOURCES (USES)	(463,200)	-	-	-	(463,200)
NET CHANGES IN FUND BALANCE	340,600	(5,361,401)	1,503,685	979,334	(2,537,782)
FUND BALANCE, BEGINNING OF YEAR	6,359,804	8,399,202	5,458,446	3,121,745	23,339,197
FUND BALANCE, END OF YEAR	$ 6,700,404	$ 3,037,801	$ 6,962,131	$ 4,101,079	$ 20,801,415

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, 2018

Net Change in Fund Balances - Total Governmental Funds		$ (2,537,782)
Amounts reported for governmental activities on the statement of activities are different because of the following:		
Net Pension Obligation		
Change in pension liability and the related deferred inflow and outflows of resources increases net expenses of pension functions on the governmentwide statements.		97,357
Net OPEB Obligation		
Change in OPEB liability and the related deferred inflow and outflows of resources increases net expenses of other post employment benefits functions on the governmentwide statements.		(84,437)
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	5,990,237	
Capital outlay - depreciable capital assets	2,928,488	
Depreciation	(6,602,167)	
		2,316,558
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:		
Property taxes	176,229	
		176,229
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	70,170	
Landfill postclosure cost	75,627	
Compensated absences	(108,294)	
		37,503
Repayment of principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of activities.		
Capital lease payments	173,533	
		173,533
Changes in Net Position of Governmental Activities		$ 178,961

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

WARE COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
June 30, 2018

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Emergency Telephone	Airport	Regional Landfill	Total	Internal Service Funds
ASSETS					
CURRENT ASSETS					
Cash	$ 96,815	$ 256,200	$ -	$ 353,015	$ 423,086
Receivables (net of allowance for doubtful accounts):					
Accounts	73,685	48,758	-	122,443	-
Prepaid items	-	-	-	-	185,830
Inventory	-	96,582	-	96,582	-
Due from other governments	-	4,352	-	4,352	-
Interfund receivable	-	-	-	-	279,108
TOTAL CURRENT ASSETS	170,500	405,892	-	576,392	888,024
NONCURRENT ASSETS					
Capital Assets					
Land	-	1,043,408	4,412,450	5,455,858	-
Construction in progress	-	14,135	-	14,135	-
Depreciable capital assets, net	134,865	4,102,549	-	4,237,414	-
TOTAL NONCURRENT ASSETS	134,865	5,160,092	4,412,450	9,707,407	-
TOTAL ASSETS	305,365	5,565,984	4,412,450	10,283,799	888,024

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

WARE COUNTY, GEORGIA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION - CONTINUED
June 30, 2018

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Emergency Telephone	Airport	Regional Landfill	Total	Internal Service Funds
LIABILITIES					
CURRENT LIABILITIES					
Accounts payable	282	50,455	-	50,737	-
Accrued expenses	17,825	3,769	-	21,594	-
Current portion of compensated absences payable	16,260	12,822	-	29,082	-
Unearned revenue	-	31,802	-	31,802	-
Interfund payable	17,579	3,977	-	21,556	-
TOTAL CURRENT LIABILITIES	51,946	102,825	-	154,771	-
LONG-TERM LIABILITIES					
Compensated absences payable	10,840	8,548	-	19,388	-
TOTAL LONG-TERM LIABILITIES	10,840	8,548	-	19,388	-
TOTAL LIABILITIES	62,786	111,373	-	174,159	-
NET POSITION					
Net investment in capital assets	134,865	5,160,092	4,412,450	9,707,407	-
Restricted for workers compensation and health claims	-	-	-	-	888,024
Unrestricted	107,714	294,519	-	402,233	-
TOTAL NET POSITION	$ 242,579	$ 5,454,611	$ 4,412,450	$ 10,109,640	$ 888,024

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, 2018

	Business-Type Activities-Enterprise Funds				Governmental Activities
	Emergency Telephone	Airport	Regional Landfill	Total	Internal Service Funds
OPERATING REVENUES					
Taxes	$ 52	$ -	$ -	$ 52	$ -
Charges for services	472,446	473,373	-	945,819	4,476,964
Contributions	-	-	-	-	84,802
TOTAL OPERATING REVENUES	472,498	473,373	-	945,871	4,561,766
OPERATING EXPENSES					
Personal services	516,426	111,395	-	627,821	-
Payroll taxes	36,253	7,876	-	44,129	-
Fringe benefits	184,141	45,050	-	229,191	-
Contractual services	68,036	96,700	-	164,736	-
Materials and supplies	7,970	307,181	-	315,151	-
Claims paid	-	-	-	-	125,233
Other services and charges	11,926	-	-	11,926	4,366,366
Depreciation	24,151	243,203	-	267,354	-
TOTAL OPERATING EXPENSES	848,903	811,405	-	1,660,308	4,491,599
OPERATING INCOME (LOSS)	(376,405)	(338,032)	-	(714,437)	70,167
NON-OPERATING REVENUES (EXPENSES)					
Interest income	1	15	-	16	3
Intergovernmental revenue	-	58,658	-	58,658	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	1	58,673	-	58,674	3
INCOME (LOSS) BEFORE TRANSFERS	(376,404)	(279,359)	-	(655,763)	70,170
TRANSFERS IN	256,650	206,550	-	463,200	-
CHANGE IN NET POSITION	(119,754)	(72,809)	-	(192,563)	70,170
NET POSITION AT BEGINNING OF YEAR	362,333	5,527,420	4,412,450	10,302,203	817,854
NET POSITION AT END OF YEAR	$ 242,579	$ 5,454,611	$ 4,412,450	$ 10,109,640	$ 888,024

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, 2018

	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	$ 474,657	$ 518,210	$ -	$ 992,867	$ 4,283,634
Cash received from interfund transactions	4,647	(9,593)	-	(4,946)	-
Cash payments for personal services	(715,569)	(164,446)	-	(880,015)	(125,233)
Cash payments for contractual services	(68,922)	(96,700)	-	(165,622)	-
Cash payments for other services and charges	(11,926)	-	-	(11,926)	(4,422,111)
Cash payments for materials and supplies	(7,970)	(346,275)	-	(354,245)	-
Net Cash Provided by (Used For) Operating Activities	(325,083)	(98,804)	-	(423,887)	(263,710)
Cash Flows From Noncapital Financing Activities					
Cash received from transfer-in	256,650	206,550	-	463,200	-
Net Cash Provided By Noncapital Financing Activities	256,650	206,550	-	463,200	-
Cash Flows From Capital and Related Financing Activities					
Cash received from intergovernmental revenue	-	54,306	-	54,306	-
Cash payments for capital assets	-	(26,933)	-	(26,933)	-
Net Cash Provided by (Used For) Capital and Related Financing Activities	-	27,373	-	27,373	-
Cash Flows From Investing Activities					
Cash received from interest	1	15	-	16	3
Net Cash Flows Provided By Investing Activities	1	15	-	16	3
Net Increase (Decrease) in Cash and Cash Equivalents	(68,432)	135,134	-	66,702	(263,707)
Cash and Cash Equivalents at Beginning of Year	$ 165,247	$ 121,066	$ -	$ 286,313	$ 686,793
Cash and Cash Equivalents at End of Year	$ 96,815	$ 256,200	$ -	$ 353,015	$ 423,086

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, 2018

	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)	$ (376,405)	$ (338,032)	$ -	$ (714,437)	$ 70,167
Adjustments to Reconcile Operating Income (Loss) To Net Cash Provided by (Used For) Operating Activities					
Depreciation	24,151	243,203	-	267,354	-
Changes in Assets and Liabilities:					
(Increase) decrease in accounts receivable	2,159	41,020	-	43,179	224
Decrease in inventory	-	(20,386)	-	(20,386)	-
(Increase) in interfund receivable	4,647	(13,570)	-	(8,923)	(278,356)
(Increase) decrease in prepaid items	-	-	-	-	6,927
Increase (decrease) in accounts payable	(886)	(18,708)	-	(19,594)	(8,883)
Increase in unearned revenue	-	3,817	-	3,817	-
Increase (decrease) in compensated absences payable	1,515	(557)	-	958	-
Increase (decrease) in interfund payable	17,044	3,977	-	21,021	(53,789)
Increase in accrued expenses	2,692	432	-	3,124	-
Net Cash Used For Operating Activities	$ (325,083)	$ (98,804)	$ -	$ (423,887)	$ (263,710)

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

WARE COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2018

	Agency Funds
ASSETS	
Cash	$ 2,001,902
TOTAL ASSETS	$ 2,001,902
LIABILITIES	
Due to others governments	$ 618,406
Due to others	1,383,496
TOTAL LIABILITIES	2,001,902
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 unit discussed below is 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 unit's financial statements have been included as a discretely presented component unit. The 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 the 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.

Joint Ventures

Based on the criteria of GASB 61, 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 15.

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.

Note 1 – Summary of Significant Accounting Policies - Continued

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.

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.

Note 1 - Summary of Significant Accounting Policies - Continued

C. Fund Accounting - Continued

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 2014 Fund. The Capital Projects Special Sales Tax 2014 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.

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.

Note 1 - Summary of Significant Accounting Policies - Continued

Fund Financial Statements - Continued

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.

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

Note 1 - Summary of Significant Accounting Policies - Continued

E. Basis of Accounting - Continued

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.

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 represent 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.

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.

The County has deferred inflows and outflows related to the recording of changes in its net pension liability and OPEB liability. Certain changes in the net pension liability and OPEB liability are recognized as expenses over time instead of all being recognized in the year of experience. Experience gains and losses result from periodic studies by the County's actuaries which adjust the net pension and OPEB liabilities for actual experience for certain trend information that was previously assumed. These experience gains or losses are recorded as deferred outflows of resources or deferred inflow of resources and are amortized into pension and OPEB expense over the expected remaining service lives of plan members. The difference between projected

Note 1 – Summary of Significant Accounting Principles – Continued

E. Basis of Accounting - Continued

Deferred Outflows/Inflows of Resources - Continued

investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period.

Property taxes for which there was an enforceable legal claim at June 30, 2018, but were levied to finance FY18 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 $754,799.

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.

Note 1 – Summary of Significant Accounting Policies – Continued

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.

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

M. Capital Assets - 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.

Note 1 – Summary of Significant Accounting Policies – Continued

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 1 – 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 on spendable 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 2 – 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.

U. New Fund Established

The County established a new fund to account for a County T-SPLOST that will be used for designated road projects as approved by the Georgia Department of Transportation.

Note 1 – Summary of Significant Accounting Policies – Continued

V. Adoption of Accounting Pronouncement

The County adopted GASB statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions.* The objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB).

W. Recently Issued Pronouncements

The GASB issued Statement No. 83, Certain Asset Retirement Obligations was issued to establish criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. The requirements of GASB 83 are effective for fiscal years beginning after June 15, 2018. The County is currently evaluating the impact GASB 83 may have on its financial statements.

The GASB issued Statement No. 84, Fiduciary Activities was issued to establish criteria for identifying fiduciary activities of all state and local governments. The requirements of GASB 84 are effective for fiscal years beginning after December 15, 2018. The County is currently evaluating the impact GASB 84 may have on its financial statements.

The GASB issued Statement No. 87, Leases was issued to increase the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of GASB 87 are effective for fiscal years beginning after December 15, 2019. The County is currently evaluating the impact GASB 87 may have on its financial statements.

The GASB issued Statement No. 88, Certain Disclosures Related To Debt, Including Direct Borrowings and Direct Placements was issued to improve consistency in the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements, and to provide financial statement users with additional essential information about debt. The requirements of GASB 88 are effective for fiscal years beginning after June 15, 2018. The County is currently evaluating the impact GASB 88 may have on its financial statements.

The GASB issued Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period was issued to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. The requirements of GASB 89 are effective for fiscal years beginning after December 15, 2019. The County is currently evaluating the impact GASB 89 may have on its financial statements.

The GASB issued Statement No. 90, Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61) was issued to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of GASB 90 are effective for fiscal years beginning after December 15, 2018. The County is currently evaluating the impact GASB 90 may have on its financial statements

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, 2018, 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		
State of Georgia	$	15,570
City of Waycross		5,685
Total - General Fund	$	21,255
Special Revenue Funds		
Nonmajor funds:		
Victim Assistance Fines - Other Governments	$	10,445
Georgia Department of Transportation		24,705
Georgia Emergency Management Agency		33,411
Drug Fines - Other Governments		8,672
Total - Special Revenue Funds	$	77,233
Total - Due From Other Governments	$	98,488

Note 5 – Capital Assets

Capital asset activity for the year ended June 30, 2018 was as follows:

	Balance at July 1, 2017	Additions	Reductions	Balance at June 30, 2018
Primary Government				
Governmental Activities:				
Nondepreciable Capital Assets:				
Land and improvements	$ 417,147	$ -	$ -	$ 417,147
Construction in progress	4,761,502	5,990,237	317,364	10,434,375
Total Nondepreciable Capital Assets	5,178,649	5,990,237	317,364	10,851,522
Depreciable Capital Assets:				
Buildings and building improvements	$ 26,048,865	$ 398,648	$ -	$ 26,447,513
Improvements other than buildings	10,894,279	-	-	10,894,279
Infrastructure	169,486,211	-	-	169,486,211
Machinery and equipment	15,939,091	2,847,204	-	18,786,295
Total Depreciable Capital Assets	222,368,446	3,245,852	-	225,614,298
Less Accumulated Depreciation for:				
Buildings and building improvements	10,480,006	457,089	-	10,937,095
Improvements other than buildings	3,888,381	306,274	-	4,194,655
Infrastructure	127,397,874	4,565,242	-	131,963,116
Machinery and equipment	10,291,476	1,273,562	-	11,565,038
Total Accumulated Depreciation	152,057,737	6,602,167	-	158,659,904
Total Depreciable Capital Assets, Net	70,310,709	(3,356,315)	-	66,954,394
Governmental Activities Capital Assets, Net	$ 75,489,358	$ 2,633,922	$ 317,364	$ 77,805,916

Note 5 – Capital Assets – Continued

	Balance at July 1, 2017	Additions	Reductions	Balance at June 30, 2018
Business Type Activities:				
Nondepreciable Capital Assets:				
Land and improvements	$ 5,455,858	$ -	$ -	$ 5,455,858
Construction in progress	48,884	14,135	48,884	14,135
Total Nondepreciable Capital Assets	5,504,742	14,135	48,884	5,469,993
Depreciable Capital Assets:				
Buildings and building improvements	$ 2,039,286	$ -	$ -	$ 2,039,286
Improvements other than buildings	6,464,475	88,823	-	6,553,298
Machinery and equipment	750,021	-	-	750,021
Total Depreciable Capital Assets	9,253,782	88,823	-	9,342,605
Less Accumulated Depreciation for:				
Buildings and building improvements	859,341	57,429	-	916,770
Improvements other than buildings	3,513,715	167,656	-	3,681,371
Machinery and equipment	464,781	42,269	-	507,050
Total Accumulated Depreciation	4,837,837	267,354	-	5,105,191
Total Depreciable Capital Assets, Net	4,415,945	(178,531)	-	4,237,414
Business Type Activities Capital Assets, Net	$ 9,920,687	$ (164,396)	$ 48,884	$ 9,707,407

Depreciation was charged to governmental functions as follows:

Governmental activities:	
General Government	
Legislative and Executive	$ 241,382
Judicial	25,077
Public Safety	957,467
Public Works	5,028,881
Health and Welfare	13,333
Culture and Recreation	324,831
Housing and Development	11,196
Total Depreciation Expense - Governmental Activities	$ 6,602,167
Business-type activities:	
Emergency Telephone	$ 24,151
Airport	243,203
Total Depreciation Expense - Business-type Activities	$ 267,354

Note 6 – Interfund Balances and Transfers

The composition of interfund balances and transfers as of June 30, 2018, is as follows:

	Interfund Receivable	Interfund Payable	Transfer In	Transfer Out
General Fund				
Emergency Telephone Fund	$ -	$ -	$ -	$ 256,650
Airport Fund	120	-	-	206,550
SPLOST 2008 Fund	-	12,678	-	-
SPLOST 2014 Fund	-	13,701	-	-
T-SPLOST County Fund	-	52	-	-
Intergovernmental Fund	25,842	-	-	-
Health Fund	-	251,589	-	-
	25,962	278,020	-	463,200
Special Revenue Funds				
Superior Court Victim Assistance Fund				
Health Fund	-	6,083	-	-
Intergovernmental Fund				
General Fund	-	25,842	-	-
Health Fund	-	-	-	-
	-	31,925	-	-
Capital Project Fund				
SPLOST 2008 Fund				
General Fund	12,678	-	-	-
SPLOST 2014 Fund				
General Fund	13,701	-	-	-
T-SPLOST County Fund				
General Fund	52	-	-	-
	26,431	-	-	-
Total Governmental Funds	$ 52,393	$ 309,945	$ -	$ 463,200
Enterprise Funds				
Emergency Telephone Fund				
General Fund	$ -	$ -	$ 256,650	$ -
Health Fund	-	17,579	-	-
Airport Fund				
General Fund	-	120	206,550	-
Health Fund	-	3,857	-	-
Total Enterprise Funds	-	21,556	463,200	-
Internal Service Funds				
Health Fund				
Airport Fund	3,857	-	-	-
Emergency Telephone Fund	17,579	-	-	-
Superior Court Victim Assistance Fund	6,083	-	-	-
General Fund	251,589	-	-	-
Total Internal Service Funds	279,108	-	-	-
Total All Funds	$ 331,501	$ 331,501	$ 463,200	$ 463,200

Note 6 – Interfund Balances and Transfers - Continued

Additional funds were needed in the Insurance internal service fund and were provided after year end from the governmental fund. The Intergovernmental Fund is loaned funds from the General Fund to cash flow expenses that are reimbursed through grants at a later time.

The General Fund appropriates funds to the Airport and Emergency Telephone Funds every year.

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 $540,656 as of June 30, 2018. At June 30, 2018, the Workers' Compensation Fund had a claims liability of $0 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.

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.

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.

Plan Membership

Participant counts of those eligible for benefits as of January 1, 2018, (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		59
Terminated plan members entitled to but not yet receiving benefits		93
Active plan members		9
Total number of plan participants		161
Covered compensation for active participants	$	322,605

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. Benefits accruals were frozen as of January 1, 1998. Benefits payable to employees who were expected to retire by December 31, 2007 are paid from this plan.

Note 8 – Pension Plan – Continued

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.

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, 2017 were $98,977.

Net Pension Liability

The County's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2018. The amount recognized as by the County as the net pension liability was as follows:

Net Pension Liability	$571,545

Actuarial assumptions. The actuarial assumptions used for the January 1, 2018 valuation was applied to all periods included in the measurement were as follows:

Actuarial cost method	Entry age normal
Projected salary increases	4.50% per year with an age based scale
Cost of living adjustment	N/A
Investment return	7.25%
Mortality	RP-2000 projected with Scale AA

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:

Investment return is based on an analysis performed by the Board of Trustees in 2016. Projected salary increases are based on the results of the February 2014 experience study.

Note 8 – Pension Plan – Continued

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	Range
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%

Discount rate. The discount rate used to measure the total pension liability was 7.25%. 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.

Changes in the Net Pension Liability

	Total Pension Liability (a)	Fiduciary Net Pension (b)	Net Pension Liability (a)-(b)
Balance at December 31, 2016	$ 3,079,407	$ 2,224,644	$ 854,763
Changes for the year:			
Service cost	2,150	-	2,150
Interest	223,257	-	223,257
Liability experience (gain)/loss	(115,629)	-	(115,629)
Assumption change	6,402	-	6,402
Employer contributions	-	98,977	(98,977)
Employee contributions	-	-	-
Net investment income	-	349,937	(349,937)
Benefit payment	(240,558)	(232,143)	(8,415)
Administrative expense	-	(3,443)	3,443
Other changes	-	(54,488)	54,488
Net Changes	(124,378)	158,840	(283,218)
Balance at December 31, 2017	$ 2,955,029	$ 2,383,484	$ 571,545

Note 8 – Pension Plan – Continued

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 7.25%, 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 (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

	6.25%	7.25%	8.25%
Total Pension Liability	$ 3,186,574	$ 2,955,029	$ 2,752,537
Fiduciary Net Position	2,383,484	2,383,484	2,383,484
Net Pension Liability	$ 803,090	$ 571,545	$ 369,053

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

For the year ended December 31, 2017, the County recognized pension expense of $98,977. At June 30, 2018, the County reported deferred outflows of resources and deferred inflow of resources related to pensions from the following sources:

	Net Deferred Outflows	Net Deferred Inflows
Asset (Gain) / Loss	$ 79,414	$ (146,234)
Liability (Gain) / Loss	-	-
(Gain) / Loss due to Assumption Change	-	-
Total	$ 79,414	$ (146,234)

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

Year Ended June 30,	
2019	$ 2,972
2020	(261)
2021	(32,971)
2022	(36,560)
2023	-

Note 8 – Pension Plan – Continued

Payable to the Pension Plan

At June 30, 2018, the County reported a payable of $0 for the outstanding amount of contributions to the pension plan required for the year ended December 31, 2018.

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, 2018, the plan members contributed $492,578 and the County contributed $370,616 to the plan.

Note 8 – Pension Plan - Continued

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 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. Ware County maintains health insurance that covers the cost of claims for the benefits under the OPEB plan. The benefits cover health insurance claims only.

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.

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. No contributions are being accumulated in a trust. The obligation for the payment of the insured benefits has been effectively transferred to the health insurance company that the County utilizes for all employee health care. The County cost for health insurance premiums was $51,956. The County does not maintain any obligation for these benefits if an health insurance company were to become insolvent.

The monthly retiree contributions are as follows:

Medical Tier	Non-Medicare Eligible Retiree
Retiree Only	$ 130.00
Retiree & Spouse	$ 218.00

Note 9 – Post Employment Health Care Benefits - Continued

Fund Membership

The following schedule (derived from the most recent actuarial valuation report) reflects membership in the OPEB Plan as of June 30, 2017:

Inactive members or beneficiaries currently receiving benefits	6
Inactive members entitled to but not yet receiving benefits	-
Active members	246
Total membership	252

Actuarial Methods and Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, using the following key actuarial assumptions and inputs:

Inflation	3.00%
Real wage growth	0.50%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50% - 6.00%
Municipal Bond Index Rate	
Prior measurement date	3.01%
Measurement date	3.56%
Health care Cost Trends	
Pre-Medicare	7.50% for 2017 decreasing to an ultimate rate of 5.00% by 2023

The discount rate was based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published by The Bond Buyer.

Mortality rates were based on the RP-2000 Combined Mortality Scale projected with Scale AA to 2017.

The demographic actuarial assumptions for retirement, disability incidence, withdrawal, and salary increases used in June 30, 2017 valuation were based on the pension valuation prepared by GEBCorp as of January 1, 2017.

The remaining actuarial assumptions (e.g., initial per capita cost, health care cost trends, etc.) used in the valuation were based on a review of rent plan experience done concurrently with the June 30, 2017 valuations.

Note 9 – Post Employment Health Care Benefits - Continued

Sensitivity to the Total OPEB Liability to Changes in the Health Care Cost Trend Rate

Health Care Cost Trend Rate Sensitivity

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	$ 1,508,175	$ 1,691,525	$ 1,907,190

Sensitivity to the Total OPEB Liability to Changes in the Discount Rate

Discount Rate Sensitivity

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
Total OPEB Liability	$ 1,846,621	$ 1,691,525	$ 1,549,833

Changes in the Total OPEB Liability

Total OPEB Liability as of June 30, 2017	$ 1,658,997
Changes for the year:	
Service Cost at the end of year*	113,104
Interest on TOL and Cash Flows	48,908
Changes in benefit terms	-
Difference between expected and actual experience	22,940
Changes of assumptions or other inputs	(83,647)
Benefit payments and implicit subsidy credit	(68,777)
Other	-
Net changes	32,528
Total OPEB Liability as of June 30, 2018	$ 1,691,525
(Measurement date of June 30, 2017)	

*The service cost includes interest for the year.

Deferred Outflows and Inflows of Resources

For the year ended June 30, 2018 the County recognized OPEB expense of $153,214. The following table provide the summary of the deferred outflows of resources and deferred inflows of resources as of June 30, 2018:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 19,615	$ -
Changes of assumptions and other inputs	-	(71,524)
Total	$ 19,615	$ (71,524)

Note 9 – Post Employment Health Care Benefits - Continued

Deferred Outflows and Inflows of Resources – Continued

Amounts reported as deferred outflows and inflows of resources related to OPEB benefits will be recognized n the OPEB expense as follows:

Measurement Period Ended June 30,	
2018	$ (8,798)
2019	(8798)
2020	(8798)
2021	(8798)
2022	(8798)
Thereafter	(7919)

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, 2017	Additions	Reductions	Balance at June 30, 2018	Amount Due In One Year
Primary Government:					
Governmental Activities:					
Compensated absences	$ 1,091,159	$ 896,827	$ 654,695	$ 1,333,291	$ 799,975
Business Type Activities:					
Compensated absences	47,511	29,466	28,507	48,470	29,082
Total Primary Government	$ 1,138,670	$ 926,293	$ 683,202	$ 1,381,761	$ 829,057
Component Unit - Board of Health:					
Compensated absences	$ 680,735	$ 431,419	$ 408,441	$ 703,713	$ 281,485

Note 11 - Capital Leases

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

Governmental Activities:	
Equipment	$ 1,795,038
Less: Accumulated Depreciation	(512,563)
	$ 1,282,475

The FY18 amortization included in depreciation expense was $221,613.

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, 2018:

	Balance at July 1, 2017	Additions	Reductions	Balance at June 30, 2018	Amount Due In One Year
Governmental Activities					
Capital leases	$ 1,606,805	$ -	$ 173,533	$ 1,433,272	$ 177,684
Total Governmental Activities	$ 1,606,805	$ -	$ 173,533	$ 1,433,272	$ 177,684

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	Motor Grader	2014	2.00%	$ 164,020	2019	$ 22,090
Capital Lease	Tractor	2016	2.30%	$ 168,449	2021	$ 20,415
Capital Lease	Wheel Loader	2016	2.30%	$ 144,959	2021	$ 18,439
Capital Lease	Motor Grader	2017	2.30%	$ 199,000	2022	$ 21,390
Capital Lease	Motor Grader	2017	2.30%	$ 199,000	2022	$ 21,390
Capital Lease	Motor Grader	2017	2.30%	$ 199,000	2022	$ 21,390
Capital Lease	Motor Grader	2017	2.30%	$ 199,000	2022	$ 21,390
Capital Lease	Motor Grader	2017	2.30%	$ 260,815	2022	$ 31,656
Capital Lease	Motor Grader	2017	2.30%	$ 260,815	2022	$ 31,656

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
2019	177,684	31,890
2020	233,343	26,988
2021	299,127	19,896
2022	723,118	4,098
2023	-	-
Total	$ 1,433,272	$ 82,872

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 $1,087,870 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. The County utilizes the financial test procedures to comply with financial assurance requirements.

	Balance at July 1, 2017	Additions	Reductions	Balance at June 30, 2018	Due Within One Year
Governmental Activities:					
Postclosure care cost	$ 1,163,497	$ -	$ 75,627	$ 1,087,870	$ 72,959

Note 14 – 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.

Note 14 – Insurance Pools - Continued

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law of Georgia. The funds are to pay all cost taxed against 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 15 – 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 $27,061 to the South Georgia Regional Commission for the year ended June 30, 2018. 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 18 – Assignment

Georgia code section 48-8-91 requires local governments collecting local option sales tax to calculate a reduction of the local millage rate based on the prior year collections of the local option sales tax. The assignment of fund balance for property tax roll back, accounts for the annual collection of local option sales tax fund that will be used in the calculation for the next year's millage rate reduction.

Note 19 – Tax Abatements

State statutes control the creation and operation of Development Authorities under O.C.G.A. 36-62. The PILOT Restriction Act defined in O.C.G.A. 36-80-16 provides an Authority permission to issue revenue bonds for capital projects for private companies and arrange for payments in lieu of taxes as long as each of the local governments that have property tax levying authority in the area in which such capital project is located consents by ordinance or resolution. Ware County participates in agreements with the Waycross-Ware County Development Authority to provide tax abatements to foster economic development. The agreements provide for the real property and equipment of the projects to be acquired with bond proceeds titled in the name of the Authority applicable, the Authority leases the projects back to the companies. The Authority pays no property tax on its real or personal property. To compensate local jurisdictions for the taxes that would otherwise been paid during the term of the leases, the projects provide a PILOT (payment in lieu of tax).

In order to qualify, certain eligibility requirements must be met and are based on the economic development goals of each project. Generally, a project will create employment opportunities, promote trade and commerce in the County, and increase that tax base. If a company fails to meet the criteria established in the agreement, recovery payments may apply.

The Authority has 6 such agreements. For the fiscal year ended June 30, 2018 the total amount of taxes abated for the County for the tax year 2017 was $274,089.

Type of Business	Property Taxes Abated
Sea Food Packaging	$ 8,409
Fiberglass Tank Manufacturer	9,756
Mattress Manufacturer	54,882
Boat Manufacturer	63,316
Pellet Plant	67,371
Commercial Real Estate	70,355
	$ 274,089

Note 20 – Restatement of FY2017 Net Position

In conformity with GAAP, as set forth in the Statement of Governmental Standards No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions,* FY2017 Government-wide net position ahs bee restated for Governmental activities to record the effects of recognizing OPEB liabilities not recorded previously.

The restatement affected by the beginning net position in the government-wide statements is as follows:

	Governmental Funds
Net Position, Beginning of Year	$ 93,715,081
Account for adjustment to beginning balance for net other post employment benefits liability	119,776
Net Position, Restated	$ 93,834,857

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES:				
Taxes	$ 16,942,430	$ 17,942,430	$ 18,066,429	$ 123,999
Licenses and permits	230,000	230,000	225,101	(4,899)
Intergovernmental revenues	445,872	493,572	714,159	220,587
Charges for services	3,289,350	3,789,350	3,824,024	34,674
Fines and forfeitures	619,800	619,800	595,001	(24,799)
Investment income	-	-	25,136	25,136
Miscellaneous	119,300	119,300	118,679	(621)
TOTAL REVENUES	**21,646,752**	**23,194,452**	**23,568,529**	**374,077**
EXPENDITURES:				
LEGISLATIVE & EXECUTIVE				
Board of Commissioners	512,800	569,800	569,638	(162)
Human Resources	131,000	155,500	155,280	(220)
Board of Elections	255,500	292,700	292,602	(98)
Information Technology Services	304,950	264,950	263,331	(1,619)
Tax Commissioner	457,100	506,100	505,616	(484)
Tax Assessors	534,300	541,300	541,253	(47)
Board of Equalization	6,000	7,000	6,831	(169)
Building Maintenance	753,800	733,800	733,119	(681)
General Administration	593,475	480,475	479,856	(619)
Total Legislative and Executive	**3,548,925**	**3,551,625**	**3,547,526**	**(4,099)**
JUDICIAL				
Superior Court	439,700	555,700	555,442	(258)
Clerk of Court	531,100	545,100	544,662	(438)
District Attorney	281,125	299,625	299,199	(426)
State Court	246,400	252,900	252,616	(284)
Magistrate Court	456,700	490,200	489,994	(206)
Probate Court	152,600	165,100	164,810	(290)
Juvenile Court	190,150	233,150	232,792	(358)
Public Defender	283,000	296,000	295,790	(210)
Solicitor	135,925	141,925	141,637	(288)
Total - Judicial	**2,716,700**	**2,979,700**	**2,976,942**	**(2,758)**
PUBLIC SAFETY				
Sheriff	2,606,000	3,131,000	3,128,914	(2,086)
Jail	5,235,800	5,581,800	5,580,581	(1,219)
Alternative Sentencing	40,000	57,500	57,227	(273)
Emergency Management Agency	119,700	173,700	173,350	(350)
Coroner	26,900	26,900	25,464	(1,436)
Emergency Medical Services	1,955,910	1,865,910	1,863,166	(2,744)
Fire Department	997,100	1,168,100	1,170,771	2,671
Animal Control	66,030	109,530	109,130	(400)
Total - Public Safety	**11,047,440**	**12,114,440**	**12,108,603**	**(5,837)**

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
PUBLIC WORKS				
Administration	1,334,150	1,492,150	1,491,701	(449)
Equipment Maintenance	422,700	431,200	430,732	(468)
Total - Public Works	**1,756,850**	**1,923,350**	**1,922,433**	**(917)**
HEALTH AND WELFARE				
Planning and Codes	313,850	320,350	320,187	(163)
Vital Statistics	2,000	2,500	2,218	(282)
Public Health Services	170,576	170,576	170,576	-
MH/MR Health Services	50,026	50,026	50,026	-
Senior Citizens Center	9,630	10,630	10,234	(396)
Animal Shelter	140,000	92,000	90,351	(1,649)
Welfare Services	37,575	29,075	29,343	268
Total - Health and Welfare	**723,657**	**675,157**	**672,935**	**(2,222)**
CULTURE AND RECREATION				
Recreation	957,080	1,082,080	1,081,708	(372)
Library	192,000	192,000	192,000	-
Total - Culture & Recreation	**1,149,080**	**1,274,080**	**1,273,708**	**(372)**
HOUSING AND DEVELOPMENT				
Conservation - Water Resources	900	900	900	-
Farm and Home Agent	140,700	112,700	111,182	(1,518)
Economic Development	150,500	150,500	150,500	-
Total - Housing & Development	**292,100**	**264,100**	**262,582**	**(1,518)**
TOTAL EXPENDITURES	**21,234,752**	**22,782,452**	**22,764,729**	**(17,723)**
EXCESS OF REVENUES OVER EXPENDITURES	412,000	412,000	803,800	391,800
OTHER FINANCING SOURCES (USES)				
CAPITAL LEASE FINANCING	-	-	-	-
TRANSFERS (OUT)	(412,000)	(412,000)	(463,200)	(51,200)
TOTAL OTHER FINANCING SOURCES (USES)	(412,000)	(412,000)	(463,200)	(51,200)
NET CHANGE IN FUND BALANCE	-	-	340,600	340,600
FUND BALANCE, BEGINNING OF YEAR	-	-	6,359,804	6,359,804
FUND BALANCE, END OF YEAR	$ -	$ -	$ 6,700,404	$ 6,700,404

See independent auditor's report.

WARE COUNTY, GEORGIA
NOTES TO BUDGETARY COMPARISON SCHEDULES
For the Year Ended June 30, 2018

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, 2018

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

	2017	2016	2015	2014
Total Pension Liability as of beginning of year	$ 3,079,407	$ 3,141,996	$ 3,053,084	$ 3,106,972
Service cost	2,150	1,948	1,566	1,535
Interest	214,842	235,650	228,981	233,023
Plan change	-	-	-	-
Assumption change	6,402	56,393	100,449	-
Benefit payments (adjusted for interest)	(232,143)	(249,387)	(273,534)	(288,446)
Experience (gain)/(loss)	(115,629)	(107,193)	31,450	-
Total Pension Liability as of End of Year	$ 2,955,029	$ 3,079,407	$ 3,141,996	$ 3,053,084
Fiduciary Net Position as of beginning of year	$ 2,224,644	$ 2,236,337	$ 2,417,646	$ 2,440,491
Employer contributions	98,977	110,797	107,403	108,793
Employee contributions (including buyback)	-	-	-	-
Net investment income	349,937	154,530	21,353	171,615
Benefit payments	(232,143)	(240,373)	(263,647)	(278,020)
Employee contribution refunds	-	-	-	-
Administrative expense	(3,443)	(6,694)	(3,030)	(2,668)
Other	(54,488)	(29,953)	(43,388)	(22,565)
Fiduciary Net Position as of End of Year	$ 2,383,484	$ 2,224,644	$ 2,236,337	$ 2,417,646
Net pension liability as of beginning of year	$ 854,763	$ 905,659	$ 635,438	$ 666,481
Net pension liability as of end of year	$ 571,545	$ 854,763	$ 905,659	$ 635,438
Fiduciary Net Position as a percentage of Total Pension Liability	80.7%	72.2%	71.2%	79.2%
Covered-employee payroll	$ 322,605	$ 298,896	$ 258,436	$ 255,001
Net pension liability as a percentage of covered-employee payroll	177.2%	286.0%	350.4%	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, 2018

SCHEDULE OF COUNTY CONTRIBUTIONS

	2017	2016	2015	2014	2013
Actuarially determined contribution	$ 94,626	$ 96,443	$ 89,578	$ 86,138	$ 90,066
Contribution in relation to the actuarially determined contribution	98,977	110,813	107,404	108,793	-
Contribution deficiency (excess)	$ (4,351)	$ (14,370)	$ (17,826)	$ (22,655)	$ 90,066
Covered-employee payroll	$ 322,605	$ 298,896	$ 258,436	$ 255,001	$ 336,091
Contributions as a percentage of covered-employee payroll	30.7%	37.1%	41.6%	42.7%	0.0%

2012	2011	2010	2009	2008
$ 71,501	$ 51,629	$ 39,143	$ 36,910	$ 10,634
-	-	-	-	308,099
$ 71,501	$ 51,629	$ 39,143	$ 36,910	$ (297,465)
$ 349,757	$ 337,347	$ 350,563	$ 448,967	$ 703,132
0.0%	0.0%	0.0%	0.0%	43.8%

Changes in Benefits

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

Changes in Assumption

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

Method and Assumptions Used to Determine Contribution Rates

Valuation date	January 1, 2018
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 Projected with Scale AA

WARE COUNTY, GEORGIA
REQUIRED SUPPLEMENTARY INFORMATION – OPEB
June 30, 2018

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

		2017
Service cost at end of year	$	113,104
Interest		48,908
Changes in benefit terms		-
Difference between expected and actual experience		22,940
Changes of assumptions or other inputs		(83,647)
Benefit payments and implicit subsidy credit		(68,777)
Other		-
	$	32,528
Total OPEB Liability - beginning	$	1,658,997
Total OPEB Liability - ending	$	1,691,525
Covered-employee payroll	$	7,636,171
Total OPEB Liability as a percentage of covered-employee payroll		22.15%

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

Changes in Benefits

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

Changes in Assumptions

There have been no significant changes other than the change in the Municipal Bond Index Rate.

Method and Assumptions Used to Determine Contribution Rates

Valuation Date: June 30, 2017

Valuation Rate as of the Measurement Date: 3.56% per annum, compounded annually.

Annual Expected Medical/RX Claims (Age Adjusted To Age 65): The following chart details the annual expected claims for the year following the valuation date:

Annual Expected Claims		
Pre-65	$	13,369

Health Care Cost Trend Rates: The following is a chart detailing medical trend assumptions:

Year	Pre-65 Retiree Claims Trend
2017	7.50%
2018	7.00%
2019	6.50%
2020	6.00%
2021	5.50%
2022	5.25%
2023 and beyond	5.00%

Method and Assumptions Used to Determine Contribution Rates – Continued

Age Related Morbidity:

Per capita cost are adjusted to reflect expected cost changes related to age. The increase to the net incurred claims was assumed to be:

Participant Age	Annual Increase
Under 30	0.0%
30 - 34	1.0%
35 -39	1.5%
40 - 44	2.0%
45 -49	2.6%
50 -54	3.3%
55 -59	3.6%
60 - 64	4.2%
65 and Older	0.0%

Anticipated Participation:

Representative values of the assumed annual rates of member participation and spouse coverage by future retirees are as follows:

Participation	
Participation	80%
Spouse	20%

Wives are assumed to be three year younger than husbands. Future retirees are assumed to elect their medical plan at the same ratio as current retirees.

Asset Valuation Method:

Market Value

Benefits Valued:

Medical and drug benefits for retirees under age 65.

Future Salary Increases:

4.50% per annum, compounded annually, adjusted by age: plus 1.5% for employees under age 30, plus 1.0% for ages 30 - 39, minus .05% for ages 40 – 49, minus 1.0% for employees ages 50 and over.

Method and Assumptions Used to Determine Contribution Rates – Continued

Separation From Active Service: Representative values of the assumed annual rates of separation are shown in the following tables.

Age	Withdrawal* Unisex	Disability** Unisex	Age	Service Retirement Unisex
15		0.0000%	15	
20		0.0100	20	
25	10.80%	0.1131	25	
30	9.55	0.1900	30	
35	8.30	0.2712	35	
40	6.90	0.4000	40	
45	5.50	0.6331	45	
50	2.75	1.0440	50	
55	0.00	0.0000	55-60	10.00%
60			61-64	20.00
65			65-69	30.00
			70	100.00

* For members with 6 or more years of service. Rates adjusted by 125% for members with 5 years of service, 150% for members with 4 years of service and for members with 3 or less years of service, the rates were adjusted by 175%.

** Rates used are set forward one year for valuation purposes.

Mortality: According to the RP – 2000 Combined Mortality Scale projected with scale AA to 2017.

Affordability Care Act: The impact of the Affordable Care Act (ACA) was addressed in this valuation. Review of the information currently available did not identify any specific provisions of the ACA that are anticipated to significantly impact results. While the impact of certain provisions such as the future implementation of the excise tax on high-value health insurance plans (if applicable), mandated benefits and participation changes due to the individual mandate should be recognized in the determination of liabilities, overall future plan costs and resulting liabilities are driven by amounts employers and retirees can afford (i.e., trend). The trend assumption forecasts the anticipated increase to initial per capita cost, taking into account health care cost Inflation, increases in benefit utilization, plan changes, government-mandated benefits, and technological advances. Given the uncertainty regarding the ACA's implementation (e.g., the impact of excise tax on high-value health insurance plans, changes in participation resulting from implementation of state-based health insurance exchanges), continued monitoring of the ACA's impact on the Plan's liability will be required.

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Investment income	$ 15,000	$ 15,000	$ 12,979	$ (2,021)
TOTAL REVENUES	15,000	15,000	12,979	(2,021)
EXPENDITURES				
Current				
Public works	9,742,500	9,742,500	3,210,541	(6,531,959)
Housing and development	1,497,500	1,497,500	13,875	(1,483,625)
Capital Outlay	-	-	2,145,354	2,145,354
Debt service	-	-	4,610	4,610
TOTAL EXPENDITURES	11,240,000	11,240,000	5,374,380	(5,865,620)
EXCESS OF REVENUES OVER EXPENDITURES	(11,225,000)	(11,225,000)	(5,361,401)	5,863,599
FUND BALANCE, BEGINNING OF YEAR	11,225,000	11,225,000	8,399,202	(2,825,798)
FUND BALANCE, END OF YEAR	$ -	$ -	$ 3,037,801	$ 3,037,801

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Taxes	$ 6,375,000	$ 7,581,000	$ 7,182,147	$ (398,853)
Investment income	2,000	2,000	13,725	11,725
TOTAL REVENUES	6,377,000	7,583,000	7,195,872	(387,128)
EXPENDITURES				
Current				
General Government				
Legislative and executive	63,000	63,000	50,398	(12,602)
Public safety	1,470,000	1,470,000	93,454	(1,376,546)
Public works	4,500,000	3,800,000	184,804	(3,615,196)
Intergovernmental	2,250,000	2,250,000	2,567,618	317,618
Capital outlay	-	-	2,622,380	2,622,380
Debt service	-	-	173,533	173,533
TOTAL EXPENDITURES	8,283,000	7,583,000	5,692,187	(1,890,813)
EXCESS OF REVENUES OVER EXPENDITURES	(1,906,000)	-	1,503,685	1,503,685
FUND BALANCE, BEGINNING OF YEAR	1,906,000	-	5,458,446	5,458,446
FUND BALANCE, END OF YEAR	$ -	$ -	$ 6,962,131	$ 6,962,131

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.

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

T-SPLOST County Fund – To account for the road funds collected through a county sales tax for road construction, maintenance and transportation services

WARE COUNTY, GEORGIA
ALL NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash	$ 1,956,927	$ 1,570,411	$ 3,527,338
Certificate of deposit	201,409	-	201,409
Interfund receivable	-	52	52
Due from other governments	77,233	-	77,233
Accounts receivable	181,928	-	181,928
Taxes receivable	-	285,695	285,695
TOTAL ASSETS	$ 2,417,497	$ 1,856,158	$ 4,273,655
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	$ 56,281	$ 49,704	$ 105,985
Accrued liabilities	6,912	-	6,912
Due to other governments	9,706	-	9,706
Unearned revenue	18,048	-	18,048
Interfund payable	31,925	-	31,925
TOTAL LIABILITIES	122,872	49,704	172,576
Fund Balance			
Restricted for drug education and treatment	1,147,758	-	1,147,758
Restricted for fire protection	1,980	-	1,980
Restricted for jail operations	659,702	-	659,702
Restricted for capital projects	-	1,806,454	1,806,454
Restricted for drug enforcement operations	119,008	-	119,008
Restricted for law library	206,941	-	206,941
Restricted for victim assistance	159,236	-	159,236
TOTAL FUND BALANCE	2,294,625	1,806,454	4,101,079

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, 2018

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ -	$ 779,340	$ 779,340
Intergovernmental revenues	905,279	942,272	1,847,551
Charges for services	854,042	-	854,042
Fines and forfeitures	249,415	-	249,415
Investment income	1,028	56	1,084
Miscellaneous income	8,078	-	8,078
TOTAL REVENUES	2,017,842	1,721,668	3,739,510
EXPENDITURES			
Current			
General government			
Legislative and executive	113,704	-	113,704
Judicial	781,360	-	781,360
Public safety	1,012,127	-	1,012,127
Health and welfare	49,227	-	49,227
Capital outlay	-	803,758	803,758
TOTAL EXPENDITURES	1,956,418	803,758	2,760,176
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	61,424	917,910	979,334
FUND BALANCE, BEGINNING OF YEAR	2,233,201	888,544	3,121,745
FUND BALANCE, END OF YEAR	$ 2,294,625	$ 1,806,454	$ 4,101,079

See independent auditor's report.

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	Jail Fee Fund	Drug Court	Sheriff's Drug & Equipment	Supplemental Juvenile Service	Jail Commissary
ASSETS					
Cash	$ 5,203	$ 887,823	$ 42,885	$ 3,492	$ 557,423
Certificates of deposit	-	201,409	-	-	-
Due from other governments	-	8,672	-	-	-
Accounts receivable	8,092	79,539	-	-	88,984
TOTAL ASSETS	$ 13,295	$ 1,177,443	$ 42,885	$ 3,492	$ 646,407
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	$ -	$ 29,685	$ -	$ -	$ -
Accrued liabilities	-	-	-	-	-
Due to other governments	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Interfund payable	-	-	-	-	-
TOTAL LIABILITIES	-	29,685	-	-	-
FUND BALANCES					
Restricted for drug education and treatment	-	1,147,758	-	-	-
Restricted for fire protection	-	-	-	-	-
Restricted for jail operations	13,295	-	-	-	646,407
Restricted for drug enforcement operations	-	-	42,885	-	-
Restricted for law library	-	-	-	-	-
Restricted for victim assistance	-	-	-	3,492	-
TOTAL FUND BALANCES	13,295	1,147,758	42,885	3,492	646,407

See independent auditor's report.

Law Library	D.A.'S Drug Forfeiture	Superior Court Victim Assistance	State Court Victim Assistance	Inter-Governmental Grants	Total
$ 205,581	$ 76,123	$ 93,142	$ 63,090	$ 22,165	$ 1,956,927
-	-	-	-	-	201,409
-	-	10,445	-	58,116	77,233
1,360	-	408	3,545	-	181,928
$ 206,941	$ 76,123	$ 103,995	$ 66,635	$ 80,281	$ 2,417,497
$ -	$ -	$ 1,891	$ -	$ 24,705	$ 56,281
-	-	6,062	850	-	6,912
-	-	-	-	9,706	9,706
-	-	-	-	18,048	18,048
-	-	6,083	-	25,842	31,925
-	-	14,036	850	78,301	122,872
-	-	-	-	-	1,147,758
-	-	-	-	1,980	1,980
-	-	-	-	-	659,702
-	76,123	-	-	-	119,008
206,941	-	-	-	-	206,941
-	-	89,959	65,785	-	159,236
206,941	76,123	89,959	65,785	1,980	2,294,625

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, 2018

	Jail Fee Fund	Drug Court	Sheriff's Drug & Equipment	Supplemental Juvenile Service	Jail Commissary
REVENUES					
Intergovernmental revenues	$ -	$ 484,351	$ -	$ -	$ -
Charges for services	-	68,170	-	520	785,352
Fines and forfeitures	65,830	-	61,661	-	-
Investment income	-	923	105	-	-
Miscellaneous income	-	-	7,000	-	1,077
TOTAL REVENUES	65,830	553,444	68,766	520	786,429
EXPENDITURES					
Current:					
General Government					
Legislative and executive	-	-	-	-	-
Judicial	-	425,431	-	-	-
Public safety	71,511	-	78,878	-	803,358
Health and welfare	-	-	-	-	-
TOTAL EXPENDITURES	71,511	425,431	78,878	-	803,358
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(5,681)	128,013	(10,112)	520	(16,929)
FUND BALANCE, BEGINNING OF YEAR	18,976	1,019,745	52,997	2,972	663,336
FUND BALANCE, END OF YEAR	$ 13,295	$ 1,147,758	$ 42,885	$ 3,492	$ 646,407

See independent auditor's report.

Law Library	D.A.'s Drug Forfeiture	Superior Court Victim Assistance	State Court Victim Assistance	Inter-governmental Grants	Total
$ -	$ -	199,926	$ -	$ 221,002	$ 905,279
-	-	-	-	-	854,042
22,210	6,943	61,358	31,413	-	249,415
-	-	-	-	-	1,028
-	-	1	-	-	8,078
22,210	6,943	261,285	31,413	221,002	2,017,842
-	-	-	-	113,704	113,704
25,377	2,248	300,070	28,234	-	781,360
-	-	-	-	58,380	1,012,127
-	-	-	-	49,227	49,227
25,377	2,248	300,070	28,234	221,311	1,956,418
(3,167)	4,695	(38,785)	3,179	(309)	61,424
210,108	71,428	128,744	62,606	2,289	2,233,201
$ 206,941	$ 76,123	$ 89,959	$ 65,785	$ 1,980	$ 2,294,625

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2018

	Public Roads Fund	T-SPLOST County Fund	Total Nonmajor Capital Projects Funds
ASSETS			
Cash	$ 1,076,766	$ 493,645	$ 1,570,411
Taxes receivable	-	285,695	285,695
Interfund receivable	-	52	52
TOTAL ASSETS	$ 1,076,766	$ 779,392	$ 1,856,158
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 49,704	$ -	$ 49,704
TOTAL LIABILITIES	49,704	-	49,704
FUND BALANCES			
Restricted for capital projects	1,027,062	779,392	1,806,454
TOTAL FUND BALANCES	1,027,062	779,392	1,806,454

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, 2018

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ -	$ 779,340	$ 779,340
Intergovernmental revenues	905,279	942,272	1,847,551
Charges for services	854,042	-	854,042
Fines and forfeitures	249,415	-	249,415
Investment income	1,028	56	1,084
Miscellaneous income	8,078	-	8,078
TOTAL REVENUES	2,017,842	1,721,668	3,739,510
EXPENDITURES			
Current			
General government			
Legislative and executive	113,704	-	113,704
Judicial	781,360	-	781,360
Public safety	1,012,127	-	1,012,127
Health and welfare	49,227	-	49,227
Capital outlay	-	803,758	803,758
TOTAL EXPENDITURES	1,956,418	803,758	2,760,176
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	61,424	917,910	979,334
FUND BALANCE, BEGINNING OF YEAR	2,233,201	888,544	3,121,745
FUND BALANCE, END OF YEAR	$ 2,294,625	$ 1,806,454	$ 4,101,079

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 86,500	$ 86,500	$ 65,830	$ (20,670)
TOTAL REVENUES	86,500	86,500	65,830	(20,670)
EXPENDITURES				
Current:				
Public safety	86,500	86,500	71,511	(14,989)
TOTAL EXPENDITURES	86,500	86,500	71,511	(14,989)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(5,681)	(5,681)
FUND BALANCE, BEGINNING OF YEAR	-	-	18,976	18,976
FUND BALANCE, END OF YEAR	$ -	$ -	$ 13,295	$ 13,295

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenues	$ 431,500	$ 431,500	$ 484,351	$ 52,851
Charges for services	82,000	82,000	68,170	(13,830)
Investment income	1,500	1,500	923	(577)
TOTAL REVENUES	515,000	515,000	553,444	38,444
EXPENDITURES				
Current:				
Judicial	515,000	515,000	425,431	(89,569)
TOTAL EXPENDITURES	515,000	515,000	425,431	(89,569)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	128,013	128,013
FUND BALANCE, BEGINNING OF YEAR	-	-	1,019,745	1,019,745
FUND BALANCE, END OF YEAR	$ -	$ -	$ 1,147,758	$ 1,147,758

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 40,000	$ 60,000	$ 61,661	$ 1,661
Investment income	-	-	105	105
Miscellaneous income	-	-	7,000	7,000
TOTAL REVENUES	40,000	60,000	68,766	8,766
EXPENDITURES				
Current:				
Public safety	40,000	80,000	78,878	(1,122)
TOTAL EXPENDITURES	40,000	80,000	78,878	(1,122)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(20,000)	(10,112)	9,888
FUND BALANCE, BEGINNING OF YEAR	-	20,000	52,997	32,997
FUND BALANCE, END OF YEAR	$ -	$ -	$ 42,885	$ 42,885

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Charges for services	$ 1,600	$ 1,600	$ 520	$ (1,080)
TOTAL REVENUES	1,600	1,600	520	(1,080)
EXPENDITURES				
Current:				
General government				
Judicial	1,600	1,600	-	(1,600)
TOTAL EXPENDITURES	1,600	1,600	-	(1,600)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	520	(520)
FUND BALANCE, BEGINNING OF YEAR	-	-	2,972	2,972
FUND BALANCE, END OF YEAR	$ -	$ -	$ 3,492	$ (3,492)

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Charges for services	$ 485,000	$ 485,000	$ 785,352	$ 300,352
Investment income	200	200	1,077	877
TOTAL REVENUES	485,200	485,200	786,429	301,229
EXPENDITURES				
Current:				
Public safety	485,200	805,200	803,358	(1,842)
TOTAL EXPENDITURES	485,200	805,200	803,358	(1,842)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(320,000)	(16,929)	303,071
FUND BALANCE, BEGINNING OF YEAR	-	320,000	663,336	343,336
FUND BALANCE, END OF YEAR	$ -	$ -	$ 646,407	$ 646,407

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 37,320	$ 37,320	$ 22,210	$ (15,110)
TOTAL REVENUES	37,320	37,320	22,210	(15,110)
EXPENDITURES				
Current:				
General government				
Judicial	37,320	37,320	25,377	(11,943)
TOTAL EXPENDITURES	37,320	37,320	25,377	(11,943)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(3,167)	(3,167)
FUND BALANCE, BEGINNING OF YEAR	-	-	210,108	210,108
FUND BALANCE, END OF YEAR	$ -	$ -	$ 206,941	$ 206,941

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 25,000	$ 25,000	$ 6,943	$ (18,057)
Investment income	30	30	-	(30)
TOTAL REVENUES	25,030	25,030	6,943	(18,087)
EXPENDITURES				
Current:				
General Government				
Judicial	25,030	25,030	2,248	(22,782)
TOTAL EXPENDITURES	25,030	25,030	2,248	(22,782)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	4,695	4,695
FUND BALANCE, BEGINNING OF YEAR	-	-	71,428	71,428
FUND BALANCE, END OF YEAR	$ -	$ -	$ 76,123	$ 76,123

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenues	$ 109,650	$ 199,650	$ 199,926	$ 276
Fines and forfeitures	68,000	68,000	61,358	(6,642)
Investment income	100	100	1	(99)
TOTAL REVENUES	177,750	267,750	261,285	(6,465)
EXPENDITURES				
Current:				
General Government				
Judicial	177,750	302,750	300,070	(2,680)
TOTAL EXPENDITURES	177,750	302,750	300,070	(2,680)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(35,000)	(38,785)	(3,785)
FUND BALANCE, BEGINNING OF YEAR	-	35,000	128,744	93,744
FUND BALANCE, END OF YEAR	$ -	$ -	$ 89,959	$ 89,959

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 44,393	$ 44,393	$ 31,413	$ (12,980)
Investment income	25	25	-	(25)
TOTAL REVENUES	44,418	44,418	31,413	(13,005)
EXPENDITURES				
Current:				
General Government				
Judicial	44,418	44,418	28,234	(16,184)
TOTAL EXPENDITURES	44,418	44,418	28,234	(16,184)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	3,179	3,179
FUND BALANCE, BEGINNING OF YEAR	-	-	62,606	62,606
FUND BALANCE, END OF YEAR	$ -	$ -	$ 65,785	$ 65,785

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenues	$ 253,946	$ 253,946	$ 221,002	$ (32,944)
TOTAL REVENUES	253,946	253,946	221,002	(32,944)
EXPENDITURES				
Current:				
General Government				
Legislative and executive	140,000	140,000	113,704	(26,296)
Judicial	17,000	17,000	-	(17,000)
Public safety	48,946	48,946	58,380	9,434
Health and welfare	48,000	48,000	49,227	1,227
TOTAL EXPENDITURES	253,946	253,946	221,311	(32,635)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(309)	(309)
FUND BALANCE, BEGINNING OF YEAR	-	-	2,289	2,289
FUND BALANCE, END OF YEAR	$ -	$ -	$ 1,980	$ 1,980

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, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenues	$ 660,000	$ 810,000	$ 942,272	$ 132,272
Investment income	200	200	4	(196)
TOTAL REVENUES	660,200	810,200	942,276	132,076
EXPENDITURES				
Capital outlay	660,200	810,200	803,758	(6,442)
TOTAL EXPENDITURES	660,200	810,200	803,758	(6,442)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	138,518	138,518
FUND BALANCE, BEGINNING OF YEAR	-	-	888,544	888,544
FUND BALANCE, END OF YEAR	$ -	$ -	$ 1,027,062	$ 1,027,062

See independent auditor's report.

WARE COUNTY, GEORGIA
CAPITAL PROJECTS
T-SPLOST COUNTY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Taxes	$ 780,000	$ 780,000	$ 779,340	$ (660)
Investment income	-	-	52	52
TOTAL REVENUES	780,000	780,000	779,392	(608)
EXPENDITURES				
Capital outlay	780,000	780,000	-	(780,000)
TOTAL EXPENDITURES	780,000	780,000	-	(780,000)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	779,392	779,392
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ 779,392	$ 779,392

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, 2018

	Workers Compensation Fund	Health Fund	Total
ASSETS			
Current Assets			
Cash	$ 354,826	$ 68,260	$ 423,086
Interfund receivable	-	279,108	279,108
Prepaid expenses	185,830	-	185,830
TOTAL ASSETS	540,656	347,368	888,024
LIABILITIES			
Current Liabilities			
Accounts payable	-	-	-
TOTAL LIABILITIES	-	-	-
NET POSITION			
Restricted for workers compensation claims	540,656	-	540,656
Restricted for health claims	-	347,368	347,368
TOTAL NET POSITION	$ 540,656	$ 347,368	$ 888,024

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, 2018

	Workers Compensation Fund	Health Fund	Total
OPERATING REVENUES			
Charges for services	$ 441,950	$ 4,035,014	$ 4,476,964
Miscellaneous	54,076	30,726	84,802
TOTAL OPERATING REVENUES	496,026	4,065,740	4,561,766
OPERATING EXPENSES			
Claims paid	75,259	49,974	125,233
Other services and charges	358,108	4,008,258	4,366,366
TOTAL OPERATING EXPENSES	433,367	4,058,232	4,491,599
OPERATING INCOME (LOSS)	62,659	7,508	70,167
NON-OPERATING REVENUES (EXPENSES)			
Interest revenue	1	2	3
TOTAL NON-OPERATING REVENUES (EXPENSES)	1	2	3
CHANGE IN NET POSITION	62,660	7,510	70,170
NET POSITION, BEGINNING OF YEAR	477,996	339,858	817,854
NET POSITION, END OF YEAR	$ 540,656	$ 347,368	$ 888,024

See independent auditor's report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ending June 30, 2018

	Workers Compensation Fund	Health Fund	Total
Increase (Decrease) in Cash and Cash Equivalents			
Cash Flows From Operating Activities			
Cash received from customers	$ 496,026	$ 3,787,608	$ 4,283,634
Cash payments for claims paid	(75,259)	(49,974)	(125,233)
Cash payments for other services and charges	(351,181)	(4,070,930)	(4,422,111)
Net Cash Provided by (Used for) Operating Activities	69,586	(333,296)	(263,710)
Cash Flows From Investing Activities			
Cash received from interest	1	2	3
Net Cash Flows Provided By Investing Activities	1	2	3
Net Increase (Decrease) in Cash	69,587	(333,294)	(263,707)
Cash at Beginning of Year	285,239	401,554	686,793
Cash at End of Year	$ 354,826	$ 68,260	$ 423,086

See independent auditor's report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Year Ending June 30, 2018

	Workers Compensation Fund	Health Fund	Total
Reconciliation of Operating Income (Loss) To Net Cash Provided by (Used For) Operating Activities			
Operating Income (Loss)	$ 62,659	$ 7,508	$ 70,167
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	-	224.00	224
(Increase) decrease in prepaid expenses	6,927	-	6,927
(Increase) decrease in interfund receivable	-	(278,356)	(278,356)
Increase (decrease) in accounts payable	-	(8,883)	(8,883)
Increase (decrease) in interfund payable	-	(53,789)	(53,789)
Net Cash Provided By (Used For) Operating Activities	$ 69,586	$ (333,296)	$ (263,710)

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, 2018

	AGENCY FUNDS						
	OFFICE OF TAX COMMISSIONER	CLERK OF COURT	MAGISTRATE COURT	OFFICE OF SHERIFF	PROBATE COURT	JUVENILE COURT	TOTAL
ASSETS							
Cash	$ 711,091	$364,620	$ 50,348	$ 209,820	$ 658,907	$ 7,116	$2,001,902
TOTAL ASSETS	$ 711,091	$364,620	$ 50,348	$ 209,820	$ 658,907	$ 7,116	$2,001,902
LIABILITIES AND FUND BALANCE							
LIABILITIES							
Due to other governments	$ 579,634	$ 38,772	$ -	$ -	$ -	$ -	$ 618,406
Due to others	131,457	325,848	50,348	209,820	658,907	7,116	1,383,496
TOTAL LIABILITIES	711,091	364,620	50,348	209,820	658,907	7,116	2,001,902
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, 2018

	Balance July 1, 2015	Additions	Deductions	Balance June 30, 2018
OFFICE OF TAX COMMISSIONER				
ASSETS				
Cash	$ 763,227	$ 33,216,545	$ 33,268,681	$ 711,091
TOTAL ASSETS	$ 763,227	$ 33,216,545	$ 33,268,681	$ 711,091
LIABILITIES				
Due to other governments	$ 636,678	$ 14,746,768	$ 14,803,812	$ 579,634
Due to others	126,549	18,469,777	18,464,869	131,457
TOTAL LIABILITIES	$ 763,227	$ 33,216,545	$ 33,268,681	$ 711,091
CLERK OF COURT				
ASSETS				
Cash	$ 383,626	$ 1,571,485	$ 1,590,491	$ 364,620
TOTAL ASSETS	$ 383,626	$ 1,571,485	$ 1,590,491	$ 364,620
LIABILITIES				
Due to other governments	$ 34,642	$ 378,685	$ 374,555	$ 38,772
Due to others	348,984	1,192,800	1,215,936	325,848
TOTAL LIABILITIES	$ 383,626	$ 1,571,485	$ 1,590,491	$ 364,620
MAGISTRATE COURT				
ASSETS				
Cash	$ 52,748	$ 375,593	$ 377,993	$ 50,348
TOTAL ASSETS	$ 52,748	$ 375,593	$ 377,993	$ 50,348
LIABILITIES				
Due to other governments	$ -	$ 44,163	$ 44,163	$ -
Due to others	52,748	331,430	333,830	50,348
TOTAL LIABILITIES	$ 52,748	$ 375,593	$ 377,993	$ 50,348

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, 2018

		Balance July 1, 2015	Additions	Deductions	Balance June 30, 2018
OFFICE OF SHERIFF					
ASSETS					
Cash		$ 295,869	$ 2,193,797	$ 2,279,846	$ 209,820
	TOTAL ASSETS	$ 295,869	$ 2,193,797	$ 2,279,846	$ 209,820
LIABILITIES					
Due to others		$ 295,869	$ 2,193,797	$ 2,279,846	$ 209,820
	TOTAL LIABILITIES	$ 295,869	$ 2,193,797	$ 2,279,846	$ 209,820
PROBATE COURT					
ASSETS					
Cash		$ 680,743	$ 391,543	$ 413,379	$ 658,907
	TOTAL ASSETS	$ 680,743	$ 391,543	$ 413,379	$ 658,907
LIABILITIES					
Due to others		$ 680,743	$ 391,543	$ 413,379	$ 658,907
	TOTAL LIABILITIES	$ 680,743	$ 391,543	$ 413,379	$ 658,907
JUVENILE COURT					
ASSETS					
Cash		$ 6,661	$ 1,466	$ 1,011	$ 7,116
	TOTAL ASSETS	$ 6,661	$ 1,466	$ 1,011	$ 7,116
LIABILITIES					
Due to others		$ 6,661	$ 1,466	$ 1,011	$ 7,116
	TOTAL LIABILITIES	$ 6,661	$ 1,466	$ 1,011	$ 7,116

See independent auditor's report.

SPECIAL REPORTS SECTION

WARE COUNTY, GEORGIA
2008 SPECIAL LOCAL OPTION SALES TAX
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
Year Ended June 30, 2018

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Roads, Streets, and Bridges	$11,093,188	$ 4,570,017	$ 3,866,428	$ 45,026	$ 3,911,454	85.59%
Fire Equipment & Facility Improvements	4,000,000	2,634,323	2,634,323	-	2,634,323	100.00%
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	2,133,362	-	2,133,362	100.00%
Courthouse Security Facilities	875,000	385,950	385,950	-	385,950	100.00%
Renovation of City Auditorium*	1,000,000	-	-	-	-	0.00%
Debt Retirement or Construction of Administrative Building and Design Cost	9,500,000	10,778,666	3,991,980	5,315,479	9,307,459	86.35%
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 Publicly Owned Land	2,000,000	1,497,502	575,596	13,875	589,471	39.36%
City of Waycross	13,509,264	11,017,971	11,017,971	-	11,017,971	100.00%
Totals	$53,102,452	$40,018,812	$ 31,606,631	$5,374,380	$36,981,011	

* - 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, 2018

	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	1,070,544	-	-	-	0.00%
Economic Development Projects	1,000,000	892,119	27,902	34,815	62,717	7.03%
Facility Improvements & Equipment (Serving All Residents)	900,000	836,103	775,161	60,942	836,103	100.00%
Facility Improvements & Equipment at Sheriff Complex	900,000	802,908	132,739	19,595	152,334	18.97%
Facility Improvements & Equipment at 911 Center	200,000	611,149	133,135	12,946	146,081	23.90%
Roads, Streets & Bridge Projects & Necessary Equipment	15,708,000	13,706,666	1,550,889	1,763,546	3,314,435	24.18%
Public Safety Equipment & Improvements	3,250,000	2,466,664	1,185,681	683,469	1,869,150	75.78%
Public Facility Projects and Necessary Equipment	1,500,000	1,338,180	-	66,538	66,538	0.00%
Public Works Equipment and Improvements	1,000,000	1,133,121	812,830	302,806	1,115,636	98.46%
Facility Improvements & Equipment at Recreation Center	900,000	802,908	443,910	128,970	572,880	71.35%
Public Safety & County Vehicle Fleet & Equipment	600,000	535,272	507,981	544	508,525	95.00%
Information Technology Equipment, Software & Training	250,000	267,072	216,674	50,398	267,072	100.00%
City of Waycross	15,472,000	14,187,824	6,252,998	2,567,618	8,820,616	62.17%
Totals	$45,000,000	$40,530,336	$13,919,706	5,692,187	$19,611,893	

See independent auditor's report.

SOURCE and APPLICATION OF FUNDS SCHEDULE
Community Development Block Grant

Ware County, Georgia

15p-y-148-1-5773

For the Period Ending: June 30, 2018
Cumulative

I. Total Fiscal Year 2015 CDBG Funds Awarded to Recipient:	$ 500,000
II. Total Amount of Drawdown by Recipient from DCA:	$ 500,000
III. Less: CDBG Funds Expended by Recipient:	$ 500,000
IV. Amount of Fiscal Year 2015 CDBG Funds held by Recipient:	$ -

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PROJECT COST SCHEDULE

Recipient: Ware County, Georgia

Grant #: 15p-y-148-1-5773

For the Period Ending: June 30, 2018

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
Street Improvements	P-03K-01	$ 231,200	$ 231,200	$ -	$ 231,200	$ -
Flood and Drainage Facilities	P-03K-02	$ 268,800	$ 268,800	$ -	$ 268,800	$ -
TOTAL		$ 500,000	$ 500,000	$ -	$ 500,000	$ -

See independent auditor's report.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Ware County, Georgia as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Ware County, Georgia's basic financial statements, and have issued our report thereon dated June 28, 2019. Our report includes a reference to other auditors who audited the financial statements of the Ware County Board of Health, as described in our report on Ware County, Georgia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph 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 have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. [2018-001].

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. We

consider the deficiencies described in the accompany schedule of findings and questioned costs to be significant deficiencies. [2018-002].

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Ware County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as items [2018-003].

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 questioned costs. Ware County, Georgia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

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

Tifton, Georgia
June 28, 2019

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Commissioners
Ware County
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 *U.S. Office of Management and Budget (OMB) 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, 2018. Ware County, Georgia's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions 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 the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance 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, 2018.

Report on Internal Control Over Compliance

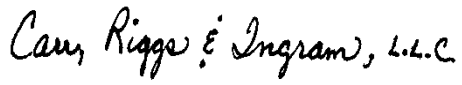
Management of Ware County, Georgia, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Ware County, Georgia's internal control over compliance 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 the Uniform Guidance, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as [2018-004 and 2018-005], that we consider to be a material weakness.

Ware County, Georgia's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Ware County, Georgia's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Carr, Riggs & Ingram, LLC

Tifton, Georgia
June 28, 2019

Ware County, Georgia
Schedule of Expenditures of Federal Awards

Federal Grantor/Program or Cluster Title *Pass-through Grantor and Number*	*Federal CFDA Number*	*Pass through Grantor Number*	*Passed through to subrecipients*	*Expenditures*
United States Department of Justice				
National Institute of Justice Research, Evaluation,				
and Development Project Grants				
National Institute of Justice Research, Evaluation,				
and Development Project Grants	16.560	FY 2018	$ -	$ 7,600
Total National Institute of Justice Research, Evaluation,				
and Development Project Grants			-	7,600
Passed through the Prosecuting Attorneys' Council of Georgia				
Crime Victim Assistance				
Crime Victim Assistance	16.575	C16-8-001	$ -	$ 56,069
Crime Victim Assistance	16.575	C16-8-207/C15-8-392	-	148,565
Crime Victim Assistance	16.575	C16-8-374	-	7,158
Total Crime Victim Assistance			-	211,792
Passed through the Criminal Justice Coordinating Council				
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG)				
Program/ Grants to States and Territories				
Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG)				
Program/ Grants to States and Territories	16.803	J18-8-048	-	293,956
Total Recovery Act - Edward Byrne Memorial Justice Assistance Grant				
(JAG) Program/ Grants to States and Territories			-	293,956
Total United States Department of Justice			**$ -**	**$ 513,348**
Department of Transportation				
Passed through the Georgia Department of Transportation				
Formula Grants for Rural Areas				
Formula Grants for Rural Areas	20.509	AP017-9029-34(299)	$ -	$ 20,845
Formula Grants for Rural Areas	20.509	T006215/GA-18-X033	-	113,705
Total Formula Grants for Rural Areas			-	134,550
Total Department of Transportation			**$ -**	**$ 134,550**
Department of Homeland Security				
Passed through the Georgia Emergency Management Agency				
Emergency Management Performance Grants				
Emergency Management Performance Grants	97.042	OEM17-148	$ -	$ 21,079
Total Emergency Management Performance Grants			-	21,079
Disaster Grants - Public Assistance				
Disaster Grants - Public Assistance	97.036	FEMA-4297-DR-GA	-	2,613
Disaster Grants - Public Assistance	97.036	FEMA-4297-DR-GA	-	70,453
Total Disaster Grants - Public Assistance			-	73,066
Homeland Security Preparedness Technical Assistance Program				
Homeland Security Preparedness Technical Assistance Program	97.007	EMW-2015-SS-00065-S01	-	4,012
Homeland Security Preparedness Technical Assistance Program	97.007	2009-SS-T9-0047	-	120
Total Homeland Security Preparedness Technical Assistance Program			-	4,132
Homeland Security Preparedness Technical Assistance Program				
Homeland Security Preparedness Technical Assistance Program	97.067	EMW-2017-SS-00015-S01	-	10,634
Homeland Security Preparedness Technical Assistance Program	97.067	EMW-2016-SS-00007-S01	-	33,411
Total Homeland Security Preparedness Technical Assistance Program			-	44,045
Total Department of Homeland Security			**$ -**	**$ 142,322**

Ware County, Georgia
Schedule of Expenditures of Federal Awards (Continued)

Federal Grantor/Program or Cluster Title *Pass-through Grantor and Number*	*Federal CFDA Number*	*Pass through Grantor Number*	*Passed through to subrecipients*	*Expenditures*
Department of Health and Human Services				
Passed through the South Georgia Regional Development Center				
Aging Cluster				
Special Programs for the Aging Title III, Part C Nutrition Services	93.045	AAA-2017-33	$ -	$ 46,492
Total Aging Cluster			-	46,492
Total Department of Health and Human Services			**$ -**	**$ 46,492**
Department of Housing and Urban Development				
Passed through the Georgia Department of Community Affairs				
CDBG - Entitlement Grants Cluster				
Community Development Block Grant/Entitlement Grant	14.218	15p-y-148-1-5773	$ -	$ 10,661
Total CDBG Entitlement Grant Cluster			-	10,661
Total Department of Housing and Urban Development			-	**10,661**
Total Expenditures of Federal Awards			**$ -**	**$ 847,373**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The Schedule of Expenditures of Federal Awards is prepared using the modified accrual basis of accounting.

Measurement Focus

The determination of when an award is expended is based on when the activity related to the award occurs.

NOTE 2: INDIRECT COST

The County did not elect to use the 10% de Minimis indirect cost rate.

NOTE 3: LOANS AND LOAN GUARANTEES

The County did not have any loans or loan guarantee programs during the year.

NOTE 4: NONCASH ASSISTANCE

There were no federal awards expended in the form of noncash assistance during the year.

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued:		*unmodified*
Internal control over financial reporting: Material weakness(es) identified?		X Yes ___ No
Significant deficiencies identified not considered to be material weaknesses?		X Yes ___ None reported
Noncompliance material to financial statements noted?		___ Yes X No

Federal Awards

Internal Control over major programs: Material weakness(es) identified?		X Yes ___ No
Significant deficiencies identified not considered to be material weaknesses?		___ Yes X None reported
Type of auditors' report issued on compliance for major programs:		*unmodified*
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a)?		X Yes ___ No

Identification of major programs:

Name of Federal Program or Cluster	CFDA Number
Crime Victim Assistance	16.575
Recovery Act - Edward Bryne Memorial Justice Assistance Grant (JAG) Program	16.803

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000	
Auditee qualified as low-risk auditee?		___ Yes X No

SECTION II FINDINGS – FINANCIAL STATEMENT FINDINGS AND RESPONSES

Material Weakness

2018-001 Completeness of Schedule of Federal Award Expenditures

Criteria:
The Schedule of Expenditures of Federal Awards (SEFA) should properly identify expenditures of all federal awards, federal awards from pass-through entities and the federal portion of multi-funded awards.

Condition:
The SEFA did not identify all expenditures of federal awards from pass-through entities.

Cause of Condition:
Federal award expenditures related to the Crime Victim Assistance Grant, CFDA #16.575, and the Recovery Act – Edward Byrne Memorial Justice Assistance Grant (JAG) Program, CFDA #16.803, were excluded from the SEFA.

Effect of Condition:
The County had to prepare a revised SEFA to include additional federal award expenditures in order to reconcile the SEFA to the underlying accounting records and financial statements.

Recommendation:
The County should develop policies to ensure that all expenditures of federal awards, federal awards from pass-through entities and the federal portion of multi-funded awards are identified and included in the preparation of the SEFA.

Response of Management:
Management concurs with this finding and will develop policies to ensure that all expenditures of federal awards, federal awards from pass-through entities and the federal portion of multi-funded awards are identified and included in the preparation of the SEFA.

SECTION II FINDINGS – FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

Significant Deficiencies – Not Considered a Material Weakness

2018-002 Segregation of Duties

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.

Condition:
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.

- 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.

Cause of Condition:
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 compensati controls to improve checks and balances in the control system.

Effect of Condition:
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.

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.

SECTION II FINDINGS – FINANCIAL STATEMENT FINDINGS AND RESPONSES (CONTINUED)

Significant Deficiencies – Not Considered a Material Weakness (Continued)

2018-002 Segregation of Duties (Continued)

Response of Management:

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

Instance of Noncompliance

2018-003 Data Collection Form Submission

Criteria:

Sub-section 200.512 of the Uniform Guidance requires the reporting package and Data Collection Form to be submitted to the Federal Audit Clearinghouse the earlier of 30 days after the reports are received from the auditor or nine months after the end of the fiscal year.

Condition:

The Data Collection Form was not submitted to the Federal Audit Clearinghouse within nine months after the end of the fiscal year.

Cause of Condition:

The County did not have a policy in place to ensure timely submission of the Data Collection Form to the Federal Audit Clearinghouse.

Effect of Condition:

The County was not in compliance with sub-section 200.512 of the Uniform Guidance

Recommendation:

Management should adopt a policy to ensure that all applicable deadlines for the Data Collection Form submission are adhered to.

Response of Management:

Management concurs with this finding and will develop policies to improve Data Collection Form completion timing and the required Data Collection Form submissions going forward.

Prior Year Findings

The current year finding 2018-001 was reported as 2017-001 in the prior year.

The current year finding 2018-002 was reported as 2017-002 in the prior year.

The current year finding 2018-003 was reported as 2017-003 in the prior year.

SECTION III FINDINGS – FINDINGS AND QUESTIONED COSTS – MAJOR AWARD PROGRAM AUDIT

2018-004 Review and authorization of Subgrant Reporting Form (SER)

Type of Finding:	Material Weakness
Compliance Requirements:	Activities Allowed / Unallowed Allowable Costs / Cost Principles Period of Performance Reporting Matching
Federal Program Title:	Crime Victim Assistance
Federal Catalog Number:	16.575
Federal Agency:	United States Department of Justice
Pass-through Entity:	Prosecuting Attorneys' Council of Georgia
Grant Number:	C16-8-001 C16-8-207 / C15-8-392 C16-8-374
Award Year:	2017 / 2018

Criteria:
2 CFR 200.303(a) states that the non-Federal entity must "establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award." County management or an appropriate official should review and authorize the Subgrant Expenditure Reporting (SER) form.

Condition:
The following issue was noted during the review of two quarterly SER forms:

The County could not provide original records reflecting appropriate review and authorization of the SER form for the second quarter of FY2018 in accordance with PACGA policies

Cause of Condition:
The County did not retain proper records and accounts reflecting administration of the PACGA agreement.

Effect of Condition:
The County will be unable to produce proper records and accounts reflecting administration of the PACGA agreement when prompted by a PACGA, CJCC or State Auditor request, which could result in discontinuance of the federal award program or refunding of federal awards.

SECTION III FINDINGS – FINDINGS AND QUESTIONED COSTS – MAJOR AWARD PROGRAM AUDIT (CONTINUED)

2018-004 Review and authorization of Subgrant Reporting Form (SER) (Continued)

Questioned Costs: None identified

Perspective Information: The findings represent an isolated instance and do not represent a systemic problem

Recommendation:
Improve record retention policies and procedures and duplicate record retention by routing copies of authorized or certified documents to the Purchasing Grants Coordinator in the Finance Department.

Response of Management:
District Attorney George Barnhill reviewed and agreed with the findings and recommended corrective action plan.

2018-005 Approval of Behavioral Health Services Contract

Type of Finding:	Material Weakness
Compliance Requirements:	Procurement, Suspension and Debarment
Federal Program Title:	Recovery Act – Edward Byrne Memorial Justice Assistance Grant (JAG) Program
Federal Catalog Number:	16.803
Federal Agency:	United States Department of Justice
Pass-through Entity:	Criminal Justice Coordinating Council
Grant Number:	J18-8-048
Award Year:	2018

Criteria:
2 CFR 200.303(a) states that the non-Federal entity must "establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award." The Board of Commissioners did not review and approve the behavioral service agreement between the County and the Community Service Board (CSB).

Condition:
The behavioral health services agreement between the CSB and the County was not approved by the Board of Commissioners in the official minutes.

SECTION III FINDINGS – FINDINGS AND QUESTIONED COSTS – MAJOR AWARD PROGRAM AUDIT (CONTINUED)

2018-005 Approval of Behavioral Health Services Contract (Continued)

Cause of Condition:
No written memorandum of agreement between the CSB and the County for program funding exist, therefore no presentation was made to the Board for approval.

Effect of Condition:
Failure to ensure federal regulations are properly followed resulted in noncompliance with the requirements of the federal program.

Questioned Costs: None identified

Perspective Information: The findings represent an isolated instance and do not represent a systemic problem

Recommendation:
A formal agreement between the CSB and the County should be written and presented to the Board of Commissioners for approval and memorialized in the official record of minutes.

Response of Management:
The Superior Court Judge, Dwayne Gillis, agrees with the finding and corrective action plan.

Ware County, Georgia
Certificate of 9-1-1 Expenditures
For the Year Ended June 30, 2018

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)	$ 516,426
5b	Employee benefits	46-5-134(f)(1)(C)	$ 221,641
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D)	$ 982
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)	$ 8,166
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, 2018

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, 2018

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

Telephone	$	8,651
Language interpreter	$	66
Vehicle fuel and oil	$	541
Advertising	$	0
Line and administration fees	$	59,320
Utilities	$	8,353
Dues and subscriptions	$	606
Depreciation	$	24,151
	$	
	$	

18 Total Expenditures (total of all amounts reported on Lines 2 through 17 above) $ 848,903

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 06/05/19

Print Name of Chief Elected Official Jimmy Brown

Title of Chief Elected Official County Commission Chairman

Signature of Chief Financial Officer _____ Date 06/05/19

Print Name of Chief Financial Officer Harrison Tillman - Financial Consultant