WARREN COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2015

Warren County, Georgia
Annual Financial Report
For The Year Ended June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

Honorable Chairman and Members of the
Board of Commissioners of Warren County
Warrenton, Georgia

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Warren County, Georgia, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, Schedule of Changes in Net Pension Liability and Related Ratios, and Schedule of Pension Contributions on pages 42-44 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.

Emphasis of Matter

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

As part of our audit of the financial statements referred to above that collectively comprise Warren County, Georgia's basic financial statements as of and for the year ended June 30, 2015, we also audited the adjustments described in Note 4-E that were applied to restate the financial statements of Warren County, Georgia for the year ended June 30, 3014. In our opinion, such adjustments are appropriate and have been properly applied to the financial statements. Our opinion is not modified with respect to this matter.

As discussed in Note 1-E-11 to the financial statements, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 68. Our opinion is not modified with respect to this matter.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual nonmajor fund financial statements, the accompanying schedules of projects constructed with special purpose local option sales tax proceeds, the Section 5311 Transportation Program Statement of Revenues and Expenditures, and the

Community Development Block Grant Statement of Source and Application of Funds and Statement of Project Cost are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the accompanying schedules of projects constructed with special purpose local option sales tax proceeds, the Section 5311 Transportation Program Statement of Revenues and Expenditures, and the Community Development Block Grant Statement of Source and Application of Funds and Statement of Project Cost are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the accompanying schedules of projects constructed with special purpose local option sales tax proceeds, the Section 5311 Transportation Program Statement of Revenues and Expenditures, and the Community Development Block Grant Statement of Source and Application of Funds and Statement of Project Cost are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2015 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Louisville, Georgia
December 3, 2015

Warren County, Georgia
Statement of Net Position
June 30, 2015

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Cash and cash equivalents	$ 3,253,747	$ 430	$ 3,254,177	$ 264,776
Receivables:				
Accounts	8,684	-	8,684	23,800
Property taxes	187,847	-	187,847	-
Intergovernmental	269,692	-	269,692	101,137
Interfund	2,654	(2,654)	-	-
Other	56,188	-	56,188	-
Prepaid items	50,220	-	50,220	-
Restricted Assets	-	32,732	32,732	-
Capital Assets				
Nondepreciable capital assets	426,839	-	426,839	132,230
Depreciable capital assets, net	14,600,249	3,983,568	18,583,817	-
Total Assets	18,856,120	4,014,076	22,870,196	521,943
Deferred Outflows of Resources				
Deferred outflows of resources related to pension contributions	6,027	-	6,027	28,229
Total Deferred Outflows of Resources	6,027	-	6,027	28,229
Liabilities				
Current Liabilities				
Accounts payable	45,016	-	45,016	16,416
Accrued expenses	34,581	-	34,581	-
Intergovernmental payable	182,650	-	182,650	-
Other liabilities	135,443	-	135,443	-
Compensated absences payable	4,472	-	4,472	-
Capital leases payable	54,212	-	54,212	-
Notes payable	18,117	5,345	23,462	-
Revenue bonds payable	59,222	5,684	64,906	-
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	13,415	-	13,415	6,743
Capital leases payable (net of current portion)	115,707	-	115,707	-
Notes payable (net of current portion)	118,676	59,179	177,855	-
Revenue bonds payable (net of current portion)	-	341,521	341,521	-
Net pension liability	42,377	-	42,377	105,092
Total Liabilities	823,888	411,729	1,235,617	128,251
Deferred Inflows of Resources				
Deferred inflows related to pension	-	-	-	25,650
Total Deferred Inflows of Resources	-	-	-	25,650
Net Position				
Net investment in capital assets	14,661,154	3,571,839	18,232,993	132,230
Restricted for:				
Capital projects	717,086	-	717,086	-
Judicial	35,637	-	35,637	-
Public safety	428,729	-	428,729	-
Public works	797,218	-	797,218	-
Economic development	196,953	-	196,953	-
Health and welfare	-	-	-	22,861
Culture and recreation	16,520	-	16,520	-
Debt service	49,645	32,732	82,377	-
Unrestricted	1,135,317	(2,224)	1,133,093	241,180
Total Net Position	$ 18,038,259	$ 3,602,347	$ 21,640,606	$ 396,271

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Activities
For the Year Ended June 30, 2015

Function/Program	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants, Contributions and Interest	Program Revenues: Capital Grants, Contributions and Interest	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-Type Activities	Primary Government: Total	Component Units
Primary Government								
Governmental Activities								
General government	$ 1,100,169	$ 119,779	$ -	$ -	$ (980,390)	$ -	$ (980,390)	$ -
Judicial	357,622	134,875	-	-	(222,747)	-	(222,747)	-
Public safety	1,761,820	532,545	-	-	(1,229,275)	-	(1,229,275)	-
Public works	1,078,408	28,487	-	313,534	(736,387)	-	(736,387)	-
Health and welfare	221,466	-	87,700	-	(133,766)	-	(133,766)	-
Culture and recreation	237,503	3,851	44,890	-	(188,762)	-	(188,762)	-
Conservation of natural resources	63,623	-	-	-	(63,623)	-	(63,623)	-
Housing and development	45,930	-	98,348	-	52,418	-	52,418	-
Interest	19,812	-	-	-	(19,812)	-	(19,812)	-
Total Governmental Activities	4,886,353	819,537	230,938	313,534	(3,522,344)	-	(3,522,344)	-
Business-Type Activities								
Water and sewer	126,573	-	-	-	-	(126,573)	(126,573)	-
Total Business-Type Activities	126,573	-	-	-	-	(126,573)	(126,573)	-
Total - Primary Government	$ 5,012,926	$ 819,537	$ 230,938	$ 313,534	(3,522,344)	(126,573)	(3,648,917)	-
Component Units								
Department of Health	$ 164,448	$ 22,861	$ 148,020	$ -	-	-	-	6,433
Development Authority	62,455	-	-	-	-	-	-	(62,455)
Total - Component Units	$ 226,903	$ 22,861	$ 148,020	$ -	-	-	-	(56,022)
		General Revenues						
		Property taxes			2,399,135	-	2,399,135	-
		Sales taxes			1,230,757	-	1,230,757	-
		Other taxes and revenues			239,224	-	239,224	-
		Investment earnings			276	4	280	234
		Miscellaneous			30,313	-	30,313	16,420
		Transfers in (out)			(142,103)	142,103	-	-
		Total General Revenues and Transfers			3,757,602	142,107	3,899,709	16,654
		Change in Net Position			235,258	15,534	250,792	(39,368)
		Net Position, Beginning of Year			17,771,179	3,586,813	21,357,992	535,214
		Prior Period Adjustment			31,822	-	31,822	(99,575)
		Net Position, Beginning of Year, Restated			17,803,001	3,586,813	21,389,814	435,639
		Net Position, End of Year			$ 18,038,259	$ 3,602,347	$ 21,640,606	$ 396,271

See accompanying notes to the basic financial statements.

Warren County, Georgia
Balance Sheet
Governmental Funds
For the Year Ended June 30, 2015

	General	CDBG Grants Fund	SPLOST 2012-2017 Fund	TSPLOST Discretionary Fund	TSPLOST Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 984,693	$ -	$ 560,975	$ 698,880	$ -	$ 1,009,199	$ 3,253,747
Receivables:							
Accounts, net	-	-	-	-	-	8,684	8,684
Property taxes	187,847	-	-	-	-	-	187,847
Intergovernmental	140,559	-	31,408	97,725	-	-	269,692
Interfund	-	-	-	-	-	2,654	2,654
Other	56,188	-	-	-	-	-	56,188
Prepaid items	50,220	-	-	-	-	-	50,220
Total Assets	$ 1,419,507	$ -	$ 592,383	$ 796,605	$ -	$ 1,020,537	$ 3,829,032
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	$ 38,860	$ -	$ -	$ -	$ -	$ 6,156	$ 45,016
Accrued expenses	34,581	-	-	-	-	-	34,581
Intergovernmental payable	41,318	-	141,332	-	-	-	182,650
Other liabilities	98,674	-	-	-	-	36,769	135,443
Total Liabilities	213,433	-	141,332	-	-	42,925	397,690
Deferred Inflows of Resources							
Unavailable revenue: property taxes	173,209	-	-	-	-	-	173,209
Total Liabilities and Deferred Inflows of Resources	386,642	-	141,332	-	-	42,925	570,899
Fund Balances							
Nonspendable	50,220	-	-	-	-	-	50,220
Restricted							
Debt service	-	-	-	-	-	49,645	49,645
Judicial	-	-	-	-	-	35,637	35,637
Public safety	-	-	-	-	-	428,729	428,729
Public works	-	-	-	796,605	-	613	797,218
Economic development	-	-	-	-	-	196,953	196,953
Capital projects	-	-	451,051	-	-	266,035	717,086
Culture and recreation	16,520	-	-	-	-	-	16,520
Assigned - Fiscal Year 2016 Budget	13,792	-	-	-	-	-	13,792
Unassigned	952,333	-	-	-	-	-	952,333
Total Fund Balances (Deficits)	1,032,865	-	451,051	796,605	-	977,612	3,258,133
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,419,507	$ -	$ 592,383	$ 796,605	$ -	$ 1,020,537	$ 3,829,032

See accompanying notes to the basic financial statements.

Warren County, Georgia
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2015

Total Governmental Fund Balances		$ 3,258,133
Amounts reported for governmental activities in the statement of net position are different because:		
Interfund receivables and payables between governmental funds are reported on the fund balance sheet but eliminated on the government-wide statement of net position:		
Interfund receivables	$ 2,654	
Interfund payables	(2,654)	-
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds. However, in the statement of net position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.		
Cost of capital assets	23,235,165	
Less accumulated depreciation	(8,208,077)	15,027,088
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		173,209
Liabilities associated with the County's pension plan are recognized for accrual reporting, but not reported in the fund financial statements.		(42,377)
Recognition of the net difference between projected and actual earnings on pension plan investments are recognized as a deferred outflow of resources for accrual reporting, but not reported in the fund financial statements.		6,027
Liabilities, including capital leases, compensated absences and landfill post closure care costs, are not due and payable in the current period and therefore are not reported in the funds:		
Capital leases	(169,919)	
Revenue bonds payable	(59,222)	
Notes payable	(136,793)	
Compensated absences	(17,887)	(383,821)
Net Position of Governmental Activities		$ 18,038,259

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2015

Revenues	General	CDBG Grants Fund	SPLOST 2012-2017 Fund	TSPLOST Discretionary Fund	TSPLOST Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Taxes	$ 2,771,952	$ -	$ 401,994	$ 586,226	$ -	$ -	$ 3,760,172
Intergovernmental	188,232	75,275	84	-	238,103	98,348	600,042
Charges for services	366,795	-	-	-	-	54,059	420,854
Fines, forfeitures and fees	204,758	-	-	-	-	81,947	286,705
Investment earnings	168	-	72	-	-	108	348
Miscellaneous	73,243	-	-	-	-	13,406	86,649
Total Revenues	3,605,148	75,275	402,150	586,226	238,103	247,868	5,154,770
Expenditures							
Current:							
General government	1,125,524	-	-	-	-	36	1,125,560
Judicial	344,588	-	-	-	-	13,066	357,654
Public safety	1,363,400	-	-	-	-	363,290	1,726,690
Public works	520,267	-	-	436	-	-	520,703
Health and welfare	214,212	-	-	-	-	-	214,212
Culture and recreation	74,632	-	-	-	-	-	74,632
Conservation of natural resources	63,623	-	-	-	-	-	63,623
Economic development	45,930	-	-	-	-	-	45,930
Intergovernmental	-	-	86,428	-	-	-	86,428
Capital Outlay	-	75,275	216,388	-	1,106,013	75,011	1,472,687
Debt Service:							
Principal retirement	17,441	-	47,377	-	-	56,880	121,698
Interest and fiscal charges	5,574	-	9,449	-	-	4,789	19,812
Total Expenditures	3,775,191	75,275	359,642	436	1,106,013	513,072	5,829,629
Excess (Deficiency) of Revenues Over (Under) Expenditures	(170,043)	-	42,508	585,790	(867,910)	(265,204)	(674,859)
Other Financing Sources (Uses)							
Inception of capital lease obligation	42,950	-	22,942	-	-	-	65,892
Transfers in (out), net	(198,515)	-	(61,669)	(867,910)	867,910	237,895	(22,289)
Total Other Financing Sources (Uses)	(155,565)	-	(38,727)	(867,910)	867,910	237,895	43,603
Net Change in Fund Balances	(325,608)	-	3,781	(282,120)	-	(27,309)	(631,256)
Fund Balances, Beginning	1,358,473	-	374,482	1,078,725	-	1,004,921	3,816,601
Prior Period Adjustment	-	-	72,788	-	-	-	72,788
Fund Balances, Beginning, Restated	1,358,473	-	447,270	1,078,725	-	1,004,921	3,889,389
Fund Balances, Ending	$ 1,032,865	$ -	$ 451,051	$ 796,605	$ -	$ 977,612	$ 3,258,133

See accompanying notes to the basic financial statements.

Warren County, Georgia
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2015

Net Changes In Fund Balances - Total Governmental Funds		$ (631,256)
Amounts reported for governmental activities in the statement of activities are different because		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
Capital outlay	$ 1,479,506	
Depreciation expense	(669,193)	810,313
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Property taxes:		
Deferred, end of year	173,209	
Deferred, beginning of year	(64,265)	108,944
Elimination of transfers between governmental funds:		
Transfers in	1,127,033	
Transfers out	(1,127,033)	-
The inception of a capital lease payable is reported as an other financing source at the fund reporting level but is reported as a liability on the government-wide statement of net assets		(65,892)
Repayment of general obligation debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		121,698
Net pension expense adjustments associated with changes in pension liability and net changes in deferred inflows and outflows.		4,616
Certain liabilities are reported in the statement of activities, but do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated absences:		
Liability, end of year	(17,887)	
Liability, beginning of year	24,536	6,649
Capital contribution of captial assets purchased in current year from Special Sales Tax Capital Projects Fund and CDBG Grants Fund to the Water and Sewer Fund		(119,814)
Change In Net Position of Governmental Activities		$ 235,258

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Net Position
Proprietary Fund
June 30, 2015

	Water and Sewer Fund
Assets	
Current Assets:	
Cash and cash equivalents	$ 430
Restricted Assets:	
Cash and cash equivalents	32,732
Total Current Assets	33,162
Noncurrent Assets:	
Capital Assets:	
Nondepreciable, net	-
Depreciable, net	3,983,568
Total Noncurrent Assets	3,983,568
Total Assets	4,016,730
Liabilities	
Current Liabilities:	
Interfund payable	2,654
Notes payable	5,345
Revenue bonds payable	5,684
Total Current Liabilities	13,683
Long-Term Liabilities:	
Notes payable (net of current portion)	59,179
Revenue bonds payable (net of current portion)	341,521
Total Long-Term Liabilities	400,700
Total Liabilities	414,383
Net Position	
Net investment in capital assets	3,571,839
Restricted for debt service	32,732
Unrestricted	(2,224)
Total Net Position	$ 3,602,347

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Revenues, Expenses and
Changes in Net Position
Proprietary Fund
For the Year Ended June 30, 2015

	Water and Sewer Fund
Operating Revenues	
Charges for services	$ -
Total Operating Revenues	-
Operating Expenses	
Cost of water	179
Other	36
Depreciation	109,251
Total Operating Expenses	109,466
Operating Income (Loss)	(109,466)
Non-Operating Revenues (Expenses)	
Interest and fiscal charges	(17,107)
Investment earnings	4
Total Non-Operating Revenues (Expenses)	(17,103)
Income (Loss) before Transfers and Capital Contributions	(126,569)
Transfers in (out)	22,289
Capital contributions	119,814
Change in Net Position	15,534
Net Position, Beginning of Year	3,586,813
Net Position, End of Year	$ 3,602,347

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2015

	Water and Sewer Fund
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash received for services	$ 2,122
Cash payments for goods and services	(214)
Net Cash Provided by (Used in) Operating Activities	1,908
Cash Flows from Noncapital Financing Activities	
Transfers in (out)	22,289
Net Cash Provided by (Used in) Noncapital Financing Activities	22,289
Cash Flows from Capital and Related Financing Activities	
Principal paid on long term debt	(10,706)
Interest paid	(17,107)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(27,813)
Cash Flows from Investing Activities	
Investment earnings	4
Net Increase (Decrease) in Cash and Cash Equivalents	(3,612)
Cash and Cash Equivalents, Beginning of Year	36,774
Cash and Cash Equivalents, End of Year	$ 33,162
Non-Cash Transactions:	
Costs of sewer system improvements paid for by the Special Sales Tax Capital Projects Fund and the CDBG Grants Fund considered contributions to the Water and Sewer Fund	$ 119,814

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2015

(Continued)

	Water and Sewer Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities	
Operating Income (Loss)	$ (109,466)
Adjustments:	
Depreciation	109,251
Increase (Decrease) in Liabilities:	
Interfund payable	2,123
Net Cash Provided by (Used in) Operating Activities	$ 1,908

See accompanying notes to the basic financial statements.

Warren County, Georgia
Comparative Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2015

	2015	2014
Assets		
Cash and cash equivalents	$ 267,289	$ 247,732
Liabilities		
Due to others	$ 267,289	$ 247,732
Total Liabilities	$ 267,289	$ 247,732

See accompanying notes to the basic financial statements.

Warren County, Georgia
Combining Statement of Net Position
Component Units
June 30, 2015

	Warren County Department of Health	Development Authority of Warren County	Total
Assets			
Current:			
Cash and cash equivalents	$ 88,706	$ 176,070	$ 264,776
Receivables:			
Accounts	23,800	-	23,800
Intergovernmental	-	101,137	101,137
Capital Assets:			
Nondepreciable capital assets	-	132,230	132,230
Total Assets	112,506	409,437	521,943
Deferred Outflows of Resources			
Deferred outflows of resources-			
Retirement contributions	28,229	-	28,229
Total Deferred Outflows of Resources	28,229	-	28,229
Liabilities			
Current Liabilities:			
Accounts payable	13,184	3,232	16,416
Long-Term Liabilities: (net of current portion)			
Compensated absences payable	6,743	-	6,743
Net pension liability	105,092	-	105,092
Total Liabilities	125,019	3,232	128,251
Deferred Inflows of Resources			
Deferred inflows of resources - proportionate share of collective deferred inflows of resources	25,650	-	25,650
Total Deferred Inflows of Resources	25,650	-	25,650
Net Position			
Investment in capital assets	-	132,230	132,230
Restricted:			
Health and welfare	22,861	-	22,861
Unrestricted	(32,795)	273,975	241,180
Total Net Position	$ (9,934)	$ 406,205	$ 396,271

See accompanying notes to the basic financial statements.

Warren County, Georgia
Combining Statement of Activities
Component Units
For the Year Ended June 30, 2015

	Warren County Department of Health	Development Authority of Warren County	Total
Expenses			
Health and welfare	$ 164,448	$ -	$ 164,448
General government	-	62,455	62,455
Total Expenses	164,448	62,455	226,903
Revenues			
Program revenues:			
Charges for services	22,861	-	22,861
Operating grants and contributions	148,020	-	148,020
Total Program Revenues	170,881	-	170,881
Net Program (Expense)	6,433	(62,455)	(56,022)
General Revenues			
Investment earnings	-	234	234
Miscellaneous	-	16,420	16,420
Total General Revenues	-	16,654	16,654
Change in Net Position	6,433	(45,801)	(39,368)
Net Position, Beginning of Year	83,208	452,006	535,214
Prior Period Adjustment	(99,575)	-	(99,575)
Net Position, Beginning of Year, Restated	(16,367)	452,006	435,639
Net Position, End of Year	$ (9,934)	$ 406,205	$ 396,271

See accompanying notes to the basic financial statements.

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Warren County, Georgia (the County) is a political subdivision of the State of Georgia. The County is governed by a three member elected board of county commissioners which is governed by state statutes and regulations. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Sheriff, Tax Commissioner, Probate Court Judge, Magistrate Court Judge and Clerk of Superior Court. The cost of operations of the Superior Court Judges and the District Attorney, which are elected court functions, is shared with the State of Georgia. Only that portion of the cost for which the County is responsible is reported in the County's financial statements.

Note 1 - Summary of Significant Accounting Policies

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

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this entity includes the various constitutional officers including the Clerk of Court, the Probate Court, the Tax Commissioner and the Magistrate Court.

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

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

Brief descriptions of the discretely presented component units follow:

Warren County Department of Health (the Health Department) – The Health Department works to promote and preserve the health of the citizens of the County. The Health Department board consists of seven members, four of these members are appointed by the county commission. Although the County does not have the authority to approve or modify the Department of Health's budgets, it does have the ability to control the amount of funding it provides to the Health Department and such funding is significant to the overall operations of the Department of Health. Complete financial statements for the Health Department may be obtained from its administrative office.

Warren County Development Authority (the Development Authority) – The Development Authority is responsible for encouraging economic development within the County. The county commission appoints a majority of the members of the authority board. Complete financial statements may be obtained from its administrative office.

1-B. Basis of Presentation

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. All funds other than fiduciary activities are included at the government-wide reporting level. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the County's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the County and its discretely presented component units at year-end.

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

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

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

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

Major individual governmental and business-type activities are reported in separate columns.

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

> ***Governmental Funds*** - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

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

The CDBG Grants Fund – This capital projects fund accounts for the receipt and expenditure of resources received under the CDBG grant program.

The SPLOST 2012-2017 Capital Projects Fund – This fund accounts for the special purpose local option sales taxes approved in March 2012 and went into effect July 2012. The County is using these taxes for various County projects according to the approved referendum.

The TSPLOST Discretionary Fund – This fund is used to account for the discretionary portion of the proceeds and expenditures for transportation expenditures that are non-capital in nature and funded by the special sales tax passed under the Transportation Investment Act of 2010.

The TSPLOST Capital Projects Fund – This fund is used to account for acquisition of property and the construction of projects designated to be funded by the special sales tax created with the Transportation Investment Act of 2010.

Proprietary Fund - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary fund classified as a major enterprise fund is as follows:

The Water and Sewer Fund – This fund is used to account for the County's water and sewer system.

Fiduciary Funds – Fiduciary fund reporting focuses on changes in assets and liabilities. The County's fiduciary funds are agency funds.

1-C. Measurement Focus

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

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of revenues, expenses and changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting

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

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

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 3-C) Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

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

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred inflows of resources revenue (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) are recorded as unearned revenue.

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

1-E. Assets, Liabilities and Fund Equity

1-E-1 Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County.

Investments are stated at fair value based on quoted market prices.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-1 Cash, Cash Equivalents and Investments (Continued)

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

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

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectible, where applicable. Uncollected and unbilled water/sewer charges and landfill user charges are accrued as receivables and revenue at June 30, 2015.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e., the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first in, first out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed. Inventories of the proprietary funds are expensed when consumed.

1-E-5 Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2015, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reserved as this amount is not available for general appropriation.

1-E-6 Restricted Assets

Certain resources in the Water and Sewer Enterprise Fund are classified as restricted assets on the balance sheet because they are maintained in separate bank accounts and their use is limited by applicable bond and note covenants. The "USDA debt service" account is used to report resources accumulated for debt service payments over the next twelve months. The "GEFA reserve" account is used to segregate resources accumulated for debt service payments over the next twelve months.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-7 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net position but does not report these assets in the Government fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise funds' statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County's infrastructure consists of roads and bridges. Currently, the County is reporting its infrastructure prospectively beginning with fiscal year 2004. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized.

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

	Estimated Lives	
Asset Class	Governmental Activities	Business-type Activities
Buildings	40-50 Years	40 Years
Fixed equipment	5-7 Years	---
Vehicles	5 Years	---
Mobile equipment	15-20 Years	---
Roads and infrastructure	40-50 Years	---
Equipment	---	5-25 Years
Site improvements	---	19-76 Years
Water/sewer system components	---	5-50 Years

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

1-E-8 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments.

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-9 Accrued Liabilities and Long-term Obligations

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

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

1-E-10 Deferred Outflows/Inflows of Resources

The County implemented GASB Statements No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position and No. 65, Items Previously Reported as Assets and Liabilities, as of July 1, 2013. These standards establish accounting and financial reporting for deferred outflows / inflows of resources and the concept of net position as the residual of all other elements presented in a statement of net position.

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. On the County's government-wide financial statements, a deferred outflow related to pensions will be reported and will be recognized as pension expense over a five-year closed period.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County only has one item that qualifies for reporting in this category, unavailable revenue, which arises only under a modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes and other receivables, which are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

1-E-11 Pensions

For the year ended June 30, 2015, the County implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. GASB Statement No. 68 establishes standards for measuring and recognizing net pension liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to pension benefits provided through defined benefit pension plans. In addition, Statement No. 68 requires disclosure of information related to pension benefits. See Note 4-E for prior period adjustments that were required to be in compliance with GASB Statement No. 68.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Association of County Commissioners of Georgia Pension Plan for County Employees (The Plan) and additions to/deductions from The Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

1-E-12 Fund Balance

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

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-12 Fund Balance (Continued)

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

- ***Non-spendable*** – Fund balances are reported as non-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 commission through the adoption of a resolution. By policy, the County has authorized the Chairman of the County Commission to 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. By policy, the County has authorized the Chairman of the County Commission to assign fund balances.
- ***Unassigned*** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all other 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

Net Position - Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net position amount also is adjusted by any bond issuance deferral amounts. Net position 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. 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.

1-E-13 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for water and sewer and solid waste. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of each fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-14 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-15 Interfund Activity

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

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business type activities column are eliminated.

1-E-16 Estimates

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

1-E-17 Comparative Data

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

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information

The County adopts an annual operating budget for the general fund and each special revenue fund. A project budget is adopted for each capital projects fund. The budget resolution reflects the total of each department's appropriation in each fund.

The general fund, special revenue and debt service fund budgets are adopted on a basis consistent with GAAP. Budgets for capital projects funds are adopted on a basis consistent with GAAP except the budget period is a project period rather than an annual period.

Total appropriations for any fund may be increased if, during the year, sources of revenue become available to the County in excess of original anticipations, and these amounts are anticipated by the Finance Committee and subsequently appropriated by the Board of Commissioners. The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the County Commissioners.

Department directors may approve budget transfers within departments, with certain exceptions. During the year, the Board of Commissioners approve budget revisions. All unexpended annual appropriations lapse at year-end.

Note 3 – Detailed Notes on All Funds

3-A. Deposits and Investments

Custodial Credit Risk - Deposits – Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be recovered. State statutes require all deposits and investments to be collateralized by depository insurance, obligations of the U. S. government, or bonds of public authorities, counties or municipalities. The County's custodial credit risk policy requires all deposits in excess of Federal Deposit Insurance be collateralized by securities equal to at least 110% of the excess deposits.

At June 30, 2015, the County's the bank balances of $ 3,683,979 were exposed to custodial credit risk as follows: $2,919,056 was uninsured and collateralized with securities held by the pledging financial institution, by its trust department or agent, but not in the County's name.

State statutes authorize the County to invest in obligations of, or obligations guaranteed by the U.S. government; obligations of any state; obligations of any political subdivision of any state; certificates of deposit of any national state bank or savings and loan which have deposits insured by the FDIC or FSLIC; prime bankers acceptances; and the Office of State Treasurer.

The County had no other investments that require disclosure as to the basis of valuation other than capital assets, the basis of which are properly disclosed.

At June 30, 2015, the County's component units' bank balances were entirely insured or collateralized with securities held by the financial institution, by its trust department or agency, but not in the component unit's name.

3-B. Receivables

Receivables at June 30, 2015, consisted of taxes, interest, accounts (billings for user charges, including unbilled utility receivables), and intergovernmental receivables arising from grants.

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

3-C. Property Taxes

County property taxes are based on assessments of property values on January 1, assessed by the County Tax Assessors' office. The digest is prepared by the assessor's office and verified by the Georgia Department of Revenue. The Board of Commissioners set the property tax millage rate in September 2014. Property tax bills were mailed on October 15, 2014 and were due by December 20, 2014. Property taxes attach as an enforceable lien on property as of January 1. The County bills and collects its own property taxes and also collects property taxes for the County Board of Education and the State of Georgia. Any taxes not paid by due date are considered delinquent and are subject to a 10% penalty and an interest charge. If taxes remain delinquent by May of the following year, a fifa is issued against the property, and the county can advertise and sell the property at a tax sale.

(Continued on the following page)

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets

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

	Beginning Balance	Additions	Deductions	Ending Balance
GOVERNMENTAL ACTIVITIES:				
Nondepreciable capital assets:				
Land	$ 426,839	$ -	$ -	$ 426,839
Construction in progress	603,977	119,814	723,791	-
Total capital assets not being depreciated	1,030,816	119,814	723,791	426,839
Depreciable capital assets:				
Buildings and improvements	6,527,116	631,671	-	7,158,787
Infrastructure	8,731,981	1,112,244	-	9,844,225
Vehicles and equipment	5,585,560	219,754	-	5,805,314
Total depreciable capital assets	20,844,657	1,963,669	-	22,808,326
Total capital assets	21,875,473	2,083,483	723,791	23,235,165
Accumulated depreciation:				
Buildings and improvements	1,569,054	123,444	-	1,692,498
Infrastructure	996,834	436,990	-	1,433,824
Vehicles and equipment	4,972,996	108,759	-	5,081,755
Total accumulated depreciation	7,538,884	669,193	-	8,208,077
Governmental activitivties capital assets, net	$ 14,336,589	$ 1,414,290	$ 723,791	$ 15,027,088

Governmental activities depreciation expense:

General government	$ 62,785
Public safety	84,263
Public works	471,465
Health and welfare	6,727
Culture and recreation	43,953
Total governmental activities depreciation expense	$ 669,193

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets (Continued)

	Beginning Balance	Additions	Deductions	Ending Balance
BUSINESS-TYPE ACTIVITIES:				
Non-depreciable capital assets:				
Construction in progress	$ 437,126	$ -	$ 437,126	$ -
Total non-depreciable capital assets	437,126	-	437,126	-
Depreciable capital assets:				
Utility systems	4,200,717	556,940	-	4,757,657
Total depreciable capital assets	4,200,717	556,940	-	4,757,657
Total capital assets	4,637,843	556,940	437,126	4,757,657
Accumulated depreciation:				
Utility systems	664,838	109,251		774,089
Total accumulated depreciation	664,838	109,251	-	774,089
Business-type activities capital assets, net	$ 3,973,005	$ 447,689	$ 437,126	$ 3,983,568

	Beginning Balance	Additions	Deductions	Ending Balance
COMPONENT UNITS:				
Non-depreciable capital assets:				
Land	$ 144,230	$ -	$ 12,000	$ 132,230
Total non-depreciable capital assets	144,230	-	12,000	132,230
Buildings and improvements	-	-	-	-
Total depreciable capital assets	-	-	-	-
Total capital assets	144,230	-	12,000	132,230
Accumulated depreciation:				
Buildings and improvements	-			-
Total accumulated depreciation	-	-	-	-
Component unit capital assets, net	$ 144,230	$ -	$ 12,000	$ 132,230

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Interfund Balances and Transfers

Interfund balances and transfers for the year ended June 30, 2015, consisted of the following:

Interfund Balances	Due From:	Due To:
Water and Sewer Fund	$ 2,654	-0-
SPLOST 2007-2012 Capital Projects Fund	-0-	2,654
Total Interfund Balances	$ 2,654	$ 2,654

Interfund Transfers	Transfers From:					
Transfers to:	General Fund	CDBG Grants Fund	SPLOST 2012-2017 Fund	TSPLOST Discretionary Fund	Non-Major Governmental Fund	Total
Water and Sewer Fund	$ 1,061	$ 75,275	$ -	$ -	$ 65,767	$ 142,103
TSPLOST Capital Projects Fund	-	-	-	867,910	-	867,910
Non-Major Governmental Fund	197,454	-	61,669	-	-	259,123
	$ 198,515	$ 75,275	$ 61,669	$ 867,910	$ 65,767	$ 1,269,136

The transfers from the General Fund to the Water and Sewer Fund and Non-Major Governmental Funds are necessary because the costs associated with these funds are more than the operating revenues of these funds. Per resolution of the Board of Commissioners, the CDBG Grants Fund and Non-Major Governmental Funds incurred costs for water system improvements that were transferred to the Water and Sewer Fund at completion. The SPLOST 2012-2017 Fund transfers to the Debt Service Fund were for debt service payments on capital assets acquired per the SPLOST resolution.

3-F. Compensated Absences

The following is a breakdown of compensated absences by department for the year ended June 30, 2015:

General administration	$ 2,730
Court system	792
Public safety	10,638
Public works	1,960
Health and welfare	587
Culture and recreation	1,180
TOTAL	$ 17,887

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Long-term Debt

Changes in Long-Term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2015:

Governmental Activities	Outstanding 6/30/14	Additions	Reductions	Outstanding 6/30/15	Amounts Due in One Year
USDA Loan 2006	$ 116,102	$ -	$ 56,880	$ 59,222	$ 59,222
Kansas State Bank	-	22,942	6,412	16,530	7,489
John Deere Lease	119,990	-	24,494	95,496	21,356
Stryker Loan	7,304	-	4,798	2,506	2,506
Ford Motor Credit 2012	24,110	-	11,673	12,437	12,437
GEFA Loan 2012	154,234	-	17,441	136,793	18,117
Branch Banking & Trust	-	42,950	-	42,950	10,424
Compensated Absences	24,536	27,867	34,516	17,887	4,472
Total Governmental Activities	$ 446,276	$ 93,759	$ 156,214	$ 383,821	$ 136,023
Business-type Activities					
USDA Loan	$ 352,674	$ -	$ 5,469	$ 347,205	$ 5,684
GEFA Loan 2008	69,761	-	5,237	64,524	5,345
Total Business-type Activities	$ 422,435	$ -	$ 10,706	$ 411,729	$ 11,029

All long-term obligations of the County's governmental funds will be financed through future general fund expendable available financial sources as they become due. Principal and interest payments related to the County's water enterprise fund are financed from income derived from the operation of the water system and transfers from other funds.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. The employees' salaries are paid through the general fund except the enterprise funds. The governmental activities capital lease obligations will be paid from the general fund and the business-type activities capital lease will be paid from the solid waste fund.

Governmental Activities Long-Term Debt

USDA Loan Payable – General Fund – The County obtained a loan from USDA Rural Development for the purpose of purchasing public works equipment and emergency service equipment. The original amount of $497,090 was financed under the loan agreement and bears an interest rate of 4.125%. The maturity date of the loan is September 2015. The following is a schedule of projected payments:

YEAR	PRINCIPAL	INTEREST	TOTALS
2016	$ 59,222	$ 2,447	$ 61,669
Total	$ 59,222	$ 2,447	$ 61,669

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Long-term Debt (Continued)

Kansas State Bank Capital Lease – The County entered into a capital lease with Kansas State Bank in August 2014 for the purchase of emergency services equipment. The original amount of $ 22,942 was financed under the lease agreement with an interest rate of 10.428%. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the lease is included in governmental activities general capital assets in the amount of $ 20,211 (cost of $ 22,942 less accumulated depreciation of $ 2,731). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2016	$ 7,489	$ 1,373	$ 8,862
2017	8,309	553	8,862
2018	732	6	738
Total	$ 16,530	$ 1,932	$ 18,462

Stryker Finance Capital Lease – The County entered into a capital lease with Stryker Finance in December 2012 for the purchase of equipment. The original amount of $ 13,993 was financed under the lease agreement with an interest rate of 5.888%. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the lease is included in governmental activities general capital assets in the amount of $ 8,995 (cost of 13,993 less accumulated depreciation of $ 4,998). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2016	$ 2,506	$ 56	$ 2,562
Total	$ 2,506	$ 56	$ 2,562

Ford Motor Credit Capital Lease – The County entered into a capital lease with Ford Motor Credit in November 2012 for the purchase of a vehicle. The original amount of $ 48,315 was financed under the lease agreement with an interest rate of 6.45%. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the lease is included in governmental activities general capital assets in the amount of $ 18,336 (cost of 48,315 less accumulated depreciation of $ 29,979). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2016	$ 12,437	$ 797	$ 13,234
Total	$ 12,437	$ 797	$ 13,234

John Deere Financial Capital Lease – The County entered into a capital lease with John Deere Financial in July 2014 for the purchase of a three utility tractors and rotary cutters. The original amount of $ 119,990 was financed under the lease agreement with an interest rate of 3.00%. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the lease is included in governmental activities general capital assets in the amount of $ 101,478 (cost of 119,990 less accumulated depreciation of $18,512). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2016	$ 21,356	$ 2,361	$ 23,717
2017	23,976	1,897	25,873
2018	24,706	1,167	25,873
2019	25,458	415	25,873
Total	$ 95,496	$ 5,840	$ 101,336

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Long-term Debt (Continued)

GEFA Loan 2012 – The County obtained a loan with the Georgia Environmental Facilities Authority (GEFA). The proceeds are used to pay for the construction of a solid waste convenience/recycling center. The interest rate on this loan is 3.81%. Monthly payments are $ 1,918.

Annual debt service requirements to amortize the loan payable outstanding, as of June 30, 2015, follow:

YEAR	PRINCIPAL	INTEREST	TOTALS
2016	$ 18,117	$ 4,899	$ 23,016
2017	18,819	4,197	23,016
2018	19,549	3,467	23,016
2019	20,308	2,708	23,016
2020	21,095	1,921	23,016
2021 – 2022	38,905	1,373	40,278
Total	$ 136,793	$ 18,565	$ 155,358

Branch Banking & Trust Company Capital Lease – The County entered into a capital lease with Branch Banking & Trust Company Financial in February 2015 for the purchase of two vehicles. The original amount of $ 42,950 was financed under the lease agreement with an interest rate of 1.98%. Capital lease payments are reflected as debt service expenditures at the governmental fund reporting level. The equipment acquired by the lease is included in governmental activities general capital assets in the amount of $ 42,234 (cost of $ 42,950 less accumulated depreciation of $716). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2016	$ 10,424	$ 850	$ 11,274
2017	10,630	644	11,274
2018	10,841	433	11,274
2019	11,055	219	11,274
Total	$ 42,950	$ 2,146	$ 45,096

Business-type Activities Long-Term Debt

Business-type Activities Revenue Bonds – In 2004, the County issued $ 389,500 of water and sewerage revenue bonds, Series 2004 at an interest rate of 4.50% with monthly principal and interest maturity installments. Proceeds from this issuance were utilized in the construction, improvement and extension of the water/sewer system. Annual debt service requirements to amortize the revenue bonds outstanding, as of June 30, 2015, follow:

YEAR	PRINCIPAL	INTEREST	TOTALS
2016	$ 5,684	$ 15,544	$ 21,228
2017	5,945	15,283	21,228
2018	6,219	15,009	21,228
2019	6,505	14,723	21,228
2020	6,804	14,424	21,228
2021-2025	39,017	67,123	106,140
2026-2030	48,759	57,381	106,140
2031-2035	61,084	45,056	106,140
2036-2040	76,618	29,522	106,140
2041 – 2045	90,570	15,570	106,140
Total	$ 347,205	$ 289,635	$ 636,840

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Long-term Debt (Continued)

GEFA Loan 2008 – The County obtained a loan with the Georgia Environmental Facilities Authority (GEFA). The proceeds are used to pay for improvements and expansion of the County's water system. The interest rate on this loan is 2.00%. Monthly payments are $ 549.

Annual debt service requirements to amortize the loan payable outstanding, as of June 30, 2015, follow:

YEAR	PRINCIPAL	INTEREST	TOTALS
2016	$ 5,345	$ 1,239	$ 6,584
2017	5,453	1,131	6,584
2018	5,563	1,021	6,584
2019	5,675	909	6,584
2020	5,790	794	6,584
2021 – 2025	30,749	2,171	32,920
2026	5,949	57	6,006
Total	$ 64,524	$ 7,322	$ 71,846

COMPONENT UNITS

	Balance 06/30/14	Additions	Deletions	Balance 06/30/15	Due Within One Year
Compensated absences	$ 7,098	$ 3,727	$ (4,082)	$ 6,743	$ -
	$ 7,098	$ 3,727	$ (4,082)	$ 6,743	$ -

3-H. Pensions

The County sponsors the Association of County Commissioners of Georgia Pension Plan for County Employees (The Plan), which is a defined benefit pension plan. The authority for participation in the plan rests with the County Board of Commissioners.

The Plan provides retirement, disability, and death benefits to plan participants and beneficiaries. The Plan, through execution of an adoption agreement, is affiliated with the Association of County Commissioners of Georgia Second Restated Defined Benefit Plan (The ACCG Plan), an agent multiple-employer pension plan administered by Pension Service Company. The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of The ACCG Plan, as provided in Section 19.03 of The ACCG Plan document. The County has the authority to amend the adoption agreement, which defines the specific benefit provisions of The Plan, as provided in Section 19.02 of the ACCG Plan document.

Eligibility - All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Covered earnings of active participants for the year ended December 31, 2014 totaled $ 850,806. Total payroll for all employees totaled $ 1,891,541 for the same period.

Benefits Provided – Participants become eligible to retire at age 65 with three years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual compensation of 1% of average annual compensation multiplied by years of credited service after January 1, 2011 plus the accrued benefits as of December 31, 2010.

These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Pensions (Continued)

Funding Policy - The County is required to contribute an actuarially determined amount annually to the Plan's trust. The contribution amount is determined using actuarial methods and assumptions approved by The ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statues. County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan using the actuarial basis described in the annual valuation report.

Contributions – The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth 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 funding 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.

Employees covered by benefit terms – At January 1, 2014, the following employees were covered by the benefit terms:

Retirees, Beneficiaries and Disables receiving benefits	4
Terminated plan participants entitled to, but not yet receiving benefits	8
Active employees participating in the Plan	27
Total number of Plan Participants	39
Covered compensation for active participants	$ 850,806

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

Annul return on invested plan assets	7.50%
Projected annual salary increases	4.0%-5.5% based on age
Expected annual inflation	2.5%

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2000 – November1, 2009.

Sensitivity of the County's net pension liability to changes in the discount rate: The following presents the County's net pension liability calculated using the discount rate of 7.50 %, 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 (6.50 %) or 1- percentage-point higher (8.50 %) than the current rate:

	1% Decrease (6.50%)	Current discount rate (7.50%)	1% Increase (8.50%)
County's net pension liability	$ 186,600	$ 42,377	$(77,724)

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Pensions (Continued)

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

Asset class	Target allocation	Long-term expected real rate of return
S&P 500	30.00%	3.22%
Barclay's Agg.	30.00%	2.34%
MSCI EAFE	15.00%	1.43%
Citi Non US WEBI	5.00%	0.27%
NAREIT Equity	5.00%	0.57%
Russell 2000	5.00%	0.47%
Russell 3000	5.00%	0.53%
S&P Mid Cap	5.00%	0.66%
Total	100.00%	

Discount rate: The discount rate used to measure the total pension liability was 7.50 %. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member 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 plan members. 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.

For the year ended June 30, 2015, the County recognized pension expense of $ 45,251. At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -0-	$ -0-
Changes of assumptions	-0-	-0-
Net difference between projected and actual earnings on pension plan investments	6,027	-0-
Changes in proportion and differences between County contributions and proportionate share of contributions	-0-	-0-
County contributions subsequent to the measurement date	-0-	-0-
Total	$ 6,027	$ -0-

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Pensions (Continued)

County contributions subsequent to the measurement date of December 31, 2014 are reported as deferred outflows of resources and will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	$ 1,507
2017	1,507
2018	1,507
2019	1,506
2020	-
Thereafter	-

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2013	$ 938,582	$ 897,616	$ 40,966
Changes for the year:			
Service Cost	33,500	-	33,500
Interest on Total Pension Liability	69,084	-	69,084
Differences between expected and actual experience	-	-	-
Contributions - employer	-	49,867	(49,867)
Contributions - employee	-	-	-
Net investment income	-	64,457	(64,457)
Benefit payments (Adjusted for interest)	(34,923)	(34,923)	-
Administrative expenses	-	(6,679)	6,679
Other charges	-	(6,472)	6,472
Net Changes	67,661	66,250	1,411
Balances at December 31, 2014	$ 1,006,243	$ 963,866	$ 42,377

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2015, the County reported a liability for its net pension liability. The net pension liability was measured as of December 31, 2014. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2014. An expected total pension liability as of December 31, 2014 was determined using standard roll-forward techniques. The County's net pension liability was based on contributions to the Plan during the fiscal year ended December 31, 2014.

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Pensions (Continued)

Pension plan fiduciary net position:

Detailed information about the pension plan's fiduciary net position may be obtained from:

Government Employee Benefits Corporation of Georgia
400 Galleria Parkway, Suite 1250
Atlanta, Georgia 30339

3-I. Net Investment in Capital Assets

Net investment of capital assets on the government-wide statement of net position as of June 30, 2015, is as follows:

	Governmental Activities	Business Type Activities	Component Units
Cost of capital assets	$ 23,235,165	$ 4,757,657	$ 132,230
Less accumulated depreciation	(8,208,077)	(774,089)	-
Book value	15,027,088	3,983,568	132,230
Less capital related debt	(365,934)	(411,729)	-
Net Investment in Capital Assets	$ 14,661,154	$ 3,571,839	$ 132,230

(Continued on following page)

Note 3 - Detailed Notes on All Funds (Continued)

3-J. Fund Balances

The County's fund balance designations are summarized as follows:

Non-spendable – The following fund balances are non-spendable because they are allocated to:	
General Fund:	
Prepaid items	$ 50,220
Restricted –The following fund balances are restricted for:	
General Fund:	
Culture and recreation	16,520
Debt Service Fund	
Debt service	49,645
Special Revenue Funds:	
Economic Development	196,953
E-911 Fund	16,359
Jail Fund	161,740
Drug Abuse and Treatment Fund	22,934
Sheriff Drug Fund	198,651
Volunteer Fireman Fund	29,045
Law Library Fund	35,637
Planning Commission Fund	613
TSPLOST Discretionary Fund	796,605
Capital Projects Funds:	
SPLOST 2007 - 2012	266,035
SPLOST 2012 – 2017	451,051
Assigned – The following fund balances are assigned to certain functions:	
General Fund:	
Fiscal Year 2016 Budget	13,792
Unassigned	952,333
Total Fund Balances	$ 3,258,133

Note 4 - Other Notes

4-A. Risk Management

The County is exposed to potential risk of loss in the areas of: theft, damage or destruction of County assets; errors and omission; natural disasters; and injuries to employees. Significant losses in these areas are covered by commercial insurance with the exception of workers' compensation. There have been no significant reductions in the amount of insurance coverage in the past year in any major category of risk. There have been no insurance settlements that exceeded coverage over past year.

Insurance Risk - The County has its property and liability insurance with the ACCG-Inter-local Risk Management Agency, a self-insurance pool and a risk financing mechanism, whereby the members join together to provide a source of coverage for their property, automobiles, general liability, law enforcement liability, public officials liability, crime, and boiler and machinery exposures. The Fund is owned by its members and is managed by a seven-member board of trustees who are representatives from participating counties. The Fund is operated under the authority of OCGA 36-85-20 et seq. The ACCG-IRMA estimates the anticipated losses for its members and self-funds a portion of that exposure. The funds which are allocated for the anticipated losses are deposited and invested until such time that they are needed to pay claims. The ACCG-IRMA purchases appropriate reinsurance coverage to provide for catastrophic losses or for an unanticipated increase in frequency of smaller claims.

Note 4 - Other Notes (Continued)

4-A. Risk Management (Continued)

The County is a member of the Association County Commissioners of Georgia Group Self-Insurance Workers' Compensation Fund, a risk sharing public entity risk pool currently operating as a common risk management and insurance program for member local governments. This fund was created to provide its members with an alternative method in which to finance their workers' compensation coverage. The County pays an annual premium to the fund for its workers' compensation coverage. The fund purchases excess insurance to protect the fund from catastrophic losses and for any unexpected increase in frequency of smaller claims.

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the workers' compensation law of Georgia. The funds are 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.

4-B. Contingent Liabilities

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

The Warren County Development Authority adopted resolutions providing for the issuance of industrial revenue bonds to finance the construction and expansion of recreation facilities within Warren County. These bonds are special limited obligations of the Development Authority, payable solely from and secured by a pledge of rentals to be received from a lease agreement between the Development Authority and the third party entities. These bonds do not constitute a debt or pledge of the faith and credit of the Development Authority, Warren County or the state of Georgia, and accordingly, have not been included in the financial statements of any of these entities. As of June 30, 2015, approximately six hundred twenty six thousand nine hundred dollars in conduit debt obligations were outstanding.

According to the County attorney, as of the report date, there is no pending or threatened litigation in which the County is involved that will result in material liability to the County.

4-C. Joint Ventures

Under Georgia law, the County, in conjunction with other cities and counties in the fourteen county east central Georgia area, is a member of the Central Savannah River Area Regional Commission (RC) and is required to pay annual dues thereto. Membership in an RC is required by the Official Code of Georgia Annotated (OCGA) Section 50-8-34 which provides for the organizational structure of the RC in Georgia. The RC Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements of the CSRA RC may be obtained from:

Central Savannah River Area Regional Commission
3023 Riverwatch Parkway, Suite A
Augusta, Georgia 30907

Note 4 - Other Notes (Continued)

4-D. Landfill Post-closure Care Cost

The County landfill closed in April 1994. Currently, the County has a contract with a private waste disposal facility, whereby all county waste will be transferred and disposed of by the private company. State and Federal regulations require the County to maintain its landfill after closure. The County submitted a post-closure plan to the State of Georgia and received final approval in October 1995. The closure plan requires monitoring of ground water and methane gas wells on a periodic basis and maintenance of the landfill site for a period of thirty years. Post-closure care costs incurred for the year ended June 30, 2015 were $ 38,116.

Future costs to monitor the wells and adhere to the provisions and conditions of the post-closure plan are not expected to be material in amount. However, this estimate is subject to changes, if any, that may be required due to inflation or deflation, technology, or applicable laws or regulations.

4-E Prior Period Adjustments

SPLOST 2012 - 2017 Capital Projects Fund: The County has determined that a restatement of beginning fund balance of the SPLOST 2012 - 2017 Capital Projects Fund is necessary. Adjustments were made to restate the beginning fund balance in the SPLOST 2012 - 2017 Capital Projects Fund, as indicated on the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds. The prior period adjustments made to the SPLOST 2012 - 2017 Capital Projects Fund's beginning fund balance were as follows:

Fund balance, June 30, 2014, as previously reported	$	374,482
Prior period adjustments		72,788
Fund balance, June 30, 2014, restated	$	447,270

Governmental Activities: The County has determined that a restatement of beginning net position of the governmental activities is necessary as a result of the adjustments to the fund level balance and due to the implementation of GASB Statement No. 68, which included a change in the accounting and financial reporting of pensions. Adjustments were made to restate the beginning net position of the governmental activities, as indicated on the Statement of Activities. The beginning net position of the governmental activities has been restated from the prior year as follows:

Net position, June 30, 2014, as previously reported	$	17,771,179
Prior period adjustments		31,822
Net position, June 30, 2014, restated	$	17,803,001

4-F Compliance with O.M.B. Circular A-133

The County is not subject to the requirements of O.M.B. Circular A-133 for the year ended June 30, 2015.

Warren County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes	$ 2,738,000	$ 2,738,000	$ 2,771,952	$ 33,952
Intergovernmental	143,130	143,130	188,232	45,102
Charges for services	415,000	415,000	366,795	(48,205)
Fines, forfeitures and fees	288,000	288,000	204,758	(83,242)
Investment earnings	-	-	168	168
Miscellaneous	50,000	50,000	73,243	23,243
Total Revenues	3,634,130	3,634,130	3,605,148	(28,982)
Expenditures				
Current:				
General government	1,051,654	1,131,609	1,125,524	6,085
Judicial	316,085	347,579	344,588	2,991
Public safety	1,145,246	1,363,999	1,363,400	599
Public works	536,255	548,815	520,267	28,548
Health and welfare	195,369	216,698	214,212	2,486
Culture and recreation	76,636	76,636	74,632	2,004
Conservation of natural resources	65,107	65,107	63,623	1,484
Economic development	55,884	55,884	45,930	9,954
Debt Service:				
Principal retirement	17,441	17,441	17,441	-
Interest and fiscal charges	5,574	5,574	5,574	-
Total Expenditures	3,465,251	3,829,342	3,775,191	54,151
Excess (Deficiency) of Revenues Over (Under) Expenditures	168,879	(195,212)	(170,043)	25,169
Other Financing Sources (Uses)				
Transfers in (out)	-	-	(198,515)	(198,515)
Inception of capital lease obligation	-		42,950	42,950
Total Other Financing Sources (Uses)	-	-	(155,565)	(155,565)
Net Change in Fund Balances	$ 168,879	$ (195,212)	(325,608)	$ (130,396)
Fund Balance, Beginning of Year			1,358,473	
Fund Balances, End of Year			$ 1,032,865	

Warren County, Georgia
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2015

	2015
Total pension liability	
Service Cost	$ 33,500
Interest on Total Pension Liability	69,084
Benefit payments (Adjusted for interest)	(34,923)
Net change in total pension liability	67,661
Total pension liability, Beginning	938,582
Total pension liability, Ending	$ 1,006,243
Plan fiduciary net position	
Contributions - employer	$ 49,867
Net investment income	64,457
Benefit payments (Adjusted for interest)	(34,923)
Administrative expenses	(6,679)
Other charges	(6,472)
Net change in plan fiduciary net position	66,250
Plan fiduciary net position, Beginning	897,616
Plan fiduciary net position, Ending	$ 963,866
County's net pension liability	$ 42,377
Plan fiduciary net position as a percentage of the total pension liability	95.8%
Covered-employee payroll	$ 850,806
County's net pension liability as a percentage of covered-employee payroll	4.98%

Warren County, Georgia
Schedule of Pension Contributions
For the Year Ended June 30, 2015

	2015	2014	2013
Contractually required contribution	$ 49,867	$ 45,852	$ 49,592
Contributions in relation to the contractually required contribution	49,867	45,861	50,775
Contribution deficiency (excess)	$ -	$ (9)	$ (1,183)
County's covered-employee payroll	$ 850,806	$ 927,087	$ 833,502
Contributions as a percentage of covered-employee payroll	5.86%	4.95%	6.09%

Note 1 - Budgetary Information

Budgets for the general fund are adopted on a basis that is consistent with accounting principles generally accepted in the United States as applied to governments.

The County's financial statements did not reflect any expenditures in excess of budgeted amounts.

Note 2 - Schedule of Changes in Net Pension Liability and Related Ratios

Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

Note 3 - Schedule of Pension Contributions

Schedule is intended to show information for the last 10 fiscal years. Additional years will be displayed as they become available.

Method and assumptions used in calculations of actuarially determined contributions: The following actuarial methods and assumptions were used to determine the contractually required contributions for year ended June 30, 2015 reported in that schedule:

Valuation date	January 1, 2014
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, open
Remaining amortization method	30 years
Asset valuation period	Five-year smoothed market
Inflation rate	2.50%
Salary increases	3.50-5.50%
Investment rate of return	7.50%, net of pension plan investment expense, including inflation

Warren County, Georgia
General Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 984,693	$ 1,128,886
Receivables:		
Property taxes, net	187,847	218,357
Intergovernmental	140,559	120,884
Other	56,188	71,868
Prepaid items	50,220	65,166
Total Assets	$ 1,419,507	$ 1,605,161
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ 38,860	$ 57,648
Accrued expenses	34,581	25,559
Intergovernmental payable	41,318	9,335
Interfund payables	98,674	89,881
Total Liabilities	213,433	182,423
Deferred Inflows of Resources		
Unavailable revenue: property taxes	173,209	64,265
Total Liabilities and Deferred Inflows of Resources	386,642	246,688
Fund Balances		
Nonspendable		
Prepaid items	50,220	65,166
Restricted		
Culture and recreation	16,520	15,400
Assigned		
Fiscal Year 2016 Budget	13,792	13,864
Unassigned	952,333	1,264,043
Total Fund Balances	1,032,865	1,358,473
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 1,419,507	$ 1,605,161

Warren County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2014 Actual
REVENUES					
Taxes					
General property tax	$ 2,065,000	$ 2,065,000	$ 2,023,490	$ (41,510)	$ 2,104,132
Vehicle property tax	75,000	75,000	87,443	12,443	110,053
Title ad valorem tax	75,000	75,000	123,689	48,689	115,265
Mobile home property tax	18,000	18,000	29,651	11,651	32,244
Railroad equipment tax	20,000	20,000	25,711	5,711	41,656
Transfer & recording intangible taxes	-	-	207	207	20
Insurance premium tax	160,000	160,000	172,520	12,520	163,476
Local option sales tax	280,000	280,000	242,537	(37,463)	254,644
Energy excise tax	35,000	35,000	56,048	21,048	32,320
Franchise taxes	-	-	1,202	1,202	903
Alcoholic beverage licenses/taxes	10,000	10,000	9,454	(546)	11,762
Total Taxes	2,738,000	2,738,000	2,771,952	33,952	2,866,475
Intergovernmental					
Federal grant funds	-	-	-	-	45,347
Columbia County library supplement	45,000	45,000	44,890	(110)	43,177
Nutrition Program	29,000	29,000	30,312	1,312	35,854
DOT transit program revenues	42,130	42,130	57,388	15,258	51,256
State grant funds	27,000	27,000	55,642	28,642	-
Total Intergovernmental	143,130	143,130	188,232	45,102	175,634
Charges for Services					
Commissions on tax collections	61,000	61,000	62,468	1,468	67,010
Ambulance fees	298,000	298,000	263,108	(34,892)	280,907
Landfill usage fees	25,000	25,000	28,487	3,487	28,822
Jail subsidies	30,000	30,000	7,906	(22,094)	5,636
Code enforcement	1,000	1,000	-	(1,000)	-
Rental income	-	-	975	975	980
Library fees	-	-	3,851	3,851	4,050
Total Charges for Services	415,000	415,000	366,795	(48,205)	387,405

(Continued)

Warren County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				
REVENUES	**Original Budget**	**Final Budget**	**Actual**	**Variance Over (Under)**	**2014 Actual**
Fines, Forfeitures and Fees					
State and superior courts	$ 65,000	$ 65,000	$ 69,883	$ 4,883	$ 55,437
Magistrate court	17,000	17,000	12,514	(4,486)	18,803
Probate court	206,000	206,000	122,361	(83,639)	189,676
Total Fines, Forfeitures and Fees	288,000	288,000	204,758	(83,242)	263,916
Investment Earnings	-	-	168	168	712
Miscellaneous					
Penalties & interest/costs	25,000	25,000	56,336	31,336	38,557
Sale of surplus property	-	-	1,448	1,448	587
Other	25,000	25,000	15,459	(9,541)	13,429
Total Miscellaneous	50,000	50,000	73,243	23,243	52,573
TOTAL REVENUES	$ 3,634,130	$ 3,634,130	$ 3,605,148	$ (28,982)	$ 3,746,715

Warren County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2014 Actual
EXPENDITURES					
General Government					
Board of commissioners	$ 228,136	$ 237,140	$ 265,904	$ (28,764)	$ 224,161
Administration and accounting	283,900	314,900	303,475	11,425	279,171
Tax commissioner	129,454	127,754	127,145	609	118,764
Tax assessor	124,922	137,081	134,814	2,267	115,113
County buildings	212,890	231,071	229,698	1,373	311,445
Elections and registrar	72,352	83,663	64,488	19,175	59,768
Total General Government	1,051,654	1,131,609	1,125,524	6,085	1,108,422
Judicial					
State and superior courts	182,046	201,609	200,563	1,046	183,882
Magistrate court	32,204	32,204	30,694	1,510	30,778
Probate court	101,835	113,766	113,331	435	106,808
Total Judicial	316,085	347,579	344,588	2,991	321,468
Public Safety					
Sheriff	449,160	526,728	528,756	(2,028)	479,224
County jail	130,000	160,000	136,210	23,790	124,052
Emergency services	490,408	582,293	590,847	(8,554)	520,320
Code enforcement	59,553	71,553	89,250	(17,697)	59,809
Coroner	16,125	23,425	18,337	5,088	9,895
Total Public Safety	1,145,246	1,363,999	1,363,400	599	1,193,300
Public Works					
Landfill	172,084	172,084	167,501	4,583	170,070
Roads department	364,171	376,731	352,766	23,965	390,289
Total Public Works	536,255	548,815	520,267	28,548	560,359

(Continued)

Warren County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2014 Actual
EXPENDITURES					
Health and Welfare					
Health department	$ 25,000	$ 25,000	$ 27,083	$ (2,083)	$ 27,162
Transportation program	84,260	102,589	96,827	5,762	78,164
Senior citizens program	79,859	82,859	90,028	(7,169)	86,358
Family and Children Services	6,250	6,250	274	5,976	8,316
Total Health and Welfare	195,369	216,698	214,212	2,486	200,000
Culture and Recreation					
Library	76,636	76,636	74,632	2,004	74,797
Total Culture and Recreation	76,636	76,636	74,632	2,004	74,797
Conservation of Natural Resources					
Agriculture resources	49,107	49,107	47,627	1,480	47,989
Forestry resources	16,000	16,000	15,996	4	15,996
Total Conservation of Natural Resources	65,107	65,107	63,623	1,484	63,985
Economic Development					
Economic development	55,884	55,884	45,930	9,954	25,003
Total Economic Development	55,884	55,884	45,930	9,954	25,003
Debt Service					
Principal	17,441	17,441	17,441	-	16,790
Interest	5,574	5,574	5,574	-	6,225
Total Debt Service	23,015	23,015	23,015	-	23,015
TOTAL EXPENDITURES	$ 3,465,251	$ 3,829,342	$ 3,775,191	$ 54,151	$ 3,570,349

Warren County, Georgia
CDBG Grants Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ -	$ -
Intergovernmental receivable	-	71,451
Total Assets	$ -	$ 71,451
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 71,451
Total Liabilities	-	71,451
Fund Balances		
Restricted for capital projects	-	-
Total Fund Balances	-	-
Total Liabilities and Fund Balances	$ -	$ 71,451

Warren County, Georgia
CDBG Grants Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015	2014
Revenues		
Intergovernmental - CDBG Funds	$ 75,275	$ 403,126
Total Revenues	75,275	403,126
Expenditures		
Current:		
General government	-	65
Capital outlay		
Public works	75,275	403,126
Total Expenditures	75,275	403,191
Net Change in Fund Balances	-	(65)
Fund Balances, Beginning of Year	-	65
Fund Balances, End of Year	$ -	$ -

Warren County, Georgia
SPLOST 2012-2017 Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 560,975	$ 535,765
Intergovernmental receivable	31,408	37,322
Total Assets	$ 592,383	$ 573,087
Liabilities and Fund Balances		
Liabilities		
Intergovernmental payable	$ 141,332	$ 198,605
Total Liabilities	141,332	198,605
Fund Balances		
Restricted for capital projects	451,051	374,482
Total Fund Balances	451,051	374,482
Total Liabilities and Fund Balances	$ 592,383	$ 573,087

Warren County, Georgia
SPLOST 2012-2017 Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015	2014
Revenues		
Sales taxes	$ 401,994	$ 422,082
Intergovermental	84	-
Investment earnings	72	174
Total Revenues	402,150	422,256
Expenditures		
Intergovernmental	86,428	95,670
Capital outlay		
Public works	75,129	178,905
Public safety	22,942	1,967
Culture and recreation	118,317	112,888
Debt service:		
Principal	47,377	54,204
Interest	9,449	7,142
Total Expenditures	359,642	450,776
(Deficiency) of Revenues (Under) Expenditures	42,508	(28,520)
Other Financing Sources		
Transfers in (out)	(61,669)	-
Inception of capital lease obligations	22,942	119,990
Net Change in Fund Balance	3,781	91,470
Fund Balance, Beginning of Year	374,482	352,603
Prior Period Adjustment	72,788	(69,591)
Fund Balance, Beginning of Year, Restated	447,270	283,012
Fund Balance, End of Year	$ 451,051	$ 374,482

Warren County, Georgia
TSPLOST Discretionary Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 698,880	$ 739,904
Intergovernmental receivable	97,725	95,529
Interfund receivable	-	243,292
Total Assets	$ 796,605	$ 1,078,725
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total Liabilities	-	-
Fund Balances		
Restricted for public works	796,605	1,078,725
Total Liabilities and Fund Balances	$ 796,605	$ 1,078,725

Warren County, Georgia
TSPLOST Discretionary Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015	2014
Revenues		
Taxes - TSPLOST	$ 586,226	$ 574,679
Intergovernmental - LMIG Funds	-	243,292
Total Revenues	586,226	817,971
Expenditures		
Current:		
Public works	436	-
Total Expenditures	436	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	585,790	817,971
Other Financing Sources (Uses)		
Transfers in (out)	(867,910)	
Net Change in Fund Balances	(282,120)	817,971
Fund Balances, Beginning of Year	1,078,725	260,754
Fund Balances, End of Year	$ 796,605	$ 1,078,725

Warren County, Georgia
TSPLOST Capital Projects Fund
Balance Sheet
June 30, 2015

Assets	
Cash and cash equivalents	$ -
Total Assets	$ -
Liabilities and Fund Balances	
Liabilities	
Accounts payable	$ -
Total Liabilities	-
Fund Balances	
Restricted for public works	-
Total Liabilities and Fund Balances	$ -

Warren County, Georgia
TSPLOST Capital Projects Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended June 30, 2015

Revenues	
Taxes - TSPLOST	$ -
Intergovernmental - LMIG Funds	238,103
Total Revenues	238,103
Expenditures	
Capital Outlay:	
Public works	1,106,013
Total Expenditures	1,106,013
Excess (Deficiency) of Revenues Over (Under) Expenditures	(867,910)
Other Financing Sources (Uses)	
Transfers in (out)	867,910
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	-
Fund Balance, End of Year	$ -

Warren County, Georgia
Combining Balance Sheet
Non-major Governmental Funds
June 30, 2015

	Capital Projects Funds	Debt Service Funds	Special Revenue Funds								
	SPLOST 2007-2012 Fund	**Debt Service Fund**	**Revolving Loan Fund**	**E-911 Fund**	**Jail Fund**	**Sheriff Drug Fund**	**Volunteer Fireman Fund**	**Drug Abuse & Treatment**	**Planning Commission Fund**	**Law Library**	**Total**
Assets											
Cash and cash equivalents	$ 263,381	$ 49,645	$ 196,953	$ 13,831	$ 161,740	$ 235,420	$ 29,045	$ 22,934	$ 613	$ 35,637	$ 1,009,199
Receivables:											
Accounts, net	-	-	-	8,684	-	-	-	-	-	-	8,684
Interfund receivables	2,654	-	-	-	-	-	-	-	-	-	2,654
Total Assets	$ 266,035	$ 49,645	$ 196,953	$ 22,515	$ 161,740	$ 235,420	$ 29,045	$ 22,934	$ 613	$ 35,637	$ 1,020,537
Liabilities											
Accounts payable	$ -	$ -	$ -	$ 6,156	$ -	$ -	$ -	$ -	$ -	$ -	$ 6,156
Other liabilities	-	-	-	-	-	36,769	-	-	-	-	36,769
Total Liabilities	-	-	-	6,156	-	36,769	-	-	-	-	42,925
Fund Balances											
Restricted for program purposes	266,035	49,645	196,953	16,359	161,740	198,651	29,045	22,934	613	35,637	977,612
Total Liabilities and Fund Balances	$ 266,035	$ 49,645	$ 196,953	$ 22,515	$ 161,740	$ 235,420	$ 29,045	$ 22,934	$ 613	$ 35,637	$ 1,020,537

Warren County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended June 30, 2015

	Capital Projects Funds	Debt Service Funds	Special Revenue Funds								
	SPLOST 2007-2012 Fund	**Debt Service Funds**	**Revolving Loan Fund**	**E-911 Fund**	**Jail Fund**	**Sheriff Drug Fund**	**Volunteer Fireman Fund**	**Drug Abuse & Treatment**	**Planning Commission Fund**	**Law Library**	**Total**
Revenues											
Intergovernmental	$ -	$ -	$ -	$ 98,348	$ -	$ -	$ -	$ -	$ -	$ -	$ 98,348
Charges for services	-	-	-	54,059	-	-	-	-	-	-	54,059
Fines, forfeitures and fees	-	-	-	-	13,969	58,388	-	4,035	-	5,555	81,947
Investment earnings	-	13	-	-	95	-	-	-	-	-	108
Miscellaneous	-	-	-	-	-	-	13,406	-	-	-	13,406
Total Revenues	-	13	-	152,407	14,064	58,388	13,406	4,035	-	5,555	247,868
Expenditures											
Current:											
General government	-	36	-	-	-	-	-	-	-	-	36
Judicial	-	-	-	-	-	-	-	-	-	13,066	13,066
Public safety	-	-	-	313,861	10,311	34,574	3,277	1,267	-	-	363,290
Capital Outlay	44,539	-	-	30,472	-	-	-	-	-	-	75,011
Debt Service:											
Principal retirement	-	56,880	-	-	-	-	-	-	-	-	56,880
Interest and fiscal charges	-	4,789	-	-	-	-	-	-	-	-	4,789
Total Expenditures	44,539	61,705	-	344,333	10,311	34,574	3,277	1,267	-	13,066	513,072
Excess (Deficiency) of Revenues Over (Under) Expenditures	(44,539)	(61,692)	-	(191,926)	3,753	23,814	10,129	2,768	-	(7,511)	(265,204)
Other Financing (Uses)											
Transfers in (out), net	(21,228)	61,669	-	197,454	-	-	-	-	-	-	237,895
Net Change in Fund Balances	(65,767)	(23)	-	5,528	3,753	23,814	10,129	2,768	-	(7,511)	(27,309)
Fund Balances, Beginning	331,802	49,668	196,953	10,831	157,987	174,837	18,916	20,166	613	43,148	1,004,921
Fund Balances, Ending	$ 266,035	$ 49,645	$ 196,953	$ 16,359	$ 161,740	$ 198,651	$ 29,045	$ 22,934	$ 613	$ 35,637	$ 977,612

Warren County, Georgia
SPLOST 2007-2012 Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 263,381	$ 574,563
Interfund receivable	2,654	531
Total Assets	$ 266,035	$ 575,094
Liabilities and Fund Balances		
Liabilities		
Interfund payable	$ -	$ 243,292
Total Liabilities	-	243,292
Fund Balances		
Restricted for capital projects	266,035	331,802
Total Fund Balances	266,035	331,802
Total Liabilities and Fund Balances	$ 266,035	$ 575,094

Warren County, Georgia
SPLOST 2007-2012 Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015	2014
Revenues		
Sales taxes	$ -	$ -
Intergovernmental	-	8,769
Total Revenues	-	8,769
Expenditures		
Capital outlay		
Public works	44,539	34,000
Public safety	-	3,948
Economic development	-	7,040
Debt service:		
Principal	-	37,590
Interest	-	3,941
Total Expenditures	44,539	86,519
(Deficiency) of Revenues (Under) Expenditures	(44,539)	(77,750)
Other Financing Sources		
Transfers in (out)	(21,228)	(5,407)
Net Change in Fund Balance	(65,767)	(83,157)
Fund Balance, Beginning	331,802	414,959
Fund Balance, End of Year	$ 266,035	$ 331,802

Warren County, Georgia
Debt Service Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 49,645	$ 49,668
Fund Balances		
Restricted for program purposes	$ 49,645	$ 49,668

Warren County, Georgia
Debt Service Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Investment earnings	$ -	$ -	$ 13	$ 13	$ 12
Total Revenues	-	-	13	13	12
Expenditures					
Current:					
General government	-	36	36	-	36
Capital Outlay					
Debt Service:					
Principal retirement	56,880	56,880	56,880	-	-
Interest and fiscal charges	4,789	4,789	4,789	-	-
Total Expenditures	61,669	61,705	61,705	-	36
Excess (Deficiency) of Revenues Over (Under) Expenditures	(61,669)	(61,705)	(61,692)	13	(24)
Other Financing Sources (Uses)					
Transfers in	61,669	61,705	61,669	(36)	-
Net Change in Fund Balances	$ -	$ -	(23)	$ (23)	(24)
Fund Balances, Beginning of Year			49,668		49,692
Fund Balances, End of Year			$ 49,645		$ 49,668

Warren County, Georgia
Revolving Loan Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 196,953	$ 234,929
Intergovernmental receivable	-	33,656
Total Assets	$ 196,953	$ 268,585
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 71,632
Total Liabilities	-	71,632
Fund Balances		
Restricted for program purposes	196,953	196,953
Total Liabilities and Fund Balances	$ 196,953	$ 268,585

Warren County, Georgia
Revolving Loan Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Intergovernmental - Grants	$ -	$ -	$ -	$ -	$ 296,581
Total Revenues	-	-	-	-	296,581
Expenditures					
Capital Outlay					
Economic development	-	-	-	-	603,978
Net Change in Fund Balances	$ -	$ -	-	$ -	(307,397)
Fund Balances, Beginning of Year			196,953		504,350
Fund Balances, End of Year			$ 196,953		$ 196,953

Warren County, Georgia
E-911 Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 13,831	$ 7,990
Accounts receivable	8,684	9,377
Total Assets	$ 22,515	$ 17,367
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 6,156	$ 6,536
Total Liabilities	6,156	6,536
Fund Balances		
Restricted for program purposes	16,359	10,831
Total Liabilities and Fund Balances	$ 22,515	$ 17,367

Warren County, Georgia
E-911 Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Intergovernmental revenue	$ 99,428	$ 99,428	$ 98,348	$ (1,080)	$ 142,316
Charges for services	45,000	45,000	54,059	9,059	89,426
Total Revenues	144,428	144,428	152,407	7,979	231,742
Expenditures					
Current:					
Public safety	241,695	322,170	313,861	8,309	311,792
Capital Outlay	-	30,472	30,472	-	-
Total Expenditures	241,695	352,642	344,333	8,309	311,792
Excess (Deficiency) of Revenues Over (Under) Expenditures	(97,267)	(208,214)	(191,926)	16,288	(80,050)
Other Financing Sources (Uses)					
Transfers in	-	-	197,454	197,454	90,527
Net Change in Fund Balances	$ (97,267)	$ (208,214)	5,528	$ 213,742	10,477
Fund Balances, Beginning of Year			10,831		354
Fund Balances, End of Year			$ 16,359		$ 10,831

Warren County, Georgia
Jail Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 161,740	$ 167,220
Total Assets	$ 161,740	$ 167,220
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 9,233
Total liabilities	-	9,233
Fund Balances		
Restricted for program purposes	161,740	157,987
Total Liabilities and Fund Balances	$ 161,740	$ 167,220

Warren County, Georgia
Jail Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 20,000	$ 20,000	$ 13,969	$ (6,031)	$ 18,644
Investment earnings	-	-	95	95	130
Total Revenues	20,000	20,000	14,064	(5,936)	18,774
Expenditures					
Current:					
Public safety	115,000	115,000	10,311	104,689	9,744
Net Change in Fund Balances	$ (95,000)	$ (95,000)	3,753	$ 98,753	9,030
Fund Balances, Beginning of Year			157,987		148,957
Fund Balances, End of Year			$ 161,740		$ 157,987

Warren County, Georgia
Sheriff Drug Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 235,420	$ 186,037
Total Assets	$ 235,420	$ 186,037
Liabilities and Fund Balances		
Liabilities		
Other liabilities	$ 36,769	$ 11,200
Total Liabilities	36,769	11,200
Fund Balances		
Restricted for program purposes	198,651	174,837
Total Liabilities and Fund Balances	$ 235,420	$ 186,037

Warren County, Georgia
Sheriff Drug Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 6,000	$ 6,000	$ 58,388	$ 52,388	$ 229,419
Total Revenues	6,000	6,000	58,388	52,388	229,419
Expenditures					
Current:					
Public safety	11,500	34,574	34,574	-	11,083
Capital Outlay:					
Public safety	-	-	-	-	52,627
Total Expenditures	11,500	34,574	34,574	-	63,710
Net Change in Fund Balances	$ (5,500)	$ (28,574)	23,814	$ 52,388	165,709
Fund Balances, Beginning of Year			174,837		9,128
Fund Balances, End of Year			$ 198,651		$ 174,837

Warren County, Georgia
Volunteer Firemen Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 29,045	$ 18,916
Fund Balances		
Restricted for program purposes	$ 29,045	$ 18,916

Warren County, Georgia
Volunteer Firemen Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Miscellaneous	$ 2,000	$ 2,000	$ 13,406	$ 11,406	$ 8,607
Expenditures					
Current:					
Public safety	-	3,277	3,277	-	7,371
Net Change in Fund Balances	$ 2,000	$ (1,277)	10,129	$ 11,406	1,236
Fund Balances, Beginning of Year			18,916		17,680
Fund Balances, End of Year			$ 29,045		$ 18,916

Warren County, Georgia
Drug Abuse T&E Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 22,934	$ 21,474
Total Assets	$ 22,934	$ 21,474
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 1,308
Total Liabilities	-	1,308
Fund Balances		
Restricted for program purposes	22,934	20,166
Total Fund Balances	22,934	20,166
Total Liabilities and Fund Balances	$ 22,934	$ 21,474

Warren County, Georgia
Drug Abuse T&E Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 1,000	$ 1,000	$ 4,035	$ 3,035	$ 6,605
Expenditures					
Current:					
Public safety	20,000	1,267	1,267	-	4,030
Net Change in Fund Balances	$ (19,000)	$ (267)	2,768	$ 3,035	2,575
Fund Balances, Beginning of Year			20,166		17,591
Fund Balances, End of Year			$ 22,934		$ 20,166

Warren County, Georgia
Planning Commission Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 613	$ 613
Total Assets	$ 613	$ 613
Fund Balances		
Restricted for program purposes	$ 613	$ 613
Total Fund Balances	$ 613	$ 613

Warren County, Georgia
Planning Commission Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Miscellaneous	$ -	$ -	$ -	$ -	$ -
Expenditures					
Current:					
Housing and development	-	-	-	-	-
Net Change in Fund Balances	$ -	$ -	-	$ -	-
Fund Balances, Beginning of Year			613		613
Fund Balances, End of Year			$ 613		$ 613

Warren County, Georgia
Law Library Fund
Comparative Balance Sheet
June 30, 2015 and 2014

	2015	2014
Assets		
Cash and cash equivalents	$ 35,637	$ 43,148
Fund Balance		
Restricted for program purposes	$ 35,637	$ 43,148

Warren County, Georgia
Law Library Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual
For the Year Ended June 30, 2015
(With Comparative Actual Amounts for the Year Ended June 30, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 7,400	$ 13,066	$ 5,555	$ (7,511)	$ 7,463
Expenditures					
Current:					
Judicial	7,400	13,066	13,066	-	13,306
Net Change in Fund Balance	$ -	$ -	(7,511)	$ (7,511)	(5,843)
Fund Balance, Beginning of Year			43,148		48,991
Fund Balance, End of Year			$ 35,637		$ 43,148

Warren County, Georgia
Water and Sewer Fund
Comparative Statement of Net Position
June 30, 2015 and 2014

	2015	2014
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 430	$ 6,169
Restricted assets - cash	32,732	30,605
Total Current Assets	33,162	36,774
Noncurrent Assets:		
Capital Assets:		
Nondepreciable	-	437,126
Depreciable, net	3,983,568	3,535,879
Total Noncurrent Assets	3,983,568	3,973,005
TOTAL ASSETS	4,016,730	4,009,779
LIABILITIES		
Current Liabilities:		
Interfund payable	2,654	531
Notes payable	5,345	5,351
Revenue bond payable	5,684	5,434
Total Current Liabilities	13,683	11,316
Long-Term Liabilities:		
Notes payable (net of current portion)	59,179	64,410
Revenue bond payable (net of current portion)	341,521	347,240
Total Long-Term Liabilities	400,700	411,650
TOTAL LIABILITIES	414,383	422,966
Net Position		
Net investment in capital assets	3,571,839	3,550,570
Restricted for debt service	32,732	30,605
Unrestricted	(2,224)	5,638
TOTAL NET POSITION	$ 3,602,347	$ 3,586,813

Warren County, Georgia
Water and Sewer Fund
Comparative Statement of Revenues,
Expenses and Changes in Net Position
For the Years Ended June 30, 2015 and 2014

	2015	2014
Operating Revenues		
Charges for services	$ -	$ -
Miscellaneous	-	887
Total Operating Revenues	-	887
Operating Expenses		
Cost of water	179	138
Other	36	2,772
Depreciation	109,251	105,018
Total Operating Expenses	109,466	107,928
Operating Income (Loss)	(109,466)	(107,041)
Non-Operating Revenues (Expenses)		
Interest and fiscal charges	(17,107)	(17,450)
Investment earnings	4	5
Total Non-Operating Revenues (Expenses)	(17,103)	(17,445)
Income (Loss) Before Transfers and Capital Contributions	(126,569)	(124,486)
Transfers in (out)	22,289	5,407
Capital contributions	119,814	437,126
Change in Net Position	15,534	318,047
Net Position, Beginning of Year	3,586,813	3,268,766
Net Position, End of Year	$ 3,602,347	$ 3,586,813

Warren County, Georgia
Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds
For The Year Ended June 30, 2015

Clerk of Court	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 37,294	$ 191,352	$ 154,668	$ 3,686	$ 70,292
Liabilities					
Interfund payable	$ -	$ 63,731	$ 60,045	$ 3,686	$ -
Due to others	37,294	127,621	94,623	-	70,292
Total Liabilities	$ 37,294	$ 191,352	$ 154,668	$ 3,686	$ 70,292

Probate Court	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 26,806	$ 240,335	$ 177,816	$ 19,275	$ 70,050
Liabilities					
Interfund payable	$ -	$ 113,059	$ 93,784	$ 19,275	$ -
Due to others	26,806	127,276	84,032	-	70,050
Total Liabilities	$ 26,806	$ 240,335	$ 177,816	$ 19,275	$ 70,050

Tax Commissioner	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 171,796	$ 6,667,192	$ 6,410,097	$ 307,099	$ 121,792
Liabilities					
Interfund payable	$ -	$ 6,638,571	$ 6,331,472	$ 307,099	$ -
Due to others	171,796	28,621	78,625	-	121,792
Total Liabilities	$ 171,796	$ 6,667,192	$ 6,410,097	$ 307,099	$ 121,792

Continued

Warren County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2015

Continued

Magistrate Court	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 11,836	$ 60,210	$ 66,494	$ 397	$ 5,155
Liabilities					
Interfund payable	$ -	$ 6,057	$ 5,660	$ 397	$ -
Due to others	11,836	54,153	60,834	-	5,155
Total Liabilities	$ 11,836	$ 60,210	$ 66,494	$ 397	$ 5,155

Total	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 247,732	$ 7,159,089	$ 6,809,075	$ 330,457	$ 267,289
Liabilities					
Interfund payable	$ -	$ 6,821,418	$ 6,490,961	$ 330,457	$ -
Due to others	247,732	337,671	318,114	-	267,289
Total Liabilities	$ 247,732	$ 7,159,089	$ 6,809,075	$ 330,457	$ 267,289

Warren County, Georgia
SECTION 5311 TRANSPORTATION PROGRAM
STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended June 30, 2015

Contract Number T005203
Grant Number GA-18-X033

REVENUES		
Reimbursements received from GA Department of Transportation	$	34,326
Participant contributions		3,360
TOTAL		37,686
EXPENDITURES		
Salaries and Fringe Benefits		
Administrative		12,181
Operating		44,179
Operating Expenditures		
Fuel and operational supplies		17,308
Vehicle maintenance		6,841
General insurance		1,570
Training expense		467
Telephone		889
Other operating expenses		2,598
TOTAL		86,033
Revenues in Excess of (less than) Expenditures	$	(48,347)

* * The revenues and expenditures listed above are actual revenues and expenditures for the periods shown. In some instances, these amounts will exceed the amounts reported on the monthly reimbursement requests submitted. This occurs due to the fact that once an expenditure classification exceeds its budget, actual expenditures incurred are no longer included on the reimbursement request.

Warren County, Georgia
Schedule of Projects Funded
with Special Sales Tax Proceeds (2007-2012)
For the Year Ended June 30, 2015

Special Sales Tax Imposed July 1, 2007	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percent Completed
			Prior Years (Restated)	Current Year	Total	
Warren County						
Roads and bridges ***	$ 1,216,000	$ 1,094,506	$ 1,091,417	$ -	$ 1,091,417	99.7%
Water and sewer projects **	349,400	314,526	154,769	65,767	220,536	70.1%
Economic development	384,000	345,633	201,708	-	201,708	58.4%
Emergency services ***	212,480	191,251	185,552	-	185,552	97.0%
Recreation projects	384,000	345,633	313,642	-	313,642	90.7%
	2,545,880	2,291,549	1,947,088	65,767	2,012,855	
Intergovernmental						
City of Warrenton	431,360	388,261	388,261	-	388,261	100.0%
City of Norwood	111,360	100,234	100,234	-	100,234	100.0%
Town of Camak	111,360	100,234	100,234	-	100,234	100.0%
	654,080	588,729	588,729	-	588,729	
TOTAL	$ 3,199,960	$ 2,880,278	$ 2,535,817	$ 65,767	$ 2,601,584	

** - For for certain projects, expenditures are netted with related grant revenues.

*** - For assets acquired through capital leases, capital acquisition costs are netted with obligations incurred and expenditures are recognized as debt service payments are made.

Warren County, Georgia
Schedule of Projects Funded
with Special Sales Tax Proceeds (2012-2017)
For the Year Ended June 30, 2015

Special Sales Tax Imposed July 1,2012	Original Estimated Cost	Expenditures			Estimated Percent Completed
		Prior Years	Current Year	Total	
Warren County					
Roads and bridges ***	$ 912,000	$ 120,262	$ 167,068	$ 287,330	26.3%
Water and sewer projects	374,400	-	-	-	0.0%
Economic development	320,000	-	-	-	0.0%
Emergency services	265,600	1,967	26,555	28,522	14.9%
Recreation projects	640,000	133,686	118,318	252,004	72.9%
	2,512,000	255,915	311,941	567,856	
Intergovernmental					
City of Warrenton	457,600	129,186	57,484	186,670	48.1%
City of Norwood	115,200	32,522	14,472	46,994	46.9%
Town of Camak	115,200	32,523	14,472	46,995	46.9%
	688,000	194,231	86,428	280,659	
TOTAL	$ 3,200,000	$ 450,146	$ 398,369	$ 848,515	

*** - For assets acquired through capital leases, capital acquisition costs are netted with obligations incurred and expenditures are recognized as debt service payments are made.

Warren County, Georgia
COMMUNITY DEVELOPMENT BLOCK GRANT
CDBG No. 12p-y-149-1-5462
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
For the Year Ended June 30, 2015

SOURCE OF FUNDS:		
CDBG funds drawn down by recipient and accrued during fiscal year ended June 30, 2015	$	75,275
APPLICATION OF FUNDS:		
Sewer Facilities		75,275
SOURCE OF FUNDS IN EXCESS OF (LESS THAN) APPLICATION	$	-

Warren County, Georgia
COMMUNITY DEVELOPMENT BLOCK GRANT
CDBG No. 12p-y-149-1-5462
STATEMENT OF PROJECT COST - BUDGET AND ACTUAL
For the Year Ended June 30, 2015

	TOTAL BUDGETED COSTS	PROJECT COSTS PRIOR TO FYE 6/30/2015 (RESTATED)	ACTUAL COSTS FYE 6/30/2015	TOTAL PROJECT COSTS TO DATE	(OVER) UNDER BUDGET
Sewer Improvement Project	$ 500,000	$ 424,725	$ 75,275	$ 500,000	$ -
Total	$ 500,000	$ 424,725	$ 75,275	$ 500,000	$ -

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

Honorable Chairman and Members of the
Board of Commissioners of Warren County
Warrenton, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Warren County, Georgia, (the County) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated December 3, 2015.

Internal Control Over Financial Reporting

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

Our consideration of internal control over financial reporting 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 were not identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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 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. 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 as items 2015-01 through 2015-02 to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matter that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2015-03.

We noted certain additional matters that we reported to the management of Warren County, Georgia, in a separate letter dated December 3, 2015.

Warren County, Georgia's Responses to Findings

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

Purpose of this Report

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.

Jones, Jones, Davis & Associates

Louisville, Georgia
December 3, 2015

Findings - Financial Statement Audit

2015-1 Lack of Segregation of Duties

Condition: There is not adequate segregation of duties between the recording, processing, distribution and reconciliation of cash accounts and other operational functions in the various funds, departments, and offices maintained by the County.

Criteria: A properly designed and effective system of internal control requires that there are a sufficient number of properly trained, skilled personnel to be able to segregate duties and responsibilities among personnel so that individuals initiating, verifying, reviewing, approving, recording or processing financial transactions are not performed by the same individual.

Effect: Errors, intentional or otherwise, and fraud could occur in the processing of financial transactions and the preparation of financial statements.

Cause: The material weakness is the result of the County not having sufficient personnel to provide an optimum level of appropriate segregation of duties and responsibilities between recording, processing, distribution and reconciliation of cash accounts and other operational functions in the various funds, departments, and offices maintained by the County.

Recommendation: Management should adopt policies and procedures to promote segregation of duties. Management should continue to monitor this situation and use alternative control measures where available to assist in safeguarding the County's assets.

Management's Response: Management concurs with the finding. The County will continue to evaluate the costs and related benefits of adding additional personnel to alleviate this issue. Management has implemented compensating controls to the extent practical.

2015-2 Debt Service Reserve Fund Deficiency

Condition: The County did not adequately establish and maintain debt service funds to meet the requirements set forth in the respective debt agreements or bond indentures.

Criteria: Controls must be in place to ensure that debt service reserve funds are maintained in compliance with debt agreements or bond indentures.

Effect: Failure to properly establish and maintain debt service funds that meet the obligation requirements set forth in debt agreements or bond indentures can result in potential default on the debt, as well as the reporting of incorrect financial information.

Recommendation: The County should review all debt agreements and bond indentures to ensure that it met all required obligations established in the debt agreements or bond indentures, including properly establishing and maintaining adequate debt service reserve funds.

Findings - Financial Statement Audit (Continued)

Management's Response: Management concurs with the finding. Management has identified the reserve requirements and will take steps to fund reserve accounts with accordance debt requirements.

Findings - Compliance

2015-3 Commingling of SPLOST Funds

Criteria: SPLOST proceeds shall be accounted for separately as specified in the resolution calling for imposition of the tax.

Condition: The County failed to adequately account for SPLOST proceeds in separate funds or accounts as specified in the resolution.

Effect: Failure to separately account for SPLOST funds in accordance with the resolution is a violation of state law.

Recommendation: The County should separately account for SPLOST funds as specified in the resolutions.

Management's Response: Management concurs with this finding. Subsequent to year end, the County completed an analysis of funds and took steps to segregate its SPLOST funds accordingly.