WARREN COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended

June 30, 2018

Warren County, Georgia
Annual Financial Report
For The Year Ended June 30, 2018

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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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

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, 2018, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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 discussed in Note 1-E-12 to the financial statements, the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 75. 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 September 20, 2018 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 the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Jenes, Jenes, Davis & Associates

Louisville, Georgia
September 20, 2018

Warren County, Georgia
Statement of Net Position
June 30, 2018

	Primary Government			
	Governmental Activities	Business-type Activities	Total	Component Units
Assets				
Current Assets				
Cash and cash equivalents	$ 3,140,156	$ 7	$ 3,140,163	$ 288,343
Receivables:				
Accounts	11,919	-	11,919	36,411
Property taxes	68,044	-	68,044	-
Intergovernmental	287,771	-	287,771	126,407
Interfund	2,123	(2,123)	-	-
Other	45,083	-	45,083	-
Prepaid items	86,615	-	86,615	-
Restricted Assets	-	37,036	37,036	-
Noncurrent Assets				
Proportionate share of collective net SEAD-OPEB asset	-	-	-	9,253
Capital Assets				
Nondepreciable capital assets	426,839	-	426,839	98,430
Depreciable capital assets, net	16,898,943	3,626,743	20,525,686	-
Total Assets	20,967,493	3,661,663	24,629,156	558,844
Deferred Outflows of Resources				
Deferred outflows of resources-				
Pension contributions	213,443	-	213,443	30,298
State OPEB contributions	-	-	-	38,561
SEAD-OPEB contributions	-	-	-	554
Total Deferred Outflows of Resources	213,443	-	213,443	69,413
Liabilities				
Current Liabilities				
Accounts payable	16,360	-	16,360	14,547
Accrued expenses	76,051	-	76,051	-
Intergovernmental payable	161,648	-	161,648	-
Other liabilities	169,715	-	169,715	-
Compensated absences payable	5,686	-	5,686	-
Capital leases payable	159,908	-	159,908	-
Notes payable	20,563	5,674	26,237	-
Revenue bonds payable	-	6,505	6,505	-
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	17,058	-	17,058	5,486
Capital leases payable (net of current portion)	365,675	-	365,675	-
Notes payable (net of current portion)	59,744	42,497	102,241	-
Revenue bonds payable (net of current portion)	-	322,739	322,739	-
Net pension liability	303,197	-	303,197	117,616
Net OPEB liability	-	-	-	99,900
Total Liabilities	1,355,605	377,415	1,733,020	237,549
Deferred Inflows of Resources				
Deferred inflows of resources-				
Related to pension plan	94,122	-	94,122	396
Related to state OPEB fund	-	-	-	7,235
Related to SEAD-OPEB fund	-	-	-	1,414
Total Deferred Inflows of Resources	94,122	-	94,122	9,045
Net Position				
Net investment in capital assets	16,719,892	3,249,328	19,969,220	98,430
Restricted for:				
Capital projects	506,360	-	506,360	-
Judicial	28,295	-	28,295	-
Public safety	186,701	-	186,701	-
Public works	749,798	-	749,798	-
Health and welfare	-	-	-	38,202
Culture and recreation	22,400	-	22,400	-
Debt service	-	37,036	37,036	-
Unrestricted	1,517,763	(2,116)	1,515,647	245,031
Total Net Position	$ 19,731,209	$ 3,284,248	$23,015,457	$ 381,663

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Activities
For the Year Ended June 30, 2018

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	$ 1,316,549	$ 70,056	$ 373,486	$ -	$ (873,007)	$ -	$ (873,007)	$ -
Judicial	395,135	304,917	-	-	(90,218)	-	(90,218)	-
Public safety	1,847,603	508,080	-	-	(1,339,523)	-	(1,339,523)	-
Public works	1,297,446	28,034	-	334,886	(934,526)	-	(934,526)	-
Health and welfare	246,945	-	124,851	486,410	364,316	-	364,316	-
Culture and recreation	115,041	4,254	37,957	-	(72,830)	-	(72,830)	-
Conservation of natural resources	66,357	-	-	-	(66,357)	-	(66,357)	-
Housing and development	47,805	-	92,243	-	44,438	-	44,438	-
Interest	17,778	-	-	-	(17,778)	-	(17,778)	-
Total Governmental Activities	5,350,659	915,341	628,537	821,296	(2,985,485)	-	(2,985,485)	-
Business-Type Activities								
Water and sewer	135,138	-	-	-	-	(135,138)	(135,138)	-
Total Business-Type Activities	135,138	-	-	-	-	(135,138)	(135,138)	-
Total - Primary Government	$ 5,485,797	$ 915,341	$ 628,537	$ 821,296	(2,985,485)	(135,138)	(3,120,623)	-
Component Units								
Department of Health	$ 172,167	$ 14,644	$ 189,356	$ -	-	-	-	31,833
Development Authority	29,114	18,300	-	-	-	-	-	(10,814)
Total - Component Units	$ 201,281	$ 32,944	$ 189,356	$ -	-	-	-	21,019
		General Revenues						
		Property taxes			2,258,729	-	2,258,729	-
		Sales taxes			1,316,465	-	1,316,465	-
		Other taxes and revenues			300,207	-	300,207	-
		Investment earnings			54	7	61	7
		Miscellaneous			13,345	-	13,345	-
		Special item - gain on disposition of assets			174,472	-	174,472	-
		Transfers in (out)			(27,973)	27,973	-	-
		Total General Revenues, Special Items and Transfers			4,035,299	27,980	4,063,279	7
		Change in Net Position			1,049,814	(107,158)	942,656	21,026
		Net Position, Beginning of Year			18,681,395	3,391,406	22,072,801	423,824
		Prior Period Adjustment			-	-	-	(63,187)
		Net Position, Beginning of Year, Restated			18,681,395	3,391,406	22,072,801	360,637
		Net Position, End of Year			$ 19,731,209	$ 3,284,248	$ 23,015,457	$ 381,663

See accompanying notes to the basic financial statements.

Warren County, Georgia
Balance Sheet
Governmental Funds
For the Year Ended June 30, 2018

	General	SPLOST 2012-2017 Fund	SPLOST 2017-2022 Fund	TSPLOST Discretionary Fund	TSPLOST Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	$ 1,647,634	$ 284,450	$ 291,723	$ 697,705	$ -	$ 218,644	$ 3,140,156
Receivables:							
Accounts, net	-	-	-	-	-	11,919	11,919
Property taxes	68,044	-	-	-	-	-	68,044
Intergovernmental	165,026	-	70,652	52,093	-	-	287,771
Interfund	50	2,123	-	-	-	-	2,173
Other	45,083	-	-	-	-	-	45,083
Prepaid items	86,615	-	-	-	-	-	86,615
Total Assets	$ 2,012,452	$ 286,573	$ 362,375	$ 749,798	$ -	$ 230,563	$ 3,641,761
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	$ 7,607	$ -	$ -	$ -	$ -	$ 8,753	$ 16,360
Accrued expenses	76,051	-	-	-	-	-	76,051
Intergovernmental payable	19,060	17,187	125,401	-	-	-	161,648
Interfund payable	-	-	-	-	-	50	50
Other liabilities	162,951	-	-	-	-	6,764	169,715
Total Liabilities	265,669	17,187	125,401	-	-	15,567	423,824
Deferred Inflows of Resources							
Unavailable revenue: property taxes	66,329	-	-	-	-	-	66,329
Total Liabilities and Deferred Inflows of Resources	331,998	17,187	125,401	-	-	15,567	490,153
Fund Balances							
Nonspendable	86,615	-	-	-	-	-	86,615
Restricted							
Judicial	-	-	-	-	-	28,295	28,295
Public safety	-	-	-	-	-	186,701	186,701
Public works	-	-	-	749,798	-	-	749,798
Capital projects	-	269,386	236,974	-	-	-	506,360
Culture and recreation	22,400	-	-	-	-	-	22,400
Unassigned	1,571,439	-	-	-	-	-	1,571,439
Total Fund Balances (Deficits)	1,680,454	269,386	236,974	749,798	-	214,996	3,151,608
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,012,452	$ 286,573	$ 362,375	$ 749,798	$ -	$ 230,563	$ 3,641,761

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, 2018

Total Governmental Fund Balances		$ 3,151,608
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	$ 2,123	
Interfund payables	(2,123)	-
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	27,527,307	
Less accumulated depreciation	(10,201,525)	17,325,782
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds.		66,329
Liabilities associated with the County's pension plan are recognized for accrual reporting, but not reported in the fund financial statements.		(303,197)
Recognition of the net difference between projected and actual earnings on pension plan investments, changes in assumptions, and changes in proportions are recognized as a deferred outflow of resources for accrual reporting, but not reported in the fund financial statements.		213,443
Recognition of the changes in proportion and differences between contributions and the proportionate share of contributions are recognized as a deferred inflow of resources for accrual reporting, but not reported in the fund financial statements.		(94,122)
Liabilities, including capital leases, compensated absences and notes payable, are not due and payable in the current period and therefore are not reported in the funds:		
Capital leases	(525,583)	
Notes payable	(80,307)	
Compensated absences	(22,744)	(628,634)
Net Position of Governmental Activities		$ 19,731,209

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, 2018

Revenues	General	SPLOST 2012-2017 Fund	SPLOST 2017-2022 Fund	TSPLOST Discretionary Fund	TSPLOST Capital Project Fund	Other Governmental Funds	Total Governmental Funds
Taxes	$ 3,005,186	$ -	$ 450,755	$ 593,684	$ -	$ -	$ 4,049,625
Intergovernmental	604,728	-	2,516	3,774	328,575	578,653	1,518,246
Charges for services	357,426	-	-	-	-	71,769	429,195
Fines, forfeitures and fees	346,160	-	-	-	-	51,183	397,343
Investment earnings	53	21	-	-	-	1	75
Miscellaneous	30,673	-	-	-	-	3,041	33,714
Total Revenues	4,344,226	21	453,271	597,458	328,575	704,647	6,428,198
Expenditures							
Current:							
General government	1,247,898	-	-	-	-	-	1,247,898
Judicial	383,890	-	-	-	-	10,869	394,759
Public safety	1,401,822	-	-	-	-	345,713	1,747,535
Public works	435,080	-	-	-	-	-	435,080
Health and welfare	238,258	-	-	-	-	-	238,258
Culture and recreation	79,309	-	-	-	-	-	79,309
Conservation of natural resources	66,357	-	-	-	-	-	66,357
Economic development	47,805	-	-	-	-	-	47,805
Intergovernmental	-	8,372	127,609	-	-	-	135,981
Capital Outlay	-	133,402	81,500	-	874,992	909,932	1,999,826
Debt Service:			-				
Principal retirement	30,390	59,400	6,904	-	9,991	29,216	135,901
Interest and fiscal charges	3,899	4,364	284	-	1,249	7,982	17,778
Total Expenditures	3,934,708	205,538	216,297	-	886,232	1,303,712	6,546,487
Excess (Deficiency) of Revenues Over (Under) Expenditures	409,518	(205,517)	236,974	597,458	(557,657)	(599,065)	(118,289)
Other Financing Sources (Uses)							
Inception of capital lease obligation	-	-	-	-	205,352	214,253	419,605
Transfers in (out), net	(193,713)	-	-	(352,305)	352,305	165,740	(27,973)
Total Other Financing Sources (Uses)	(193,713)	-	-	(352,305)	557,657	379,993	391,632
Special Items							
Proceeds from dispostion of assets	174,472	-	-	-	-	-	174,472
Net Change in Fund Balances	390,277	(205,517)	236,974	245,153	-	(219,072)	447,815
Fund Balances, Beginning	1,290,177	474,903	-	504,645	-	434,068	2,703,793
Fund Balances, Ending	$ 1,680,454	$ 269,386	$ 236,974	$ 749,798	$ -	$ 214,996	$ 3,151,608

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, 2018

Net Changes In Fund Balances - Total Governmental Funds		$ 447,815
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	$ 2,009,292	
Depreciation expense	(909,869)	1,099,423
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	66,329	
Deferred, beginning of year	(240,553)	(174,224)
Elimination of transfers between governmental funds:		
Transfers in	539,273	
Transfers out	(539,273)	-
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		(419,605)
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.		135,901
Net pension expense adjustments associated with changes in pension liability and net changes in deferred inflows and outflows not reported in governmental funds.		(37,827)
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	(22,744)	
Liability, beginning of year	21,075	(1,669)
Change In Net Position of Governmental Activities		$ 1,049,814

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Net Position
Proprietary Fund
June 30, 2018

	Water and Sewer Fund
Assets	
Current Assets:	
Cash and cash equivalents	$ 7
Restricted Assets:	
Cash and cash equivalents	37,036
Total Current Assets	37,043
Noncurrent Assets:	
Capital Assets:	
Nondepreciable, net	-
Depreciable, net	3,626,743
Total Noncurrent Assets	3,626,743
Total Assets	3,663,786
Liabilities	
Current Liabilities:	
Interfund payable	2,123
Notes payable	5,674
Revenue bonds payable	6,505
Total Current Liabilities	14,302
Long-Term Liabilities:	
Notes payable (net of current portion)	42,497
Revenue bonds payable (net of current portion)	322,739
Total Long-Term Liabilities	365,236
Total Liabilities	379,538
Net Position	
Net investment in capital assets	3,249,328
Restricted for debt service	37,036
Unrestricted	(2,116)
Total Net Position	$ 3,284,248

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, 2018

	Water and Sewer Fund
Operating Revenues	
Charges for services	$ -
Total Operating Revenues	-
Operating Expenses	
Cost of water	202
Depreciation	118,942
Total Operating Expenses	119,144
Operating Income (Loss)	(119,144)
Non-Operating Revenues (Expenses)	
Interest and fiscal charges	(15,994)
Investment earnings	7
Total Non-Operating Revenues (Expenses)	(15,987)
Income (Loss) before Transfers and Capital Contributions	(135,131)
Transfers in (out)	27,973
Change in Net Position	(107,158)
Net Position, Beginning of Year	3,391,406
Net Position, End of Year	$ 3,284,248

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2018

	Water and Sewer Fund
Increase (Decrease) in Cash and Cash Equivalents	
Cash Flows from Operating Activities	
Cash payments for goods and services	$ (202)
Net Cash Provided by (Used in) Operating Activities	(202)
Cash Flows from Noncapital Financing Activities	
Cash payments from other funds	2,123
Transfers in (out)	27,973
Net Cash Provided by (Used in) Noncapital Financing Activities	30,096
Cash Flows from Capital and Related Financing Activities	
Principal paid on long term debt	(11,818)
Interest paid	(15,994)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(27,812)
Cash Flows from Investing Activities	
Investment earnings	7
Net Increase (Decrease) in Cash and Cash Equivalents	2,089
Cash and Cash Equivalents, Beginning of Year	34,954
Cash and Cash Equivalents, End of Year	$ 37,043

See accompanying notes to the basic financial statements.

Warren County, Georgia
Statement of Cash Flows
Proprietary Fund
For the Year Ended June 30, 2018

(Continued)

	Water and Sewer Fund
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities	
Operating Income (Loss)	$ (119,144)
Adjustments:	
Depreciation	118,942
Net Cash Provided by (Used in) Operating Activities	$ (202)

See accompanying notes to the basic financial statements.

Warren County, Georgia
Comparative Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 240,162	$ 250,403
Liabilities		
Due to others	$ 240,162	$ 250,403
Total Liabilities	$ 240,162	$ 250,403

See accompanying notes to the basic financial statements.

Warren County, Georgia
Combining Statement of Net Position
Component Units
June 30, 2018

	Warren County Department of Health	Development Authority of Warren County	Total
Assets			
Current:			
Cash and cash equivalents	$ 122,840	$ 165,503	$ 288,343
Receivables:			
Accounts	36,411	-	36,411
Intergovernmental	-	126,407	126,407
Noncurrent:			
Capital Assets:			
Proportionate share of collective net SEAD-OPEB asset	9,253	-	9,253
Nondepreciable capital assets	-	98,430	98,430
Total Assets	168,504	390,340	558,844
Deferred Outflows of Resources			
Deferred outflows of resources-			
Retirement contributions	30,298	-	30,298
State OPEB contributions	38,561	-	38,561
SEAD-OPEB contributions	554	-	554
Total Deferred Outflows of Resources	69,413	-	69,413
Liabilities			
Current Liabilities:			
Accounts payable	14,547	-	14,547
Long-Term Liabilities: (net of current portion)			
Compensated absences payable	5,486	-	5,486
Net pension liability	117,616	-	117,616
Net OPEB liability	99,900	-	99,900
Total Liabilities	237,549	-	237,549
Deferred Inflows of Resources			
Deferred inflows of resources -			
Related to pension plan	396	-	396
Related to state OPEB fund	7,235	-	7,235
Related to SEAD-OPEB fund	1,414	-	1,414
Total Deferred Inflows of Resources	9,045	-	9,045
Net Position			
Investment in capital assets	-	98,430	98,430
Restricted:			
Health and welfare	38,202	-	38,202
Unrestricted	(46,879)	291,910	245,031
Total Net Position	$ (8,677)	$ 390,340	$ 381,663

See accompanying notes to the basic financial statements.

Warren County, Georgia
Combining Statement of Activities
Component Units
For the Year Ended June 30, 2018

	Warren County Department of Health	Development Authority of Warren County	Total
Expenses			
Health and welfare	$ 172,167	$ -	$ 172,167
General government	-	29,114	29,114
Total Expenses	172,167	29,114	201,281
Revenues			
Program revenues:			
Charges for services	14,644	18,300	32,944
Operating grants and contributions	189,356	-	189,356
Total Program Revenues	204,000	18,300	222,300
Net Program (Expense)	31,833	(10,814)	21,019
General Revenues			
Investment earnings	-	7	7
Total General Revenues	-	7	7
Change in Net Position	31,833	(10,807)	21,026
Net Position, Beginning of Year	22,677	401,147	423,824
Prior Period Adjustment	(63,187)	-	(63,187)
Net Position, Beginning of Year, Restated	(40,510)	401,147	360,637
Net Position, End of Year	$ (8,677)	$ 390,340	$ 381,663

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 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 SPLOST 2017-2022 Capital Projects Fund – This fund accounts for the special purpose local option sales taxes approved in November 2016 and went into effect July 2017. 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.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting

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.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

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, 2018.

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 (if material) 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, 2018, 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.

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-7 Capital Assets (Continued)

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.*"

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.

Note 1 - Summary of Significant Accounting Policies (Continued)

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. 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 has two items that qualify for reporting in this category; unavailable revenue, which arises only under a modified accrual basis of accounting, and deferred inflows related to pensions. 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. The government-wide financial statements report deferred inflows related pensions and will be recognized as a reduction of pension expense over a five-year closed period.

1-E-11 Pensions

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.

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 Postemployment Benefits Other Than Pensions (OPEB)

For the year ended June 30, 2018, the County implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB Statement No. 75 establishes standards for measuring and recognizing net OPEB liabilities, deferred outflows of resources, deferred inflows of resources, and expenses related to OPEB provided through defined benefit OPEB plans. In addition, Statement No. 75 requires disclosure of information related to OPEB. For the fiscal year ended June 30, 2018, the County did not have any OPEB items that were required to be disclosed to be in compliance with GASB Statement No. 75.

1-E-13 Fund Balance

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

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:

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-13 Fund Balance (Continued)

- ***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 a 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 is 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-14 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.

1-E-15 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E-16 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-17 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-18 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.

1-E-19 Tax Abatements

GASB Statement No. 77 establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosure will include descriptive information about the tax being abated, the gross dollar amount of taxes abated during the period and any additional comments made by the County.

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 2 – Stewardship, Compliance and Accountability (Continued)

2-A. Budgetary Information (Continued)

The following function overspent the final fiscal year 2018 annual budget:

	Budget	Actual	Variance
Jail Fund			
Public safety	$ 43,000	$ 51,410	$ (8,410)

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.

The County participates in the pooled method with its depositors to collateralize funds as allowed by law. At June 30, 2018, the County's deposits and investments were exposed to custodial credit risk as follows:

Carrying amount of the County's deposits	$ 3,417,361
Bank balances of the County's deposits	3,572,888
Deposits covered by depository insurance	570,618
Deposits collateralized by securities	2,970,248
Deposits uninsured and uncollateralized	32,022

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, 2018, the County's component units' bank balances were properly insured and collateralized as required by OCGA Section 45-8-12(c) and as defined by GASB pronouncements.

3-B. Receivables

Receivables at June 30, 2018, 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.

Note 3 - Detailed Notes on All Funds (Continued)

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 2017. Property tax bills were mailed on October 16, 2017 and were due by December 20, 2017. 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.

3-D. Capital Assets

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

	Beginning Balance	Additions	Deductions	Ending Balance
GOVERNMENTAL ACTIVITIES:				
Nondepreciable capital assets:				
Land	$ 426,839	$ -	$ -	$ 426,839
Construction in progress	68,978	190,880	259,858	-
Total capital assets not being depreciated	495,817	190,880	259,858	426,839
Depreciable capital assets:				
Buildings and improvements	7,211,324	694,644	-	7,905,968
Infrastructure	12,043,345	878,908	-	12,922,253
Vehicles and equipment	6,176,529	504,718	409,000	6,272,247
Total depreciable capital assets	25,431,198	2,078,270	409,000	27,100,468
Total capital assets	25,927,015	2,269,150	668,858	27,527,307
Accumulated depreciation:				
Buildings and improvements	1,945,109	130,774	-	2,075,883
Infrastructure	2,472,849	605,773	-	3,078,622
Vehicles and equipment	5,282,698	173,322	409,000	5,047,020
Total accumulated depreciation	9,700,656	909,869	409,000	10,201,525
Governmental activitivties capital assets, net	$ 16,226,359	$ 1,359,281	$ 259,858	$ 17,325,782

Governmental activities depreciation expense:

General government	$ 71,066
Public safety	117,027
Public works	669,736
Health and welfare	8,420
Culture and recreation	43,620
Total governmental activities depreciation expense	$ 909,869

Note 3 - Detailed Notes on All Funds (Continued)

3-D. Capital Assets (Continued)

	Beginning Balance	Additions	Deductions	Ending Balance
BUSINESS-TYPE ACTIVITIES:				
Depreciable capital assets:				
Utility systems	$ 4,757,657	$ -	$ -	$ 4,757,657
Total depreciable capital assets	4,757,657	-	-	4,757,657
Total capital assets	4,757,657	-	-	4,757,657
Accumulated depreciation:				
Utility systems	1,011,972	118,942		1,130,914
Total accumulated depreciation	1,011,972	118,942	-	1,130,914
Business-type activities capital assets, net	$ 3,745,685	$ (118,942)	$ -	$ 3,626,743

	Beginning Balance	Additions	Deductions	Ending Balance
COMPONENT UNITS:				
Non-depreciable capital assets:				
Land	$ 98,430	$ -	$ -	$ 98,430
Total non-depreciable capital assets	98,430	-	-	98,430
Buildings and improvements	-	-	-	-
Total depreciable capital assets	-	-	-	-
Total capital assets	98,430	-	-	98,430
Accumulated depreciation:				
Buildings and improvements	-			-
Total accumulated depreciation	-	-	-	-
Component unit capital assets, net	$ 98,430	$ -	$ -	$ 98,430

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Interfund Balances and Transfers

Interfund balances and transfers for the year ended June 30, 2018, consisted of the following:

Interfund Balances	Due From:	Due To:
General Fund	$ -0-	$ 50
SPLOST 2012-2017 Capital Projects Fund	-0-	2,123
Water and Sewer Fund	2,123	-0-
CDBG 2016 Grant Fund	50	-0-
Total Interfund Balances	$ 2,173	$ 2,173

Interfund Transfers	Transfers From:			
Transfers to:	General Fund	TSPLOST Discretionary Fund	Non-Major Governmental Fund	Total
Water and Sewer Fund	$ 6,745	$ -	$ 21,228	$ 27,973
TSPLOST Capital Projects Fund	-	352,305	-	352,305
Non-Major Governmental Fund	186,968	-	-	186,968
	$ 193,713	$ 352,305	$ 21,228	$ 567,246

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. The TSPLOST Discretionary Fund transfers to the TSPLOST Capital Projects Fund were for expenditures incurred for approved transportation capital projects. The transfers from the Non-Major Governmental Funds to the Water and Sewer Fund were for debt service payments on capital assets acquired per resolution. The transfers from the Non-Major Governmental Funds to the General Fund were to supplement economic development expenditures.

3-F. Compensated Absences

The following is a breakdown of compensated absences by department for the year ended June 30, 2018:

General administration	$ 6,271
Court system	994
Public safety	12,914
Public works	1,285
Health and welfare	505
Culture and recreation	775
TOTAL	$ 22,744

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, 2018:

Governmental Activities	Outstanding 6/30/17 Restated	Additions	Reductions	Outstanding 6/30/18	Amounts Due in One Year
John Deere Lease	$ -	$ 205,352	$ 9,991	$ 195,361	$ 41,548
John Deere Lease	50,251	-	24,794	25,457	25,457
John Deere Lease	68,050	-	28,636	39,414	29,413
AT&T Capital Lease	-	116,270	26,475	89,795	22,107
AT&T Capital Lease	-	97,983	2,741	95,242	17,139
GEFA Loan 2012	99,856	-	19,549	80,307	20,563
Branch Banking & Trust	21,896	-	10,841	11,055	11,055
Branch Banking & Trust	82,133	-	12,874	69,259	13,189
Compensated Absences	21,075	31,767	30,098	22,744	5,686
Total Governmental Activities	$ 343,261	$ 451,372	$ 165,999	$ 628,634	$ 186,157
Business-type Activities					
USDA Loan	$ 335,502	$ -	$ 6,258	$ 329,244	$ 6,505
GEFA Loan 2008	53,731	-	5,560	48,171	5,674
Total Business-type Activities	$ 389,233	$ -	$ 11,818	$ 377,415	$ 12,179
Component Units					
Net pension liability	$ 121,619	$ -	$ 4,003	$ 117,616	$ -
Net state OPEB liability	83,185	16,715	-	99,900	-
Compensated Absences	8,161	6,211	8,886	5,486	-
Total Component Units	$ 212,965	$ 22,926	$ 12,889	$ 223,002	$ -

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.

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Long-term Debt (Continued)

Governmental Activities Long-Term Debt

John Deere Financial Capital Lease – The County entered into a capital lease with John Deere Financial in March 2018 for the purchase of a motor grader. The original amount of $ 205,352 was financed under the lease agreement with an interest rate of 3.75%. 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 $ 195,573 (cost of $ 205,352 less accumulated depreciation of $ 9,779). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 41,548	$ 7,164	$ 48,712
2020	39,877	5,087	44,964
2021	41,399	3,565	44,964
2022	42,978	1,986	44,964
2023	29,559	417	29,976
Total	$ 195,361	$ 18,219	$ 213,580

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 $ 50,053 (cost of $ 119,990 less accumulated depreciation of $ 69,937). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 25,457	$ 416	$ 25,873
Total	$ 25,457	$ 416	$ 25,873

John Deere Financial Capital Lease – The County entered into a capital lease with John Deere Financial in October 2015 for the purchase of excavation equipment. The original amount of $ 113,938 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 $ 82,605 (cost of $ 113,938 less accumulated depreciation of $ 31,333). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 29,413	$ 780	$ 30,193
2020	10,001	63	10,064
Total	$ 39,414	$ 843	$ 40,257

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Long-term Debt (Continued)

AT&T Capital Services Capital Lease – The County entered into a capital lease with AT&T Capital Services in July 2017 for the purchase of public safety equipment. The original amount of $ 116,270 was financed under the lease agreement with an interest rate of 5.69%. 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 $ 108,519 (cost of $ 116,270 less accumulated depreciation of $ 7,751). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 22,107	$ 4,542	$ 26,649
2020	23,400	3,249	26,649
2021	24,767	1,882	26,649
2022	19,521	466	19,987
Total	$ 89,795	$ 10,139	$ 99,934

AT&T Capital Services Capital Lease – The County entered into a capital lease with AT&T Capital Services in April 2018 for the purchase of public safety equipment. The original amount of $ 97,983 was financed under the lease agreement with an interest rate of 7.06%. 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 $ 97,983 (cost of $ 97,983 less accumulated depreciation of $ 0). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 17,139	$ 6,177	$ 23,316
2020	18,389	4,927	23,316
2021	19,730	3,586	23,316
2022	21,169	2,147	23,316
2023	18,815	615	19,430
Total	$ 95,242	$ 17,452	$ 112,694

GEFA Loan 2012 – The County obtained a loan with the Georgia Environmental Facilities Authority (GEFA). The proceeds were 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, 2018, follow:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 20,563	$ 2,453	$ 23,016
2020	21,105	1,911	23,016
2021	21,923	1,093	23,016
2022	16,716	262	16,978
Total	$ 80,307	$ 5,719	$ 86,026

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Long-term Debt (Continued)

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 $ 16,465 (cost of $ 42,950 less accumulated depreciation of $ 26,485). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 11,055	$ 219	$ 11,274
Total	$ 11,055	$ 219	$ 11,274

Branch Banking & Trust Company Capital Lease – The County entered into a capital lease with Branch Banking & Trust Company Financial in May 2016 for the purchase of a pumper fire truck. The original amount of $ 94,699 was financed under the lease agreement with an interest rate of 2.45%. 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 $ 86,492 (cost of $ 94,699 less accumulated depreciation of $ 8,207). Future minimum lease payments are as follows:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 13,189	$ 1,697	$ 14,886
2020	13,513	1,373	14,886
2021	13,844	1,042	14,886
2022	14,183	703	14,886
2023	14,530	356	14,886
Total	$ 69,259	$ 5,171	$ 74,430

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, 2018, follow:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 6,505	$ 14,723	$ 21,228
2020	6,804	14,424	21,228
2021	7,117	14,111	21,228
2022	7,445	13,783	21,228
2023	7,788	13,440	21,228
2024-2028	44,555	61,585	106,140
2029-2033	55,819	50,321	106,140
2034-2038	70,025	36,115	106,140
2039-2043	87,688	18,452	106,140
2044-2045	35,498	6,958	42,456
Total	$ 329,244	$ 243,912	$ 573,156

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 were 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, 2018, follow:

YEAR	PRINCIPAL	INTEREST	TOTALS
2019	$ 5,674	$ 910	$ 6,584
2020	5,790	794	6,584
2021	5,906	678	6,584
2022	6,025	559	6,584
2023	6,147	437	6,584
2024 – 2026	18,629	321	18,950
Total	$ 48,171	$ 3,699	$ 51,870

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 five years of participation in the Plan. Covered earnings of active participants for the year ended December 31, 2017 totaled $ 938,872. Total payroll for all employees totaled $ 1,927,267 for the same period.

Benefits Provided – Participants become eligible to retire at age 65 with at least five 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.

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. For the year ended June 30, 2018, the County was required to contribute $ 72,331, or 7.70% of the covered employee payroll.

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Pensions (Continued)

Employees covered by benefit terms – At January 1, 2017, the following employees were covered by the benefit terms:

Retirees, Beneficiaries and Disables receiving benefits	7
Terminated plan participants entitled to, but not yet receiving benefits	10
Active employees participating in the Plan	26
Total number of Plan Participants	43
Covered compensation for active participants	$ 938,872

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2018, the County reported a liability for its net pension liability. The net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was based on an actuarial valuation as of January 1, 2017. An expected total pension liability as of December 31, 2017 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, 2017.

Actuarial assumptions - The total pension liability as of December 31, 2017 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Annul return on invested plan assets	7.25%
Projected annual salary increases	3.50%-6.00% 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 January 1, 2017 valuation were based on the results of a February 2014 actuarial experience study.

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%	3.07%
Barclay's Agg.	30.00%	1.97%
MSCI EAFE	15.00%	0.86%
Citi Non US WEBI	5.00%	0.30%
NAREIT Equity	5.00%	0.52%
Russell 2000	5.00%	0.47%
Russell 3000	5.00%	0.51%
S&P Mid Cap	5.00%	0.58%
Total	100.00%	

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Pensions (Continued)

Discount rate: The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that 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.

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 7.25 %, as well as what the County's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 %) or 1- percentage-point higher (8.25 %) than the current rate:

	1% Decrease (6.25%)	Current discount rate (7.25%)	1% Increase (8.25%)
County's net pension liability	$ 485,730	$ 303,197	$ 147,261

For the year ended June 30, 2018, the County recognized pension expense of $ 110,158. At June 30, 2018, 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	62,569	-0-
Net difference between projected and actual earnings on pension plan investments	36,386	67,890
Changes in proportion and differences between County contributions and proportionate share of contributions	114,488	26,232
County contributions subsequent to the measurement date	-0-	-0-
Total	$ 213,443	$ 94,122

County contributions subsequent to the measurement date of December 31, 2017 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, 2019. 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:	
2019	$ 31,145
2020	29,638
2021	15,603
2022	13,331
2023	29,604
Thereafter	-0-

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Pensions (Continued)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at December 31, 2016	$ 1,426,511	$ 1,029,935	$ 396,576
Changes for the year:			
Service Cost	40,460	-	40,460
Interest on Total Pension Liability	102,093	-	102,093
Differences between expected and actual experience	(20,783)	-	(20,783)
Assumption Change	5,585	-	5,585
Contributions - employer	-	72,331	(72,331)
Contributions - employee	-	-	-
Net investment income	-	163,007	(163,007)
Benefit payments (Adjusted for interest)	(36,669)	(36,669)	-
Administrative expenses	-	(7,219)	7,219
Other charges	-	(7,385)	7,385
Net Changes	90,686	184,065	(93,379)
Balances at December 31, 2017	$ 1,517,197	$ 1,214,000	$ 303,197

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

Other State of Georgia Pension Plans:

The Sheriff, Clerk of Court, Probate Judge, Magistrate Judge, Tax Commissioner, and various other employees of the County are covered by the State of Georgia retirement plans and are not included as part of the County's plan described above. These State Plans are funded, in part, through County fines and forfeitures collections. Information on each of these plans may be found at the following:

Georgia Sheriffs Association Retirement Fund
Post Office Box 1000
Stockbridge, Georgia 30281

Judges of the Probate Courts Retirement Fund of Georgia
Post Office Box 56
Griffin, Georgia 30224

Employee Retirement System
Two Northside 75, Suite 300
Atlanta, Georgia 30318

Superior Court of Clerk's Retirement Fund of Georgia
124 N. McDonough Street #3
Jonesboro, Georgia 30236

Magistrates Retirement Fund
Post Office Box 56
Griffin, Georgia 30224

Peace Officers' Annuity and Benefit Fund
Post Office Box 56
Griffin, Georgia 30224

Note 3 - Detailed Notes on All Funds (Continued)

3-I. Net Investment in Capital Assets

Net investment of capital assets on the government-wide statement of net position as of June 30, 2018, is as follows:

	Governmental Activities	Business Type Activities	Component Units
Cost of capital assets	$ 27,527,307	$ 4,757,657	$ 98,430
Less accumulated depreciation	(10,201,525)	(1,130,914)	-
Book value	17,325,782	3,626,743	98,430
Less capital related debt	(605,890)	(377,415)	-
Net Investment in Capital Assets	$ 16,719,892	$ 3,249,328	$ 98,430

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	$ 86,615

Restricted –The following fund balances are restricted for:

General Fund:	
Culture and recreation	22,400
Special Revenue Funds:	
E-911 Fund	37,945
Jail Fund	12,250
Drug Abuse and Treatment Fund	32,228
Sheriff Drug Fund	93,960
Volunteer Fireman Fund	10,318
Law Library Fund	28,295
TSPLOST Discretionary Fund	749,798
Capital Projects Funds:	
SPLOST 2012 - 2017	269,386
SPLOST 2017 – 2022	236,974
Unassigned	1,571,439
Total Fund Balances	$ 3,151,608

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 the past year.

Note 4 - Other Notes (Continued)

4-A. Risk Management (Continued)

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.

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.

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

Note 4 - Other Notes (Continued)

4-C. Joint Ventures (Continued)

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

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, 2018 were $ 31,280.

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 Compliance with the Uniform Guidance

The County is not subject to the requirements of the Uniform Guidance related to the receipt and expenditure of federal funds for the year ended June 30, 2018.

4-F Tax Abatements

Warren County grants various tax incentives that are negotiated on an individual basis. Additionally, the County is subject to tax abatements granted by other authorities in addition to state and federal tax abatement programs.

Tax incentives provided by the County include a reduction of property taxes based on the percentage negotiated and have the stated purpose of increasing employment and business investment in the County. Each of the incentive agreements contain a recapture provision that requires repayment of a portion of the abatement if the business fails to meet its job and/or investment thresholds.

For the fiscal year ended June 30, 2018, county property taxes for the calendar year 2017 were abated totaling approximately $ 85,016 under County approved tax incentive agreements through industrial revenue bonds between business entities and the Development Authority of Warren County. These agreements were established under the Development Authorities Act, OCGA Section 36-62-1. Individual tax abatements that exceeded ten percent of the total amount abated are as follows:

- 100% property tax abatement for a local manufacturer investing its manufacturing facility in Warren County. The abatement amounted to $ 85,016. The abatement was partially offset by a payment in lieu of taxes.

The Georgia Forest Land Protection Act of 2008 OCGA Section 48-5-7.7 provides for an ad valorem tax exemption for property primarily used for the good faith subsistence or commercial production of trees, timber, or other wood and wood fiber products and excludes the entire value of any residence located on the property. This 15-year covenant agreement between the taxpayer and County is limited to forest land tracts consisting of more than 200 acres when owned by an individual or individuals, or by any entity registered to do business in Georgia. County property tax abatements for properties entered into this covenant program in Warren County totaled approximately $ 213,933. No individual tax abatement exceeded ten percent of the total amount abated. The abatement was partially offset by state reimbursements.

4-G Subsequent Events

In preparing the financial statements, the County has evaluated events and transactions for potential recognition or disclosure through September 20, 2018. Management has not identified any items requiring recognition or disclosure.

Warren County, Georgia
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes	$ 2,891,000	$ 2,947,450	$ 3,005,186	$ 57,736
Intergovernmental	337,000	304,300	604,728	300,428
Charges for services	395,415	312,300	357,426	45,126
Fines, forfeitures and fees	290,000	318,000	346,160	28,160
Investment earnings	-	-	53	53
Miscellaneous	30,000	391,690	30,673	(361,017)
Total Revenues	3,943,415	4,273,740	4,344,226	70,486
Expenditures				
Current:				
General government	1,122,328	1,251,340	1,247,898	3,442
Judicial	376,430	407,330	383,890	23,440
Public safety	1,339,098	1,417,212	1,401,822	15,390
Public works	490,663	490,663	435,080	55,583
Health and welfare	208,732	255,813	238,258	17,555
Culture and recreation	76,457	81,707	79,309	2,398
Conservation of natural resources	69,011	69,011	66,357	2,654
Economic development	59,018	59,018	47,805	11,213
Debt Service:				
Principal retirement	31,288	31,288	30,390	898
Interest and fiscal charges	4,000	4,000	3,899	101
Total Expenditures	3,777,025	4,067,382	3,934,708	132,674
Excess (Deficiency) of Revenues Over (Under) Expenditures	166,390	206,358	409,518	203,160
Other Financing Sources (Uses)				
Transfers in (out)	(166,390)	(206,358)	(193,713)	12,645
Total Other Financing Sources (Uses)	(166,390)	(206,358)	(193,713)	12,645
Special Items				
Gain on disposition of assets	-	-	174,472	174,472
Net Change in Fund Balances	$ -	$ -	390,277	$ 215,805
Fund Balance, Beginning of Year			1,290,177	
Fund Balances, End of Year			$ 1,680,454	

Warren County, Georgia

Schedule of Changes in Net Pension Liability and Related Ratios

For the Year Ended June 30, 2018

	2018	2017	2016	2015
Total pension liability				
Service Cost	$ 40,460	$ 35,915	$ 36,340	$ 33,500
Interest on Total Pension Liability	102,093	96,427	74,018	69,084
Differences between expected and actual experience	(20,783)	(13,142)	183,182	-
Assumption change	5,585	42,463	45,420	-
Benefit payments (Adjusted for interest)	(36,669)	(41,683)	(38,672)	(34,923)
Net change in total pension liability	90,686	119,980	300,288	67,661
Total pension liability, Beginning	1,426,511	1,306,531	1,006,243	938,582
Total pension liability, Ending	$ 1,517,197	$ 1,426,511	$ 1,306,531	$ 1,006,243
Plan fiduciary net position				
Contributions - employer	$ 72,331	$ 67,185	$ 54,603	$ 49,867
Net investment income	163,007	63,675	6,746	64,457
Benefit payments (Adjusted for interest)	(36,669)	(41,683)	(38,672)	(34,923)
Administrative expenses	(7,219)	(10,269)	(7,082)	(6,679)
Other charges	(7,385)	(21,673)	(6,761)	(6,472)
Net change in plan fiduciary net position	184,065	57,235	8,834	66,250
Plan fiduciary net position, Beginning	1,029,935	972,700	963,866	897,616
Plan fiduciary net position, Ending	$ 1,214,000	$ 1,029,935	$ 972,700	$ 963,866
County's net pension liability	$ 303,197	$ 396,576	$ 333,831	$ 42,377
Plan fiduciary net position as a percentage of the total pension liability	80.02%	72.20%	74.45%	95.79%
Covered-employee payroll	$ 938,872	$ 855,242	$ 899,015	$ 850,806
County's net pension liability as a percentage of covered-employee payroll	32.29%	46.37%	37.13%	4.98%

Warren County, Georgia
Schedule of Pension Contributions
For the Year Ended June 30, 2018

	2018	2017	2016	2015	2014	2013
Contractually required contribution	$ 72,331	$ 67,185	$ 54,603	$ 49,867	$ 45,852	$ 49,592
Contributions in relation to the contractually required contribution	72,331	67,185	54,603	49,867	45,861	50,775
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ (9)	$ (1,183)
County's covered-employee payroll	$ 938,872	$ 855,242	$ 899,015	$ 850,806	$ 927,087	$ 833,502
Contributions as a percentage of covered-employee payroll	7.70%	7.86%	6.07%	5.86%	4.95%	6.09%

Note 1 - Budgetary Information

Budgets for the general fund and special revenue funds 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 reflect expenditures in excess of budgeted amounts in several expenditure classifications. The expenditures in excess of budget are considered to be material to the financial statements, and have been cited as compliance violations in the accompanying report on compliance with standards contained in Government Auditing Standards.

The following function overspent the final fiscal year 2018 annual budget:

	Budget	Actual	Variance
Jail Fund			
Public safety	$ 43,000	$ 51,410	$ (8,410)

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, 2018 reported in that schedule:

Valuation date	January 1, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll, open
Remaining amortization method	20 years
Asset valuation period	Five-year smoothed market
Inflation rate	2.50%
Salary increases	4.00-5.50%
Investment rate of return	7.25%, net of pension plan investment expense, including inflation

Warren County, Georgia
General Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 1,647,634	$ 1,226,662
Receivables:		
Property taxes, net	68,044	258,345
Intergovernmental	165,026	132,823
Interfund	50	50
Other	45,083	65,744
Prepaid items	86,615	85,961
Total Assets	$ 2,012,452	$ 1,769,585
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	$ 7,607	$ 18,786
Accrued expenses	76,051	46,988
Intergovernmental payable	19,060	56,693
Other liabilities	162,951	116,388
Total Liabilities	265,669	238,855
Deferred Inflows of Resources		
Unavailable revenue: property taxes	66,329	240,553
Total Liabilities and Deferred Inflows of Resources	331,998	479,408
Fund Balances		
Nonspendable		
Prepaid items	86,615	85,961
Restricted		
Culture and recreation	22,400	20,878
Assigned		
Unassigned	1,571,439	1,183,338
Total Fund Balances	1,680,454	1,290,177
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 2,012,452	$ 1,769,585

Warren County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2017 Actual
REVENUES					
Taxes					
General property tax	$ 2,140,000	$ 2,208,450	$ 2,157,024	$ (51,426)	$ 1,911,048
Vehicle property tax	95,000	97,000	45,979	(51,021)	57,412
Title ad valorem tax	95,000	97,000	164,409	67,409	147,142
Mobile home property tax	34,000	29,000	30,854	1,854	30,938
Railroad equipment tax	25,000	-	34,687	34,687	26,591
Insurance premium tax	180,000	210,000	210,547	547	196,595
Local option sales tax	255,000	228,000	272,026	44,026	261,577
Bank licenses and taxes	-	-	4,419	4,419	4,831
Energy excise tax	60,000	78,000	84,330	6,330	87,752
Franchise taxes	-	-	911	911	769
Alcoholic beverage licenses/taxes	7,000	-	-	-	3,405
Total Taxes	2,891,000	2,947,450	3,005,186	57,736	2,728,060
Intergovernmental					
Forest Land Protection Grant	165,000	130,000	359,435	229,435	175,485
Columbia County library supplement	38,000	34,000	37,957	3,957	34,818
Nutrition Program	30,000	52,000	55,549	3,549	38,541
DOT transit program revenues	48,000	67,000	69,302	2,302	82,663
State grant funds	56,000	21,300	68,434	47,134	43,848
Local funds	-	-	14,051	14,051	-
Total Intergovernmental	337,000	304,300	604,728	300,428	375,355
Charges for Services					
Commissions on tax collections	63,000	47,000	48,137	1,137	48,206
Ambulance fees	297,415	240,000	271,364	31,364	289,475
Landfill usage fees	28,000	25,000	28,034	3,034	29,633
Jail subsidies	6,000	-	4,087	4,087	5,608
Code enforcement	1,000	300	300	-	2,016
Rental income	-	-	1,250	1,250	2,445
Library fees	-	-	4,254	4,254	3,371
Total Charges for Services	395,415	312,300	357,426	45,126	380,754

(Continued)

Warren County, Georgia
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2017 Actual
REVENUES					
Fines, Forfeitures and Fees					
State and superior courts	$ 55,000	$ 36,000	$ 41,243	$ 5,243	$ 59,005
Magistrate court	20,000	17,000	18,981	1,981	17,191
Probate court	215,000	265,000	285,936	20,936	240,559
Total Fines, Forfeitures and Fees	290,000	318,000	346,160	28,160	316,755
Investment Earnings	-	-	53	53	421
Miscellaneous					
Penalties & interest/costs	30,000	30,000	20,369	(9,631)	30,030
Sale of surplus property	-	-	832	832	-
Other	-	361,690	9,472	(352,218)	8,381
Total Miscellaneous	30,000	391,690	30,673	(361,017)	38,411
TOTAL REVENUES	$ 3,943,415	$ 4,273,740	$ 4,344,226	$ 70,486	$ 3,839,756

Warren County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2017 Actual
EXPENDITURES					
General Government					
Board of commissioners	$ 248,213	$ 248,214	$ 255,292	$ (7,078)	$ 239,508
Administration and accounting	315,200	382,000	311,653	70,347	339,763
Tax commissioner	137,423	137,423	126,980	10,443	135,756
Tax assessor	144,862	156,773	155,001	1,772	153,614
County buildings	203,662	253,962	339,175	(85,213)	228,093
Elections and registrar	72,968	72,968	59,797	13,171	55,884
Total General Government	1,122,328	1,251,340	1,247,898	3,442	1,152,618
Judicial					
State and superior courts	224,212	253,612	231,920	21,692	243,626
Magistrate court	33,898	35,398	34,783	615	32,745
Probate court	118,320	118,320	117,187	1,133	115,763
Total Judicial	376,430	407,330	383,890	23,440	392,134
Public Safety					
Sheriff	532,860	551,860	545,057	6,803	524,610
County jail	180,000	203,000	192,058	10,942	175,947
Emergency services	547,707	582,820	589,729	(6,909)	563,398
Code enforcement	60,601	61,602	61,376	226	63,416
Coroner	17,930	17,930	13,602	4,328	6,980
Total Public Safety	1,339,098	1,417,212	1,401,822	15,390	1,334,351
Public Works					
Landfill	182,137	182,137	164,764	17,373	166,394
Roads department	308,526	308,526	270,316	38,210	244,183
Total Public Works	490,663	490,663	435,080	55,583	410,577

(Continued)

Warren County, Georgia
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				
	Original Budget	Final Budget	Actual	Variance Over (Under)	2017 Actual
EXPENDITURES					
Health and Welfare					
Health department	$ 25,000	$ 25,000	$ 22,917	$ 2,083	$ 25,030
Transportation program	82,407	111,738	109,286	2,452	88,464
Senior citizens program	95,075	117,075	105,323	11,752	102,526
Family and children services	6,250	2,000	732	1,268	1,157
Total Health and Welfare	208,732	255,813	238,258	17,555	217,177
Culture and Recreation					
Library	76,457	81,707	79,309	2,398	73,924
Total Culture and Recreation	76,457	81,707	79,309	2,398	73,924
Conservation of Natural Resources					
Agriculture resources	53,011	53,011	50,361	2,650	47,349
Forestry resources	16,000	16,000	15,996	4	15,996
Total Conservation of Natural Resources	69,011	69,011	66,357	2,654	63,345
Economic Development					
Economic development	59,018	59,018	47,805	11,213	47,076
Total Economic Development	59,018	59,018	47,805	11,213	47,076
Debt Service					
Principal	31,288	31,288	30,390	898	29,450
Interest	4,000	4,000	3,899	101	4,839
Total Debt Service	35,288	35,288	34,289	999	34,289
TOTAL EXPENDITURES	$ 3,777,025	$ 4,067,382	$ 3,934,708	$ 132,674	$ 3,725,491

Warren County, Georgia
SPLOST 2012-2017 Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 284,450	$ 515,579
Interfund receivable	2,123	-
Intergovernmental receivable	-	38,941
Total Assets	$ 286,573	$ 554,520
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 13,514
Intergovernmental payable	17,187	66,103
Total Liabilities	17,187	79,617
Fund Balances		
Restricted for capital projects	269,386	474,903
Total Fund Balances	269,386	474,903
Total Liabilities and Fund Balances	$ 286,573	$ 554,520

Warren County, Georgia
SPLOST 2012-2017 Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018	2017
Revenues		
Sales taxes	$ -	$ 433,575
Investment earnings	21	55
Total Revenues	21	433,630
Expenditures		
Intergovernmental	8,372	84,846
Capital outlay		
Public works	85,506	168,563
Public safety	6,875	23,395
Culture and recreation	17,187	42,095
Economic development	23,834	-
Debt service:		
Principal	59,400	66,564
Interest	4,364	6,790
Total Expenditures	205,538	392,253
Net Change in Fund Balance	(205,517)	41,377
Fund Balance, Beginning of Year	474,903	433,526
Fund Balance, End of Year	$ 269,386	$ 474,903

Warren County, Georgia
SPLOST 2017-2022 Fund
Balance Sheet
June 30, 2018

	2018
Assets	
Cash and cash equivalents	$ 291,723
Intergovernmental receivable	70,652
Total Assets	$ 362,375
Liabilities and Fund Balances	
Liabilities	
Accounts payable	$ -
Intergovernmental payable	125,401
Total Liabilities	125,401
Fund Balances	
Restricted for capital projects	236,974
Total Fund Balances	236,974
Total Liabilities and Fund Balances	$ 362,375

Warren County, Georgia
SPLOST 2017-2022 Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2018

	2018
Revenues	
Sales taxes	$ 450,755
Intergovermental	2,516
Total Revenues	453,271
Expenditures	
Intergovernmental	127,609
Capital outlay	
Public works	2,280
Culture and recreation	79,220
Debt service:	
Principal	6,904
Interest	284
Total Expenditures	216,297
Net Change in Fund Balance	236,974
Fund Balance, Beginning of Year	-
Fund Balance, End of Year	$ 236,974

Warren County, Georgia
TSPLOST Discretionary Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 697,705	$ 789,361
Intergovernmental receivable	52,093	49,571
Total Assets	$ 749,798	$ 838,932
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ 334,287
Total Liabilities	-	334,287
Fund Balances		
Restricted for public works	749,798	504,645
Total Liabilities and Fund Balances	$ 749,798	$ 838,932

Warren County, Georgia
TSPLOST Discretionary Fund
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018	2017
Revenues		
Taxes - TSPLOST	$ 593,684	$ 584,642
Intergovernmental	3,774	-
Total Revenues	597,458	584,642
Expenditures		
Current:		
Public works	-	3,329
Total Expenditures	-	3,329
Excess (Deficiency) of Revenues Over (Under) Expenditures	597,458	581,313
Other Financing Sources (Uses)		
Transfers in (out)	(352,305)	(1,042,672)
Net Change in Fund Balances	245,153	(461,359)
Fund Balances, Beginning of Year	504,645	966,004
Fund Balances, End of Year	$ 749,798	$ 504,645

Warren County, Georgia
TSPLOST Capital Projects Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
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
Comparative Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018	2017
Revenues		
Intergovernmental - LMIG Funds	$ 328,575	$ 328,324
Total Revenues	328,575	328,324
Expenditures		
Capital Outlay:		
Public works	874,992	1,370,996
Debt Service:		
Principal retirement	9,991	-
Interest and fiscal charges	1,249	-
Total Expenditures	886,232	1,370,996
Excess (Deficiency) of Revenues Over (Under) Expenditures	(557,657)	(1,042,672)
Other Financing Sources (Uses)		
Transfers in (out)	352,305	1,042,672
Inception of capital lease obligation	205,352	-
Total Other Financing Sources (Uses)	557,657	1,042,672
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, 2018

	Capital Projects Funds	Special Revenue Funds							
	SPLOST 2007-2012 Fund	E-911 Fund	Jail Fund	Sheriff Drug Fund	Volunteer Fireman Fund	Drug Abuse & Treatment	CDBG 2016 Grant Fund	Law Library	Total
Assets									
Cash and cash equivalents	$ -	$ 34,779	$ 12,250	$ 100,724	$ 10,318	$ 32,228	$ 50	$ 28,295	$ 218,644
Receivables:									
Accounts, net	-	11,919	-	-	-	-	-	-	11,919
Total Assets	$ -	$ 46,698	$ 12,250	$ 100,724	$ 10,318	$ 32,228	$ 50	$ 28,295	$ 230,563
Liabilities									
Accounts payable	$ -	$ 8,753	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,753
Interfund payables	-	-	-	-	-	-	50	-	50
Other liabilities	-	-	-	6,764	-	-	-	-	6,764
Total Liabilities	-	8,753	-	6,764	-	-	50	-	15,567
Fund Balances									
Restricted for program purposes	-	37,945	12,250	93,960	10,318	32,228	-	28,295	214,996
Total Liabilities and Fund Balances	$ -	$ 46,698	$ 12,250	$ 100,724	$ 10,318	$ 32,228	$ 50	$ 28,295	$ 230,563

Warren County, Georgia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended June 30, 2018

	Capital Projects Funds	Special Revenue Funds							
	SPLOST 2007-2012 Fund	**E-911 Fund**	**Jail Fund**	**Sheriff Drug Fund**	**Volunteer Fireman Fund**	**Drug Abuse & Treatment**	**CDBG 2016 Grant Fund**	**Law Library**	**Total**
Revenues									
Intergovernmental	$ -	$ 92,243	$ -	$ -	$ -	$ -	$ 486,410	$ -	$ 578,653
Charges for services	-	71,769	-	-	-	-	-	-	71,769
Fines, forfeitures and fees	-	-	34,246	-	-	3,988	-	12,949	51,183
Investment earnings	-	-	1	-	-	-	-	-	1
Miscellaneous	-	-	-	-	3,041	-	-	-	3,041
Total Revenues	-	164,012	34,247	-	3,041	3,988	486,410	12,949	704,647
Expenditures									
Current:									
Judicial	-	-	-	-	-	-	-	10,869	10,869
Public safety	-	292,016	51,410	-	1,096	1,191	-	-	345,713
Economic development	-	-	-	-	-	-	-	-	-
Capital Outlay	146,785	214,253	-	60,099	2,385	-	486,410	-	909,932
Debt Service:									
Principal retirement	-	29,216	-	-	-	-	-	-	29,216
Interest and fiscal charges	-	7,982	-	-	-	-	-	-	7,982
Total Expenditures	146,785	543,467	51,410	60,099	3,481	1,191	486,410	10,869	1,303,712
Excess (Deficiency) of Revenues Over (Under) Expenditures	(146,785)	(379,455)	(17,163)	(60,099)	(440)	2,797	-	2,080	(599,065)
Other Financing Sources (Uses)									
Transfers in (out), net	(21,228)	176,968	10,000	-	-	-	-	-	165,740
Inception of capital lease obligation	-	214,253	-	-	-	-	-	-	214,253
Total Other Financing Sources (Uses)	(21,228)	391,221	10,000	-	-	-	-	-	379,993
Net Change in Fund Balances	(168,013)	11,766	(7,163)	(60,099)	(440)	2,797	-	2,080	(219,072)
Fund Balances, Beginning	168,013	26,179	19,413	154,059	10,758	29,431	-	26,215	434,068
Fund Balances, Ending	$ -	$ 37,945	$ 12,250	$ 93,960	$ 10,318	$ 32,228	$ -	$ 28,295	$ 214,996

Warren County, Georgia
SPLOST 2007-2012 Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ -	$ 168,013
Total Assets	$ -	$ 168,013
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total Liabilities	-	-
Fund Balances		
Restricted for capital projects	-	168,013
Total Fund Balances	-	168,013
Total Liabilities and Fund Balances	$ -	$ 168,013

Warren County, Georgia
SPLOST 2007-2012 Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018	2017
Revenues		
Sales taxes	$ -	$ -
Total Revenues	-	-
Expenditures		
Capital outlay		
Public works	49,607	-
Economic development	97,178	28,574
Total Expenditures	146,785	28,574
(Deficiency) of Revenues (Under) Expenditures	(146,785)	(28,574)
Other Financing Sources		
Transfers in (out)	(21,228)	(21,405)
Net Change in Fund Balance	(168,013)	(49,979)
Fund Balance, Beginning	168,013	217,992
Fund Balance, End of Year	$ -	$ 168,013

Warren County, Georgia
E-911 Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 34,779	$ 15,399
Accounts receivable	11,919	10,780
Total Assets	$ 46,698	$ 26,179
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 8,753	$ -
Total Liabilities	8,753	-
Fund Balances		
Restricted for program purposes	37,945	26,179
Total Liabilities and Fund Balances	$ 46,698	$ 26,179

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, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Intergovernmental revenue	$ 108,970	$ 69,000	$ 92,243	$ 23,243	$ 91,051
Charges for services	58,000	58,000	71,769	13,769	68,834
Total Revenues	166,970	127,000	164,012	37,012	159,885
Expenditures					
Current:					
Public safety	308,160	308,160	292,016	16,144	301,797
Capital Outlay	-	214,253	214,253	-	-
Debt Service:					
Principal retirement	29,216	29,216	29,216	-	-
Interest and fiscal charges	7,982	7,982	7,982	-	-
Total Expenditures	345,358	559,611	543,467	16,144	301,797
Excess (Deficiency) of Revenues Over (Under) Expenditures	(178,388)	(432,611)	(379,455)	53,156	(141,912)
Other Financing Sources (Uses)					
Transfers in	166,390	206,358	176,968	(29,390)	163,172
Inception of capital lease obligation	-	214,253	214,253	-	-
Total Other Financing Sources (Uses)	166,390	420,611	391,221	(29,390)	163,172
Net Change in Fund Balances	$ (11,998)	$ (12,000)	11,766	$ 23,766	21,260
Fund Balances, Beginning of Year			26,179		4,919
Fund Balances, End of Year			$ 37,945		$ 26,179

Warren County, Georgia
Jail Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 12,250	$ 19,413
Total Assets	$ 12,250	$ 19,413
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total liabilities	-	-
Fund Balances		
Restricted for program purposes	12,250	19,413
Total Liabilities and Fund Balances	$ 12,250	$ 19,413

Warren County, Georgia
Jail Fund
Comparative Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 43,000	$ 43,000	$ 34,246	$ (8,754)	$ 20,807
Investment earnings	-	-	1	1	3
Total Revenues	43,000	43,000	34,247	(8,753)	20,810
Expenditures					
Current:					
Public safety	43,000	43,000	51,410	(8,410)	42,932
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(17,163)	(17,163)	(22,122)
Other Financing Sources (Uses)					
Transfers out	-	-	10,000	10,000	-
Net Change in Fund Balances	$ -	$ -	(7,163)	$ (7,163)	(22,122)
Fund Balances, Beginning of Year			19,413		41,535
Fund Balances, End of Year			$ 12,250		$ 19,413

Warren County, Georgia
Sheriff Drug Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 100,724	$ 160,823
Total Assets	$ 100,724	$ 160,823
Liabilities and Fund Balances		
Liabilities		
Other liabilities	$ 6,764	$ 6,764
Total Liabilities	6,764	6,764
Fund Balances		
Restricted for program purposes	93,960	154,059
Total Liabilities and Fund Balances	$ 100,724	$ 160,823

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, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 162,000	$ 162,000	$ -	$ (162,000)	$ 45,000
Total Revenues	162,000	162,000	-	(162,000)	45,000
Expenditures					
Current:					
Public safety	-	-	-	-	4,992
Capital Outlay:					
Public safety	162,000	162,000	60,099	101,901	54,223
Total Expenditures	162,000	162,000	60,099	101,901	59,215
Net Change in Fund Balances	$ -	$ -	(60,099)	$ (60,099)	(14,215)
Fund Balances, Beginning of Year			154,059		168,274
Fund Balances, End of Year			$ 93,960		$ 154,059

Warren County, Georgia
Volunteer Firemen Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 10,318	$ 10,758
Fund Balances		
Restricted for program purposes	$ 10,318	$ 10,758

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, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Miscellaneous	$ 19,000	$ 19,000	$ 3,041	$ (15,959)	$ 14,918
Expenditures					
Current:					
Public safety	2,000	2,000	1,096	904	12,504
Capital Outlay:					
Public safety	17,000	17,000	2,385	14,615	9,185
Total Expenditures	19,000	19,000	3,481	15,519	21,689
Net Change in Fund Balances	$ -	$ -	(440)	$ (440)	(6,771)
Fund Balances, Beginning of Year			10,758		17,529
Fund Balances, End of Year			$ 10,318		$ 10,758

Warren County, Georgia
Drug Abuse T&E Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 32,228	$ 29,431
Total Assets	$ 32,228	$ 29,431
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Total Liabilities	-	-
Fund Balances		
Restricted for program purposes	32,228	29,431
Total Fund Balances	32,228	29,431
Total Liabilities and Fund Balances	$ 32,228	$ 29,431

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, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 24,000	$ 24,000	$ 3,988	$ (20,012)	$ 6,555
Expenditures					
Current:					
Public safety	24,000	24,000	1,191	22,809	1,698
Net Change in Fund Balances	$ -	$ -	2,797	$ 2,797	4,857
Fund Balances, Beginning of Year			29,431		24,574
Fund Balances, End of Year			$ 32,228		$ 29,431

Warren County, Georgia
CDBG 2016 Grant Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 50	$ 50
Total Assets	$ 50	$ 50
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ -	$ -
Interfund payable	50	50
Total Liabilities	50	50
Fund Balances		
Restricted for capital projects	-	-
Total Fund Balances	-	-
Total Liabilities and Fund Balances	$ 50	$ 50

Warren County, Georgia
CDBG 2016 Grant Fund
Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Year Ended June 30, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018	2017
Revenues		
Intergovernmental - CDBG Funds	$ 486,410	$ 13,590
Total Revenues	486,410	13,590
Expenditures		
Capital outlay		
Health and welfare	486,410	13,590
Total Expenditures	486,410	13,590
Net Change in Fund Balances	-	-
Fund Balances, Beginning of Year	-	-
Fund Balances, End of Year	$ -	$ -

Warren County, Georgia
Law Library Fund
Comparative Balance Sheet
June 30, 2018 and 2017

	2018	2017
Assets		
Cash and cash equivalents	$ 28,295	$ 26,215
Fund Balance		
Restricted for program purposes	$ 28,295	$ 26,215

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, 2018
(With Comparative Actual Amounts for the Year Ended June 30, 2017)

	2018				2017
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Fines, forfeitures and fees	$ 25,000	$ 25,000	$ 12,949	$ (12,051)	$ 7,403
Expenditures					
Current:					
Judicial	25,000	25,000	10,869	14,131	10,867
Net Change in Fund Balance	$ -	$ -	2,080	$ 2,080	(3,464)
Fund Balance, Beginning of Year			26,215		29,679
Fund Balance, End of Year			$ 28,295		$ 26,215

Warren County, Georgia
Water and Sewer Fund
Comparative Statement of Net Position
June 30, 2018 and 2017

	2018	2017
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 7	$ 81
Restricted assets - cash	37,036	34,873
Total Current Assets	37,043	34,954
Noncurrent Assets:		
Capital Assets:		
Nondepreciable	-	-
Depreciable, net	3,626,743	3,745,685
Total Noncurrent Assets	3,626,743	3,745,685
TOTAL ASSETS	3,663,786	3,780,639
LIABILITIES		
Current Liabilities:		
Interfund payable	2,123	-
Notes payable	5,674	5,649
Revenue bond payable	6,505	6,219
Total Current Liabilities	14,302	11,868
Long-Term Liabilities:		
Notes payable (net of current portion)	42,497	48,082
Revenue bond payable (net of current portion)	322,739	329,283
Total Long-Term Liabilities	365,236	377,365
TOTAL LIABILITIES	379,538	389,233
Net Position		
Net investment in capital assets	3,249,328	3,356,452
Restricted for debt service	37,036	34,873
Unrestricted	(2,116)	81
TOTAL NET POSITION	$ 3,284,248	$ 3,391,406

Warren County, Georgia
Water and Sewer Fund
Comparative Statement of Revenues,
Expenses and Changes in Net Position
For the Years Ended June 30, 2018 and 2017

	2018	2017
Operating Revenues		
Charges for services	$ -	$ -
Total Operating Revenues	-	-
Operating Expenses		
Cost of water	202	219
Depreciation	118,942	118,942
Total Operating Expenses	119,144	119,161
Operating Income (Loss)	(119,144)	(119,161)
Non-Operating Revenues (Expenses)		
Interest and fiscal charges	(15,994)	(16,378)
Investment earnings	7	6
Total Non-Operating Revenues (Expenses)	(15,987)	(16,372)
Income (Loss) Before Transfers and Capital Contributions	(135,131)	(135,533)
Transfers in (out)	27,973	32,628
Change in Net Position	(107,158)	(102,905)
Net Position, Beginning of Year	3,391,406	3,494,311
Net Position, End of Year	$ 3,284,248	$ 3,391,406

Warren County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2018

Clerk of Court	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 38,866	$ 114,048	$ 110,267	$ 4,302	$ 38,345
Liabilities					
Interfund payable	$ -	$ 47,142	$ 42,840	$ 4,302	$ -
Due to others	38,866	66,906	67,427	-	38,345
Total Liabilities	$ 38,866	$ 114,048	$ 110,267	$ 4,302	$ 38,345

Probate Court	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 55,969	$ 495,269	$ 462,764	$ 17,856	$ 70,618
Liabilities					
Interfund payable	$ -	$ 306,849	$ 288,993	$ 17,856	$ -
Due to others	55,969	188,419	173,770	-	70,618
Total Liabilities	$ 55,969	$ 495,268	$ 462,763	$ 17,856	$ 70,618

Tax Commissioner	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 151,585	$ 8,014,287	$ 8,000,281	$ 35,875	$ 129,716
Liabilities					
Interfund payable	$ -	$ 2,852,007	$ 2,816,132	$ 35,875	$ -
Due to others	151,585	5,162,280	5,184,149	-	129,716
Total Liabilities	$ 151,585	$ 8,014,287	$ 8,000,281	$ 35,875	$ 129,716

Continued

Warren County, Georgia
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For The Year Ended June 30, 2018

Continued

Magistrate Court	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 3,983	$ 52,907	$ 54,944	$ 463	$ 1,483
Liabilities					
Interfund payable	$ -	$ 5,287	$ 4,824	$ 463	$ -
Due to others	3,983	47,620	50,120	-	1,483
Total Liabilities	$ 3,983	$ 52,907	$ 54,944	$ 463	$ 1,483

Total	Beginning Balance	Additions	Deductions	Eliminations	Ending Balance
Assets					
Cash	$ 250,403	$ 8,676,511	$ 8,628,256	$ 58,496	$ 240,162
Liabilities					
Interfund payable	$ -	$ 3,211,285	$ 3,152,789	$ 58,496	$ -
Due to others	250,403	5,465,225	5,475,466	-	240,162
Total Liabilities	$ 250,403	$ 8,676,510	$ 8,628,255	$ 58,496	$ 240,162

Warren County, Georgia
SECTION 5311 TRANSPORTATION PROGRAM
STATEMENT OF REVENUES AND EXPENDITURES
For the Year Ended June 30, 2018

Contract Number T005203
Grant Number GA-18-X033

REVENUES		
Reimbursements received from GA Department of Transportation	$	41,276
Participant contributions		3,437
TOTAL		44,713
EXPENDITURES		
Salaries and Fringe Benefits		
Administrative		13,098
Operating		67,179
Operating Expenditures		
Fuel and operational supplies		17,188
Vehicle maintenance		3,127
General insurance		2,435
Training expense		372
Telephone		1,017
Office supplies		31
Audit		406
Marketing		1,029
Other operating expenses		4,154
TOTAL		110,036
Revenues in Excess of (less than) Expenditures	$	(65,323)

* * 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, 2018

Special Sales Tax Imposed July 1, 2007	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percent Completed
			Prior Years	Current Year	Total	
Warren County						
Roads and bridges ***	$ 1,216,000	$ 1,091,417	$ 1,091,417	$ -	$ 1,091,417	100.0%
Water and sewer projects **	349,400	312,599	241,764	70,835	312,599	100.0%
Economic development	384,000	354,275	257,097	97,178	354,275	100.0%
Emergency services ***	212,480	185,552	185,552	-	185,552	100.0%
Recreation projects	384,000	313,642	313,642	-	313,642	100.0%
	2,545,880	2,257,485	2,089,472	168,013	2,257,485	
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	$ 2,846,214	$ 2,678,201	$ 168,013	$ 2,846,214	

** - 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, 2018

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	$ 589,601	$ 50,678	$ 640,279	70.2%
Water and sewer projects	374,400	120,343	83,706	204,049	54.5%
Economic development	320,000	-	23,834	23,834	7.4%
Emergency services	265,600	106,367	21,761	128,128	48.2%
Recreation projects	640,000	392,891	17,187	410,078	64.1%
	2,512,000	1,209,202	197,166	1,406,368	
Intergovernmental					
City of Warrenton	457,600	300,730	5,568	306,298	66.9%
City of Norwood	115,200	75,709	1,402	77,111	66.9%
Town of Camak	115,200	75,710	1,402	77,112	66.9%
	688,000	452,149	8,372	460,521	
TOTAL	$ 3,200,000	$ 1,661,351	$ 205,538	$ 1,866,889	

*** - 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 (2017-2022)
For the Year Ended June 30, 2018

Special Sales Tax Imposed July 1,2017	Original Estimated Cost	Expenditures			Estimated Percent Completed
		Prior Years	Current Year	Total	
Warren County					
Roads and bridges ***	$ 364,800	$ -	$ 7,263	$ 7,263	2.0%
Water and sewer projects	374,400	-	-	-	0.0%
Landfill and solid waste projects	153,600	-	2,205	2,205	1.4%
Economic development	256,000	-	-	-	0.0%
Emergency services	345,280	-	-	-	0.0%
Recreation projects	800,000	-	79,220	79,220	9.9%
	2,294,080	-	88,688	88,688	
Intergovernmental					
City of Warrenton	687,040	-	96,777	96,777	14.1%
City of Norwood	109,440	-	15,416	15,416	14.1%
Town of Camak	109,440	-	15,416	15,416	14.1%
	905,920	-	127,609	127,609	
TOTAL	$ 3,200,000	$ -	$ 216,297	$ 216,297	

*** - 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. 15p-y-149-1-5890
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
For the Year Ended June 30, 2018

SOURCE OF FUNDS:		
CDBG funds drawn down by recipient and accrued during fiscal year ended June 30, 2018	$	486,410
APPLICATION OF FUNDS:		
Construction costs for a Senior Center project		(486,410)
SOURCE OF FUNDS IN EXCESS OF (LESS THAN) APPLICATION	$	-

Warren County, Georgia
COMMUNITY DEVELOPMENT BLOCK GRANT
CDBG No. 15p-y-149-1-5890
STATEMENT OF PROJECT COST - BUDGET AND ACTUAL
For the Year Ended June 30, 2018

	TOTAL BUDGETED COSTS	PROJECT COSTS PRIOR TO FYE 6/30/2018	ACTUAL COSTS FYE 6/30/2018	TOTAL PROJECT COSTS TO DATE	(OVER) UNDER BUDGET
Construction costs for a Senior Center project	$ 500,000	$ 13,590	$ 486,410	$ 500,000	$ -
Total	$ 500,000	$ 13,590	$ 486,410	$ 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, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 20, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, 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 have not been identified. However, as described in the accompanying schedule of findings and responses, we identified a certain deficiency in internal control over financial reporting that we consider to be a material weakness.

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 deficiency described in the accompanying schedule of findings and responses as item 2018-01 to be a material weakness.

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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and responses as items 2018-02 through 2018-05.

We noted certain additional matters that we reported to the management of Warren County, Georgia, in a separate letter dated September 20, 2018.

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
September 20, 2018

Findings - Financial Statement Audit

2018-01 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.

Findings - Compliance

2018-02 State Budgetary Requirements

Condition: The County violated state law by expending funds in excess of budgeted amounts at the legal level of authority. The County's legal level of authority is the department level. Expenditures exceeded budgeted amounts in the Jail Fund.

Criteria: State law mandates that actual expenditures should not exceed amounts appropriated through the budgeting process at the entity's legal level of control.

Effect: Failure to continually compare actual expenditures to budgeted amounts to ensure that budgeted expenditures are not exceeded can result in expenditures in excess of budgeted amounts.

Recommendations: Management should continually monitor actual expenditures to budgeted amounts to ensure that violations of this statute do not occur. Budgets should be amended as necessary to reflect changes in anticipated revenues and expenditures throughout the year.

Management's Response: Management agrees with the finding and will take steps to adopt a budget for all required funds. Additionally, management will monitor budgets more closely and make budget amendments when necessary.

Findings – Compliance (Continued)

2018-3 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.

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

2018-4 Inadequate Pledging of Public Funds

Condition: Adequate funds were not pledged against the County's deposits by banking institutions holding County funds.

Criteria: State law requires that all public funds have adequate collateral pledged for all amounts on deposit in excess of FDIC insurance coverage.

Effect: Insufficient pledging of collateral could cause a loss of taxpayer funds in the event of a bank's failure.

Recommendation: We recommend all banking institutions used by the County be required to provide periodic reports of collateral pledged to cover deposits of the County's funds in excess of FDIC coverage.

Management's Response: Management concurs with the finding. Management will require adequate pledging by financial institutions holding County funds.

2018-5 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.