WASHINGTON COUNTY, GEORGIA

FINANCIAL STATEMENTS

For the Year Ended June 30, 2015

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INDEPENDENT AUDITOR'S REPORT

To the County Commissioners
Washington County, 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 unit, each major fund, and the aggregate remaining fund information of Washington County, Georgia, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Washington County Board of Health which represents 100% of the assets and revenues, respectively, of the aggregate discretely presented component unit. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units is based on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, and each major fund, of Washington County, Georgia, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 13 and the budgetary comparison information on pages 53 through 56 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Washington County, Georgia's basic financial statements. The combining nonmajor fund financial statements, the fiduciary funds combining statement of net position, the schedule of projects constructed with special sales tax proceeds and the other schedules included in other supplementary information as described in the accompanying table of contents, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The combining nonmajor fund financial statements, the fiduciary funds combining statement of net position, the schedule of projects constructed with special sales tax proceeds, the schedule of expenditures of federal awards and the other schedules included in other supplementary information as described in the accompanying table of contents is the responsibility of management and was derived from and relates 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 or to the basic financial statements themselves, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have issued our report dated November 30, 2015 on our consideration of Washington County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Washington County, Georgia's internal control over financial reporting and compliance.

Wright & Wright, P.C.

November 30, 2015

WASHINGTON COUNTY BOARD OF COMMISSIONERS

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Administrator/Clerk

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Washington County's financial performance provides an overview of the County's financial activities for the year ended June 30, 2015. Please read it in conjunction with the County's financial statements which begin on page 14.

1. USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net position and the Statement of Activities (on pages 14 and 15) provide information about activities of the County as a whole and present a longer-term view of the County's finances. Fund financial statements start on page 16. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statements provide financial information about activities for which the County acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the County as a Whole

The Statement of Net position and the Statement of Activities

Our analysis of the County as a whole begins on page 7. One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's net position and changes in them. You can think of the County's net position—the difference between assets and liabilities—as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider nonfinancial factors such as changes in the County's property tax base and the condition of the County's roads and other physical assets to assess the overall health of the County.

In the Statement of Net position and the Statement of Activities, we divide the County into three kinds of activities:

- Governmental activities – Most of the County's basic services are reported here, including public safety, court system, public works, health & welfare and general administration. Taxes, court fines and intergovernmental revenue finance most of these activities.
- Business-type activities – The County charges a fee to customers to help it cover all or most of the cost of certain services it provides. The County's landfill is reported here.
- The County includes one separate legal entity in its report - the Washington County Health Department. Although legally separate, this "component unit" is important because the County is financially accountable for it. Complete financial statements may be obtained at 201 Morningside Drive, Sandersville, Georgia 31082.

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/ Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the County's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants. Some of the individual line item revenues reported for each function are:

General government	Business licenses and permits; Qualifying fees; Intangible recording taxes
Public safety	Fines and forfeits; E911 telephone charges and city charges; Housing prisoners; State reimbursements for training
Judicial	All court fines and forfeits; Law library revenue
Public works	Georgia Department of Transportation reimbursements; Pipe and driveway installations
Culture/recreation	Recreation department charges for services; Payments from the County and cities to the Recreation department

All other governmental revenues are reported as general. It is important to note that all taxes are classified as general revenue even if restricted for a specific purpose.

Business-type Activities

The Landfill Fund has historically collected revenue amounting to approximately half of the total operating expenditures, including depreciation. The General Fund transfers money to the Landfill Fund to cover the remaining operating costs. During the year ended June 30, 2015, the Landfill Fund had excess funds and transferred $31,155 to the General Fund as the Landfill Funds had over a period of years accumulated excess transfers from the General Fund.

Reporting the County's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 16 and provide detailed information about the most significant funds—not the County as a whole. Some funds are required to be established by State law and by bond covenants. However, the County Commissioners establish other funds to help them control and manage money for particular purposes or to show that they are meeting legal responsibilities for using certain taxes, grants, and other money (like the Emergency 911 Telephone Fund and the Capital Projects Fund which account for special purpose local option sales tax revenue). The County's two kinds of funds—governmental and proprietary—use different accounting approaches.

- Governmental funds—Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds in reconciliation at the bottom of the fund financial statements.

- Proprietary funds—When the County charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net position and the Statement of Activities. In fact, the County's enterprise fund (a component of proprietary funds) is the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

The County as Trustee

Reporting the County's Fiduciary Responsibilities

The County is the trustee, or fiduciary, for the offices of Tax Commissioner, Probate Court, Clerk of Courts, Sheriff and Magistrate Court. All of the County's fiduciary activities are reported in a separate Statement of Fiduciary Net position on page 23. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

2. FINANCIAL HIGHLIGHTS

Net position may serve over time as a useful indicator of a government's financial position. In the case of Washington County, assets exceeded liabilities by $49,559,983 as of June 30, 2015.

The largest portion of the County's net position (73%) reflects its investment in capital assets (e.g., land, building, equipment, improvements, construction in progress and infrastructure), less any debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently these assets are not available for future spending.

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	$ 18,127,306	$ 16,933,577	$ 1,116,690	$ 1,196,139	$ 19,243,996	$ 18,129,716
Capital assets	32,542,809	32,344,188	3,520,099	3,391,178	36,062,908	35,735,366
Total assets	50,670,115	49,277,765	4,636,789	4,587,317	55,306,904	53,865,082
Current liabilities	1,587,936	1,589,370	53,620	44,035	1,641,556	1,633,405
Long-term liabilities	2,683,171	-	1,422,194	1,386,308	4,105,365	1,386,308
Total liabilities	4,271,107	1,589,370	1,475,814	1,430,343	5,746,921	3,019,713
Net position:						
Investment in capital assets	32,542,809	32,344,188	3,520,099	3,391,178	36,062,908	35,735,366
Restricted	6,885,359	6,939,122	1,422,194	1,386,308	8,307,553	8,325,430
Unrestricted	6,970,840	8,405,085	(1,781,318)	(1,620,512)	5,189,522	6,784,573
Total net position	$ 46,399,008	$ 47,688,395	$ 3,160,975	$ 3,156,974	$ 49,559,983	$ 50,845,369

As a whole the Government's financial position declined during fiscal 2015. Total net position decreased $1,285,386 or 2.5% during 2015. Net position for governmental activities decreased 1,289,387 or 2.7% which was due to the County adopting GASB 68 which required the County to record net pension liability of $2,683,171. Without this adjustment, net position would have increased by approximately $1.5 million. The net position for business-type activities increased $4,001 or 0.1%.

The following table provides a summary of the County's operations for the year ended June 30, 2015 with comparative totals for year ended June 30, 2014.

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
REVENUES:						
Program revenues:						
Charges for services	$ 1,087,453	$ 1,180,195	$ 836,973	$ 810,355	$ 1,924,426	$ 1,990,550
Operating grants and contributions	2,501,341	2,747,618	15,027	70,478	2,516,368	2,818,096
Capital grants and contributions	58,153	87,299	-	-	58,153	87,299
General revenues:						
Property taxes	6,295,875	6,553,229	-	-	6,295,875	6,553,229
Local option sales tax	1,406,950	1,465,734	-	-	1,406,950	1,465,734
SPLOST revenue	2,446,443	2,789,772	-	-	2,446,443	2,789,772
Other taxes	1,414,092	1,267,978	-	-	1,414,092	1,267,978
Other	375,300	366,031	(1,394)	17,801	373,906	383,832
Total revenues	15,585,607	16,457,856	850,606	898,634	16,436,213	17,356,490
EXPENSES:						
General government	4,630,831	4,636,212	-	-	4,630,831	4,636,212
Public safety	4,046,516	3,389,268	-	-	4,046,516	3,389,268
Judicial	1,061,120	1,045,109	-	-	1,061,120	1,045,109
Public works	3,090,555	4,044,884	-	-	3,090,555	4,044,884
Health and welfare	511,328	381,289	-	-	511,328	381,289
Culture/Recreation	734,485	728,945	-	-	734,485	728,945
Interest on long-term debt	-	-	-	-	-	-
Landfill	-	-	827,198	874,160	827,198	874,160
Total expenses	14,074,835	14,225,707	827,198	874,160	14,902,033	15,099,867
Increase (decrease) in net position before transfers	1,510,772	2,232,149	23,408	24,474	1,534,180	2,256,623
TRANSFERS	19,407	195,188	(19,407)	(195,188)	-	-
Increase (decrease) in net position	1,530,179	2,427,337	4,001	(170,714)	1,534,180	2,256,623
NET POSITION, beginning of year	47,688,395	45,261,058	3,156,974	3,327,688	50,845,369	48,588,746
PRIOR PERIOD ADJUSTMENT	(2,819,566)	-	-	-	(2,819,566)	-
NET POSITION, beginning as restated	44,868,829	45,261,058	3,156,974	3,327,688	48,025,803	48,588,746
NET POSITION, end of year	$ 46,399,008	$ 47,688,395	$ 3,160,975	$ 3,156,974	$ 49,559,983	$ 50,845,369

3. FUND FINANCIAL INFORMATION

Major Governmental Funds

General Fund

The central operating fund for Washington County, the General Fund, had total assets of $11,025,475 and total liabilities and deferred inflows of resources of $254,750 at the end of fiscal year 2015. Total revenues and other financing sources for fiscal year 2015 of $11,461,703 exceeded expenditures and other financing uses of $10,283,982.

Other Major Governmental Funds

The fund balance for the Capital Projects Fund (2009) decreased $927,830 as the pace of capital projects exceeded the special local option sales tax revenue used to fund these projects.

Major Proprietary Funds

Landfill Fund

Total assets were $4,636,789, total liabilities were $1,475,814, and net position were $3,160,975 at the end of fiscal year 2015. At June 30, 2015, the County has funded $936,030 or 65.8% of the post closure accrual.

4. GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the County Commissioners had two revisions through budget amendments to the General Fund budget.

General Fund revenues for the year of $10,357,986 were 2.9% more than budgeted revenues due mainly to the County receiving $228,771 more in title ad valorem tax than was budgeted.

Total General Fund expenditures for fiscal year 2015 were 94.6% of the final budget. Expenditures for all functional areas except two departmental capital outlay balances were less than the budget.

5. CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2015, the County had $36.1 million invested in capital assets including equipment, buildings, infrastructure, park facilities, and landfills (See table below.) This represents a net increase of $327,542 or 0.9% compared to last year.

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Land	$ 963,815	$ 963,815	$ 3,284,133	$ 2,948,503	$ 4,247,948	$ 3,912,318
Infrastructure	12,219,622	11,770,597	-	-	12,219,622	11,770,597
Buildings	13,226,420	13,669,873	24,501	26,081	13,250,921	13,695,954
Equipment	4,961,973	4,771,555	211,465	247,496	5,173,438	5,019,051
Construction in progress	1,170,979	1,168,348	-	169,098	1,170,979	1,337,446
Total	$32,542,809	$32,344,188	$ 3,520,099	$ 3,391,178	$36,062,908	$35,735,366

This year's major additions included:

Paving of dirt roads paid for with Special Purpose Local Option Sales Tax revenues	$ 860,928
Road department vehicles paid for with Special Purpose Local Option Sales Tax revenues	526,189
E911 tower paid for with E911 revenues	195,054
	$ 1,582,171

Additional information on Washington County's capital assets can be found in Note 6 on page 35 of this report.

Debt

The County had no debt outstanding at anytime during the year ended June 30, 2015.

6. ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Washington County is a rural county located in East Central Georgia along the Fall Line, a geologic line that separates the Piedmont Plateau from the Coastal Plain. It lies half way between Atlanta and Savannah (about 120 miles from each). It also lies half way between Macon and Augusta (about 60 miles from each).

The 2010 Census shows that the County's population was 21,187, an increase of only 11 persons over the 2000 Census population. The population in the unincorporated areas of the County was 10,730 in 2010.

There are seven municipalities in the County with the following populations:

City	Population
Davisboro	2,010 *
Deepstep	131
Harrison	489
Oconee	252
Riddleville	96
Sandersville (the County Seat)	5,912
Tennille	1,539

* Most of the population of Davisboro in comprised of inmates at Washington State Prison.

Washington County is known as the "Kaolin Capital of the World". Kaolin, one of Georgia's most important minerals, is white alumina-silica clay that is mined and extensively processed throughout Middle Georgia. It is used in hundreds of products including paper, paint, plastics, ceramics, food, fracking materials and medicine. The Kaolin industry has declined in recent decade from its peak in the 1990s. Despite its decline, the industry is still a primary economic driver of the County. Besides kaolin, the key industries include trucking, plastics manufacturing, battery manufacturing, timber, agriculture, medical services (including a local hospital) and government. The district Georgia Department of Transportation office is in Tennille and Washington State Prison is in Davisboro. Oconee Fall Line Technical College and Georgia Military College are in Sandersville. Most of the County's industry is located in Sandersville or nearby Tennille.

Washington County is proud to have an extensive transportation network including road, airport and rail facilities.

State Route 15 connects the County to Interstate 20 about 40 miles to its north and to Interstate 16 about 40 miles to its south. Portions of the highway will be four-laned within the next 8 years including truck routes around Sandersville and Tennille by 2020. Another GRIP corridor, the Fall Line Freeway, is already four-laned between Washington County and Augusta. Current improvements are underway to complete four-laning the Fall Line Freeway between Washington County and Macon by 2016. Both Highway 15 and the Fall Line Freeway are part of the Governor's Road Improvement Program (GRIP) and are slated with future improvements. The County has a total of about 1,100 lane miles in its unincorporated areas which is among the highest in Georgia including over 700 miles of County-maintained roads.

At Kaolin Field, a new modern airport terminal was commissioned in 2010 and a $2.2 million parallel taxiway was completed in 2014. An Airport Improvement Plan was completed in 2014 and plans are underway to construct a Corporate Hangar. The Airport is actively marketed to visitors and residents. The main Norfolk-Southern railway runs through Tennille. The local Sandersville Railroad Company connects to the Norfolk-Southern and serves kaolin and other industries.

Washington County has not fully recovered from the "Great Recession" in recent years and a decline in the Kaolin industry. Unemployment continues to plague Washington County. The average unemployment for 2014 (trailing 12-months through July, 2013) is 10.2% compared to 7.5% for the state as a whole for the same period. The number of employed individuals in Washington County was 6,877 in July, 2015 compared with 6,417 in July, 2014.

Per capita personal income (in 2012) is $16,489 compared with $25,309 for Georgia as a whole. Median household income (2012) is $31,441 for Washington County versus $49,604 for Georgia. The number of citizens below the poverty level is at 24.7% compared to 17.4% for the state [http://quickfacts.census.gov/qdf/states/13/13303.html].

The workforce is employed in the following industries:

- Goods-producing: 15.8%
- Service-producing: 50.2%
- Government: 33.8%

[Georgia Department of Labor Area Labor Profile, Updated August, 2014]

Average weekly wage is $687 for Washington County versus $972 for the state as a whole [Same source as above].

In recent years, the County commissioners made numerous budget cuts including headcount reductions, reductions in employee benefits, funding to the Airport Authority, Hospital, Ambulance, Fire Departments, Library, DFCS, and Health Departments. In addition to these cuts, County acquired new revenue sources. A Garbage fee for homeowners in unincorporated areas was established in FY2013. The TIA Act of 2010 (i.e. the TSPLOST) passed in July, 2012 and the County began receiving a portion of a regional sales tax paid in to the CSRA Regions in March, 2013. Since then, the County commissioners have been using half of these funds to re-surface County paved roads and half to pay for regular road maintenance normally paid for with General Fund revenues.

The key item in the FY2016 budget that affects expenditures is the closure of the County Landfill (Site #3). The Landfill fund almost always loses money and the Board of Commissioners decided to close it on October 1, 2015. The closure of the landfill will trigger immediate post-closure costs so $2.2 million was put in the budget for this. The County had saved about $950K in its post-closure fund so the remainder will be drawn from General Fund reserves. Without this post-closure, the General Budget for FY2016 was balanced. The FY2016 expenditure budgets for E911, Landfill and General Fund together show only a 2.0% increase over the final FY2015 budget without this post-closure expense. The FY2016 budget again includes transfers of half of the TIA discretionary funds and increased garbage fees. Sales taxes are budgeted to decline because of additional exemptions on manufacturing energy and the lack of a local economic rebound. Most other revenues are budgeted to be close to flat including property taxes.

For the third year, the County has added a one half mill assessment to each property tax bill to directly fund the Industrial Development Authority. Another budget increase will be to increase the funding to the Chamber of Commerce who is contracted to do other economic development activities such as promoting tourism and promoting business retention. These funds are intended to supply funds for Economic Development so that Washington County becomes competitive with other progressive rural communities.

The expenditure budget for FY2016 will increase by only 2.0% over the final FY2015 budget when the Landfill Site #3 post-closure expenses are excluded. All costs continue to be scrutinized. Employee health insurance costs will increase by 6% and this same increase is passed along to County employees who now pay between 30% and 35% of health insurance costs. Employee Retirement will decrease by 5% due to closing the plan to new employees hired after October 1, 2011. Six new jailer positions were added to the budget to fully staff the new jail. The Registrar Board goes away and a combined Elections/Registrar Board will replace it because elections have become increasingly complex and a board needs to be

devoted to these elections. The County Recreation Department is developing a new Recreation park, Linton Park. A new Splash Pad was commissioned in August, 2015. One full time staff person along with seasonal employees were added. One full time position was eliminated in the Tax Assessor's office as the Tax Assessor board decided to outsource much of its assessments with a three year contract.

There are reductions in fuel costs due to the expected continuation of low energy prices. A cost of living pay increase is budgeted for full time county employees of 1.5%. Starting pay for deputies and jailers have also been increased in the FY2016 budget.

SPLOST (#6) ended September, 2014 and SPLOST (#7) proceeds began in October, 2014. Included in SPLOST (#7) are funds to provide principle and interest payments for Bond debt incurred by the Public Facilities Authority to construct a new County Jail and Sheriff's office. The need for a new, larger jail was identified and placed on the SPLOST ballot in 2013. The voter's approved the SPLOST and the Public Facilities Authority immediately sold bonds to raise about $16 million for the new facility. The principle and interest payments are guaranteed by the County over about an 18 year period. The first six years can be paid from the passed SPLOST (#7). The new County Jail is currently being constructed by Dublin Construction was awarded the bid by the Public Facilities Authority. Construction began in August, 2015 and is expected to be completed by April 2016.

The financial condition of Washington County Regional Medical Center is a major concern to the County Commissioners. Public Hearings were held in July so that the Hospital Authority and the Board of Commissioners could update the public on the condition of the hospital. The Commissioners passed a budget amendment in early September to provide $690,000 of additional annual funding to the Hospital. This is the equivalent of a 1 mill tax increase. The future of WCRMC is still uncertain as the Board of Commissioners and Hospital Authority continue to see a viable partner to operate the facility.

7. CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the County Commissioner's Office at 119 Jones Street, Sandersville, Georgia.

Chris Hutchings
County Administrator/Clerk

BASIC FINANCIAL STATEMENTS

The basic financial statements include integrated sets of financial statements as required by the Governmental Accounting Standards Board ("GASB"). The sets of statements include:

- Government-wide financial statements
- Fund financial statements:
  - Governmental funds
  - Proprietary (enterprise) fund
  - Fiduciary funds

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

WASHINGTON COUNTY, GEORGIA
STATEMENT OF NET POSITION
JUNE 30, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:				
Current assets:				
Cash and cash equivalents	$ 7,470,567	$ 278,475	$ 7,749,042	$ 147,179
Investments	9,669,722	828,984	10,498,706	767,768
Accounts receivable, net	126,038	9,231	135,269	35,840
Receivable from other governments	576,639	-	576,639	-
Inventories	156,016	-	156,016	-
Prepaid expenses	128,324	-	128,324	-
Total current assets	18,127,306	1,116,690	19,243,996	950,787
Noncurrent assets:				
Nondepreciable	2,134,794	3,284,133	5,418,927	-
Depreciable capital assets, net of accumulated depreciation	30,408,015	235,966	30,643,981	23,309
Total noncurrent assets	32,542,809	3,520,099	36,062,908	23,309
Deferred outflows of resources	-	-	-	78,343
Total assets and deferred outflows of resources	50,670,115	4,636,789	55,306,904	1,052,439
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:				
Current liabilities:				
Accounts payable	461,777	48,906	510,683	29,865
Other accrued liabilities	1,012,802	-	1,012,802	-
Accrued compensated absences	113,357	4,714	118,071	5,842
Total current liabilities	1,587,936	53,620	1,641,556	35,707
Noncurrent liabilities:				
Compensated absences, less current portion	-	-	-	30,270
Net pension liability	2,683,171	-	2,683,171	414,518
Estimated liability for landfill closure and postclosure care costs	-	1,422,194	1,422,194	-
Total noncurrent liabilities	2,683,171	1,422,194	4,105,365	444,788
Deferred inflows of resources	-	-	-	101,171
Total liabilities and deferred inflows of resources	4,271,107	1,475,814	5,746,921	581,666
NET POSITION:				
Investment in capital assets	32,542,809	3,520,099	36,062,908	23,309
Restricted for:				
Inventory	156,016	-	156,016	-
Capital projects	4,733,037	-	4,733,037	-
Public safety	75,601	-	75,601	-
Transportation	1,915,339	-	1,915,339	-
Culture and recreation	5,366	-	5,366	-
Closure and post-closure costs	-	1,422,194	1,422,194	-
Unrestricted	6,970,840	(1,781,318)	5,189,522	447,464
	$ 46,399,008	$ 3,160,975	$ 49,559,983	$ 470,773

See accompanying notes to the basic financial statements

WASHINGTON COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit
Primary government:								
Governmental activities:								
General government	$ 4,630,831	$ 166,916	$ 1,379	$ 40,599	$ (4,421,937)	$ -	$ (4,421,937)	
Public safety	4,046,516	442,916	162,391	-	(3,441,209)	-	(3,441,209)	
Judicial	1,061,120	425,168	-	-	(635,952)	-	(635,952)	
Public works	3,090,555	-	2,225,610	3,929	(861,016)	-	(861,016)	
Health and welfare	511,328	-	-	13,625	(497,703)	-	(497,703)	
Culture and recreation	734,485	52,453	111,961	-	(570,071)	-	(570,071)	
Interest on long-term debt	-	-	-	-	-	-	-	
Total governmental activities	14,074,835	1,087,453	2,501,341	58,153	(10,427,888)	-	(10,427,888)	
Business-type activities:								
Landfill	827,198	836,973	-	-	-	9,775	9,775	
Total business-type activities	827,198	836,973	-	-	-	9,775	9,775	
Total primary government	$ 14,902,033	$ 1,924,426	$ 2,501,341	$ 58,153	(10,427,888)	9,775	(10,418,113)	
Component unit:								
Health department	$ 616,686	$ 297,614	$ 393,465	$ -				$ 74,393
General revenues:								
Taxes:								
Property taxes					6,295,875	-	6,295,875	-
General sales and use tax					1,406,950	-	1,406,950	-
Special local option sales tax					2,446,443	-	2,446,443	-
Other taxes					1,414,092	-	1,414,092	-
Grants and contributions					-	15,027	15,027	-
Interest income					99,851	17,560	117,411	1,093
Miscellaneous					275,449	(18,954)	256,495	-
Transfers					19,407	(19,407)	-	-
Total general revenues and transfers					11,958,067	(5,774)	11,952,293	1,093
Change in net position					1,530,179	4,001	1,534,180	75,486
Net position, beginning					47,688,395	3,156,974	50,845,369	843,007
Prior period adjustment					(2,819,566)	-	(2,819,566)	(447,720)
Net position, beginning as restated					44,868,829	3,156,974	48,025,803	395,287
Net position, ending					$ 46,399,008	$ 3,160,975	$ 49,559,983	$ 470,773

See accompanying notes to the basic financial statements

WASHINGTON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Capital Projects Fund (2009)	Capital Projects Fund (2014)	Trans-portation Fund	E911 Telephone Fund	Other Govern-mental Funds	Total Govern-mental Funds
ASSETS:							
Cash and cash equivalents	$ 3,205,954	$ 1,520,093	$ 771,760	$ 1,800,262	$ 79,142	$ 93,356	$ 7,470,567
Investments	7,241,273	1,979,972	-	-	-	448,477	9,669,722
Accounts receivable, net	90,996	-	-	-	32,681	2,361	126,038
Receivables from other funds	25,317	-	-	-	-	-	25,317
Receivables from other governments	251,286	-	208,501	116,852	-	-	576,639
Prepaid expenses	124,324	-	4,000	-	-	-	128,324
Inventories	86,325	-	-	-	-	69,691	156,016
Total assets	$ 11,025,475	$ 3,500,065	$ 984,261	$ 1,917,114	$ 111,823	$ 613,885	$ 18,152,623
LIABILITIES:							
Accounts payable	$ 167,379	$ 101,483	$ 113,016	$ 775	$ 82,474	$ 5,049	$ 470,176
Payable to other funds	-	24,317	-	1,000	-	-	25,317
Total liabilities	167,379	125,800	113,016	1,775	82,474	5,049	495,493
DEFERRED INFLOWS OF RESOURCES:							
Property taxes	87,371	-	-	-	-	-	87,371
FUND BALANCES:							
Non-spendable fund balance:							
Inventory	86,325	-	-	-	-	69,691	156,016
Prepaid expenses	124,324	-	-	-	-	-	124,324
Restricted fund balance:							
Capital projects	-	3,374,265	871,245	-	-	487,527	4,733,037
Public safety	-	-	-	-	29,349	-	29,349
Transportation	-	-	-	1,915,339	-	-	1,915,339
Committed fund balance	-	-	-	-	-	-	-
Assigned fund balance:							
Public safety	-	-	-	-	-	46,252	46,252
Culture and recreation	-	-	-	-	-	5,366	5,366
Unassigned fund balance	10,560,076	-	-	-	-	-	10,560,076
Total fund balances	10,770,725	3,374,265	871,245	1,915,339	29,349	608,836	17,569,759
Total liabilities, deferred inflows of resources and fund balance	$ 11,025,475	$ 3,500,065	$ 984,261	$ 1,917,114	$ 111,823	$ 613,885	$ 18,152,623

(Continued)

See accompanying notes to the basic financial statements

WASHINGTON COUNTY, GEORGIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

Fund balances - total governmental funds	$	17,569,759
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation of $16,157,308		32,542,809
Net OPEB obligations are not due and payable in the current period and, therefore are not reported in the funds		(1,004,403)
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore are not reported in the funds:		
Net pension liability		(2,683,171)
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds:		
Accounts receivable, net of allowance for doubtful accounts of $0		87,371
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences		(113,357)
Net position of governmental activities	$	46,399,008

See accompanying notes to the basic financial statements

WASHINGTON COUNTY, GEORGIA

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2015

	General Fund	Capital Projects Fund (2009)	Capital Projects Fund (2014)	Trans-portation Fund	E911 Telephone Fund	Other Govern-mental Funds	Total Govern-mental Funds
REVENUES:							
Taxes	$ 9,057,823	$ 486,104	$ 1,960,339	$ 1,300,124	$ -	$ -	$ 12,804,390
Licenses and permits	59,603	-	-	-	-	-	59,603
Intergovernmental	297,036	40,599	-	577,599	162,391	185,617	1,263,242
Fees and fines	516,868	-	-	-	-	-	516,868
Charges for services	110,358	-	-	-	318,534	52,453	481,345
Other	316,298	3,929	-	-	-	30,838	351,065
Total revenues	10,357,986	530,632	1,960,339	1,877,723	480,925	268,908	15,476,513
EXPENDITURES:							
Current operating:							
General government	3,595,994	-	-	-	-	-	3,595,994
Public safety	2,837,305	-	401,802	-	618,337	-	3,857,444
Judicial	1,078,515	-	-	-	-	2,353	1,080,868
Public works	1,823,449	14,453	-	393,600	-	1,126	2,232,628
Health and welfare	352,875	-	140,000	-	-	-	492,875
Culture/recreation	595,844	-	-	-	-	144,164	740,008
Intergovernmental	-	239,068	511,196	-	-	-	750,264
Debt service:							
Principal	-	-	-	-	-	-	-
Interest and other charges	-	-	-	-	-	-	-
Capital outlays	-	1,204,941	36,096	-	211,382	111,248	1,563,667
Total expenditures	10,283,982	1,458,462	1,089,094	393,600	829,719	258,891	14,313,748
Excess (deficiency) of revenues over expenditures	74,004	(927,830)	871,245	1,484,123	(348,794)	10,017	1,162,765
OTHER FINANCING SOURCES (USES):							
Loan proceeds	-	-	-	-	-	-	-
Transfers in (out)	1,103,717	-	-	(950,865)	(121,697)	-	31,155
Total other financing sources and uses	1,103,717	-	-	(950,865)	(121,697)	-	31,155
Net change in fund balance	1,177,721	(927,830)	871,245	533,258	(470,491)	10,017	1,193,920
FUND BALANCE, beginning	9,593,004	4,302,095	-	1,382,081	499,840	598,819	16,375,839
FUND BALANCE, ending	$ 10,770,725	$ 3,374,265	$ 871,245	$ 1,915,339	$ 29,349	$ 608,836	$ 17,569,759

(Continued)

See accompanying notes to the basic financial statements

WASHINGTON COUNTY, GEORGIA, GEORGIA

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2015

Net change in fund balances - total governmental funds	$ 1,193,920
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:	
Capital outlays	1,771,175
Depreciation	(1,362,558)
	408,617
The effect of various capital asset disposals and sales, net of accumulated depreciation	(209,996)
Governmental funds report pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense:	
Cost of benefits net of employee contributions	136,395
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	(21,980)
Compensated absences reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds	(35,871)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds	59,094
	$ 1,530,179

See accompanying notes to the basic financial statements

WASHINGTON COUNTY, GEORGIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	Landfill Enterprise Fund
ASSETS	
CURRENT ASSETS:	
Cash in bank	$ 278,475
Investments	828,984
Accounts receivable, net of allowance	9,231
Total current assets	1,116,690
LONG-TERM ASSETS:	
Capital Assets:	
Land and improvements	3,284,133
Buildings	48,061
Equipment	1,490,064
Vehicles	293,983
Construction in progress	-
	5,116,241
Less accumulated depreciation	(1,596,142)
Total capital assets	3,520,099
Total assets	4,636,789
LIABILITIES	
CURRENT LIABILITIES:	
Accounts payable	48,906
Compensated absences	4,714
Total current liabilities	53,620
LONG-TERM LIABILITIES:	
Closure and post-closure costs	1,422,194
Total noncurrent liabilities	1,422,194
Total liabilities	1,475,814
NET POSITION	
INVESTMENT IN CAPITAL ASSETS	3,520,099
RESTRICTED FOR CLOSURE AND POST-CLOSURE COSTS	1,422,194
UNRESTRICTED	(1,781,318)
Total net position	$ 3,160,975

See accompanying notes to the basic financial statements

WASHINGTON COUNTY, GEORGIA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Landfill Enterprise Fund
OPERATING REVENUES:	
Charges for services - landfill use fees	$ 210,593
Residential County garbage fee	608,865
Other	-
Total operating revenues	819,458
OPERATING EXPENSES:	
Personal services and employee benefits	156,149
Purchased/contract services	567,775
Supplies	29,777
Depreciation	37,611
Post-closure costs	35,886
Other costs	-
Total operating expenses	827,198
OPERATING INCOME (LOSS)	(7,740)
NON-OPERATING REVENUES (EXPENSES):	
Timber revenue	15,027
Gain on sale of capital assets	17,515
Investment income	(18,954)
Interest income	17,560
Total non-operating revenues (expenses)	31,148
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	23,408
CAPITAL CONTRIBUTIONS	11,748
NET INCOME (LOSS) BEFORE TRANSFERS	35,156
TRANSFERS IN (OUT)	(31,155)
CHANGE IN NET POSITION	4,001
NET POSITION, beginning of year	3,156,974
NET POSITION, end of year	$ 3,160,975

See accompanying notes to the basic financial statements

WASHINGTON COUNTY, GEORGIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Landfill Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	$ 818,534
Cash paid to suppliers for goods and services	(585,441)
Cash paid to employees	(158,675)
Net cash provided by (used for) operating activities	74,418
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfer from (to) other funds	(31,155)
Net cash provided by (used for) noncapital financing activities	(31,155)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Proceeds from timber sale	15,027
Proceeds from the sale of capital assets	17,515
Purchase of capital assets	(154,784)
Net cash provided by (used for) capital and related financing activities	(122,242)
CASH FLOWS FROM INVESTING ACTIVITIES:	
(Increase) decrease in investments	(92,207)
Interest received	17,560
Net cash provided by (used for) investing activities	(74,647)
NET INCREASE (DECREASE) IN CASH	(153,626)
CASH AND CASH EQUIVALENTS, beginning of year	432,101
CASH AND CASH EQUIVALENTS, end of year	$ 278,475
RECONCILIATION OF NET INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:	
Net operating income (loss)	$ (7,740)
Adjustments to reconcile net operating income (loss) to net cash provided by operating activities:	
Cash flows reported in other categories:	
Depreciation expense	37,611
Changes in assets and liabilities:	
Accounts receivable	(924)
Accounts payable	12,111
Landfill closure/postclosure care costs	35,886
Payroll taxes payable	(2,526)
Net cash provided by (used for) operating activities	$ 74,418
NONCASH CAPITAL FINANCING ACTIVITIES:	
Capital asset purchases of $11,748 were made through contributions from the Capital Projects Fund (2009)	

See accompanying notes to the basic financial statements

WASHINGTON COUNTY, GEORGIA
FIDUCIARY FUNDS - AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
June 30, 2015

	Agency Funds
ASSETS:	
Cash in bank	$ 579,905
Property taxes receivable	116,396
Other receivables	1,470
Total assets	$ 697,771
LIABILITIES:	
Due to others	$ 498,943
Due to other governments	198,828
Total liabilities	$ 697,771

See accompanying notes to the basic financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The financial statements of Washington County (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. As required by GAAP, these financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County.

Included as blended component units because they are, in substance, part of the County's operation:

> Washington County Recreation Commission – The Recreation Commission was created by a resolution of the Washington County Board of Commissioners on June 9, 1977, under provisions of Act. No. 622 of the Georgia Municipal law as approved February 1, 1946, to operate through a full time staff a county-wide recreation program. The County has one representative on the Recreation Commission board, acts as a conduit for funds contributed by both the County and cities within Washington County for operation of the Recreation Commission and pays directly salaries of its full-time employees. The Commission does not issue financial statements separate from the County.

Included as a discretely presented component unit in a separate column in the combined financial statements to emphasize it is legally separate from the County:

> Washington County Health Department – The financial operations of the Washington County Health Department (the Department) are presented as a governmental fund type. The County appoints four of the seven Department board members, funds a portion of the Department's budget, and can approve environmental health service fees charged by the Department. Another auditor, whose report was unqualified, audited the Health Department's financial statements. Complete financial statements may be obtained at 201 Morningside Drive, Sandersville, Georgia 31082.

Excluded from the reporting entity:

> Because they are operated as agencies controlled and/or funded by other government agencies, the Washington County Board of Education, the Washington County Library and the Department of Family and Children Services are not included in the County's reporting entity.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the County (the primary government) and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the County is reported separately from certain legally separate component units for which the County is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The County has elected not to allocate indirect costs among the programs, functions and segments. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, including accrued interest on general long-term debt, is recognized when due, and certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the County and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The County reports the following major governmental funds:

The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Projects Fund (SPLOST 2009) accounts for capital outlay and other transactions related to the additional one-percent local option sales tax in effect for the period January 1, 2010 to December 31, 2015.

The Capital Projects Fund (SPLOST 2014) accounts for capital outlay and other transactions related to the additional one-percent local option sales tax in effect for the period October 1, 2014 to September 30, 2020.

The Transportation Special Revenue Fund accounts for capital outlay and other transportation improvements related to the additional one-percent local option sales tax in effect for the period January 1, 2013 to December 31, 2022.

The Emergency 911 Telephone Fund accounts for the charge collected by telephone companies. This revenue is used to offset the costs of operating the E911 system.

The County reports the following major proprietary fund:

The Landfill Fund is used to account for the provision of solid waste disposal services to businesses and residents of the County. All activities necessary to provide such services are accounted for in the fund, including but not limited to, administration, operation, financing and related debt services, and billing and collections.

Additionally, the County reports the following fund type:

Fiduciary funds account for assets held by the County in a trustee capacity or as an agent on behalf of others. The County's fiduciary funds include the following fund type:

Agency funds are custodial in nature and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. The funds are used to account for assets that the County holds for others in an agency capacity.

The County complies with Governmental Accounting Standards Board ("GASB") Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting.

> This Statement requires the County to apply all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB's). As permitted by GASB No. 20, the County has elected not to comply with the FASB Statements and Interpretations issued after November 30, 1989.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's proprietary funds are charges to customers for sales and services; operating expenses include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts.

D. Cash and Investments

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

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 government or governmental agency
- Obligations of any corporation of the 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

Any investment or deposit in excess of the Federal Deposit Insurance Corporation (FDIC) insured amount must be secured by 110% of an equivalent amount of State or U.S. obligations.

E. Inventory

Inventory is valued at cost, which approximates market, using the first-in/first-out method. The cost of governmental fund-type inventory is recorded as an expenditure when consumed rather than when purchased.

Materials purchased in the proprietary fund are expensed as purchased and are not inventoried at year end due to lack of materiality.

F. Prepaid Items

Prepaid balances, if any, are for payments made by the County in the current year to provide services occurring in the subsequent fiscal year, and a reserve for prepaid items is recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

G. Capital Assets and Depreciation

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an estimated useful life in excess of two years and an original cost of $2,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Beginning July 1, 2002, GASBS No. 34 required the County to report and depreciate all new governmental funds' infrastructure assets. GASBS No. 34 also required governments to retroactively report infrastructure assets constructed between 1980 and 2002. This retroactive reporting is subject to an extended implementation period and is first effective for the County for the year ended June 30, 2008. Accordingly, the County fully implemented the retroactive infrastructure provisions in the fiscal year ending June 30, 2008. Infrastructure assets totaling $478,397 were completed during the year ended June 30, 2015. At June 30, 2015, $878,178 of construction-in-progress was related to infrastructure assets.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of capital assets is computed and recorded by the straight-line method. Estimated useful lives of the various classes of depreciable capital assets are as follows

Buildings	30-40 Years
Depreciable land improvements	8 - 20 years
Machinery and equipment	5 - 25 years
Infrastructure	50 - 60 years

H. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the government does not have a policy to pay any amounts when employees separate from service with the government. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Full time employees of the Washington County Health Department (the "Department") earn leave time, which may either be taken or accumulated until paid upon termination or retirement. Unused leave time may be accumulated to a specific maximum amount and is paid upon termination, retirement or death to Department employees. In accordance with generally accepted accounting principles as applicable to the Department, an accrual for compensated absences is reflected in the accompanying general purpose financial statements as liability for compensated absences.

I. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charged and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

J. Equity Classifications

The County has implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This new standard changed the overall definitions and classifications of governmental fund balances.

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

Fund Balance

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

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

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

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

Assigned – Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commissioners have authorized the County Clerk to assign fund balances.

Unassigned – Fund balances are reported as unassigned 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 balances may be reported in all funds.

The County uses restricted amounts to be spent first when both restricted and unrestricted fund balances are available, unless there are legal documents/contracts that prohibit the use of restricted fund balances, such as grant agreements that require a dollar match. Additionally, the County would then use committed, assigned and lastly unassigned amounts from the unrestricted fund balance when expending funds.

The County does not have a formal minimum fund balance policy; however, the County Commissioners address various target reserve positions which are reviewed periodically.

Net Position

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net position that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

K. Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund, are recorded as expenditures/ expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Basis

GAAP is the budgetary basis used in the preparation of these statements.

Budget Requirements, Accounting and Reporting

The County follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to year end the County Administrator submits to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. The Board of Commissioners holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Washington County.

3. The budget is then revised and adopted or amended by the Board of Commissioners at a regular meeting early in the year to which it applies.
4. The budget so adopted may be revised during the year only by formal action of the Board of Commissioners in a regular meeting and no increase shall be made therein without provision also being made for financing same.
5. The legal level of budgetary control is the department level within the General Fund. Increases in the total appropriations of a department, whether accomplished through an increase in estimated revenues or through a transfer of appropriations among departments, require the approval of the Board of Commissioners.
6. Formal budgetary integration is employed as a management control device during the year for the General Fund. The budgets for the General Fund and Special Revenue Funds are adopted on a basis consistent with GAAP.
7. Budgeted amounts are as originally adopted, or as amended by the Board of Commissioners. Individual amendments were not material in relation to the original appropriations which were amended.

Excesses of Expenditures over Appropriations in Individual Funds

	Final Budget	Actual Expenditures	Excess
Major Funds:			
General Fund:			
General government - capital outlays	$ 46,100	$ 59,171	$ 13,071
Public works – capital outlays	-	14,940	14,940
E911 Fund:			
Current operating	607,550	618,337	10,787

3. DEPOSITS AND INVESTMENTS

Primary Government

Deposits – Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. As of June 30, 2015, none of the County's $7,749,042 was exposed to custodial credit risk.

Investments – At June 30, 2015, the County had the following investments and maturities.

Investment	Maturities	Fair Value
Freddie Mac	5/13/2016	$ 746,014
Fannie Mae	7/15/2016	1,051,126
Freddie Mac	8/25/2016	488,507
Freddie Mac	8/23/2017	1,100,379
Freddie Mac	6/13/2018	1,110,633
Fannie Mae	9/18/2018	448,477
Fannie Mae	9/12/2019	1,008,012
Freddie Mac	5/01/2020	985,789
Freddie Mac	1/13/2022	1,012,470
Fannie Mae	1/30/2023	828,984
Federal Home Loan Bank	12/02/2020	1,718,315
		$10,498,706

Interest Rate Risk – The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increased interest rates.

Credit Risk – Statutes authorize the County to invest in obligations of the State of Georgia, other states, or the United States Government; obligations fully insured or guaranteed by the United Sates Government or an agency or corporation of the United Sates Government; and/or repurchase agreements and certificates of deposit which are secured by direct obligations of Georgia or the investments in US Agencies (Federal Home Loan Bank) are rated AAA by Standard and Poor's and AAA by Moody's Investors Service.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County had no policy on custodial credit risk. As of June 30, 2015, all of the deposits of the County were properly insured and collateralized as required by the Official Code of Georgia Annotated (OCGA) Section 45-8-12(c) and as defined by GASB pronouncements.

Concentration of Credit Risk – The County places no limit on the amount that the County may invest in any one issuer.

Investments - Discretely Presented Component Unit

The Washington County Board of Health participates in the Georgia Fund I Investment Pool. As of June 30, 2015, the Board of Health had $767,768 invested in the pool which carries a credit rating of AAAf with a weighted average maturity of 62 days.

4. PROPERTY TAXES

The value of all real and business personal property located in the County is assessed (appraised) as of each January 1. Taxable assessed value represents the appraisal value less applicable exemptions authorized by the County Commissioners. Appraised values are established by the Washington County Tax Assessors at 40% of estimated fair market value. Taxes were levied when the mileage rate was set on or about September 3, 2014. Taxes were billed on or about September 21, 2014 and were due December 10, 2014 after which date penalties and interest were assessed. Property on which taxes are not paid within 60 days of mailing may then be levied on by the County. Current tax collections for the years ended June 30, 2015, were 98.7% of the tax levy.

Property taxes are recorded as receivables and deferred at the time the tax levy is billed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible within sixty days following the close of the fiscal year, and therefore susceptible to accrual in accordance with GAAP have been recognized as revenue.

5. ACCOUNTS RECEIVABLE

At June 30, 2015, accounts receivable consisted of the following:

	Governmental Activities	Business-type Activities	Total
General Fund:			
Property tax	$ 116,396	$ -	$ 116,396
Local option sales tax	227,793	-	227,793
Miscellaneous	23,493	-	23,493
Capital Projects Fund (2014):			
Special local option sales tax	208,501	-	208,501
Transportation Fund:			
Special local option sales tax	116,852	-	116,852
Capital Projects Fund (2005):			
Miscellaneous	2,361	-	2,361
Emergency 911 Telephone Fund:			
Intergovernmental	32,681	-	32,681
Landfill Fund:			
Landfill fees	-	9,231	9,231
	728,077	9,231	737,308
Allowance for doubtful accounts	(25,400)	-	(25,400)
	$ 702,677	$ 9,231	$ 711,908

6. CAPITAL ASSETS AND DEPRECIATION

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Not being depreciated:				
Land	$ 963,815		$ -	$ 963,815
Construction-in-progress	1,168,348	863,560	(860,929)	1,170,979
Subtotal	2,132,163	863,560	(860,929)	2,134,794
Other capital assets:				
Infrastructure	17,358,627	860,929	-	18,219,556
Buildings & land improvements	18,046,502	13,462	(30,020)	18,029,944
Equipment	10,098,610	975,361	(758,148)	10,315,823
Subtotal	47,635,902	2,713,312	(1,649,097)	48,700,117
Accumulated depreciation:				
Infrastructure	5,588,030	411,904	-	5,999,934
Buildings & land improvements	4,376,629	445,573	(18,678)	4,803,524
Equipment	5,327,055	505,081	(478,286)	5,353,850
Subtotal	15,291,714	1,362,558	(496,964)	16,157,308
Net capital assets	$ 32,344,188	$ 1,350,754	$ (1,152,133)	$ 32,542,809
Business-type activities:				
Not being depreciated:				
Land	$ 2,948,503	$ 335,630	$ -	$ 3,284,133
Construction-in-progress	169,098	-	(169,098)	-
Subtotal	3,117,601	335,630	(169,098)	3,284,133
Other capital assets:				
Buildings & land improvements	48,061	-	-	48,061
Equipment	2,004,732	-	(220,685)	1,784,047
Subtotal	5,170,394	335,630	(389,783)	5,116,241
Accumulated depreciation:				
Buildings & land improvements	21,980	1,580	-	23,560
Equipment	1,757,236	36,031	(220,685)	1,572,582
Subtotal	1,779,216	37,611	(220,685)	1,596,142
Net capital assets	$ 3,391,178	$ 298,019	$ (169,098)	$ 3,520,099

Depreciation was charged to functions as follows:

Governmental activities:	
General government	$ 323,985
Judicial	5,383
Public safety	257,348
Public works	686,723
Health and welfare	18,453
Culture/recreation	70,666
	$ 1,362,558

7. CHANGES IN GENERAL CAPITAL ASSETS - DISCRETELY PRESENTED COMPONENT UNIT

Changes in equipment of the Washington County Health Department are detailed below:

	Balance June 30, 2014	Increases	Decreases	Balance June 30, 2015
Capital assets being depreciated:				
Equipment	$ 85,379	$ 9,810	$ -	$ 95,189
Less accumulated depreciation	(67,611)	(4,269)	-	(71,880)
Net capital assets	$ 17,768	$ 5,541	$ -	$ 23,309

8. LONG-TERM LIABILITIES

Following is a summary of changes in compensated absences for the year ended June 30, 2015:

	Balance July 1, 2014	Additions	Reductions	Balance June 30, 2015	Amount Due in One Year
Governmental type activities:					
Net pension liability	$2,819,566	$ -	$ (136,395)	$2,683,171	$ -
Compensated absences	77,486	35,871	-	113,357	113,357
Total long-term liabilities	$2,897,052	$ 35,871	$ (136,395)	$2,796,528	$113,357
Business type activities:					
Compensated absences	$ 7,240	$ -	$ (2,526)	$ 4,714	$ 4,714
Discretely presented component unit:					
Net pension liability	$ 493,660	$ -	$ (79,142)	$ 414,518	$ -
Compensated absences	38,087	22,418	(24,393)	36,112	5,842
Total long-term liabilities	$ 531,747	$ 22,418	$ (103,535)	$ 450,630	$ 5,842

For the governmental activities, compensated absences are generally liquidated by the general fund.

9. CLOSURE AND POST-CLOSURE COSTS

Following is a summary of changes in closure and post-closure accrued costs for the year ended June 30, 2015:

	Balance June 30, 2014	Increases	Retirements	Adjustments	Balance June 30, 2015	Amount Due Within One Year
Business-type Activities:						
Fund closure and post- closure accrued costs	$1,386,308	$35,886	$ -	$ -	$1,422,194	$ -

10. SEGMENT INFORMATION - ENTERPRISE FUNDS

The County maintains only one Enterprise Fund, the Landfill Fund; therefore segment reporting is not applicable.

11. FUND DEFICITS

No fund had a deficit fund balance or net asset balance at June 30, 2015.

12. INTERFUND TRANSACTIONS AND BALANCES

Transfers for the year ended June 30, 2015 consisted of the following:

	Transfers From		
	E911 Fund	Transportation Fund	Landfill Fund
Transfers to:			
General Fund	$ 121,697	$ 950,865	$ 31,155
	$ 121,697	$ 950,865	$ 31,155

Transfers are used to move unrestricted revenue to finance various programs that the government must account for in other funds in accordance with budgetary authorizations.

Balances due to/from other funds at June 30, 2015, consist of the following -

	Due From	Due To
Capital Projects Fund (2009)	$ 24,317	$ -
Transportation Fund	1,000	-
General Fund	-	25,317
	$ 25,317	$ 25,317

The outstanding balances due to the General Fund result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

All amounts due to the General Fund are expected to be repaid during fiscal year 2016.

13. CONTINGENT LIABILITIES - LITIGATION

Amounts expended or payable from federal grantor agencies are subject to audit and adjustment. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

Various claims and lawsuits are pending against the County. In the opinion of County management, after consultation with legal counsel, the potential loss on all claims and lawsuits will not materially effect the County's financial position.

The County and the City of Sandersville are equal guarantors on a Washington County Development Authority $2,300,000 revenue bond for purchase of an industrial building, in the event the Authority has insufficient funds to service the debt.

The County and the City of Sandersville are equal guarantors on a Washington County Development Authority $7,342,000 revenue bond for purchase of an industrial building, in the event the Authority has insufficient funds to service the debt.

The County is the guarantor on a Washington County Development Authority $1,978,000 revenue bond for purchase of an industrial building, in the event the Authority has insufficient funds to service the debt.

The County and the City of Sandersville are equal guarantors on a Washington County Public Facilities Authority $3,612,000 revenue bond for purchase of an industrial building, in the event the Authority has insufficient funds to service the debt.

The County is the guarantor on a Washington County Public Facilities Authority $16,690,000 revenue bond for construction of a new jail, in the event the Authority has insufficient funds to service the debt. Repayment of the bonds is being funded for the first six years by a 1% special local option sales tax.

14. RETIREMENT BENEFITS

The following pension and retirement plans are in effect but are not under the direct control of the County:

Probate Judge's Retirement Fund of Georgia

The Probate Judge is covered under a pension plan which requires that certain sums from marriage licenses and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Clerk of Superior Court Retirement Fund

The Clerk of Superior Court is covered under a pension plan which requires that certain sums from fees and fines or bond forfeitures be remitted to the pension plan before the payment of any costs or other claims.

Sheriff's Retirement Fund/Peace Officer's Annuity and Benefit Fund

The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plan before the payment of any costs or other claims.

Defined Benefit Pension Plan

The following information is as of December 31, 2015, the most recent year end of the described benefit pension plan.

A. Plan Description

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

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

B. Schedule of Changes in the Net Pension Liability and Related Ratios*

	2014
Total Pension Liability as of the beginning of year (1)	$ 11,891,171
Service cost	254,818
Interest	891,838
Plan chage	-
Changes of assumptions	-
Benefit payments (adjusted for interest)	(490,631)
Experience (gain)/(loss)	-
Total pension liability as of December 31, 2014 (2)	$ 12,547,196
Fiduciary Net Position as of beginning of year (3)	$ 9,071,605
Contributions - employer	559,560
Contributions - employee (including buyback)	186,777
Net investment income	637,290
Benefit payments	(472,897)
Employee contribution refunds	(32,251)
Administrative expense	(15,489)
Other	(70,570)
Fiduciary net position as of December 31, 2014 (4)	$ 9,864,025
Net pension liability as of beginning of year (1)-(3)	$ 2,819,566
Net pension liability as of end of year (2)-(4)	$ 2,683,171
Fiduciary Net Position as % of Total Pension Liability (4)/(2)	78.6%
Covered-employee payroll	$ 2,553,077
Net pension liability as a % of covered-employee payroll	105.1%

* *Historical information prior to implementation of GASB 67/68 is not required*

C. Net Position Restricted for Pensions

Fiduciary net position	$ 9,864,025
Deferred outflows of resources	-
Deferred inflows of resources	-
Net position restricted for pensions	$ 9,864,025

D. **Changes in the Net Pension Liability**

	Total Pension Liability (TPL) (a)	Fiduciary Net Position (FNP) (b)	Net Pension Liability (a) - (b)
Balances at December 31, 2013	$ 11,891,171	$ 9,071,605	$ 2,819,566
Changes for the year:			
Service cost	254,818	-	254,818
Interest	874,104	-	874,104
Liability experience (gain)/loss	-	-	-
Employer contributions	-	559,560	(559,560)
Employee contributions	-	154,526	(154,526)
Net investment income	-	637,290	(637,290)
Benefit payments	(472,897)	(472,897)	-
Administrative expense	-	(15,489)	15,489
Other	-	(70,570)	70,570
Net changes	656,025	792,420	(136,395)
Balances at December 31, 2014	$ 12,547,196	$ 9,864,025	$ 2,683,171

E. **Sensitivity Analysis for the Measurement Period Ended December 31, 2014**

	6.50%	8.50%
Total Pension Liability	$ 14,026,855	$ 11,287,988
Fiduciary Net Position	$ 9,864,025	$ 9,864,025
Net Pension Liability	$ 4,162,830	$ 1,423,963

F. Pension Expense for the Measurement Period Ended December 31, 2014

Service cost	$ 254,818
Interest on TPL	874,104
Amortization of:	
Liability experience (gain)/loss	-
Change in assumption	-
Asset (gain)/loss	-
Employee contributions	(186,777)
Projected earnings on plan investments	(687,840)
Administrative expense	15,489
Other change in FNP	26,507
Total expense	$ 296,301

G. Schedule of Accrued Liabilities

Actuarial Present Value of Accumulated Plan Benefits as of December 31, 2014

a. Vested	
i. Retirees (and others in pay status)	$ 4,459,687
ii. Deferred vested (former employees)	812,669
iii. Vested active participants	4,928,358
Total	$ 10,200,714
b. Nonvested	1,013,973
Total	$ 11,214,687
Effect of Service Attribution and Future Salary Increases	$ 1,332,509

H. Summary of Actuarial Methods and Assumptions

Investment Return	7.50% per year
Future Salary Increases	4.00% per year with an age base scale as follows
Cost-of-Living Adjustment	2.5% per year
Age	Salary Increase
Under 30	4.0% rate plus 1.5%
30-39	4.0% rate plus 1.0%
40-49	4.0% rate plus 0.5%
50+	4.0% rate plus 1.0%
Future payroll growth	5.5% per year

Mortality	RP-2000, Combined
Termination	An experience based, age and service based set of rates
Disability	Male rates (used for both sexes) derived from a 1977 Social Security Administration study. Incidence of disability resulting in eligibility for both disability benefits under the County retirement plan and the Social Security probability of disability based on age
Retirement:	

Probability of Retirement	
age 55 to 60	10%
age 61 to 64	20%
age 65 to 69	30%
age 70	100%

Administrative Expenses	The contribution payable as of the end of the Plan Year includes administrative fees set by contract between the ACCG and GEBCorp
Actuarial Value of Assets	Smoothed market value with a 5-year smoothing period
Actuarial Cost Method	Entry Age Normal: A method under which the actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age(s).
Beneficiary	The plan provides either a lump-sum benefit or an annuity for a fixed period of time to the beneficiary of a deceased active or inactive participant. Therefore all participants are assumed to have a beneficiary and such beneficiary is assumed to be the same age as the participant.
Participants on Sick Leave	Participants that are currently on sick leave, but still considered employees of the County, are included in the valuation and a liability is maintained for such participants.
Changes Since Prior Valuation	There have been no substantive changes since the last actuarial valuation

I. Summary of Main Plan Provisions for Valuation Purposes

Effective Date	January 1, 1968, restated January 1, 1986 and amended effective January 1, 1989 and January 1, 1995; amended and restated January 1, 2000; January 1, 2007; October 1, 2011; January 1, 2013
Participant	Any full-time employee meeting the provisions set out in the Adoption Agreement.
Eligibility	The January 1 coincident with or following the date the employee completes six months of service. Employees with date of hire or date of rehire on or after October 1, 2011, shall not be permitted to enter or reenter the plan.
Plan Year	Period from January 1 to the next December 31, Inclusive.
Service	Complete years and months, from the date of employment to the date on which an employee ceases to be an employee.
Average Annual Compensation	The highest average of the Participant's Compensation over five consecutive plan years during the ten plan years preceding the participant's date of retirement or other termination.
Eligibility for Benefits:	
Normal Retirement	Attained age 65 and 5 years of service
Late Retirement	Any date subsequent to normal retirement
Disability Retirement	Ten years of service and deemed to be totally disabled by the Federal Social Security Administration. Payments will not begin prior to age 50.
Vested Termination	100% vested after 5 years of service.
Pre-Retirement Death Benefit	Lump-sum active participants
Post-Retirement Death Benefit	Termination of employment due to early, normal or late retirement. Participants receiving a disability retirement benefit and who have attained normal retirement age are also eligible.
Accrued Benefit	2.25% of average annual compensation plus $250 multiplied by years of service
Benefit Amounts:	
Normal Retirement	A benefit payable monthly for life equal to the participant's accrued benefit at normal retirement.
Late Retirement	A benefit payable monthly for life equal to the participant's accrued benefit at late retirement

Early retirement	Reduced: Employees meeting the age 60 and 10 years of service requirement receive a benefit payable monthly for life equal to the participant's accrued benefit actuarially reduced at early retirement. Unreduced: Employees meeting the Rule of 80 (minimum age 58) receive a benefit payable monthly for life equal to the participant's accrued benefit.
Disability Retirement	A benefit payable monthly for life equal to the participant's accrued benefit at disability retirement.
Vested Termination	A benefit payable monthly for life beginning at normal retirement equal to the Participant's accrued benefit at termination. Participant's with 10 years of service may elect to receive benefits at an early retirement date calculated in the same manner as an early retirement benefit. The contribution payable as of the end of the Plan Year includes administrative fees set by contract between the ACCG and GEBCorp
Pre-Retirement Death Benefit	The beneficiary of active participants eligible for this benefit will receive a lump-sum death benefit equal to 50 times the projected monthly benefit based on level earnings and continued service to normal retirement.
Post-Retirement Death Benefit	The beneficiary will receive a lump sum death benefit based on the 50 times the retiree's benefit payable under the normal form as follows: this benefit is limited to $15,000.
Form of Benefit	The normal form of benefit is a straight line annuity. Other forms of payment are available and are actuarially equivalent to the normal form.
Contributions	Participants contribute 7% of pay
Changes Since Prior Valuation	There have been no substantive changes since the last actuarial valuation.

J. Summary of Plan Asset Matters and Accounting Principles

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

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

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

Plan assets do not include any loans, notes, bonds, or other instruments or securities of the County or related parties.

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.

To obtain a copy of the financial report for the ACCG pension plan, write to the following address:

ACCG
50 Hurt Place,
Suite 1000
Atlanta, GA 30303

15. LANDFILL CLOSURE AND POSTCLOSURE COSTS

The County opened a new solid waste landfill in December 1993. State and federal regulations will require the County to place a final cover on the landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the County will report a portion of these closure and postclosure care costs as an expenditure in each period based on landfill capacity used as of each balance sheet date.

The State has estimated that for every cubic yard of waste accepted in the landfill, $1.00 will be required to be contributed to a trust fund to finance closure and postclosure care. The accrual for waste accepted December 1993 to June 30, 2015, shown in the Landfill Enterprise Fund, is $1,422,194, (39.6% of total estimated closure and post-closure costs of $3,593,215) an increase of $35,886 from June 30, 2014.

The estimated total current cost of closure and postclosure care remaining to be recognized, based on the $1.00 per cubic yard and estimated annual volume, is $2,171,021.

The landfill capacity used to date is estimated at 39.6%, and the remaining landfill life is 36 years.

Due to changes in technology, laws or regulations the above cost estimates may change in the future.

16. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors of omissions, job related illnesses or injuries to employees; natural disaster; and unemployment compensation.

The County is a member of Association County Commissioners of Georgia Interlocal Risk Management Agency (ACCG-IRMA), through which it shares liability, crime, motor vehicles and property damage risks. Coverages are as follows:

Property:	
Building and contents	$26,227,696
Automobile physical damage and mobile equipment	Per Schedule on File with ACCG-IRMA
Casualty:	
Comprehensive general liability and law enforcement liability	$3,000,000
Automobile liability	$3,000,000
Public officials error and omission liability	$3,000,000
Employee benefits liability	$3,000,000
Crime:	
Blanket bond	Per State Law or Local Ordinance
Depositors forgery	$ 150,000
Money and securities (inside and outside premises)	$ 150,000 each
Deductible:	
Per occurrence or claim	$ 25,000
Coverage Exceptions:	
Retroactive date to which coverage exception are subject	January 12, 1988

The Association County Commissioners of Georgia Interlocal Risk Management was created pursuant to Chapter 85 of Title 36 of the Official Code of Georgia Annotated to function as an unincorporated nonprofit instrumentality of its member counties. ACCG-IRMA was established to administer one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of county governments. It also exists to defend and protect, in accordance with each member government contract, ACCG-IRMA members against liability or loss.

The County is obligated as follows under the intergovernmental contract of ACCG-IRMA:

- To participate at all times in at least one Fund which is established by the Board
- To pay all contributions, assessments or other sums due to ACCG-IRMA at such times and in such amounts as shall be established by the Board
- To select a person to serve as a Member representative
- To allow the Board and its agents reasonable access to all facilities of the Member and all records, including but not limited to financial records, which relate to the purposes of ACCG-IRMA
- To allow attorneys appointed by ACCG-IRMA to represent the Member in investigation, settlement discussions and all levels of litigation arising out of any claim made against a Member within the scope of loss protection furnished by the Fund or Funds established by ACCG-IRMA
- To assist and cooperate in the defense and settlement of claims against the Member
- To furnish full cooperation to ACCG-IRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of ACCG-IRMA relating to the purposes of ACCG-IRMA
- To follow all loss reduction and prevention procedures established by ACCG-IRMA
- To furnish to ACCG-IRMA such budget, operating and underwriting information as may be requested by the Board
- To report as promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in ACCG-IRMA or any Fund established by ACCG-IRMA being required to pay claim for loss or injuries to municipal property or injuries to persons or property when such loss or injury is within the scope of the protection of a Fund or Funds in which the Member participates

The County retains the first $25,000 of each risk of loss in the form of a deductible. The County files all claims with ACCG-IRMA who then bills the County for any risk loss up to the $25,000 deductible.

The basis for estimating the liabilities for unpaid claims is "IBNR" established by an actuary.

The County has not compiled a record of the claims paid up to the applicable deductible for the current fiscal year. The County is aware of three claims which the County is liable for (up to the applicable deductible) which were outstanding and unpaid at June 30, 2015. No provision has been made in the financial statements for the year ended June 30, 2015, for any estimate of potential unpaid claims.

The County is self-insured with regard to unemployment compensation claims. The County accounts for claims with expenditures and liabilities being reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. The County has paid $4,084 of claims related to unemployment compensation in the past three years.

For its workers' compensation coverage, the County is a participant in the Association County Commissioners Self-Insurance Fund (the Fund), a public entity risk pool operated for the benefit of county government units located in Georgia. The County's General Fund pays an annual premium to the Fund for this coverage. The Fund provides excess insurance coverage for protection of members against excess losses and initial excess coverage is statutory specific and unlimited aggregate accounts. Government members of the Fund are jointly and severally liable for claims not covered by the Fund.

17. OTHER POSTEMPLOYMENT BENEFITS

In accordance with GASB 45 requirements, the County is required to attribute the cost of postretirement benefits to the time during which the employee is working for the employer. GASB 45 requires allocation of the costs of a postretirement benefit plan onto the years of active employment; it does note require the funding of such benefits. GASB 45 requirements have been implemented by the County for the year ended June 30, 2015. The County has elected not to establish a separate trust fund to account for other post-employment benefits, and has not funded the plan as of June 30, 2015.

The County provides postretirement health care benefits, as per the requirements of a resolution for certain retirees. The provisions and obligations to contribute are established and may be amended by the Washington County Board of Commissioners. To be eligible to continue in the County's Group Health Insurance Plan, an employee of elected official has to have participated in the County's Health Insurance Program for at least sixteen years prior to retirement. The County will pay the total premium cost of the first year after retirement. The retiree must then begin paying his/her share of the premium cost at the beginning of the second year of retirement. As the premiums increase, the retiree's portion of the premium is expected to remain unchanged. Currently, four employees are enrolled in postretirement health care benefits. These postretirement benefits are funded on a pay-as-you-go basis. In 2015, the net cost of premiums for providing postretirement benefits for retirees was $78,642.

Membership

The following schedule (derived from the most recent actuarial report) reflects membership for the OPEB Health Care Plan as of January 1, 2015.

Active members	107
Retired members	10
	117

Contributions

The County contributed $78,642 to the OPEB Health Care Plan in fiscal year 2015. The annual required contribution amount is determined using actuarial methods and assumptions approved by the County Commissioners. The Commissioners established and may amend the funding policy for the OPEB Health Care Plan.

Schedule of Employer Costs and Contributions

Fiscal Year	Annual Required Contribution/ Annual OPEB Cost	Actual County Contribution	Percentage of AOC Contributed	Net OBEB Obligation End of Year
2010	$437,265	$ 52,696	12.1%	$384,569
2011	437,265	28,175	6.4%	793,659
2012	99,598	35,710	35.9%	857,547
2013	99,598	26,917	27.0%	930,228
2014	99,598	47,403	47.6%	982,423
2015	100,622	78,642	78.2%	1,004,403

Components of Net OPEB Obligation:

Annual Required Contribution	$ 98,866
Interest on Net OPEB Obligation	39,297
Adjustment to Annual Required Contribution	(37,541)
Annual OPEB Cost	100,622
Contributions Made	78,642
Increase in Net OPEB Obligation	21,980
Net OPEB Obligation, beginning of year	982,423
Net OPEB Obligation, end of year	$1,004,403

As of the most recent valuation date, January 1, 2015, the funded status of the OPEB Health Care Plan was as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Ratio	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll
01/01/10	$ -	$4,396,529	$4,396,529	-%	$3,388,291	129.76%
01/01/12	-	1,177,104	1,177,104	-%	3,222,148	36.53%
01/01/15	-	1,926,013	1,926,013	-%	3,779,226	50.96%

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the plan in effect at January 1, 2015. The assumptions used in the January 1, 2015 actuarial valuations are as follows:

Basis of Valuation	
Current Valuation Date	January 1, 2015
Actuarial Cost Method	Projected unit credit
Actuarial Asset Valuation Method	Market value of assets
Assumed Rate of Return on Investments	4.00%
Medical Cost Trend Rate	7.50% - 5.00%
Year of Ultimate Medical Cost Trent Rate	2020
Amortization Method	Level percentage of pay, open
Remaining Amortization Period	30 years
Payroll Inflation Rate	3.0%

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include the techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

18. JOINT VENTURE

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 and is required to pay annual dues thereto. During its year ended June 30, 2015, the County paid $11,188 in such dues. Membership in a Regional Commission is required by the OCGA Section 50-8-34 which provides for the organizational structure of the Regional Commission in Georgia. The Regional Commission Board membership includes the chief elected official of each county and municipality of the area. OCGA 50-8-39.1 provides that the member governments are liable for any debts or obligations of a Regional Commission. Separate financial statements may be obtained from:

Central Savannah River Area Regional Commission
2123 Wrightsboro Road
P.O. Box 2800
Augusta, Georgia 30914-2800

19. SUBSEQUENT EVENTS

Subsequent events were evaluated through November 30, 2015, the date the financial statements were available to be issued.

20. PRIOR PERIOD ADJUSTMENT

Beginning net position for the Governmental Activities was restated as follows:

	Governmental Activities
Net Position, as originally reported	$ 47,688,395
Net pension asset (Implementation of GASB 68)	(2,819,566)
Beginning Net Position, as restated	$44,868,829

REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN MANAGEMENT'S DISCUSSION AND ANALYSIS

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Budgetary Comparison Schedules – General Fund, Emergency 911 Telephone Special Revenue Fund and Transportation Special Revenue Fund

WASHINGTON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes:				
General property taxes	$ 6,256,851	$ 6,256,851	$ 6,236,781	$ (20,070)
General sales and use tax	1,459,864	1,459,864	1,406,950	(52,914)
Selective sales and use tax	44,900	44,900	33,764	(11,136)
Title ad valorem tax	179,000	179,000	407,771	228,771
Business tax	514,600	522,923	526,923	4,000
Other taxes	346,000	346,000	356,479	10,479
Penalties and interest on delinquent taxes	55,800	55,800	89,155	33,355
	8,857,015	8,865,338	9,057,823	192,485
Licenses and Permits:				
Business licenses and permits	56,700	56,700	48,663	(8,037)
Non-business licenses and permits	-	-	10,940	10,940
	56,700	56,700	59,603	2,903
Intergovernmental:				
Federal grants	-	237,720	250,196	12,476
Local government grants:				
Recreation	47,260	72,260	45,461	(26,799)
Airport	1,900	1,900	1,379	(521)
	49,160	311,880	297,036	(14,844)
Charges for services:				
General government	2,470	2,470	85,477	83,007
Prisoner housing	110,300	110,300	24,881	(85,419)
Roads and public improvements	6,900	6,900	-	(6,900)
	119,670	119,670	110,358	(9,312)
Fees and fines:				
Superior Court	39,892	39,892	84,396	44,504
State Court	122,100	122,100	108,039	(14,061)
Probate Court	29,200	29,200	39,352	10,152
Clerk of Courts	147,700	147,700	92,818	(54,882)
Magistrate Court	130,400	130,400	89,008	(41,392)
Sheriff	113,800	113,800	99,501	(14,299)
Qualifying fees	-	-	3,754	3,754
	583,092	583,092	516,868	(66,224)
Investment income:				
Interest earned	98,800	98,800	99,851	1,051
Miscellaneous:				
Rent	214,209	214,209	21,836	(192,373)
Other	37,100	51,100	194,611	143,511
	251,309	265,309	216,447	(48,862)
Total revenues	10,015,746	10,300,789	10,357,986	57,197

WASHINGTON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
EXPENDITURES:				
Current Operating:				
General government	$ 3,628,368	$ 3,728,865	$ 3,536,823	$ 192,042
Public safety	2,797,650	2,849,246	2,794,160	55,086
Judicial	1,097,045	1,108,745	1,078,515	30,230
Public works	1,896,199	1,896,199	1,808,509	87,690
Health and welfare	355,360	355,660	352,875	2,785
Culture/recreation	533,350	539,750	493,844	45,906
Total operating expenditures	10,307,972	10,478,465	10,064,726	413,739
Capital Outlays:				
General government	38,100	46,100	59,171	(13,071)
Public safety	49,000	49,000	43,145	5,855
Judicial	-	-	-	-
Public works	-	-	14,940	(14,940)
Health and welfare	-	-	-	-
Culture/recreation	12,000	102,000	102,000	-
Total capital expenditures	99,100	197,100	219,256	(22,156)
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total debt service	-	-	-	-
Total expenditures	10,407,072	10,675,565	10,283,982	391,583
Excess (deficiency) of revenues over expenditures	(391,326)	(374,776)	74,004	448,780
OTHER FINANCING SOURCES (USES):				
Interfund transfers:				
Transportation SPLOST Fund	661,000	661,000	950,865	289,865
Emergency 911 Telephone Fund	(164,694)	(258,694)	121,697	380,391
Landfill Fund	(104,980)	(259,764)	31,155	290,919
	391,326	142,542	1,103,717	961,175
Excess (deficiency) of revenues over expenditures and other financing sources	-	(232,234)	1,177,721	1,409,955
FUND BALANCE, beginning of year	9,593,004	9,593,004	9,593,004	-
FUND BALANCE, end of year	$ 9,593,004	$ 9,360,770	$ 10,770,725	$ 1,409,955

WASHINGTON COUNTY, GEORGIA
EMERGENCY 911 TELEPHONE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for services:				
E-911 fees	$ 391,700	$ 391,700	$ 318,534	$ (73,166)
Intergovernmental:				
Contribution from cities	164,256	164,256	155,820	(8,436)
State grants	6,600	6,600	6,571	(29)
Investment income:				
Interest earned	-	-	-	-
Other	300	300	-	(300)
	562,856	562,856	480,925	(81,931)
EXPENDITURES:				
Current operating:				
Personal services and employee benefits	482,400	482,400	477,595	4,805
Purchased/contracted services	120,250	120,250	136,670	(16,420)
Supplies	4,900	4,900	4,072	828
Capital outlays	120,000	214,000	211,382	2,618
Debt service:				-
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	727,550	821,550	829,719	(8,169)
Excess revenues over (under) expenditures	(164,694)	(258,694)	(348,794)	(90,100)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	164,694	258,694	(121,697)	(380,391)
Excess revenues and other financing sources (uses) over (under) expenditures	-	-	(470,491)	(470,491)
FUND BALANCE, beginning of year	499,840	499,840	499,840	-
FUND BALANCE, end of year	$ 499,840	$ 499,840	$ 29,349	$ (470,491)

WASHINGTON COUNTY, GEORGIA
TRANSPORTATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes	$ 1,300,000	$ 1,300,000	$ 1,300,124	$ 124
Intergovernmental	600,000	600,000	577,599	(22,401)
	1,900,000	1,900,000	1,877,723	(22,277)
EXPENDITURES:				
Current operating:				
Transportation improvements	1,239,000	1,239,000	393,600	845,400
Capital outlays	-	-	-	-
Total expenditures	1,239,000	1,239,000	393,600	845,400
Excess revenues over (under) expenditures	661,000	661,000	1,484,123	823,123
OTHER FINANCING SOURCES (USES)				
Transfers to General Fund	(661,000)	(661,000)	(950,865)	(289,865)
Excess revenues and other financing sources (uses) over (under) expenditures	-	-	533,258	533,258
FUND BALANCE, beginning of year	1,382,081	1,382,081	1,382,081	-
FUND BALANCE, end of year	$ 1,382,081	$ 1,382,081	$ 1,915,339	$ 533,258

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements not required by the GASB, nor are a part of the basic financial statements, but are presented for purposes of additional analysis. Such information includes:

- Combining Statements - Nonmajor governmental funds
- Combining Statements - Fiduciary funds
- General Fund Statement of Expenditures (Final Budget to Actual) Detailed by Department
- Schedule of Projects Constructed with Special Sales Tax Proceeds
- Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*
- Schedule of Findings and Questioned Costs

WASHINGTON COUNTY, GEORGIA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2015

	SPECIAL REVENUE				Capital Projects Fund (2005)	Total Nonmajor Governmental Funds
	Recreation	Law Library	2014 CDBG	2011 CDBG		
ASSETS:						
Cash and cash equivalents	$ 10,415	$ 46,252	$ -	$ -	$ 36,689	$ 93,356
Investments	-	-	-	-	448,477	448,477
Receivables from other governments	-	-	-	-	-	-
Accounts receivables, net	-	-	-	-	2,361	2,361
Inventories	69,691	-	-	-	-	69,691
Total assets	$ 80,106	$ 46,252	$ -	$ -	$ 487,527	$ 613,885
LIABILITIES:						
Accounts payable	$ 5,049	$ -	$ -	$ -	$ -	$ 5,049
Due to other funds	-	-	-	-	-	-
Total liabilities	5,049	-	-	-	-	5,049
FUND BALANCES:						
Non-spendable fund balance:						
Inventory	69,691	-	-	-	-	69,691
Restricted fund balance	-	-	-	-	-	-
Capital projects	-	-	-	-	487,527	487,527
Transportation	-	-	-	-	-	-
Committed fund balance	-	-	-	-	-	-
Assigned fund balance:						
Public safety	-	46,252	-	-	-	46,252
Culture and recreation	5,366	-	-	-	-	5,366
Unassigned fund balance	-	-	-	-	-	-
Total fund balances	75,057	46,252	-	-	487,527	608,836
Total liabilities and fund balance	$ 80,106	$ 46,252	$ -	$ -	$ 487,527	$ 613,885

WASHINGTON COUNTY, GEORGIA
STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENT FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	SPECIAL REVENUE				Capital Projects Fund (2005)	Total Nonmajor Governmental Funds
	Recreation	Law Library	2014 CDBG	2011 CDBG		
REVENUES:						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	66,500	7,801	13,625	97,691	-	185,617
Charges for services	52,453	-	-	-	-	52,453
Other	20,380	-	-	-	10,458	30,838
Total revenues	139,333	7,801	13,625	97,691	10,458	268,908
EXPENDITURES:						
Current operating:						
Culture/recreation	144,164	-	-	-	-	144,164
Court system	-	2,353	-	-	-	2,353
Transportation improvements	-	-	-	1,126	-	1,126
Capital outlays	-	-	13,625	97,623	-	111,248
Debt service	-	-	-	-	-	-
Total expenditures	144,164	2,353	13,625	98,749	-	258,891
Excess (deficiency) of revenues over expenditures	(4,831)	5,448	-	(1,058)	10,458	10,017
OTHER FINANCING SOURCES (USES):						
Transfers in (out)	-	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-	-
Net change in fund balance	(4,831)	5,448	-	(1,058)	10,458	10,017
FUND BALANCE, beginning	79,888	40,804	-	1,058	477,069	598,819
FUND BALANCE, ending	$ 75,057	$ 46,252	$ -	$ -	$ 487,527	$ 608,836

WASHINGTON COUNTY, GEORGIA
RECREATION DEPARTMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Charges for services:				
Recreation fees	$ 50,000	$ 50,000	$ 52,453	$ 2,453
Intergovernmental:				
Contribution from County	66,500	66,500	66,500	-
Other income	40,000	40,000	20,380	(19,620)
Total revenue	156,500	156,500	139,333	(17,167)
EXPENDITURES:				
Current operating:				
Personal services and employee benefits	5,000	5,000	-	5,000
Purchased/contracted services	90,000	90,000	89,322	678
Supplies	56,500	56,500	54,842	1,658
Capital outlays	5,000	5,000	-	5,000
Debt service:				
Principal	-	-	-	-
Interest	-	-	-	-
Total expenditures	156,500	156,500	144,164	12,336
Excess revenues over (under) expenditures	-	-	(4,831)	(4,831)
OTHER FINANCING SOURCES (USES):				
Transfers in (out)	-	-	-	-
Excess revenues and other financing sources (uses) over (under) expenditures	-	-	(4,831)	(4,831)
FUND BALANCE, beginning of year	79,888	79,888	79,888	-
FUND BALANCE, end of year	$ 79,888	$ 79,888	$ 75,057	$ (4,831)

WASHINGTON COUNTY, GEORGIA
LAW LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental	$ 14,500	$ 14,500	$ 7,801	$ (6,699)
Other	500	500	-	(500)
	15,000	15,000	7,801	(7,199)
EXPENDITURES:				
Current operating:				
Purchased/contracted services	2,000	2,000	-	2,000
Supplies	12,000	12,000	2,353	9,647
Capital outlays	1,000	1,000	-	1,000
Total expenditures	15,000	15,000	2,353	12,647
Excess revenues over (under) expenditures	-	-	5,448	5,448
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Excess revenues and other financing sources (uses) over (under) expenditures	-	-	5,448	5,448
FUND BALANCE, beginning of year	40,804	40,804	40,804	-
FUND BALANCE, end of year	$ 40,804	$ 40,804	$ 46,252	$ 5,448

WASHINGTON COUNTY, GEORGIA
2011 COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenue	$ 97,691	$ 97,691	$ 97,691	$ -
Other income	-	-	-	-
	97,691	97,691	97,691	-
EXPENDITURES:				
Current operating expenditures	1,126	1,126	1,126	-
Capital outlays	97,623	97,623	97,623	-
Total expenditures	98,749	98,749	98,749	-
Excess revenues over (under) expenditures	(1,058)	(1,058)	(1,058)	-
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	-	-	-
Excess revenues and other financing sources (uses) over (under) expenditures	(1,058)	(1,058)	(1,058)	-
FUND BALANCE, beginning of year	1,058	1,058	1,058	-
FUND BALANCE, end of year	$ -	$ -	$ -	$ -

WASHINGTON COUNTY, GEORGIA
2014 COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET (GAAP) BASIS AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenue	$ 13,625	$ 13,625	$ 13,625	$ -
Other income	-	-	-	-
	13,625	13,625	13,625	-
EXPENDITURES:				
Current operating expenditures	-	-	-	-
Capital outlays	13,625	13,625	13,625	-
Total expenditures	13,625	13,625	13,625	-
Excess revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	-	-	-
Excess revenues and other financing sources (uses) over (under) expenditures	-	-	-	-
FUND BALANCE, beginning of year	-	-	-	-
FUND BALANCE, end of year	$ -	$ -	$ -	$ -

WASHINGTON COUNTY, GEORGIA
FIDUCIARY FUNDS - AGENCY FUNDS
COMBINING STATEMENT OF NET POSITION
June 30, 2015

	Tax Commissioner	Probate Court	Clerk of Courts	Sheriff	Magistrate Court	Total
ASSETS						
Cash	$ 80,384	$ 11,445	$ 422,726	$ 65,350	$ -	$ 579,905
Property taxes receivable	116,396	-	-	-	-	116,396
Other receivables	-	1,470	-	-	-	1,470
Total assets	$ 196,780	$ 12,915	$ 422,726	$ 65,350	$ -	$ 697,771
LIABILITIES:						
Due to others	$ -	$ 10,867	$ 422,726	$ 65,350	$ -	$ 498,943
Due to other governments	196,780	2,048	-	-	-	198,828
Total liabilities	$ 196,780	$ 12,915	$ 422,726	$ 65,350	$ -	$ 697,771

WASHINGTON COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
TAX COMMISSIONER				
ASSETS:				
Cash	$ 88,106	$ 22,230,809	$ 22,238,531	$ 80,384
Property taxes receivable	143,423	18,283,530	18,310,557	116,396
Other receivables	-	-	-	-
Total revenue	$ 231,529	$ 40,514,339	$ 40,549,088	$ 196,780
LIABILITIES:				
Due to others	$ -	$ -	$ -	$ -
Due to other governments	231,529	22,137,238	22,171,987	196,780
	$ 231,529	$ 22,137,238	$ 22,171,987	$ 196,780
PROBATE COURT				
ASSETS:				
Cash	$ 10,985	$ 56,773	$ 56,313	$ 11,445
Property taxes receivable	-	-	-	-
Other receivables	1,840	-	370	1,470
Total revenue	$ 12,825	$ 56,773	$ 56,683	$ 12,915
LIABILITIES:				
Due to others	$ 10,805	$ 56,313	$ 56,251	$ 10,867
Due to other governments	2,020	28	-	2,048
	$ 12,825	$ 56,341	$ 56,251	$ 12,915
CLERK OF COURTS				
ASSETS:				
Cash	$ 396,240	$ 709,676	$ 683,190	$ 422,726
Property taxes receivable	-	-	-	-
Other receivables	-	-	-	-
Total revenue	$ 396,240	$ 709,676	$ 683,190	$ 422,726
LIABILITIES:				
Due to others	$ 396,240	$ 344,343	$ 317,857	$ 422,726
Due to other governments	-	-	-	-
	$ 396,240	$ 344,343	$ 317,857	$ 422,726

WASHINGTON COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2015

	Balance July 1, 2014	Additions	Deductions	Balance June 30, 2015
SHERIFF				
ASSETS:				
Cash	$ 73,687	$ 203,041	$ 211,378	$ 65,350
Property taxes receivable	-	-	-	-
Other receivables	-	-	-	-
Total revenue	$ 73,687	$ 203,041	$ 211,378	$ 65,350
LIABILITIES:				
Due to others	$ 73,687	$ 184,287	$ 192,624	$ 65,350
Due to other governments	-	-	-	-
	$ 73,687	$ 184,287	$ 192,624	$ 65,350
MAGISTRATE COURT				
ASSETS:				
Cash	$ -	$ 367,041	$ 367,041	$ -
Property taxes receivable	-	-	-	-
Other receivables	-	-	-	-
Total revenue	$ -	$ 367,041	$ 367,041	$ -
LIABILITIES:				
Due to others	$ -	$ 277,808	$ 277,808	$ -
Due to other governments	-	89,233	89,233	-
	$ -	$ 367,041	$ 367,041	$ -
TOTAL				
ASSETS:				
Cash	$ 569,018	$ 23,567,340	$ 23,556,453	$ 579,905
Property taxes receivable	143,423	18,283,530	18,310,557	116,396
Other receivables	1,840	-	370	1,470
Total revenue	$ 714,281	$ 41,850,870	$ 41,867,380	$ 697,771
LIABILITIES:				
Due to others	$ 480,732	$ 862,751	$ 844,540	$ 498,943
Due to other governments	233,549	22,226,499	22,261,220	198,828
	$ 714,281	$ 23,089,250	$ 23,105,760	$ 697,771

WASHINGTON COUNTY, GEORGIA

GENERAL FUND

SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)

FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
GENERAL GOVERNMENT:				
Board of Commissioners:				
Personal services	$ 318,300	$ 318,300	$ 287,851	$ 30,449
Purchased/contracted services	23,400	23,400	35,246	(11,846)
Supplies	9,700	9,700	4,226	5,474
Capital outlays	38,100	38,100	38,035	65
Debt service	-	-	-	-
	389,500	389,500	365,358	24,142
Tax Commissioner:				
Personal services	199,500	199,500	183,923	15,577
Purchased/contracted services	36,400	36,400	43,794	(7,394)
Supplies	7,000	7,000	10,102	(3,102)
Capital outlays	-	-	-	-
Debt service	-	-	-	-
	242,900	242,900	237,819	5,081
Tax Assessors:				
Personal services	201,500	201,500	186,947	14,553
Purchased/contracted services	27,500	27,500	49,033	(21,533)
Supplies	17,800	17,800	15,501	2,299
Capital outlays	-	-	-	-
	246,800	246,800	251,481	(4,681)
Board of Registrars:				
Personal services	51,434	51,434	50,750	684
Purchased/contracted services	4,300	4,300	1,625	2,675
Supplies	2,400	2,400	2,938	(538)
Capital outlays	-	-	-	-
	58,134	58,134	55,313	2,821
Coroner:				
Personal services	16,000	23,280	26,226	(2,946)
Purchased/contracted services	15,030	7,750	4,833	2,917
Supplies	-	-	60	(60)
Capital outlays	-	-	-	-
	31,030	31,030	31,119	(89)
Public Building and Property:				
Personal services	-	-	-	-
Purchased/contracted services	296,515	314,215	283,601	30,614
Supplies	29,600	29,600	45,136	(15,536)
Capital outlays	-	8,000	21,136	(13,136)
	326,115	351,815	349,873	1,942

WASHINGTON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
Elections:				
Personal services	$ 38,800	$ 38,800	$ 37,413	$ 1,387
Purchased/contracted services	14,700	14,700	8,624	6,076
Supplies	1,700	1,700	1,233	467
Capital outlays	-	-	-	-
	55,200	55,200	47,270	7,930
Auditing	37,000	37,000	37,760	(760)
Miscellaneous General Government:				
County Agent:				
Personal services	54,966	49,066	53,086	(4,020)
Purchased/contracted services	2,600	8,500	2,388	6,112
Supplies	4,900	4,900	4,222	678
Code enforcement:				
Personal services	27,500	27,500	27,693	(193)
Purchased/contracted services	7,200	7,200	2,074	5,126
Supplies	10,300	10,300	6,235	4,065
Airport:				
Purchased/contracted services	27,440	31,340	34,526	(3,186)
Property and employee insurance and bonds	231,200	231,200	205,265	25,935
Employee fringe benefits	1,333,400	1,333,400	1,296,902	36,498
Regional development commission dues	11,000	11,000	10,758	242
Legal and consulting services	46,000	121,000	133,298	(12,298)
Industrial development:				
Development Authority	224,000	224,000	160,790	63,210
Other	299,283	303,180	282,764	20,416
	2,279,789	2,362,586	2,220,001	142,585
Total general government	3,666,468	3,774,965	3,595,994	178,971
PUBLIC SAFETY:				
Sheriff's Office:				
Personal services	1,222,000	1,272,596	1,272,880	(284)
Purchased/contracted services	136,350	136,350	170,007	(33,657)
Supplies	197,000	197,000	142,708	54,292
Capital outlays	49,000	49,000	43,145	5,855
	1,604,350	1,654,946	1,628,740	26,206
Jail:				
Personal services	561,400	561,400	585,605	(24,205)
Purchased/contracted services	202,200	202,200	142,848	59,352
Supplies	240,700	240,700	242,112	(1,412)
Capital outlays	-	-	-	-
	1,004,300	1,004,300	970,565	33,735
Rural Fire Support:				
Operating expenses	238,000	239,000	238,000	1,000
Total public safety	2,846,650	2,898,246	2,837,305	60,941

WASHINGTON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
JUDICIAL SYSTEM:				
Superior Court:				
Personal services	$ 229,200	$ 229,200	$ 229,803	$ (603)
Purchased/contracted services	389,025	389,025	367,933	21,092
Supplies	11,000	11,000	12,184	(1,184)
Capital outlays	-	-	-	-
	629,225	629,225	609,920	19,305
Probate Court:				
Personal services	131,400	131,400	118,791	12,609
Purchased/contracted services	1,150	1,150	1,596	(446)
Supplies	2,600	2,600	5,053	(2,453)
Capital outlays	-	-	-	-
	135,150	135,150	125,440	9,710
State Court:				
Personal services	75,800	75,800	73,114	2,686
Purchased/contracted services	15,000	15,000	24,999	(9,999)
Supplies	-	-	-	-
Capital outlays	-	-	-	-
	90,800	90,800	98,113	(7,313)
Magistrate Court:				
Personal services	$ 226,000	$ 237,700	$ 233,079	$ 4,621
Purchased/contracted services	5,470	5,470	5,585	(115)
Supplies	10,400	10,400	6,378	4,022
Capital outlays	-	-	-	-
	241,870	253,570	245,042	8,528
Total Judicial	1,097,045	1,108,745	1,078,515	30,230
PUBLIC WORKS:				
Road Department:				
Personal services	928,800	928,800	915,484	13,316
Purchased/contracted services	452,299	452,299	384,086	68,213
Supplies	515,100	515,100	508,939	6,161
Capital outlays	-	-	14,940	(14,940)
Total Public Works	1,896,199	1,896,199	1,823,449	72,750
HEALTH AND WELFARE:				
Public Health:				
Personal services	-	-	-	-
Purchased/contracted services	42,000	42,300	42,215	85
Supplies	-	-	-	-
Capital outlays	-	-	-	-
	42,000	42,300	42,215	85

WASHINGTON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget
Family and Children Services:				
Personal services	$ -	$ -	$ -	$ -
Purchased/contracted services	16,100	16,100	16,100	-
Supplies	-	-	-	-
Capital outlays	-	-	-	-
	16,100	16,100	16,100	-
Ambulance Service:				
Personal services	-	-	-	-
Purchased/contracted services	297,260	297,260	294,560	2,700
Supplies	-	-	-	-
Capital outlays	-	-	-	-
	297,260	297,260	294,560	2,700
Total Health and Welfare	355,360	355,660	352,875	2,785
CULTURE/RECREATION:				
Recreation:				
Personal services	$ 345,500	$ 387,300	$ 323,187	$ 64,113
Purchased/contracted services	129,350	87,550	108,005	(20,455)
Supplies	7,500	7,500	6,146	1,354
Capital outlays	12,000	102,000	102,000	-
	494,350	584,350	539,338	45,012
Library contributions	51,000	57,400	56,506	894
Total Culture/Recreation	545,350	641,750	595,844	45,906
GRAND TOTAL	$ 10,407,072	$ 10,675,565	$ 10,283,982	$ 391,583

WASHINGTON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
For the Year Ended June 30, 2015

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2005 Tax:						
Recreation park construction	$ 250,000	$ 249,315	$ 249,315	$ -	$ 249,315	100.00%
Sheriff's department equipment	500,000	550,000	525,781	-	525,781	95.60%
Hospital improvements	500,000	1,118,941	1,118,941	-	1,118,941	100.00%
Public works equipment	1,500,000	1,500,000	1,487,201	-	1,487,201	99.15%
Rural fire support	900,000	900,000	900,000	-	900,000	100.00%
County road projects	5,325,000	5,800,000	5,421,697	-	5,421,697	93.48%
Ambulances and equipment	400,000	200,000	156,059	-	156,059	78.03%
E911 equipment	-	400,540	400,540	-	400,540	100.00%
Airport improvements	-	200,000	54,345	-	54,345	27.17%
Landfill improvements	-	50,000	20,764	-	20,764	41.53%
City projects:						
City of Davisboro	233,100	233,100	233,100	-	233,100	100.00%
Town of Deepstep	99,960	99,960	99,960	-	99,960	100.00%
Town of Harrison	312,120	312,120	312,120	-	312,120	100.00%
City of Oconee	183,120	183,120	183,120	-	183,120	100.00%
Town of Riddleville	95,400	95,400	95,400	-	95,400	100.00%
City of Sandersville	3,315,000	3,314,939	3,314,939	-	3,314,939	100.00%
City of Tennille	861,300	861,360	861,360	-	861,360	100.00%

(Continued)

WASHINGTON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
For the Year Ended June 30, 2015

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2009 Tax:						
Industrial park improvements	$ 750,000	$ 750,000	$ 338,889	$ -	$ 338,889	45.19%
Airport improvements	170,000	2,500,000	2,375,497	-	2,375,497	95.02%
Rural fire support	630,000	630,000	630,000	-	630,000	100.00%
County road projects	7,000,000	7,000,000	1,131,887	506,906	1,638,793	23.41%
Hospital improvements	3,000,000	3,000,000	2,850,000		2,850,000	95.00%
Sheriff's department equipment	650,000	650,000	360,283	92,581	452,864	69.67%
Recreation equipment	200,000	400,000	133,586	156,076	289,662	72.42%
Ambulances and equipment	350,000	350,000	144,248		144,248	41.21%
Public works equipment	2,000,000	2,000,000	692,594	441,286	1,133,880	56.69%
General government construction	-	150,000	65,819	11,882	77,701	51.80%
E911 equipment	-	100,000	35,536		35,536	35.54%
Landfill improvements	-	500,000	227,898	10,663	238,561	47.71%
City projects:						
City of Davisboro	250,000	250,000	173,990	11,953	185,943	74.38%
Town of Deepstep	137,500	137,500	95,699	6,574	102,273	74.38%
Town of Harrison	325,000	325,000	226,185	15,539	241,724	74.38%
City of Oconee	200,000	200,000	139,192	9,563	148,755	74.38%
Town of Riddleville	137,500	137,500	95,699	6,574	102,273	74.38%
City of Sandersville	3,100,000	3,100,000	2,157,451	148,224	2,305,675	74.38%
City of Tennille	850,000	850,000	591,532	40,641	632,173	74.38%

WASHINGTON COUNTY, GEORGIA
SCHEDULE OF PROJECTS CONSTRUCTED WITH SPECIAL SALES TAX PROCEEDS
For the Year Ended June 30, 2015

Project	Original Estimated Cost	Revised Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
2014 Tax:						
Industrial park improvements	$ 150,000	$ 150,000	$ -	$ -	$ -	0.00%
Rural fire support	760,000	760,000	-	126,000	126,000	16.57%
County road projects	2,800,000	2,800,000	-		-	0.00%
Hospital improvements	840,000	840,000	-	140,000	140,000	16.67%
Sheriff's department equipment	400,000	400,000	-		-	0.00%
Recreation equipment	100,000	100,000	-	10,593	10,593	10.59%
Jail construction	6,500,000	6,500,000	-	275,802	275,802	4.24%
Public works equipment	500,000	500,000	-	25,504	25,504	5.10%
General government construction	100,000	100,000	-		-	0.00%
Landfill improvements	500,000	500,000	-		-	0.00%
City projects:						
City of Davisboro	250,000	250,000	-	30,927	30,927	12.37%
Town of Deepstep	91,300	91,300	-	11,297	11,297	12.37%
Town of Harrison	218,200	218,200	-	26,991	26,991	12.37%
City of Oconee	133,500	133,500	-	16,512	16,512	12.37%
Town of Riddleville	85,100	85,100	-	10,531	10,531	12.37%
City of Sandersville	2,521,700	2,521,700	-	311,931	311,931	12.37%
City of Tennille	832,700	832,700	-	103,006	103,006	12.37%

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

To the County Commissioners
Washington County, Georgia

We have audited, 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, the financial statements of the governmental activities, the business type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Washington County, Georgia as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Washington County, Georgia's basic financial statements and have issued our report thereon dated November 30, 2015.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that were considered to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

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We did identify certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs, that we consider to be significant deficiencies in internal control over financial reporting noted as items 15-1 through 15-2.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Washington County Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 15-3.

Washington County, Georgia's Response to Findings

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

Purpose of this Report

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

Wright & Wright, P.C.

November 30, 2015

WASHINGTON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2015

15-1 Segregation of Duties

Condition

Because of a limited number of available personnel in some of the Agency Funds, it is not always possible to adequately segregate certain incompatible duties, so that no one employee has access to both physical assets and the related accounting records, or to all phases of a transaction.

Criteria

The County has a one employee in some of the Agency Funds who performs all financial duties, including receiving and depositing funds, writing checks and reconciling bank accounts. Items are approved for disbursement by the elected official, who signs checks.

Effect

Because of the lack of segregation of duties, the possibility exists that unintentional or intentional errors or irregularities could exist and not be promptly detected.

Recommendation

We recommend that management continue to exercise alert supervision of employees in order to protect the assets of the County.

Response of Responsible Officials

We concur with and plan to implement the recommendations.

15-2 Controls Over Financial Statement Presentation

Condition

The County's financial statements and related footnotes are not prepared by County employees.

Criteria

County personnel do not currently possess the professional skills necessary to prepare the year end financial statements in sufficient detail to detect material misstatements in the financial statements and related footnotes.

Effect

The deficiency identified above could result in a material misstatement to the County's financial statements that would not be prevented or detected on a timely basis.

Recommendation

The County should consider additional training that would provide accounting personnel with the skills to detect and correct misstatements in the financial statements.

Response of Responsible Officials

We concur. We will evaluate the cost effectiveness of implementing the control and act accordingly.

15-3 Budgetary

Condition

In the County's General Fund and E911 Fund, actual expenditures exceeded budget appropriations in a department.

Criteria

Departmental expenditures which exceed budgeted appropriations are a violation of state law.

Effect

Fiscal control and accountability over departmental expenditures may be jeopardized.

Recommendation

The County should monitor the budget and amend it when appropriate.

Response of Responsible Officials

The County Commissioners will analyze budgetary financial data periodically and amend the budget when appropriate.