
UPSON COUNTY, GEORGIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Year Ended
December 31, 2014**

**PREPARED BY:
FINANCE OFFICE**

UPSON COUNTY, GEORGIA
Comprehensive Annual Financial Report
For the Year Ended December 31, 2014

TABLE OF CONTENTS

	<u>Page</u>
I. <u>INTRODUCTORY SECTION</u>	
Letter of Transmittal	1-2
Organizational Chart	3
List of Elected and Appointed Officials	4
 II. <u>FINANCIAL SECTION</u>	
INDEPENDENT AUDITOR'S REPORT	5-6
MANAGEMENT'S DISCUSSION AND ANALYSIS	7-13
BASIC FINANCIAL STATEMENTS:	
Government-wide Financial Statements:	
Statement of Net Position	14-15
Statement of Activities	16-17
 Fund Financial Statements:	
Balance Sheet – Governmental Funds	18
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	20-21
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	22
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund and Special Revenue Funds	23-26
Statement of Net Position – Proprietary Fund	27
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund	28
Statement of Cash Flows - Proprietary Fund	29
Statement of Fiduciary Net Position – Fiduciary Funds	30
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	31
 Notes to the Financial Statements	 32-56
 SUPPLEMENTARY INFORMATION:	
<u>Governmental Funds</u>	
<u>Nonmajor Governmental Fund</u>	
Combining Balance Sheet	57
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	58

UPSON COUNTY, GEORGIA
Comprehensive Annual Financial Report
For the Year Ended December 31, 2014

TABLE OF CONTENTS

	<u>Page</u>
SUPPLEMENTARY INFORMATION: (continued)	
<u>Governmental Funds</u>	
General Fund	
Comparative Balance Sheet	59
Comparative Statement of Revenues, Expenditures, and Changes in Fund Balance	60
Schedule of Revenues and Other Financing Sources Compared with Budget	61-62
Schedule of Expenditures and Other Financing Uses Compared with Budget	63-65
<u>Special Revenue Funds</u>	
Combining Schedules by Fund Type	
Combining Balance Sheet	66
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	67
911 Fund:	
Comparative Balance Sheet	68
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	69
Hotel/Motel Tax Fund:	
Comparative Balance Sheet	70
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	71
Law Library Fund:	
Comparative Balance Sheet	72
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	73
Unincorporated Services Fund:	
Comparative Balance Sheet	74
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	75
Joint Projects Fund:	
Comparative Balance Sheet	76
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual	77
<u>Capital Projects Funds</u>	
Combining Balance Sheet	78
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual	79-80

UPSON COUNTY, GEORGIA
Comprehensive Annual Financial Report
For the Year Ended December 31, 2014

TABLE OF CONTENTS

	<u>Page</u>
<u>PROPRIETARY FUNDS</u>	
<u>Enterprise Funds</u>	
Water Systems:	
Combined Water Districts:	
Comparative Statement of Net Position	81-82
Comparative Statement of Revenues, Expenditures, and Changes in Fund Net Position	83
Comparative Statement of Cash Flows	84-85
Waste Services:	
Comparative Statement of Net Position	86-87
Comparative Statement of Revenues, Expenditures, and Changes in Fund Net Position	88
Comparative Statement of Cash Flows	89-90
<u>Fiduciary Funds</u>	
Pension Trust Fund:	
Employee Pension Fund:	
Comparative Statement of Fiduciary Net Position	91
Comparative Statement of Changes in Plan Net Position	92
Agency Funds:	
Combining Statement of Fiduciary Net Position	93
Comparative Statements of Changes in Assets and Liabilities	94-96
<u>Component Units</u>	
Nonmajor Component Units	
Combining Statement of Net Position	97
Combining Statement of Activities	98
<u>Other Supplemental Schedules</u>	
Long-term Debt Schedule:	
Comparative Schedule of Long-term Debt	99

UPSON COUNTY, GEORGIA
Comprehensive Annual Financial Report
For the Year Ended December 31, 2014

TABLE OF CONTENTS

	<u>Page</u>
III. STATISTICAL SECTION	
Financial Trends:	
Schedule 1 - Net Position by Component	100
Schedule 2 - Changes in Net Position	101-102
Schedule 3 - Fund Balances, Governmental Funds	103
Schedule 4 - Changes in Fund Balances, Governmental Funds	104
Revenue Capacity:	
Schedule 5 - Tax Revenues by Source, Governmental Funds	105
Schedule 6 - Assessed and Estimated Actual Value of Property	106
Schedule 7 - Property Tax Levies and Collections	107
Schedule 8 - Direct and Overlapping Governments—Property Tax Rates	108
Debt Capacity:	
Schedule 9 - Ratios of Outstanding Debt by Type	109
Schedule 10 - Pledge-Revenue Coverage-Public Utilities System Revenue Notes	110
Schedule 11 - Legal Debt Margin Information	111
Schedule 12 - Direct & Overlapping Governmental Activities Debt	112
Demographic & Economic Information	
Schedule 12 - Demographic & Economic Statistics	113
Schedule 13 - Principal Employers	114
Operating Information	
Schedule 14 - Full-time Equivalent County Employees by Function/Program	115
Schedule 15 - Operating Indicators by Function/Program	116
Schedule 16 - Capital Asset Statistics by Function	117
Principal Property Tax Payers - Current Year and Nine Years Ago	118
IV. Report on Internal Control over Financial Reporting and on Compliance Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	
	119-120

UPSON COUNTY, GEORGIA
Comprehensive Annual Financial Report
For the Year Ended December 31, 2014

TABLE OF CONTENTS

	<u>Page</u>
Schedule of Findings and Questioned Responses	121-122

V. Governmental Reports

State of Georgia Requirements

Schedule of Projects constructed with Special Purpose Local Option Sales Tax	123-124
---	---------

Rusty Blackston, *Chairman*
Lorenzo Wilder, *District 1*
Steve Hudson, *District 2*
Ralph Ellington, *District 3*
Frank Spraggins, *District 4*

UPSON COUNTY BOARD OF COMMISSIONERS
106 EAST LEE STREET, SUITE 110 THOMASTON, GA 30286
(706) 647-7012 FAX (706) 647-7030

English & English Law Group, County Attorney
Jim Wheelless, County Manager

June 15, 2015

Honorable Members of the Upson County Board of Commissioners
and the Citizens of Upson County, Georgia:

State law requires that all local governments publish within six months of the close of each fiscal year a complete set of financial statements based on accounting principles generally accepted accounting principles generally accepted in the United States of America and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of Upson County, Georgia for the year ended December 31, 2014.

This report consists of management's representations concerning the finances of Upson County, Georgia. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of Upson County has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of Upson County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, Upson County's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Upson County's financial statements have been audited by Driver & Adams, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of Upson County, Georgia for the year ended December 31, 2014, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principals used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that Upson County's financial statements for the year ended December 31, 2014, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. Upson County's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

Upson County, Georgia, (incorporated in 1824, is located in west central Georgia, approximately 68 miles south of Atlanta, and serves a population of approximately 27,000 . Upson County is an area approximately 333 square miles, ranked 84th in size among Georgia's 159 counties. Upson County is empowered to levy a property tax on both real and personal properties located within its boundaries.

The governing body (Upson County Board of Commissioners) of the County is responsible, among other things, for passing ordinances, adopting the budget, appointing department heads, making appointments to agencies and authorities within the county, and hiring both the county attorney and county auditor. The Commission is elected on a non-partisan basis and each serve four-year terms.

The annual budget serves as the foundation for Upson County's financial planning and control. All departments and agencies funded by Upson County are required to submit requests for appropriation to the county's finance department each year. The commission is required to hold public hearings on the proposed budget and to

adopt a final budget by no later than December 1, for the fiscal year commencing the following January 1. The appropriated budget is prepared by fund (e.g., general), function (e.g., public works), and department (e.g., engineering). Management is authorized to transfer budget amounts between expenditure character within individual departments. Transfers between departments or revisions which increase total expenditures of a fund must be approved by the County Commission.

Factors Affecting Financial Condition

The information provided in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which Upson County operates.

Upson County, Georgia is located in west central Georgia, approximately 68 miles south of Atlanta, 45 miles west of Macon and 57 miles northeast of Columbus. The forever increasing industrial, commercial and residential growth from south of Atlanta together with a new four-lane highway connector from Thomaston to this area, places the County in a very favorable geographic location destined for future growth.

Also underway is the continuing enhancement of our new \$15 million airport facility for our area to serve existing air traffic capabilities for new and existing industry. The new airport became operational during 1994. The airport facility continues to expand due to F.A.A., D.O.T., and local financial efforts to purchase additional adjacent land, and the widening and strengthening of the runway and taxiway to accommodate larger aircraft.

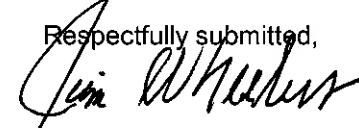
Upson County has completed two S.P.L.O.S.T. construction initiatives. The first S.P.L.O.S.T. totaling \$7,000,000 was used to build a new governmental complex and improve our recreational facilities. The second S.P.L.O.S.T. totaling \$11,960,000 was used to improve and extend sewer lines, improve and renovate our historic courthouse and construct a new county jail facility.

Underway and almost complete is the current \$18,000,000 S.P.L.O.S.T. project. Many useful infrastructure improvements have been made.

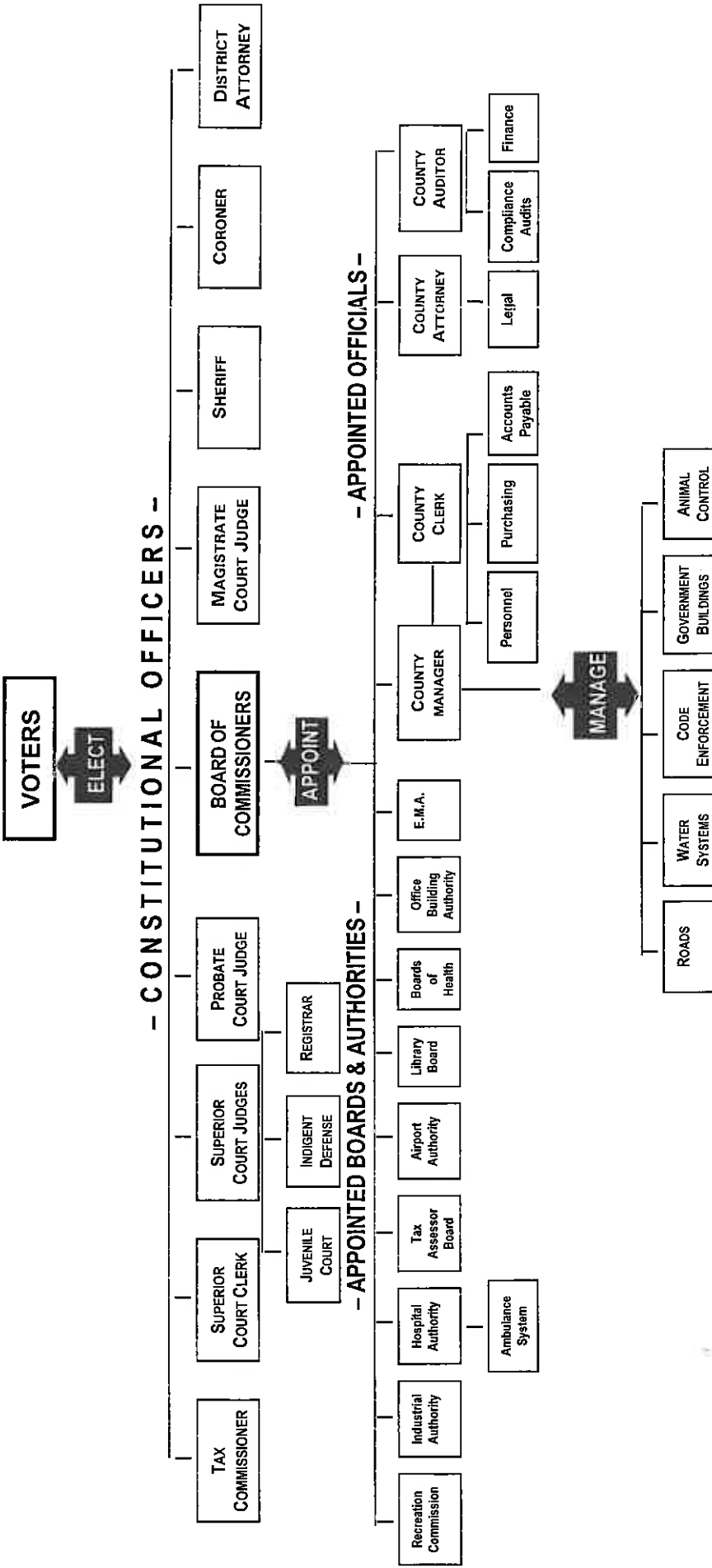
Construction has been completed on a new speculative building within our newly acquired industrial park. This building is located in close proximity to our new airport. We expect to receive numerous industrial prospects from this effort, as well as the continued cooperative efforts from the Georgia Department of Industry and Trade.

Awards and Acknowledgments

The preparation of this report could not have been accomplished without the efficient and dedicated service of the entire finance office staff. I would like to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit must also be given to the Upson County Board of Commissioners for their unflinching support for maintaining the highest standards of professionalism in the management of Upson County, Georgia's finances.

Respectfully submitted,

Jim Wheelless
County Manager

UPSON COUNTY, GEORGIA ORGANIZATIONAL CHART



UPSON COUNTY, GEORGIA
List of Elected and Appointed Officials
December 31, 2014

Elected Officials

BOARD OF COMMISSIONERS

Rusty Blackston, Chairman

Steve Hudson

Ralph Ellington

Frank Spraggins

Lorenzo Wilder

CONSTITUTIONAL OFFICERS

Teresa Harper, Clerk of Superior Court

Berry Cook, Tax Commissioner

Dan Kilgore, Sheriff

Danielle McRae, Probate Court Judge

Danny Bentley, Magistrate Court Judge

**AUDITOR'S REPORT -
REPORT OF INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS**



INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
of Upson County, Georgia
Thomaston, Georgia

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Upson County, Georgia, as of and for the year ended December 31, 2014, 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. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Upson County Department of Health, a non-major component unit that represents 2.10% of the net position and 5.08% of the revenues of Upson County, Georgia. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for this component unit, 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 of material misstatements.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County of Upson, Georgia, as of December 31, 2014, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information on pages 7 through 13 be presented to supplement the basic financial statements. Such information, although not 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 operation, 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 such 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 the County of Upson, Georgia's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, budgetary comparison schedules, the schedule of projects constructed with special sales tax proceeds, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules, and the schedule of projects constructed with special sales tax proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied to the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, the budgetary comparison schedules and the schedule of projects constructed with special sales tax proceeds are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 1, 2015, on our consideration of the County of Upson, 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 the County of Upson, Georgia's internal control over financial reporting and compliance.

Thomaston, Georgia
June 1, 2015



**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

Management's Discussion and Analysis

As management of Upson County, Georgia, we offer readers of the County's financial statement this narrative overview and analysis of the financial activities of the County for the year ended December 31, 2014. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-3 of this report.

Financial Highlights

- The assets of the County exceeded its liabilities as of December 31, 2014, by \$ 40,935,923 (Net Position).
- The government's total Net Position increased by \$ 671,045 for year 2014.
- As of December 31, 2014, the County's governmental funds reported combined ending fund balances of \$ 5,784,776, a increased of \$ 390,998 from prior year fund balances. Approximately 44% or \$ 2,544,943 of this total amount is available at the County's discretion (unassigned fund balance).
- At December 31, 2014, unassigned fund balance of the General Fund decreased by \$ 339,247 to \$ 2,544,943 or 17% of total General Fund expenditures.
- Upson County's total long-term debt decreased by \$ 303,411 during year 2014. The main components of this decrease was a \$ 230,805 principal payment on existing G.E.F.A. loans and principal payments on capital leases totaling \$ 72,606.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements comprise three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The statements within the first component are government-wide financial statements that provide both long-term and short-term information about the County's overall financial status in a manner similar to a private-sector business.

The statements within the second component are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances. These two statements are the 1) statement of Net Position and 2) statement of activities.

The *statement of Net Position* presents information on all of the County's assets and liabilities, with the difference between the two reported as *Net Position*. Over time, increases or decreases in Net Position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how the government's Net Position changed during the most recent fiscal year. All changes in Net Position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the County include general government, public safety, health and welfare, and culture and recreation. The business-type activities are the Northside, Sunset and Lincoln Park Water Systems and Waste Services.

The government-wide financial statements include not only Upson County government itself (known as the primary government), but also the component units of Upson County. Financial information for the component units is reported separately from the financial information presented for the primary government itself. The Thomaston-Upson County Airport Authority, the Thomaston-Upson County Recreation Commission, and Industrial Development Authority are considered major component units and, as such, are presented in separate columns while data for the remaining two non-major component units are combined into a single aggregated presentation. Additional information for all non-major component units can be found in the combining statements on pages 97-98 of this report.

The government-wide financial statements can be found on pages 14-17 of this report.

Fund financial statements. The remaining statements are fund financial statements that focus on individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Upson County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Upson County can be divided into three (3) categories: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Upson County maintains eight (8) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the 911 Fund and 2005 S.P.L.O.S.T. Capital Projects Funds, Unincorporated Services Fund and the Joint Projects Fund are considered to be major funds. Data from the other two (2) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of both combining statements and individual fund statements elsewhere in this report.

The County adopts an annual appropriated budget for its general fund, special revenue funds and capital projects. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 18-26 of this report.

Proprietary funds. The County maintains two types of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses an enterprise fund to account for the County Water Districts and the Waste Services Fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 27-29 of this report.

Fiduciary funds. Fiduciary fund statements provide information about the financial relationships such as the pension plan for Upson County employees, in which the County acts solely as a trustee or agent for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Individual fund data for the fiduciary funds is provided in the form of both combining statements and individual fund statements elsewhere in this report.

Notes to the financial statements. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 32 through 56 of this report.

Government-wide Financial Analysis

Net Position may serve over time as a useful indicator of a government's financial position. In the case of Upson County, assets exceeded liabilities by \$ 40,935,923 at the close of the most recent fiscal year.

By far the largest portion of the County's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and vehicles); less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although Upson County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Upson County, Georgia's Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Current and other assets	\$ 6,098,087	\$ 5,619,302	\$ 575,331	\$ 582,491	\$ 6,673,418	\$ 6,201,793
Capital assets	<u>32,874,838</u>	<u>32,639,628</u>	<u>6,901,779</u>	<u>7,086,170</u>	<u>39,776,617</u>	<u>39,725,798</u>
Total assets	<u>\$ 38,972,925</u>	<u>\$ 38,258,930</u>	<u>\$ 7,477,110</u>	<u>\$ 7,668,661</u>	<u>\$ 46,450,035</u>	<u>\$ 45,927,591</u>
<u>Liabilities:</u>						
Other liabilities	\$ 390,280	\$ 298,131	\$ 477,888	\$ 395,065	\$ 868,168	\$ 693,196
Long term liabilities	<u>109,447</u>	<u>186,416</u>	<u>4,536,497</u>	<u>4,783,100</u>	<u>4,645,944</u>	<u>4,969,516</u>
Total liabilities	<u>\$ 499,727</u>	<u>\$ 484,547</u>	<u>\$ 5,014,385</u>	<u>\$ 5,178,165</u>	<u>\$ 5,514,112</u>	<u>\$ 5,662,712</u>
<u>Net position:</u>						
Net investment in capital assets	\$ 32,688,422	\$ 32,380,606	\$ 2,120,546	\$ 2,064,488	\$ 34,808,968	\$ 34,445,094
Restricted	3,744,896	2,472,290	-	-	3,744,896	2,898,298
Unrestricted	<u>2,039,880</u>	<u>2,921,486</u>	<u>342,179</u>	<u>426,008</u>	<u>2,382,059</u>	<u>2,921,486</u>
Total net position	<u>\$ 38,473,198</u>	<u>\$ 37,774,382</u>	<u>\$ 2,462,725</u>	<u>\$ 2,490,496</u>	<u>\$ 40,935,923</u>	<u>\$ 40,264,878</u>

Upson County, Georgia's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program Revenues:						
Charges for services	\$ 1,980,180	\$ 1,938,768	\$ 1,406,583	\$ 1,005,302	\$ 3,386,763	\$ 2,944,070
Operating grants & contributions	1,409,948	407,466	--	--	1,409,948	407,466
Capital grants & contributions	--	5,000	--	500,000	--	505,000
General Revenues:						
Property Taxes	9,074,785	9,800,914	--	--	9,074,785	9,800,914
Other Taxes	6,077,722	5,614,455	--	--	6,077,722	5,614,455
Interest	2,442	628	74	77	2,516	705
Other	197,792	157,838	--	--	197,792	157,838
Total Revenues	\$ 18,742,869	\$ 17,925,069	\$ 1,406,657	\$ 1,505,379	\$ 20,149,526	\$ 19,430,448
Expenses:						
General government	\$ 6,034,931	\$ 7,877,480	\$ --	\$ --	\$ 6,034,931	\$ 7,877,480
Public safety	5,236,706	3,989,046	--	--	5,236,706	3,989,046
Public works	2,933,607	2,118,469	--	--	2,933,607	2,118,469
Health and welfare	853,076	1,244,369	--	--	853,076	1,244,369
Culture and recreation	394,382	376,413	--	--	394,382	376,413
Intergovernmental	2,519,556	2,098,775	--	--	2,519,556	2,098,775
Interest on debt	71,817	74,987	--	--	71,817	74,987
Water Systems/Waste Services	--	--	1,434,428	1,117,504	1,434,428	1,117,504
Total Expenses	\$ 18,044,075	\$ 17,779,539	\$ 1,434,428	\$ 1,117,504	\$ 19,478,503	\$ 18,897,043
Increase in net position	\$ 698,794	\$ 145,530	\$ (27,771)	\$ 389,875	\$ 671,023	\$ 535,405

Governmental Activities:

Property taxes, which taxes are the largest source of revenue for financing governmental activities, decreased by \$ 726,129 for the year 2014. Property tax revenue included collections of delinquent taxes. The property tax millage rate was increased by 2.26 mills. However, a special tax district was established to fund joint city and county projects and activities. Whereas in prior years these funds were raised by applying a millage rate to the unincorporated digest, beginning in 2014, the joint funds were raised applying a millage rate to both the unincorporated county digest as well as the city digest. This new methodology reduces the amount of taxes levied by the county equal to the amount levied by the City of Thomaston. The City of Thomaston reimbursed the County in the amount of \$858,050, as reported under intergovernmental revenues within the General Fund, as of December 31, 2014.

Business-type activities.

The County charges fees to customers of the Water System Enterprise and Waste Services Funds for costs of services it provides. These activities decreased the County's Net Position by \$ 27,771 as compared to an increase of \$ 389,875 in the prior year.

Financial Analysis of the Government's Funds

The fund financial statements provide more detailed information about the County's most significant funds, not the County as a whole. Funds are accounting devices that the County uses to keep track of specific sources of funding and spending for particular purposes. Some funds are required by State law and by bond covenants. The Board of Commissioners establishes other funds to control and manage money for particular purposes (like the purchase or construction on major capital facilities within the County) or to show that it is properly using certain taxes and grants.

Governmental funds. Most of the County's basic services are included here, such as public safety, public works, culture and recreation, and general administration. These focus on (1) cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Such information is useful in assessing Upson County's financing requirements. In particular, restricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Upson County's governmental funds reported combined ending fund balances of \$ 5,784,776, an increase of \$ 390,998 in comparison with the prior year. Approximately 44 percent of this amount (\$ 2,544,943) constitutes unrestricted fund balance which is available for spending at the government's discretion. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been committed to be used for capital outlay or other restricted purposes (\$ 3,239,833).

The general fund is the chief operating fund of the County. At the end of the current fiscal year, unrestricted fund balance of the general fund was \$ 2,544,943. As a measure of the general fund's liquidity, it may be useful to compare unrestricted fund balance to total fund expenditures. Unrestricted fund balance represents 17 percent of total general fund expenditures.

The fund balance of the County's general fund decreased by \$ 339,247 during the current year due to excess expenditures over revenues for 2014.

Proprietary funds. Upson County's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of this fund have been previously discussed with the County's business-type activities.

Capital Assets and Debt Administration

Capital assets. Upson County's investment in capital assets for its governmental and business-type activities as of December 31, 2014, amounts to \$ 39,776,617 (net of accumulated depreciation). This investment includes land, buildings and systems, machinery, vehicles and infrastructure.

Information on the County's capital assets can be found in the notes to the financial statements on pages 43-44 of this report.

Long-term debt. At the end of the current year, the County had total debt outstanding of \$ 4,967,649, all of which is backed by the full faith and credit of the County. Information on the

County's long-term debt can be found in the notes to the financial statements on pages 46-47.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of the assessed value of all taxable property (tax digest) within said county. The current debt limitation for Upson County is significantly in excess of the County's outstanding general obligation debt.

Additional information surrounding the County's long-term debt can be found on the comparative schedule of general long-term debt and in the notes to the financial statements on page 99 and on pages 45-48 of this report, respectively.

Requests for Information

This financial report is designed to provide a general overview of Upson County, Georgia's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the County Commissioners, Governmental Complex, 106 East Lee Street, Suite 110, Thomaston, Georgia 30286.

BASIC FINANCIAL STATEMENTS

UPSON COUNTY, GEORGIA
Statement of Net Position
December 31, 2014

PRIMARY GOVERNMENT

	Governmental Activities	Business-type Activities	Total
ASSETS:			
Cash and cash equivalents	\$ 4,146,205	\$ 441,723	\$ 4,587,928
Receivables (net of allowance for uncollectibles)			-
Taxes	1,664,222	-	1,664,222
Accounts	-	176,568	176,568
Grants	-	-	-
Internal Balances	198,188	(198,188)	-
Due from other funds	74,535	-	74,535
Prepaid items	14,937	-	14,937
Restricted assets:			
Temporarily restricted:			
Cash and cash equivalents	-	155,228	155,228
Capital assets (net of accumulated depreciation)			
Land	2,149,190	381,300	2,530,490
Other capital assets, net of depreciation	<u>30,725,648</u>	<u>6,520,479</u>	<u>37,246,127</u>
Total Assets	<u>\$ 38,972,925</u>	<u>\$7,477,110</u>	<u>\$ 46,450,035</u>
LIABILITIES:			
Accounts payable	\$ 313,311	\$ 100,153	\$ 413,464
Due to other funds	-	-	-
Liabilities payable from restricted assets	-	132,999	132,999
Noncurrent liabilities:			
Due within one year	76,969	244,736	321,705
Due in more than one year	<u>109,447</u>	<u>4,536,497</u>	<u>4,645,944</u>
Total Liabilities	<u>\$ 499,727</u>	<u>\$5,014,385</u>	<u>\$ 5,514,112</u>
NET POSITION:			
Net investment in capital assets	\$ 32,688,422	\$2,120,546	\$ 34,808,968
Restricted for capital outlay	2,479,533	-	2,479,533
Restricted for other purposes	1,265,363	-	1,265,363
Unrestricted	<u>2,039,880</u>	<u>342,179</u>	<u>2,382,059</u>
TOTAL NET POSITION	<u>\$ 38,473,198</u>	<u>\$2,462,725</u>	<u>\$ 40,935,923</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Net Position
December 31, 2014

COMPONENT UNITS

Thomaston-Upson County Airport Authority	Thomaston-Upson County Industrial Development Authority	Thomaston-Upson County Recreation Commission	Non-Major Component Units
\$ 83,112	\$ 765,547	\$ 20,407	\$ 899,561
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
53,394	-	-	-
-	-	-	-
-	-	-	-
3,316,133	2,629,366	523,000	173,772
<u>10,195,837</u>	<u>2,969,818</u>	<u>245,330</u>	<u>1,686,115</u>
<u>\$ 13,648,476</u>	<u>\$ 6,364,731</u>	<u>\$ 788,737</u>	<u>\$ 2,759,448</u>
\$ 30,496	\$ -	\$ 15,551	\$ 102,469
71,619	-	-	2,916
-	-	-	-
55,670	216,000	-	-
<u>535,767</u>	<u>1,398,387</u>	<u>-</u>	<u>-</u>
<u>\$ 693,552</u>	<u>\$ 1,614,387</u>	<u>\$ 15,551</u>	<u>\$ 105,385</u>
\$ 12,920,533	\$ 3,984,797	\$ 768,330	\$ 1,859,887
-	-	-	-
-	-	-	585,098
<u>34,391</u>	<u>765,547</u>	<u>4,856</u>	<u>209,078</u>
<u>\$ 12,954,924</u>	<u>\$ 4,750,344</u>	<u>\$ 773,186</u>	<u>\$ 2,654,063</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Activities
December 31, 2014

	Program Revenues			
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 6,034,931	\$ 915,834	\$ 861,781	\$ -
Public safety	5,236,706	1,064,346	44,532	-
Public works	2,933,607	-	503,635	-
Health and welfare	853,076	-	-	-
Culture and recreation	394,382	-	-	-
Intergovernmental	2,519,556	-	-	-
Interest on short and long-term debt	71,817	-	-	-
Total governmental activities	<u>\$ 18,044,075</u>	<u>\$ 1,980,180</u>	<u>\$ 1,409,948</u>	<u>\$ 0</u>
Business-type activities:				
Water Systems	\$ 1,311,999	\$ 1,146,587	\$ -	\$ -
Waste Services	122,429	259,996	-	-
Total business-type activities	<u>\$ 1,434,428</u>	<u>\$ 1,406,583</u>	<u>\$ -</u>	<u>\$ 0</u>
Total Primary Government	<u>\$ 19,478,503</u>	<u>\$ 3,386,763</u>	<u>\$ 1,409,948</u>	<u>\$ 0</u>
Component Units:				
Upson County Dept. of Public Health	\$ 1,189,873	\$ 469,224	\$ 554,265	\$ -
Thomaston-Upson County:				
Industrial Development Authority	209,283	4,415	477,032	-
Airport Authority	1,658,111	1,134,515	107,760	493,965
Recreation Commission	896,793	23,972	805,899	-
Solid Waste Disposal Facility	398,954	-	362,299	-
Total Component Units	<u>\$ 4,353,014</u>	<u>\$ 1,632,126</u>	<u>\$ 2,307,255</u>	<u>\$ 493,965</u>
General revenues:				
Property tax				
Sales tax				
Insurance premium tax				
Beer & wine tax				
Franchise tax				
Intangible tax				
Real estate transfer tax				
Hotel/Motel tax				
Interest revenue				
Miscellaneous				
Total general revenues				
Change in Net Position				
Net position - Beginning				
Net position - Ending				

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Activities
December 31, 2014

Net (Expense) Revenue and Changes in Net Position						
Primary Government			Component Units			
Governmental Activities	Business-type Activities	Total	Thomaston- Upson County Airport Authority	Thomaston- Upson County Industrial Development Authority	Thomaston- Upson County Recreation Commission	Total Non-Major Component Units
\$ (4,257,316)	\$ —	\$ (4,257,316)				
(4,127,828)	—	(4,127,828)				
(2,429,972)	—	(2,429,972)				
(853,076)	—	(853,076)				
(394,382)	—	(394,382)				
(2,519,556)	—	(2,519,556)				
(71,817)	—	(71,817)				
<u>\$14,653,947</u>	<u>\$ —</u>	<u>\$14,653,947</u>				
\$ —	\$ (165,412)	\$ (165,412)				
—	137,567	137,567				
<u>\$ —</u>	<u>\$ (27,845)</u>	<u>\$ (27,845)</u>				
<u>\$14,653,947</u>	<u>\$ (27,845)</u>	<u>\$14,681,792</u>				
			\$ —	\$ —	\$ —	\$ (166,384)
			—	—	—	—
			—	272,164	—	—
			78,129	—	—	—
			—	—	(66,922)	—
			—	—	—	(36,665)
			<u>\$ 78,129</u>	<u>\$ 272,164</u>	<u>\$ (66,922)</u>	<u>\$ (203,049)</u>
\$ 9,074,785	\$ —	\$ 9,074,785	\$ —	\$ —	\$ —	\$ —
4,876,295	—	4,876,295	—	—	—	—
863,778	—	863,778	—	—	—	—
123,678	—	123,678	—	—	—	—
140,312	—	140,312	—	—	—	—
24,044	—	24,044	—	—	—	—
44,725	—	44,725	—	—	—	—
4,890	—	4,890	—	—	—	—
2,442	74	2,516	106	796	35	1,263
197,792	—	197,792	—	—	—	—
<u>\$ 15,352,741</u>	<u>\$ 74</u>	<u>\$ 15,352,815</u>	<u>\$ 106</u>	<u>\$ 796</u>	<u>\$ 35</u>	<u>\$ 1,263</u>
\$ 698,794	\$ (27,771)	\$ 671,023	\$ 78,235	\$ 272,960	\$ (66,887)	\$ 130,982
<u>37,774,382</u>	<u>2,490,496</u>	<u>40,264,878</u>	<u>12,876,689</u>	<u>4,477,384</u>	<u>840,073</u>	<u>2,523,081</u>
<u>\$ 38,473,198</u>	<u>\$ 2,462,725</u>	<u>\$ 40,935,923</u>	<u>\$ 12,954,924</u>	<u>\$ 4,750,344</u>	<u>\$ 773,186</u>	<u>\$ 2,654,063</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Balance Sheet
Governmental Funds
December 31, 2014

	<u>General Fund</u>	<u>Capital Projects Fund 2005 SPLOST Projects</u>	<u>Capital Projects Fund 2011 SPLOST Projects</u>	<u>911 Fund</u>	<u>Unincor- porated Services Fund</u>	<u>Joint Projects Fund</u>	<u>Other Govern- mental Funds</u>	<u>Total Govern- mental Funds</u>
ASSETS								
Cash in banks	\$ 1,560,057	\$ -	\$ 2,482,087	\$ 80,184	\$ -	\$ -	\$ 23,877	\$ 4,146,205
Receivables (net of allowance for estimated uncollectibles):								
Taxes	847,172	-	-	-	276,329	540,721	-	1,664,222
Due from 911 Fund	175,748	-	-	-	-	-	-	175,748
Due from Water System Enterprise Fund	75,759	-	-	-	-	-	-	75,759
Due from Waste Services Enterprise Fund	122,429	-	-	-	-	-	-	122,429
Due from Capital Projects Fund	2,556	-	-	-	-	-	-	2,556
Due from Component Units	74,535	-	-	-	-	-	-	74,535
Prepaid items	14,935	-	-	-	-	-	-	14,935
Total Assets	<u>\$ 2,873,191</u>	<u>\$ 0</u>	<u>\$ 2,482,087</u>	<u>\$ 80,184</u>	<u>\$ 276,329</u>	<u>\$ 540,721</u>	<u>\$ 23,877</u>	<u>\$ 6,276,389</u>
LIABILITIES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ 313,311	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 313,311
Due to other funds	-	-	2,554	175,748	-	-	-	178,302
Total Liabilities	<u>\$ 313,311</u>	<u>\$ -</u>	<u>\$ 2,554</u>	<u>\$ 175,748</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 491,613</u>
Fund Balances:								
Nonspendable:								
Prepaid Items	\$ 14,937	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,937
Restricted:								
For capital outlay	-	-	2,479,533	-	-	-	-	2,479,533
Restricted, as reported in Special Revenue funds	-	-	-	(95,564)	276,329	540,721	23,877	745,363
Unassigned:								
General Fund	2,554,943	-	-	-	-	-	-	2,554,943
Total Fund Balances	<u>\$ 2,559,880</u>	<u>\$ -</u>	<u>\$ 2,479,533</u>	<u>\$ (95,564)</u>	<u>\$ 276,329</u>	<u>\$ 540,721</u>	<u>\$ 23,877</u>	<u>\$ 5,748,776</u>
Total Liabilities and Fund Balances	<u>\$ 2,873,191</u>	<u>\$ 0</u>	<u>\$ 2,482,087</u>	<u>\$ 80,184</u>	<u>\$ 276,329</u>	<u>\$ 540,721</u>	<u>\$ 23,877</u>	<u>\$ 6,276,389</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Reconciliation of the Balance Sheet
of Governmental Funds
to the Statement of Net Position
December 31, 2014

Total Fund Equity per Balance Sheet of Governmental Funds	<u>\$ 5,784,776</u>
<p>Amounts reported for governmental activities in the Statement of Net Position differ from amounts reported in the Balance Sheet of Governmental Funds due to the following:</p>	
<p>Capital Assets</p> <p>Capital assets used in governmental activities are not financial resources and are not reported in the governmental funds but are reported in the Statement of Net Position.</p>	
Cost of the assets	\$ 68,177,992
Accumulated depreciation	(35,303,154)
<p>Long-term Liabilities</p> <p>Long-term liabilities are not due and payable in the current period and, therefore, are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due. All liabilities both current and long-term are reported in the Statement of Net Position. Long-term liabilities at year-end consist of the following:</p>	
Capital leases payable	<u>(186,416)</u>
Total Adjustments	<u>\$ 32,688,422</u>
Total Net Position of Governmental Activities	<u>\$ 38,473,198</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
December 31, 2014

	General Fund	Capital Projects Fund 2005 SPLOST Projects	Capital Projects Fund 2011 SPLOST Projects	911 Fund	Unincor- porated Services Fund	Joint Projects Fund	Other Govern- mental Funds	Total Govern- mental Funds
Revenues:								
Taxes:								
General property tax	\$ 6,440,247	\$ -	\$ -	\$ -	\$ 924,225	\$ 1,710,313	\$ -	\$ 9,074,785
Sales tax	1,731,610	-	3,144,685	-	-	-	-	4,876,295
Insurance premium tax	863,778	-	-	-	-	-	-	863,778
Beer & wine tax	123,678	-	-	-	-	-	-	123,678
Franchise tax	140,312	-	-	-	-	-	-	140,312
Intangible tax	24,044	-	-	-	-	-	-	24,044
Real estate transfer tax	44,745	-	-	-	-	-	-	44,745
Hotel / Motel tax	-	-	-	-	-	-	4,890	4,890
Licenses and permits	124,819	-	-	-	-	-	-	124,819
Intergovernmental:	1,409,948	-	-	-	-	-	-	1,409,948
Charges for services	791,015	-	-	510,091	-	-	-	1,301,106
Fines	542,460	-	-	-	-	-	11,795	554,255
Interest earnings	963	6	1,419	54	-	-	-	2,442
Other revenues	197,792	-	-	-	-	-	-	197,792
Total Revenues	\$ 12,435,411	\$ 6	\$ 3,146,104	\$ 510,145	\$ 924,225	\$ 1,710,313	\$ 16,685	\$ 18,742,889
Expenditures:								
Current:								
General government	\$ 5,594,416	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,561	\$ 5,609,977
Public safety	4,183,636	-	-	642,481	-	-	-	4,826,117
Public works	1,981,006	-	-	-	-	-	-	1,981,006
Health and welfare	814,888	-	-	-	-	-	-	814,888
Culture and recreation	180,132	-	-	-	-	-	-	180,132
Intergovernmental	1,662,692	-	856,864	-	-	-	-	2,519,556
Debt service:								
Principal	72,606	-	-	-	-	-	-	72,606
Interest	71,817	-	-	-	-	-	-	71,817
Capital outlay:								
General government	5,500	-	424,954	-	-	-	-	430,454
Public safety	47,812	-	410,589	15,355	-	-	-	473,756
Public works	-	-	1,157,332	-	-	-	-	1,157,332
Health and welfare	-	-	-	-	-	-	-	-
Culture and recreation	-	34,004	180,246	-	-	-	-	214,250
Total Expenditures	\$ 14,614,505	\$ 34,004	\$ 3,029,985	\$ 657,836	\$ 0	\$ 0	\$ 15,561	\$ 18,351,891
Excess (Deficiency) of Revenues over (Under) Expenditures								
	\$ (2,179,094)	\$(33,998)	\$ 116,119	\$(147,691)	\$ 924,225	\$ 1,710,313	\$ 1,124	\$ 390,998

The notes to financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
December 31, 2014

	<u>General Fund</u>	<u>Capital Projects Fund 2005 SPLOST Projects</u>	<u>Capital Projects Fund 2011 SPLOST Projects</u>	<u>911 Fund</u>	<u>Unincor- porated Services Fund</u>	<u>Joint Projects Fund</u>	<u>Other Govern- mental Funds</u>	<u>Total Govern- mental Funds</u>
<u>Other Financing Sources</u>								
<u>(Uses):</u>								
Transfer from:								
Joint Projects Fund	\$ 1,169,592	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,169,592
Unincorporated Services Fund	647,896	-	-	-	-	-	-	647,896
Transfer to:								
General Fund	-	-	-	-	(647,896)	(1,169,592)	-	(1,817,488)
Total Other Financing Sources (Uses)	<u>\$ 1,817,488</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (647,896)</u>	<u>\$ (1,169,592)</u>	<u>\$ -</u>	<u>\$ -</u>
Net Change in Fund Balance	\$ (361,306)	\$(33,998)	\$ 116,119	\$(147,691)	\$ 276,329	\$ 540,721	\$ 1,124	\$ 390,998
Fund balance — Beginning	<u>2,921,486</u>	<u>33,998</u>	<u>2,363,414</u>	<u>52,127</u>	<u>-</u>	<u>-</u>	<u>22,753</u>	<u>5,393,778</u>
Fund balance — End of year	<u>\$ 2,559,880</u>	<u>\$ 0</u>	<u>\$ 2,479,533</u>	<u>\$ (95,564)</u>	<u>\$ 276,329</u>	<u>\$ 540,721</u>	<u>\$ 23,877</u>	<u>\$ 5,784,776</u>

UPSON COUNTY, GEORGIA
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2014

Excess (Deficit) of Revenues and Other Financing Sources over (Under) Expenditures and Other Uses per Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 390,998</u>
--	-------------------

Amounts reported for governmental activities in the Statement of Activities differ from amounts reported in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances due to the following:

Capital Assets

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are depreciated over their estimated useful lives and reported as depreciation expense.

Total capital outlays	\$ 2,275,792
Total depreciation	(2,040,582)

Long-term Debt

The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contributes to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are as follows:

Debt issued or incurred	(- 0 -)
Principal repayments:	
Paid by governmental funds	<u>72,606</u>
Total Adjustments	<u>\$ (307,816)</u>
Change in Net Position of Governmental Activities	<u>\$ 698,794</u>

UPSON COUNTY, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
- Budget and Actual -
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2014

	GENERAL FUND			
	<u>Budget</u>			<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Taxes	\$ 9,305,000	\$ 9,305,000	\$ 9,368,414	\$ 63,414
Licenses and permits	123,000	123,000	124,819	1,819
Intergovernmental revenue	1,387,500	1,387,500	1,409,948	22,448
Charges for services	780,000	780,000	791,015	11,015
Fines and forfeitures	535,500	535,500	542,460	6,960
Interest earnings	700	700	963	263
Miscellaneous	<u>193,000</u>	<u>193,000</u>	<u>197,792</u>	<u>4,792</u>
Total Revenues	<u>\$ 12,324,700</u>	<u>\$ 12,324,700</u>	<u>\$ 12,435,411</u>	<u>\$ 110,711</u>
Expenditures:				
Current:				
General government	\$ 5,659,500	\$ 5,659,500	\$ 5,594,416	\$ 65,084
Public safety	4,191,000	4,191,000	4,183,636	7,364
Public works	1,995,000	1,995,000	1,981,006	13,994
Health and welfare	818,750	818,750	814,888	3,862
Culture and recreation	180,132	180,132	180,132	0
Intergovernmental	1,663,792	1,663,792	1,662,692	1,100
Debt service:				
Principal	72,606	72,606	72,606	0
Interest	73,060	73,060	71,817	
Capital Outlay:				
Public Safety	<u>53,500</u>	<u>53,500</u>	<u>53,312</u>	<u>188</u>
Total Expenditures	<u>\$ 14,707,340</u>	<u>\$ 14,707,340</u>	<u>\$ 14,614,505</u>	<u>\$ 175,933</u>
Excess of Revenues over (Under) Expenditures	<u>\$ (2,382,640)</u>	<u>\$ (2,382,640)</u>	<u>\$ (2,179,094)</u>	<u>\$ 286,644</u>
Other Financing Sources				
Transfer From Special Revenue Funds:				
Joint Projects	\$ 1,165,000	\$ 1,165,000	\$ 1,169,592	\$ 4,592
Unincorporated Services	<u>645,000</u>	<u>645,000</u>	<u>647,896</u>	<u>2,896</u>
Total Other Financing Sources	<u>\$ 1,810,000</u>	<u>\$ 1,810,000</u>	<u>\$ 1,817,488</u>	<u>\$ 0</u>
Net change in fund balance	\$ (572,640)	\$ (572,640)	\$ (361,606)	\$ 211,034
Fund balances — Beginning of year	<u>2,921,486</u>	<u>2,921,486</u>	<u>2,921,486</u>	<u>0</u>
Fund balances — End of year	<u>\$ 2,348,846</u>	<u>\$ 2,348,846</u>	<u>\$ 2,559,880</u>	<u>\$ 211,034</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
- Budget and Actual -
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2014

9 1 1 F U N D				
	<u>Budget</u>		<u>Actual</u>	<u>VARIANCE</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Licenses and permits	0	0	0	0
Intergovernmental revenue	0	0	0	0
Charges for services	500,000	500,000	510,091	10,091
Fines and forfeitures	0	0	0	0
Interest earnings	0	0	54	54
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ 510,145</u>	<u>\$ 10,145</u>
Expenditures:				
Current:				
General government	\$ 0	\$ 0	\$ 0	\$ 0
Public safety	650,000	650,000	642,481	(7,519)
Public works	0	0	0	0
Health and welfare	0	0	0	0
Culture and recreation	0	0	0	0
Intergovernmental	0	0	0	0
Debt Service"				
Principal	0	0	0	0
Interest	0	0	0	0
Capital Outlay:				
General Government	0	0	0	0
Public Safety	16,000	16,000	15,355	(645)
Public Works	0	0	0	0
Health and Welfare	0	0	0	0
Culture and Recreation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 666,000</u>	<u>\$ 666,000</u>	<u>\$ 657,836</u>	<u>\$ (8,164)</u>
Excess of Revenues over (Under) Expenditures	<u>\$ (166,000)</u>	<u>\$ (166,000)</u>	<u>\$ (147,691)</u>	<u>\$ 18,309</u>
Fund balances — Beginning of year	<u>52,127</u>	<u>52,127</u>	<u>52,127</u>	<u>0</u>
Fund balances — End of year	<u>\$ (113,873)</u>	<u>\$ (113,873)</u>	<u>\$ (95,564)</u>	<u>\$ 18,309</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
- Budget and Actual -
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2014

UNINCORPORATED SERVICES FUND				
<u>Budget</u>				
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>VARIANCE</u>
Revenues:				
Taxes	\$ 924,225	\$ 924,225	\$ 924,225	\$ 0
Licenses and permits	0	0	0	0
Intergovernmental revenue	0	0	0	0
Charges for services	0	0	0	0
Fines and forfeitures	0	0	0	0
Interest earnings	0	0	0	0
Miscellaneous	0	0	0	0
Total Revenues	<u>\$ 924,225</u>	<u>\$ 924,225</u>	<u>\$ 924,225</u>	<u>\$ 0</u>
Expenditures:				
Current:				
General government	\$ 0	\$ 0	\$ 0	\$ 0
Public safety	0	0	0	0
Public works	0	0	0	0
Health and welfare	0	0	0	0
Culture and recreation	0	0	0	0
Intergovernmental	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	0	0	0	0
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess of Revenues over (Under) Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Financing Sources:				
Transfer to General Fund	<u>\$ 924,225</u>	<u>\$ 924,225</u>	<u>\$ 647,896</u>	<u>\$ 276,329</u>
Total Other Financing Sources	<u>\$ 924,225</u>	<u>\$ 924,225</u>	<u>\$ 647,896</u>	<u>\$ 276,329</u>
Net Change in Fund Balance	\$ 0	\$ 0	\$ 276,329	\$ 276,329
Fund balances — Beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances — End of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 276,329</u>	<u>\$ 276,329</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
- Budget and Actual -
GENERAL FUND AND MAJOR SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2014

JOINT PROJECTS FUND				
	<u>Budget</u>		<u>Actual</u>	<u>VARIANCE</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Taxes	\$ 1,710,313	\$ 1,710,313	\$ 1,710,313	\$ 0
Licenses and permits	0	0	0	0
Intergovernmental revenue	0	0	0	0
Charges for services	0	0	0	0
Fines and forfeitures	0	0	0	0
Interest earnings	0	0	0	0
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	<u>\$ 1,710,313</u>	<u>\$ 1,710,313</u>	<u>\$ 1,710,313</u>	<u>\$ 0</u>
Expenditures:				
Current:				
General government	\$ 0	\$ 0	\$ 0	\$ 0
Public safety	0	0	0	0
Public works	0	0	0	0
Health and welfare	0	0	0	0
Culture and recreation	0	0	0	0
Intergovernmental	0	0	0	0
Debt service:				
Principal	0	0	0	0
Interest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess of Revenues over (Under) Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Other Financing Sources:				
Transfer to General Fund	<u>\$ 1,710,313</u>	<u>\$ 1,710,313</u>	<u>\$ 1,169,592</u>	<u>\$ 540,721</u>
Total Other Financing Sources	<u>\$ 1,710,313</u>	<u>\$ 1,710,313</u>	<u>\$ 1,169,592</u>	<u>\$ 540,721</u>
Net Change in Fund Balance	\$ 0	\$ 0	\$ 540,721	\$ 540,721
Fund balances — Beginning of year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund balances — End of year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 540,721</u>	<u>\$ 540,721</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Net Position
Proprietary Funds
December 31, 2014

	Business-type Activities - Enterprise Funds		
	Water Systems	Waste Services	Total
ASSETS			
Current Assets:			
Petty Cash	\$ 100	\$ -	\$ 100
Cash in banks	164,868	276,755	441,623
Restricted cash - deposits	155,228	-	155,228
Accounts receivable, net of allowance	125,072	51,496	176,568
Total Current Assets	<u>\$ 445,268</u>	<u>\$ 328,251</u>	<u>\$ 773,519</u>
Capital assets:			
Land	\$ 381,300	\$ -	\$ 381,300
Water distribution & storage system	8,313,213	-	8,313,213
Equipment and vehicles	254,937	-	254,937
Less accumulated depreciation	<u>(2,047,671)</u>	<u>-</u>	<u>(2,047,671)</u>
Total capital assets (net of accumulated depreciation)	<u>\$ 6,901,779</u>	<u>\$ 0</u>	<u>\$ 6,901,779</u>
Total Assets	<u>\$ 7,347,047</u>	<u>\$ 328,251</u>	<u>\$ 7,675,298</u>
LIABILITIES			
Current Liabilities			
Current portion of notes payable	\$ 244,736	\$ -	\$ 244,736
Due to general fund	75,759	122,429	198,188
Deferred revenue	-	68,255	68,255
Accounts payable	31,898	-	31,898
Total	<u>\$ 352,393</u>	<u>\$ 190,684</u>	<u>\$ 543,077</u>
Current liabilities payable from restricted assets:			
Customer deposits	\$ 132,999	\$ -	\$ 132,999
Total current liabilities payable from restricted assets	<u>\$ 132,999</u>	<u>\$ -</u>	<u>\$ 132,999</u>
Total Current Liabilities	<u>\$ 485,392</u>	<u>\$ 190,684</u>	<u>\$ 676,076</u>
Noncurrent Liabilities:			
Notes payable	\$ 4,536,497	\$ -	\$ 4,536,497
Total Noncurrent Liabilities	<u>\$ 4,536,497</u>	<u>\$ -</u>	<u>\$ 4,536,497</u>
Total Liabilities	<u>\$ 5,021,889</u>	<u>\$ 190,684</u>	<u>\$ 5,212,573</u>
NET POSITION			
Net investment in capital assets, net of related debt Unrestricted	\$ 2,120,546	\$ -	\$ 2,120,546
	<u>204,612</u>	<u>137,567</u>	<u>342,179</u>
TOTAL NET POSITION	<u>\$ 2,325,158</u>	<u>\$ 137,567</u>	<u>\$ 2,462,725</u>

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Revenues, Expenses, and Changes in Fund Net Position/Equity
Proprietary Fund
For the year ended December 31, 2014

	Business-type Activities - Enterprise Funds		
	Water Systems	Waste Services	Total
<u>OPERATING REVENUES:</u>			
Charges for sales and services	\$ 1,146,587	\$ 259,996	\$ 1,406,583
Total Operating Revenues	\$ 1,146,587	\$ 259,996	\$ 1,406,583
<u>OPERATING EXPENSES:</u>			
Administration	\$ 962,868	\$ 122,429	\$ 1,085,297
Depreciation	184,390	-	184,390
Total Operating Expenses	\$ 1,147,258	\$ 122,429	\$ 1,269,687
OPERATING INCOME (LOSS)	\$ (671)	\$ 137,567	\$ 136,896
<u>NONOPERATING REVENUES (EXPENSES):</u>			
Interest income	\$ 74	\$ -	\$ 74
Interest expenses and fiscal charges	(164,741)	-	(164,741)
Total Nonoperating Revenues (Expenses)	\$ (164,667)	\$ -	\$ (164,667)
Change in Net Position	\$ (165,338)	\$ 137,567	\$ (27,771)
Total Net Position - Beginning	2,490,496	-	2,490,496
Total Net Position - Ending	\$ 2,325,158	\$ 137,567	\$ 2,462,725

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2014

	Employee Pension Trust Fund	Agency Funds
<u>ASSETS:</u>		
Cash and cash equivalents	\$ 6,847,475	\$ 191,666
Taxes receivable	<u>0</u>	<u>1,664,222</u>
Total Assets	<u>\$ 6,847,475</u>	<u>\$ 1,855,888</u>
<u>LIABILITIES:</u>		
Due to others	<u>\$ 0</u>	<u>\$ 2,293,519</u>
Total Liabilities	<u>\$ 0</u>	<u>\$ 2,293,519</u>
<u>NET POSITION:</u>		
Held in trust for pension benefits	<u>\$ 6,847,475</u>	<u>\$ 0</u>
TOTAL NET POSITION - RESTRICTED FOR PENSION BENEFITS	<u>\$ 6,847,475</u>	<u>\$ 1,855,888</u>

(NOTE: A schedule of the pension fund's funding progress appears on pages 47-51.)

The notes to the financial statements are an integral part of this statement.

UPSON COUNTY, GEORGIA
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended December 31, 2014

	Employee Pension Trust Fund
Additions	
Employer contributions	\$ 742,247
Investment income	<u>231,258</u>
Total Additions	\$ <u>973,505</u>
Deductions	
Benefits paid retirees	\$ 413,745
Administrative expenses	<u>9,500</u>
Total Deductions	\$ <u>423,245</u>
Change in net position	\$ 550,260
Net Position	
Beginning of year	<u>6,297,215</u>
End of year	<u><u>\$ 6,847,475</u></u>

The notes to the financial statements are an integral part of this statement.

**NOTES TO
FINANCIAL
STATEMENTS**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The County of Upson was created by act of the legislature on December 15 and 20, 1824. The Commissioners serve staggered terms of four years. Four are elected by district and the Chairman is elected at large.

The Upson County Courthouse was built in 1908 and is considered a historical landmark by area residents and visitors throughout the State of Georgia.

The County provides ambulance service, waste collection from bins and water and sewer systems. The County also provides the full range of services contemplated by Charter. These include public safety, road construction, paving and maintenance, court systems, and general administration.

Upson County is located approximately 68 miles south of Atlanta. The County has an area of approximately 333 square miles, ranking it 84th in size among Georgia's 159 counties. In 1998, the County's census population was 27,075. Thomaston is the County seat. There are two municipalities within the County – Thomaston and Yatesville.

The accounting policies of the County of Upson conform to generally accepted accounting principles applicable to governments. The following is a summary of the more significant policies:

1. Reporting Entity:

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Government Accounting Standards Board Statement No. 14, "The Financial Reporting Entity.":

- ▣ the organization is legally separate (can sue and sued in their own name)
- ▣ the County holds the corporate powers of the organization
- ▣ the County appoints a voting majority of the organization's board
- ▣ the County is able to impose its will on the organization
- ▣ the organization has the potential to impose a financial benefit/burden on the County
- ▣ there is fiscal dependency by the organization on the County

The accompanying financial statements of the reporting entity include those of Upson County, Georgia (the primary government) and its components units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component units discussed below are included in the County's reporting entity because of the significance of the operational and financial relationships with the County. In conformation with generally accepted accounting principles, as set forth in Statement of Governmental Accounting Standards No. 14, *The Financial Reporting Entity*, which was adopted by the County as of July 1, 1993, the financial statements of the component units have been included as discretely presented component units. The component unit columns in the basic financial statements include the financial data for the County's component units, as reflected in their most recent audited financial statements. This is reported in columns separate from the County's financial information to emphasize that they are legally separate from the County.

Upson County Department of Public Health – The governing board consists of seven members, of which four members are appointed by the Upson County Board of Commissioners. The County contributes significant funding to the Board of Health. An annual budget must be submitted for approval, with annual audits required to monitor performance.

Thomaston-Upson County Industrial Development Authority – The Chairman of the County Commissioners and the Mayor of the City of Thomaston are members of the Authority and they appoint additional members. The Authority receives significant appropriations from Upson County. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

Thomaston-Upson County Airport Authority – The governing board is appointed by Upson County and the City of Thomaston. The County contributes significant funding to the Authority. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

Thomaston-Upson County Recreation Commission – The governing board is appointed by Upson County and the City of Thomaston. The County contributes significant funding to the Recreation Commission. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

Thomaston-Upson County Solid Waste Disposal Facility – The governing board is the Upson County Board of Commissioners. The purpose of the entity is to account for closure and post-closure care of the Zorn Street landfill, as well as provide an organizational structure for planning and constructing future landfills. The County contributes significant funding. Annual budget requests are submitted to the County for approval, with annual audits required to monitor performance.

Complete financial statements of the individual component units can be obtained directly from their administrative office as follows:

Upson County Department of
Public Health
East Lee Street
Thomaston, Georgia 30286

Thomaston-Upson County
Industrial Development Authority
213 East Gordon Street
Thomaston, Georgia 30286

Thomaston-Upson County
Recreation Commission
101 Civic Center Drive
Thomaston, Georgia 30286

Thomaston-Upson County
Airport Authority
Delray Road
Thomaston, Georgia 30286

Thomaston-Upson County
Solid Waste Disposal Facility
East Lee Street
Thomaston, Georgia 30286

A joint venture has the following characteristics:

1. It is a legal entity that results from a contractual arrangement.
2. It is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control.
3. Participants retain an ongoing financial interest or an ongoing financial responsibility.

Although Upson County does not own an equity interest in the Three Rivers Regional Commission, membership is automatic for all counties and municipalities within its geographic boundaries. The board of directors includes a county commissioner from each county and the mayor or council member from the largest city of each county.

Under Georgia law, the County, in conjunction with other cities and counties in the five county membership, is a member of the Three Rivers Regional Commission and is required to pay annual dues thereto. During the year 2014, the County paid \$12,200 in such dues.

O. C. G. A. §50-8-34 sets forth the organizational structure of RDC's, and O.C.G.A. §50-8-39-1 provides that member governments are liable for any debts or obligations of an RDC.

There have not been any related party transactions between Upson County and the Three Rivers Regional Commission.

The Three Rivers Regional Commission's most recent financial report reflects sufficient financial resources to continue its purpose without additional funding from its membership. Separate financial statements can be obtained by writing to Three Rivers Regional Commission, P.O. Box 818, Griffin, Georgia 30224.

2. 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 primary government and its component units if any.

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 *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 instead 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.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation:

The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds have no measurement focus. 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.

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.

FUND FINANCIAL STATEMENTS

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 County 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, are recorded only when the obligations are expected to be liquidated with expendable available financial resources.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

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 enterprise fund, are charges to customers for sales and services. The County also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds 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. The County applies all applicable Governmental Accounting Standards Board (GASB) pronouncements in accounting and reporting for its proprietary operations 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 Statements and Interpretations, APB opinions, and ARBS.

The fund financial statements provide more detailed information about the government's most significant funds, not the government as a whole. The activities of the government are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The government reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund - E-911 Fund - The E-911 Fund is used to account for E-911 fund receipts and qualified expenditures.

Unincorporated Services Fund - This fund is used to account for receipts and disbursements specifically identified as benefitting only the unincorporated area of the county.

Joint Projects Fund - This fund is used to account for county unincorporated tax receipts and associated Upson County disbursements to fund the county's portion of joint projects with the City of Thomaston.

Capital Projects Funds - 2005 & 2011 SPLOST Projects - These funds are used to account for SPLOST receipts and qualified SPLOST project expenditures.

The government reports the following major proprietary funds:

Enterprise Fund - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing authority is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing authority has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital, maintenance, public policy, management control, accountability, or other purposes. The Lincoln Park, Upson County and Sunset Water Districts and the Waste Services Fund are accounted for using enterprise fund accounting.

Additionally, the government reports the following fund types:

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The Hotel/Motel Tax Fund, Law Library Fund, the Unincorporated Services Fund, and the Joint Projects Fund are currently established as Special Revenue Funds.

FIDUCIARY FUNDS:

Trust and Agency Funds - Trust and Agency Funds are used to account for assets held by the County in a trustee capacity or as an agent for others. The pension trust fund is accounted for in essentially the same manner as proprietary funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

4. Budgets and Budgetary Accounting:

An annual budget is prepared for all funds. Annual budgets that are prepared may not be exceeded at the departmental level. The budget officer is authorized to transfer budget amounts between expenditure character within individual departments. Transfers between departments or revisions which increase total expenditures of a Fund must be approved by the County Commission.

Budgeted amounts are as originally adopted or as amended by the County Commission.

Budgets for all funds are adopted on the same basis which is consistent with generally accepted accounting principles (GAAP) for governmental fund types. Budgets for the proprietary fund type are for management control purposes only and are not required to be reported.

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

1. On or about December 1, the County Budget Officer submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the County Courthouse to obtain taxpayer comments.
3. After revision, if any, by the Commissioners, the budget is legally enacted through passage of an ordinance.
4. Budgetary information is compared to actual revenue and expenditures on a monthly basis and reported to the County Commissioners.
5. All budgetary appropriations lapse at year end.

There were significant departmental expenditures that exceeded budgeted amounts. These budgetary variances are reflected on pages 61-65.

5. Encumbrances:

Encumbrances represented commitments related to contracts not yet performed. A governmental unit often issues purchase orders or signs contracts for the purchase of goods and services to be received in the future. These commitments, if any, are recorded as encumbrances for budgetary control. These encumbrances lapse at the end of the year and become part of the following year's budgetary amounts. All unencumbered budgeted appropriations lapse at the end of each fiscal year. No encumbrances existed at the end of December 31, 2014.

6. Cash and Investments:

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the County to invest in obligations of the U.S. Treasury, other U.S. Government agencies, State of Georgia, other states, prime bankers' acceptances, repurchase agreements, other political subdivisions of the State of Georgia, and the Local Government Investment Pool.

The State of Georgia Fund 1 is a special investment pool operated by the Office of State Treasury. Georgia Fund 1 was created under OCGA §36-83-8 and operates in a manner consistent with Rule 2a-7 like pool. The pool is not registered with SEC as an investment company. The pool's primary

objectives are safety of capital, investment income, liquidity and diversification while maintaining principal (\$1 per share value). Net asset value is calculated weekly to ensure stability. The pool distributes (net of management fees) on a monthly basis and determines participants' shares sold and redeemed based on \$1 per share. The fair value of the County's position in the pool is the same as the value of pool shares (\$1 per share value). The pool is regulated by the Office of the State Treasury.

7. Vacation, Sick Leave and Other Compensated Absences:

County employees are entitled to vacation and sick leave. These benefits are non-accruing and do not carry over to subsequent years. Accordingly, no accruals are made for accumulated vacation or sick leave.

The County does not provide post-employment healthcare benefits except those mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). The requirements established by COBRA are fully funded by employees who elect coverage under the Act, and no direct costs are incurred by the County.

8. Interfund Transactions:

The County, during the course of normal operations, has numerous transactions between funds. Interfund transfers are recorded as other financing sources and uses, unless the intent of the transfer is to advance operating funds on a short-term basis. These interfund advances are recorded in Due To/From accounts. All interfund advances are considered available spendable resources.

Interfund advances outstanding at December 31, 2014, are as follows:

Water System Enterprise Fund –	\$ 75,759
Solid Waste Disposal System –	2,916
Airport Authority –	71,619
911 Fund –	175,748
Capital Projects Fund –	2,554
Waste Services Enterprise Fund –	<u>122,429</u>
Total	<u>\$ 451,025</u>

9. Inventories and Prepaid Items:

Inventories of all funds are accounted for as expenditures at the time of purchase and are not inventoried at year end due to a lack of materiality.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

10. 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 effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges 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 issued 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.

11. Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions. The County purchases commercial insurance for most types of risk. For these risks, settlements have not exceeded coverages for each of the past three fiscal year. The County had no significant reduction in insurance coverage from coverage in the prior year.

12. Capital Assets

Capital assets, which include property, plant and equipment are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. 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.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Vehicles	5-7
Equipment	5-10
Water and Sewer System	40
Infrastructure	40

13. Restricted and Unrestricted Net Position

The government’s policy when both restricted and unrestricted Net Position are available, unrestricted resources are first applied; then restricted Net Position are applied based on their limited use.

NOTE B – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds and Net Position - governmental activities* as reported in the government-wide statement of Net Position.

Capital assets used in net governmental activities are not financial resources, and, therefore, are not reported in the funds. Capital assets net of accumulated depreciation as of December 31, 2014.

Long-term liabilities applicable to the County’s governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of Net Position. Long-term liabilities applicable to the County’s Governmental Activities in the Statement of Net Position.

2. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances include a reconciliation between *net changes in fund balances – total governmental funds and changes in Net Position - governmental activities* as reported in the government-wide statement of activities.

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of these differences are as follows:

Capital outlay	\$ 2,275,792
Depreciation expense	(2,040,582)
Principal repayments on long term debt	<u>72,606</u>
Net adjustment	<u>\$ (307,816)</u>

Issuance of long-term debt provides current resources in the governmental funds. In the government-wide statements, issuance represents a liability rather than a resource. Total long-term debt issued in 2014 was \$ -0-.

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. However, principal payments do not affect Net Position in the government-wide statement of activities. During 2014, principal paid by governmental funds totaled \$ 72,606.

NOTE C - PROPERTY TAXES

All real and personal property (including motor vehicles) are valued as of January 1 of each year. With the exception of motor vehicles which are valued by the State Revenue Department, all assessments are made by the Upson County Board of Tax Assessors. This Board is appointed by the Upson County Commissioners. Exceptions are permitted for certain inventories as well as homestead and age exemptions.

The following dates are applicable to property taxes:

	Lien date	-	November 19
	Levy date	-	September 18
***	Due dates	-	November 18
***	Collection date	-	November 18

Upon completion of all assessments and tax returns, the information is compiled to form the tax digest, which is submitted to the State Revenue Commissioner for approval. The State Revenue Commissioner must ascertain that real property on the tax digest has been assessed at the State mandated forty percent (40%) of fair market value. If not, the State Commissioner may reject the digest until such values are appropriately adjusted.

All property taxes are recognized in compliance with National Council on Governmental Accounting Interpretation No. 3 (Revenue Recognition - Property Taxes), which states that such revenue should be recorded when it becomes measurable and available. Available means due, or past-due, and receivable within the current period and collected no longer than 60 days after the close of the current period.

Property Tax Calendar

Property taxes are levied each year based on assessed values determined the previous January 1. The County Commissioners officially set mill rates during September of each year, mail property tax bills on September 18, and establish November 18 as the due date. Unpaid property taxes are attached as an enforceable lien on property as of November 19 (lien date). Judicial property sales are commenced on November 19 of the following year.

NOTE D - CAPITAL ASSETS:

Capital asset activity for the primary government for the year ended December 31, 2014 was as follows:

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
<u>GOVERNMENTAL ACTIVITIES:</u>				
Capital assets, not being depreciated:				
Land	\$ 2,149,190	\$ -	\$ -	\$ 2,149,190
Total capital assets, not being depreciated	<u>\$ 2,149,190</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,149,190</u>
Other capital assets				
Buildings	\$ 27,166,511	\$ 470,484	\$ -	\$ 27,636,995
Equipment	2,772,123	114,917	-	2,887,040
Vehicles	1,581,657	166,507	22,960	1,725,204
Infrastructure	<u>32,255,679</u>	<u>1,523,884</u>	<u>-</u>	<u>33,779,563</u>
Total other capital assets, at cost	<u>\$ 63,775,970</u>	<u>\$2,275,792</u>	<u>\$ 22,960</u>	<u>\$66,028,802</u>
Less Accumulated Depreciation for:				
Buildings	\$ 9,868,261	\$ 658,629	\$ -	\$ 10,526,890
Equipment	1,619,524	238,878	-	1,858,402
Vehicles	1,544,609	153,331	22,960	1,674,980
Infrastructure	<u>20,253,138</u>	<u>989,744</u>	<u>-</u>	<u>21,242,882</u>
Total Accumulated Depreciation	<u>\$ 33,285,532</u>	<u>\$2,040,582</u>	<u>\$ 22,960</u>	<u>\$35,303,154</u>
Other capital assets, net	<u>\$ 30,490,438</u>	<u>\$ 235,210</u>	<u>\$ 0</u>	<u>\$30,725,648</u>
Governmental Activities Capital Assets, Net	<u>\$ 32,639,628</u>	<u>\$ 235,210</u>	<u>\$ 0</u>	<u>\$32,874,838</u>

NOTE D - CAPITAL ASSETS: (continued)

	BEGINNING BALANCE	INCREASES	DECREASES	ENDING BALANCE
<u>BUSINESS-TYPE ACTIVITIES:</u>				
Capital assets, not being depreciated:				
Land	\$ 381,300	\$ —	\$ —	\$ 381,300
Total capital assets, not being depreciated	<u>\$ 381,300</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 381,300</u>
Other capital assets				
Water distribution system	8,336,182	\$ —	\$ —	\$ 8,336,182
Equipment and vehicles	231,969	—	—	231,969
Total other capital assets, at cost	<u>\$ 8,568,151</u>	<u>\$ 0</u>	<u>\$ —</u>	<u>\$ 8,568,151</u>
Less Accumulated Depreciation for:				
Water distribution system	\$ 1,686,479	\$ 180,140	\$ —	\$ 1,866,619
Equipment and vehicles	176,802	4,250	—	181,052
Total accumulated depreciation	<u>\$ 1,863,281</u>	<u>\$ 184,390</u>	<u>\$ —</u>	<u>\$ 2,047,671</u>
Other capital assets, net	<u>\$ 6,704,870</u>	<u>\$ (184,390)</u>	<u>\$ —</u>	<u>\$ 6,520,480</u>
Business-type Activities Capital Assets, Net	<u>\$ 7,086,170</u>	<u>\$ (184,390)</u>	<u>\$ —</u>	<u>\$ 6,901,780</u>
Total Governmental and Business-type Activities, Net	<u>\$ 39,725,798</u>	<u>\$ 50,820</u>	<u>\$ 0</u>	<u>\$ 39,776,617</u>

Depreciation expense was charged to functions, as follows:

 Governmental activities:

General Government	\$ 424,954
Public Safety	410,589
Public Works	952,601
Health and Welfare	38,188
Culture and Recreation	<u>214,250</u>

Total Depreciation Expense – Governmental Activities \$2,040,582

 Business-type activities:

Water System	<u>\$ 184,390</u>
Total Business-type activities	<u>\$ 184,390</u>

Total Depreciation Expense \$2,224,972

NOTE E - CHANGES IN LONG-TERM DEBT:

1. The following is a summary of debt service requirements to maturity for the following notes payable due from the proprietary fund at December 31, 2014:

ENTERPRISE FUND

A. Note Payable - Georgia Environmental Facilities Authority - Loan #2

Upson County Water System
 Project: Grand Monde' (\$145,488) & Logan's Landing (\$112,895) Water Lines
 Original loan amount - \$265,768
 Annual Interest Rate - 5.15%
 Quarterly Payments – \$5,687.19

Debt Service to Maturity:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2015	15,219	7,530	22,749
2016	16,015	6,734	22,749
2017	16,862	5,887	22,749
2018	17,744	5,005	22,749
2019	18,676	4,073	22,749
2020-2023	<u>67,358</u>	<u>6,196</u>	<u>73,554</u>
TOTAL	\$ <u>151,874</u>	\$ <u>35,425</u>	\$ <u>187,299</u>

B. Note Payable - Georgia Environmental Facilities Authority - Loan #1

Sunset Water System
 Note dated April 1, 2000
 4.760% - Term 20 Years
 First payment due - June 1, 2000
 With quarterly payments of \$8,868.39 thereafter
 Original Loan Amount – \$454,311
 Purpose of Loan – Water Line Construction

Debt Service to Maturity:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2015	28,504	6,970	35,474
2016	29,886	5,588	35,474
2017	31,334	4,140	35,474
2018	32,852	2,622	35,474
2019	<u>34,419</u>	<u>1,030</u>	<u>35,449</u>
TOTAL	\$ <u>156,995</u>	\$ <u>29,014</u>	\$ <u>177,345</u>

All proprietary fund debt is expected to be paid with resources of the proprietary fund, and is appropriately reported in this fund.

C. Note Payable - Georgia Environmental Facilities Authority - Loan #4

Note dated August 15, 2012 – 1.13%
Loan Commitment – \$ 1,800,000
Less Principal
 Forgiveness (500,000)
 Note Due \$ 1,300,000

Loan Payment – \$6,054.32 Monthly

Debt Service to Maturity

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2015	59,203	13,449	72,652
2016	59,875	12,777	72,652
2017	60,555	12,097	72,652
2018-2022	61,243	11,409	72,652
2023-2027	61,939	10,713	72,652
2028-2031	914,451	72,403	986,854
TOTAL	<u>\$1,217,266</u>	<u>\$ 132,848</u>	<u>\$1,350,114</u>

D. Note Payable - Wells Fargo Bank

Note dated July 30, 2010 - 4.00%
Vehicle loan amount - \$ 45,599
Loan payment - \$ 841 monthly

Debt Service to Maturity:

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2015	5,809	78	5,887
TOTAL	<u>\$ 5,809</u>	<u>\$ 78</u>	<u>\$ 5,887</u>

E. Note Payable - Georgia Environmental Facilities Authority - Loan #3

Loan Agreement dated December 1, 2011 - 4.02%/4.02%
Loan Amount - \$3,626,025 - 20 year note
Loan Payment - \$22,011.23 monthly

Debt Service to Maturity

	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2015	136,001	128,134	264,135
2016	141,570	122,565	264,135
2017	147,367	116,768	264,135
2018-2022	832,450	488,225	1,320,675
2023-2027	1,017,432	303,243	1,320,675
2028-2031	974,469	82,068	1,056,537
TOTAL	<u>\$3,249,289</u>	<u>\$1,241,003</u>	<u>\$4,490,292</u>

NOTE E - CHANGES IN LONG-TERM DEBT: (continued)

The following is a summary of long-term debt transactions of the County for the year ending December 31, 2014:

	<u>Business Activities</u>				<u>Government Activities</u>		Total
	Note Payable GEFA - Sunset System #1	Note Payable GEFA - Upson & Sunset Systems #2	Wells Fargo	Note Payable - GEFA #3	Note Payable - GEFA #4 Loan Draw	Capital Leases	
Amounts payable at January 1, 2013	\$ 184,151	\$ 166,334	\$ 15,453	\$ 3,379,940	\$ 1,275,804	\$ 259,022	\$ 5,280,704
Loan proceeds	0	0	0	0	0	0	0
Principal payments	<u>(27,156)</u>	<u>(14,460)</u>	<u>(9,644)</u>	<u>(130,651)</u>	<u>(58,538)</u>	<u>(72,606)</u>	<u>(313,055)</u>
Long-term debt payable - December 31, 2014	<u>\$ 156,995</u>	<u>\$ 151,874</u>	<u>\$ 5,809</u>	<u>\$ 3,249,289</u>	<u>\$ 1,217,266</u>	<u>\$ 186,416</u>	<u>\$ 4,967,649</u>
Amounts due within one year from December 31, 2014	<u>\$ 28,504</u>	<u>\$ 15,219</u>	<u>\$ 5,809</u>	<u>\$ 136,001</u>	<u>\$ 59,203</u>	<u>\$ 76,969</u>	<u>\$ 321,705</u>

CAPITAL LEASES

Upson County leases certain capital assets from the Thomaston-Upson County Office Building Authority, a legislatively created entity created to provide capital lease arrangements pursuant to a Master Lease Agreement. There are no new leases for 2014.

Under the terms of the program, Upson County is required to make lease payments to the Authority in sufficient amounts to pay the principal and interest due by the Authority to financial institutions. Upson County's obligation to pay such lease payments is conditioned on the annual appropriation of funds to make those payments.

These leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The assets acquired through current outstanding capital leases are as follows:

Real Estate	<u>Governmental Activities</u>
	<u>\$ 844,000</u>
Total	<u>\$ 844,000</u>

**UPSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014**

NOTE E - CHANGES IN LONG-TERM DEBT: (continued)

Annual debt service requirements to maturity for capital leases are as follows (in thousands):

Year ending December 31:

2014	85,674
2015	65,010
2016	<u>49,876</u>
 Total	 \$ 200,560
Less amount representing interest	 <u>(14,144)</u>
Total present value of minimum Lease payments	 <u>\$ 186,416</u>

NOTE F - RISK MANAGEMENT AND LITIGATION:

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has obtained coverage from commercial insurance companies and does not retain risk. There has been no significant reduction in insurance coverage during 2014 from coverage in the prior year. There were no settlements that exceeded insurance coverage for the past three fiscal years. All risk management activities are accounted for in the General Fund. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered.

The County Attorney estimates that the amount of actual or potential claims against the County as of December 31, 2014, will not materially affect the financial condition of the County.

The following represents pending litigation against the county as of May 15, 2015:

1. STUBBS V. UPSON COUNTY

This litigation is pending in Federal Court. The County Attorneys are working with insurance-assigned attorneys. The County Attorneys are in the EEOC stage; any further information re this matter would be premature and speculative at this time;

2. HUGHLEY V. UPSON COUNTY, ET AL.

This litigation is pending in Federal Court. The County Attorneys are working with insurance-assigned attorney. There is pending a motion to dismiss that potentially could remove Upson County as a party defendant. There has been no indication when to expect a ruling from the court on this motion.

3. TIDWELL V. UPSON COUNTY

This litigation is pending in the Superior Court of Upson County (slip and fall at Health Center). The County Attorneys are working with David Dunaway who was assigned this case by Cincinnati Insurance Company, carrier for the county in this matter. The County Attorneys are preparing to file a motion for summary judgment which potentially has the effect of a finding of no liability against the county. There

UPSON COUNTY, GEORGIA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2014

are other party defendants involved who have also filed motions that are pending in the court.

4. BENTLEY V. UPSON COUNTY

This litigation is pending in the Superior Court of Upson County on a mandamus action filed by Bentley seeking to have the county pay Bentley \$\$\$\$\$ in connection with his position as Chief Magistrate. The County Attorneys have been pursuing diligently a resolution for some time with Bentley's attorney. The County Attorneys have sent a lengthy counterproposal to him which, if accepted, would have the result of both sides walking away, with no exposure to the county. Waiting on a response.

5. WILLIAMS V. UPSON COUNTY

This litigation is pending in Federal Court. The County Attorneys are working with insurance-assigned attorneys. The County Attorneys have a motion for summary judgment pending which, if granted, would remove Upson County from this matter. This has been assigned recently to a newly appointed Federal Judge, which means, in all likelihood, no ruling should be expected in the foreseeable future.

6. UPSON COUNTY V. CITY OF THOMASTON

The County Attorneys are not sure this would qualify, but are now finishing the L.O.S.T. litigation. The only thing which remains is the issue of the Sheriff and whether he has authority to patrol, etc. in city without an agreement. Also the city claims that the taxpayers of the city are not getting the services from the sheriff to which they are entitled, given the ad valorem taxes they pay towards the Sheriff's budget. The County Attorneys are preparing briefs to be argued in front of Judge Boswell in the Superior Court of Upson County on June 10th. There has been some indication from the city attorneys that should they lose, they intend to appeal to the Supreme Court of Georgia. If the county should lose, and the County Attorneys feel confident the county will prevail, the County likely will appeal to the Supreme Court of Georgia.

NOTE G - EMPLOYEE RETIREMENT PLAN:

The County primary government participates in one single-employer, defined-benefit, public employee retirement system. The plan name is the "Upson County Employee Retirement Plan." Assets are held separately and may be used only for the payment of benefits to the members of the plan. The Public Retirement Systems Standard Law (Georgia Code Section 47-20-10) assigned the authority to establish and amend the retirement plan of Upson County, Georgia. Georgia Farm Bureau is the administrator of the plan and issues a publicly available financial report. The report may be obtained at the office of the County Manager of Upson County.

NOTE G - EMPLOYEE RETIREMENT PLAN: (continued)

Employees Pension Plan

The County's employees participation is non-contributory. The County is required to contribute at an actuarially determined rate; the current rate is 3% of covered payroll. The contribution requirements of plan members and the County are established and may be amended by the Board of County Commissioners. The County's annual pension cost of \$ 742,247 was equal to the County's required and actual contributions.

The County Employee's Pension Plan provides retirement benefits for substantially all full-time employees except certain employees in the State Court, Agriculture Agent's Office, and the Tax Commissioner.

Actuarial valuations are performed biannually. There are no loans to any County officials nor are there any other "party-in-interest" or prohibited transactions. The funds are managed by Southern Farm Bureau Life Insurance Company. A stand-alone financial report is issued and filed with the Georgia Department of Audits bi-annually.

Basis of Accounting

The accrual basis of accounting is used in the pension trust fund. The accrual basis of accounting recognizes revenues when earned. Expenses are recorded when incurred. Employer contributions to the plan are recognized when due and the County has made a formal commitment to provide the contribution. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investment Values

Investments of the pension trust fund are reported at fair value, which is determined using selected bases. Short-term investments are reported at cost, which approximates market value. Securities traded on a national or international exchange are valued at last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value, and the carrying amount of cash deposits reasonably estimates fair value.

	<u>COST</u>	<u>FAIR VALUE</u>
Short-term investments	\$ 6,847,475	\$ 6,847,475

Membership:

	<u>General</u>	<u>Totals</u>
Non-vested active members	102	102
Partially vested active members	N/A	N/A
Fully vested active members	71	71
Subtotal	173	173
Retirees and beneficiaries currently receiving benefits and terminated plan members entitled to but not yet receiving benefits	20	20
	193	193

NOTE G - EMPLOYEE RETIREMENT PLAN: (continued)

Funding Policies, Contribution Methods, Benefit Provisions

Year established	1985
Governing authority	County Ordinance
requirements:	
Employer	Actuarially determined
Plan members	Make no contributions
Funding of administrative costs	Investment earnings
Period required to vest	10 years
Post-retirement benefit increases	None
Eligibility for distribution	Age 55
Provisions for disability benefits	Yes
Eligibility for distribution	Yes
Basis of accounting	Accrual
Asset Valuation:	
Reporting	Cost
Actuarial Valuations	Market

Annual Pension Cost and Net Pension Obligation

Current Year Annual Pension Cost and
Net Pension Obligation (in thousands):

Annual required contribution	\$ 742,247
Adjustment to annual required contribution	<u>0</u>
Annual pension cost	<u>\$ 742,247</u>
Contribution Made	\$ 742,247
Decrease in net pension obligation	\$ 0
Net pension obligation, beginning of year	<u>742,247</u>
Net pension obligation, end of year	<u>\$ 742,247</u>

Reserves

There are no assets legally reserved for purposes other than the payment of plan member benefits for either plan. The plan held no individual investments whose market value exceeds 5 percent or more of Net Position available for benefits. There are no long-term contracts for contributions.

NOTE G - EMPLOYEE RETIREMENT PLAN: (continued)

Actuarial Information

Description

Valuation Date	January 1, 2014
Performed by	Farm Bureau
Actuarial Cost Method	Frozen Entry Age
Amortization Method	Level percent of pay method, open
Amortization Period	40 years
Actuarial Asset Valuation Method	Fair value of assets adjusted for contributions under IRC 430(g)(4)

Actuarial Assumptions

Investment rate of return	6.00% per year
Projected salary increases, inflation	3.50% per year
Projected salary increases, seniority/merit	3.00% per year
Post-retirement benefit increases	None
Life expectancies	Annuity 2000 for males and females
Current Year Changes in Actuarial Assumptions	None
Benefit Provisions	Monthly benefit for life 1.00 times the accrued retirement benefit

Trend Information

Historical trend information designed to provide information about the County's progress made in accumulating sufficient assets to pay pension benefits when due is presented below:

	ANNUAL PENSION	PERCENTAGE	NET PENSION
2004	\$ 340,520	100%	--
2005	\$ 243,139	100%	--
2006	\$ 425,946	100%	--
2007	\$ 456,585	100%	--
2008	\$ 506,358	100%	--
2009	\$ 517,557	100%	--
2010	\$ 625,542	100%	--
2011	\$ 400,525	100%	--
2012	\$ 617,975	100%	--
2013	\$ 409,125	100%	--
2014	\$ 742,247	100%	--

NOTE G - EMPLOYEE RETIREMENT PLAN: (continued)

Funding Progress

(Reported "In Thousands")

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded/ (Assets in Excess of) AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded (Assets in Excess of) AAL as a Percentage of Covered Payroll ((b-a)/c)
2004	3,155	3,642	487	86.63%	3,826	12.73%
2005	3,508	3,817	309	91.90%	3,728	8.29%
2006	3,904	4,237	333	92.14%	4,036	8.25%
2007	4,331	5,208	877	83.16%	4,089	21.45%
2008	4,780	6,036	1,256	79.19%	3,848	32.64%
2009	5,459	6,863	1,404	79.54%	4,426	31.72%
2010	5,469	6,893	1,424	79.34%	4,818	29.55%
2011	5,818	6,667	849	87.27%	4,360	19.47%
2012	6,332	7,328	996	86.41%	4,430	22.48%
2013	6,223	7,167	944	86.83%	4,588	20.58%
2014	6,438	7,539	1,101	85.40%	4,696	23.45%

Upon County adopted GASB – 25 and GASB – 27 on January 1, 1998. A pension liability at transition approximated \$547,000, an amount not differing from the previously reported liability of the pension plan.

Schedule of Employer's Contributions

Fiscal Year	Annual Required Contribution	Percentage Contributed
2004	340,520	100%
2005	243,139	100%
2006	425,946	100%
2007	456,585	100%
2008	506,358	100%
2009	527,557	100%
2010	625,542	100%
2011	400,525	100%
2012	617,975	100%
2013	409,125	100%
2014	742,247	100%

NOTE H - CONTINGENT LIABILITIES:

There are no known contingent liabilities to report at December 31, 2014.

NOTE I - SCHEDULE OF CASH AND INVESTMENTS:

The County of Upson's deposits at December 31, 2014 were entirely covered by Federal depository insurance or by collateral held by the County's custodial banks in the County's name.

Statutes authorize the County to invest in certificates of deposits, money market accounts, and the State of Georgia Local Government Investment Pool. (Georgia Fund 1)

The County's investment policy requires investing in low risk investments. Accordingly, all investments are recorded at cost. The type of investments purchased preclude the purchase of financial instruments that would require the reporting at amortized cost.

During the year 2014 and at December 31, 2014, the County's cash was held in interest earning money market accounts and certificates of deposits. There were no uncollateralized deposits held during the current year.

The State of Georgia Fund 1 is a special investment pool operated by the Office of State Treasury. The fund offers money market interest rates, high liquidity, low transaction amounts, and professional management. Interest earnings are credited monthly and cost of participation is the actual administrative cost incurred, but not more than 1 percent of earnings. Investment policies for the fund are established by the State Depository Board and investments may include certificates of deposit; prime bankers' acceptance; repurchase agreements; issued or guaranteed obligations of the United States Government, its agencies, and its corporations; obligations of any states; and obligations of political subdivisions of the State of Georgia. The fair value of the Georgia Fund 1 balance is equivalent to the value of the pool shares. Credit ratings are not available.

BALANCE SHEET - The captions on the combined balance sheet related to cash and in the Total columns are as follows:

	<u>Total</u>
Cash in Banks	\$ 1,040,057
Restricted Cash	<u>10,587,012</u>
TOTAL	<u>\$ 11,627,069</u>

Deposits - All deposits are carried at cost.

NOTE I - SCHEDULE OF CASH AND INVESTMENTS: (continued)

	CARRYING AMOUNT	BANK BALANCE	FUND
Insured Cash & Certificates	\$ 191,666	\$ 191,666	Agency Funds
Insured Cash & Certificates	1,560,057	1,560,057	General Fund
Insured Cash & Certificates	80,184	80,184	911 Fund
Insured Cash & Certificates	23,877	23,877	Special Revenue Fund-Law Library
Insured Cash & Certificates	441,723	441,723	Enterprise Fund
Insured Cash & Certificates	6,847,475	6,847,475	Fiduciary Fund
Insured Cash & Certificates	<u>2,482,087</u>	<u>2,482,087</u>	Capital Project Fund
Total	<u>\$ 11,627,069</u>	<u>\$ 11,627,069</u>	

NOTE J – INTERFUND BALANCES:

<u>General Fund:</u>	<u>Due To</u>	<u>Due From</u>
911 Fund	\$ –	\$ 175,748
Proprietary Fund	–	198,188
Airport Authority	–	71,619
Solid Waste Disposal System	–	2,554
911 Fund	175,748	–
Proprietary Fund	198,188	–
Airport Authority	71,619	–
Solid Waste Disposal System	<u>2,554</u>	<u>–</u>
Total	<u>\$ 448,109</u>	<u>\$ 448,109</u>

The General Fund processes and funds the payroll of the Proprietary Fund, 911 Special Revenue Fund, and major and non-major component units. Interfund and due to/from balances listed under Note J on page 55 represent unreimbursed payroll to the General Fund at December 31, 2014. All interfund balances will be paid within one year.

NOTE K – HOTEL/MOTEL TAX:

Hotel/Motel taxes received and expended amounted to \$4,894, an amount representing .0054% of tax receipts for the year ended December 31, 2014. The County has complied with the expenditure requirements of OCGA §48-13-51 by expending or contractually committed for expenditure, as provided with this code section, for the year ending December 31, 2014.

NOTE L – RESERVATIONS OF FUND EQUITY:

Reserved for Employees' Retirement System – Fiduciary Funds – This reserve indicates the portion of fund balance legally restricted for pension payments.

NOTE M – FUND EQUITY:

In the fund financial statements, governmental funds report the following classifications of fund balance:

- Nonspendable – amounts cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted – amounts are restricted when constraints have been placed on the use of resources by (a) externally imposed by creditors, grantors, contributors or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- Committed – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Commissioners through adoption of a resolution. Commissioners also may modify or rescind the commitment.
- Assigned – amounts that are constrained by the Commissioners intent to be used for specific purposes, but are neither restricted nor committed. By resolution, the Commissioners has authorized the Manager to assign fund balances.
- Unassigned – amounts that have not been assigned to other funds and that are not restricted, committed or assigned to specific purposes within the General Fund.

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

- Committed
- Assigned
- Unassigned

The County does not have a formal minimum fund balance policy.

**SUPPLEMENTARY
INFORMATION**

**NON-MAJOR
GOVERNMENTAL
FUNDS**

**UPSON COUNTY, GEORGIA
COMBINING BALANCE SHEET
Nonmajor Governmental Funds
December 31, 2014**

	SPECIAL REVENUE FUNDS		Total Nonmajor Governmental Funds
	HOTEL/ MOTEL TAX	LAW LIBRARY FUND	
<u>ASSETS:</u>			
Cash in banks	\$ 0	\$ 23,877	\$ 23,877
Total Assets	<u>\$ 0</u>	<u>\$ 23,877</u>	<u>\$ 23,877</u>
<u>LIABILITIES AND FUND BALANCES:</u>			
<u>LIABILITIES:</u>			
Accounts payable	\$ 0	\$ 0	\$ 0
Due to general fund	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>FUND BALANCES:</u>			
Restricted as reported in Special Revenue Funds	\$ 0	\$ 23,877	\$ 23,877
Total Fund Balances	<u>\$ 0</u>	<u>\$ 23,877</u>	<u>\$ 23,877</u>
Total Liabilities and Fund Balances	<u>\$ 0</u>	<u>\$ 23,877</u>	<u>\$ 23,877</u>

UPSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Non-major Governmental Funds
December 31, 2014

	SPECIAL REVENUE FUNDS		Total Nonmajor Governmental Funds
	HOTEL/ MOTEL TAX	LAW LIBRARY FUND	
REVENUES:			
Taxes			
Hotel/Motel Tax	\$ 4,890	\$ 0	\$ 4,890
Charges for services	0	0	0
Investment earnings	0	0	0
Fines and forfeitures	0	11,795	11,795
Total Revenues	<u>\$ 4,890</u>	<u>\$ 11,795</u>	<u>\$ 16,685</u>
EXPENDITURES:			
Current			
General government	\$ 4,890	\$ 10,671	\$ 15,561
Public safety	0	0	0
Capital Outlay	0	0	0
Total Expenditures	<u>\$ 4,890</u>	<u>\$ 10,671</u>	<u>\$ 15,561</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>\$ 0</u>	<u>\$ 1,124</u>	<u>\$ 1,124</u>
OTHER FINANCING SOURCES (USES)			
Transfer from General Fund	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Net change in fund balance	\$ 0	\$ 1,124	\$ 1,124
Fund balance beginning of year	0	22,753	22,753
Fund balance end of year	<u>\$ 0</u>	<u>\$ 23,877</u>	<u>\$ 23,877</u>

GENERAL FUND - to account for the general operations of the County, including all financial transactions not required to be accounted for in another fund.

**UPSON COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE BALANCE SHEET
December 31, 2014 AND 2013**

	2014	2013
<u>ASSETS</u>		
Cash in banks	\$ 1,560,057	\$ 787,018
Receivables (net of allowances for estimated uncollectibles):		
Taxes	847,172	2,101,853
Due from other funds:		
Water Systems Enterprise Fund	75,759	64,657
Capital Projects Fund	2,554	0
911 Fund	175,748	100,434
Airport	71,619	37,385
Landfill	2,916	7,367
Waste Services Enterprise Fund	122,429	0
Prepays	<u>14,937</u>	<u>37,296</u>
TOTAL ASSETS	<u>\$ 2,873,191</u>	<u>\$ 3,136,010</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Accounts Payable	<u>\$ 313,311</u>	<u>\$ 214,525</u>
Total Liabilities	<u>\$ 313,311</u>	<u>\$ 214,525</u>
Fund Balance:		
Nonspendable	\$ 14,937	\$ 37,296
Unassigned	<u>2,554,943</u>	<u>2,884,190</u>
Total Fund Balance	<u>\$ 2,559,880</u>	<u>\$ 2,921,486</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,873,191</u>	<u>\$ 3,136,011</u>

**UPSON COUNTY, GEORGIA
GENERAL FUND
COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
For the Year Ended December 31, 2014 and 2013**

	2014	2013
Revenues:		
Taxes	\$ 9,368,414	\$ 12,546,127
Licenses and permits	124,819	124,685
Intergovernmental	1,409,948	412,466
Charges for services	791,015	730,869
Fines and forfeitures	542,460	605,776
Interest earnings	963	628
Miscellaneous	<u>197,792</u>	<u>156,538</u>
Total Revenues	<u>\$12,435,411</u>	<u>\$14,577,089</u>
Expenditures:		
Current:		
General government	\$ 5,594,416	\$ 6,859,050
Public safety	4,183,636	3,121,933
Public works	1,981,006	1,213,635
Health and welfare	814,888	1,190,306
Culture and recreation	180,132	185,662
Payments to other governmental agencies	1,662,692	1,321,560
Debt Service:		
Principal	72,606	128,256
Interest	71,817	74,987
Capital Outlay		
General Government	53,312	27,540
Public Safety	<u>47,812</u>	<u>0</u>
Total Expenditures	<u>\$14,614,505</u>	<u>\$14,122,929</u>
Other Financing Sources (uses):		
Transfer from Special Revenue Funds:		
Joint Projects	\$ 1,169,592	\$ 0
Unincorporated Services	647,896	0
Total Other Financing Sources (uses)	<u>\$ 1,817,488</u>	<u>\$ 0</u>
Excess of Revenues and Other Financing Sources (uses) over (Under) Expenditures	\$ (361,606)	\$ 454,160
Fund Balance - Beginning of Year	<u>2,921,486</u>	<u>2,467,326</u>
Fund Balance - End of Year	<u>\$2,559,880</u>	<u>\$2,921,486</u>

UPSON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2014

	ESTIMATED BUDGET 12 MONTHS	ADDITIONAL ESTIMATED REVENUES	TOTAL ESTIMATED REVENUES	2014 ACTUAL REVENUES	VARIANCE	2013 ACTUAL REVENUES
Taxes:						
General property taxes	\$ 6,400,000	\$ 0	\$ 6,400,000	\$ 6,440,247	\$ 40,247	\$ 9,800,914
Local option sales tax	1,725,000	0	1,725,000	1,731,610	6,610	1,570,137
Other taxes:						
Insurance premium tax	850,000	0	850,000	863,778	13,778	818,585
Beer and wine tax	122,000	0	122,000	123,678	1,678	130,641
Franchise tax	140,000	0	140,000	140,312	312	129,542
Intangible personal tax reporting	24,000	0	24,000	24,044	44	43,478
Real estate transfer tax	44,000	0	44,000	44,745	745	52,829
Total Taxes	\$ 9,305,000	\$ 0	\$ 9,305,000	\$ 9,368,414	\$ 63,414	\$ 12,546,126
Licenses & Permits:						
Business licenses	\$ 98,000	\$ 0	\$ 98,000	\$ 98,506	\$ 506	\$ 80,308
Bank licenses	25,000	0	25,000	26,313	1,313	44,377
Total Licenses & Permits	\$ 123,000	\$ 0	\$ 123,000	\$ 124,885	\$ 1,819	\$ 124,685
Intergovernmental Revenues:						
Community Service	\$ 2,500	\$ 0	\$ 2,500	\$ 3,731	\$ 1,231	\$ 15,828
Narcotics Task Force	0	0	0	0	0	2,207
LMIG Proceeds	415,000	0	415,000	418,868	3,868	389,431
F.E.M.A. Grants	80,000	0	80,000	84,767	4,767	0
C.D.B.G. Housing Grant	0	0	0	0	0	5,000
E.M.A. Grants/Donations	40,000	0	40,000	44,532	4,532	0
City of Thomaston reimbursements:						
Joint Projects	850,000	0	850,000	858,050	8,050	0
Total Intergovernmental Revenues	\$ 1,387,500	\$ 0	\$ 1,387,500	\$ 1,409,948	\$ 22,448	\$ 412,466
Charges for Services:						
Tax Commissioner - costs, commissions and fees	\$ 630,000	\$ 0	\$ 630,000	\$ 632,879	\$ 2,879	\$ 571,534
Prisoner Expense Reimbursements	10,000	0	10,000	11,980	1,980	13,765
Sheriff - costs and fees	70,000	0	70,000	72,879	2,879	89,934
Superior Court Clerk - costs and fees	70,000	0	70,000	73,277	3,277	55,636
Total Charges for Services	\$ 780,000	\$ 0	\$ 780,000	\$ 791,015	\$ 11,015	\$ 730,869

NOTE: This financial presentation is continued on the next page.

UPSON COUNTY, GEORGIA
 GENERAL FUND
SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2014

	ESTIMATED BUDGET 12 MONTHS	ADDITIONAL ESTIMATED REVENUES	TOTAL ESTIMATED REVENUES	2014 ACTUAL REVENUES	VARIANCE	2013 ACTUAL REVENUES
Fines and Forfeitures:						
Probate Court	\$ 280,000	\$ 0	\$ 280,000	\$ 283,282	\$ 3,282	\$ 311,700
Superior Court	100,000	0	100,000	101,050	1,050	125,298
Juvenile Court	5,500	0	5,500	5,614	114	5,341
Magistrate Court	150,000	0	150,000	152,514	2,514	163,437
Total Fines and Forfeitures	\$ 535,500	\$ 0	\$ 535,500	\$ 542,460	\$ 6,960	\$ 605,776
Interest Earnings:						
Finance Office	\$ 700	\$ 0	\$ 700	\$ 963	\$ 263	\$ 628
Total Interest Earnings	\$ 700	\$ 0	\$ 700	\$ 963	\$ 263	\$ 628
Miscellaneous:						
Miscellaneous	\$ 148,000	\$ 0	\$ 148,000	\$ 149,296	\$ 1,296	\$ 150,538
Archives contributions	45,000	0	45,000	48,496	3,496	6,000
Total Miscellaneous	\$ 193,000	\$ 0	\$ 193,000	\$ 197,792	\$ 4,792	\$ 156,538
Total Revenues	\$ 12,324,700	\$ 0	\$ 12,324,700	\$ 12,435,411	\$ 110,711	\$ 14,577,089
Other Financing Sources:						
Transfer from Special Revenue Funds:						
Joint Projects	\$ 1,165,000	\$ 0	\$ 1,165,000	\$ 1,169,592	\$ 4,592	\$ 0
Unincorporated Services	645,000	0	645,000	647,896	2,896	0
Total Other Financing Sources	\$ 1,810,000	\$ 0	\$ 1,810,000	\$ 1,817,488	\$ 7,488	\$ 0
Total Revenues and Other Financing Sources	\$ 14,134,700	\$ 0	\$ 14,134,700	\$ 14,252,899	\$ 118,199	\$ 14,577,089

UPSON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2014

Description:	INITIAL ANNUAL BUDGET	ADDITIONAL APPROPRIATIONS	TOTAL APPROPRIATIONS	2014 ACTUAL EXPENDITURES	VARIANCE	2013 ACTUAL EXPENDITURES
<u>General Government:</u>						
Superior Court	\$ 265,000	0	\$ 265,000	\$ 261,310	\$ 3,690	\$ 222,129
Indigent Defense / Public Defender	390,000	0	390,000	386,409	3,591	286,702
District Attorney	200,000	0	200,000	199,188	812	198,293
Clerk of Superior Court	385,000	0	385,000	383,775	1,225	372,672
Probate Court	205,000	0	205,000	204,362	638	174,854
Magistrate Court	275,000	0	275,000	273,427	1,573	225,466
Juvenile Court	175,000	0	175,000	174,865	135	122,809
Coroner	35,000	0	35,000	32,533	2,467	33,356
Board of Elections/Registrar	158,500	0	158,500	156,250	2,250	85,549
Finance and administrative	1,100,000	0	1,100,000	1,081,223	18,777	1,074,876
Senior Center	220,000	0	220,000	216,225	3,775	141,294
Tax Assessors	450,000	0	450,000	445,072	4,928	451,289
Information Technology	145,000	0	145,000	141,323	3,677	138,203
Tax Commissioner	390,000	0	390,000	385,744	4,256	342,715
General government buildings	746,000	0	746,000	744,576	1,424	689,563
County agents	60,000	0	60,000	57,096	2,904	62,015
Archives	170,000	0	170,000	167,739	2,261	162,076
Building and zoning	265,000	0	265,000	262,076	2,924	258,815
Conservation expenditures	25,000	0	25,000	21,223	3,777	22,223
Total General Government	\$ 5,659,500	0	\$ 5,659,500	\$ 5,594,416	\$ 65,084	\$ 5,064,899

Note: This financial presentation is continued on the next page.

**UPSON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2014**

Description:	INITIAL ANNUAL BUDGET	ADDITIONAL APPROPRIATIONS	TOTAL APPROPRIATIONS	2014 ACTUAL EXPENDITURES	VARIANCE	2013 ACTUAL EXPENDITURES
<u>Public Safety:</u>						
Sheriff administration, patrol and crime	\$ 2,120,000	\$ 0	\$ 2,120,000	\$ 2,117,807	\$ 2,193	\$ 2,100,700
Custody of prisoners	2,015,000	0	2,015,000	2,012,180	2,820	2,001,488
Emergency management	16,000	0	16,000	15,404	596	26,258
Volunteer fire departments	40,000	0	40,000	38,245	1,755	43,638
Total Public Safety	<u>\$ 4,191,000</u>	<u>\$ 0</u>	<u>\$ 4,191,000</u>	<u>\$ 4,183,636</u>	<u>\$ 7,364</u>	<u>\$ 4,172,084</u>
<u>Public Works:</u>						
Roads construction and maintenance	\$ 1,600,000	\$ 0	\$ 1,600,000	\$ 1,588,641	\$ 11,359	\$ 1,570,183
Shop and garage	395,000	0	395,000	392,365	2,635	387,452
Total Public Works	<u>\$ 1,995,000</u>	<u>\$ 0</u>	<u>\$ 1,995,000</u>	<u>\$ 1,981,006</u>	<u>\$ 13,994</u>	<u>\$ 1,957,635</u>
<u>Health and Welfare:</u>						
Animal Control	\$ 155,000	\$ 0	\$ 155,000	\$ 154,379	\$ 621	\$ 110,447
Family and Children Services	17,000	0	17,000	16,322	678	46,687
Physical and mental health	278,000	0	278,000	275,437	2,563	318,119
Upson Regional Medical Ctr. - Ambulance Services	300,000	0	300,000	300,000	0	614,303
Gilmore Center	68,750	0	68,750	68,750	0	100,000
Emergency Shelter	0	0	0	0	0	750
Total Health and Welfare	<u>\$ 818,750</u>	<u>\$ 0</u>	<u>\$ 818,750</u>	<u>\$ 814,888</u>	<u>\$ 3,862</u>	<u>\$ 1,190,306</u>
<u>Culture and Recreation:</u>						
Hightower Memorial Library	\$ 176,132	\$ 0	\$ 176,132	\$ 176,132	\$ 0	\$ 175,662
Thomaston-Upson Arts Council	4,000	0	4,000	4,000	0	10,000
Total Culture and Recreation	<u>\$ 180,132</u>	<u>\$ 0</u>	<u>\$ 180,132</u>	<u>\$ 180,132</u>	<u>\$ 0</u>	<u>\$ 185,662</u>

NOTE: This financial presentation is continued on the next page.

**UPSON COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
COMPARED WITH BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2014**

Description:	INITIAL ANNUAL BUDGET	ADDITIONAL APPROPRIATIONS	TOTAL APPROPRIATIONS	2014 ACTUAL EXPENDITURES	VARIANCE	2013 ACTUAL EXPENDITURES
<u>Payments to Other Governmental Agencies:</u>						
Thomaston-Upson County:						
Recreation Commission	\$ 800,000	0	\$ 800,000	\$ 799,415	\$ 585	\$ 682,185
Airport Authority	107,760	0	107,760	107,760	0	79,175
Solid Waste Disposal Facility	262,000	0	262,000	262,000	0	110,000
Industrial Development Authority	476,032	0	476,032	476,032	0	432,640
McIntosh Regional Development Center	18,000	0	18,000	17,485	515	17,560
Total Payments to Other Governmental Agencies	<u>\$ 1,663,792</u>	<u>\$ 0</u>	<u>\$ 1,663,792</u>	<u>\$ 1,662,692</u>	<u>\$ 1,100</u>	<u>\$ 1,321,560</u>
Total Operating Expenditures	<u>\$ 14,508,174</u>	<u>\$ 0</u>	<u>\$ 14,508,174</u>	<u>\$ 14,416,770</u>	<u>\$ 91,404</u>	<u>\$ 13,892,166</u>
<u>Debt Service:</u>						
Local government lease pool - O.B.A.:						
Principal	\$ 72,606	0	\$ 72,606	\$ 72,606	\$ 0	\$ 128,256
Interest	13,060	0	13,060	13,060	0	18,665
Tax Anticipation Note:						
Interest	60,000	0	60,000	58,757	1,243	56,302
Total Debt Service	<u>\$ 145,666</u>	<u>\$ 0</u>	<u>\$ 145,666</u>	<u>\$ 144,423</u>	<u>\$ 1,243</u>	<u>\$ 203,223</u>
<u>Capital Outlay:</u>						
General Government	\$ 5,500	0	\$ 5,500	\$ 5,500	\$ 0	\$ 27,540
Public Safety	48,000	0	48,000	47,812	188	0
Public Works	0	0	0	0	0	0
Health and Welfare	0	0	0	0	0	0
Culture and Recreation	0	0	0	0	0	0
Total Capital Outlay	<u>\$ 53,500</u>	<u>\$ 0</u>	<u>\$ 53,500</u>	<u>\$ 53,312</u>	<u>\$ 188</u>	<u>\$ 27,540</u>
Total Operating Expenditures, Debt Service, and Capital Outlay	<u>\$ 14,707,340</u>	<u>\$ 0</u>	<u>\$ 14,707,340</u>	<u>\$ 14,614,505</u>	<u>\$ 92,835</u>	<u>\$ 14,122,929</u>

911 Fund - to account for funds collected and disbursed from the 911 Fund for the safety and security of the citizens of Upson County, Georgia.

Hotel/Motel Tax Fund - to account for funds collected from the hotel/motel tax and disbursed to other agencies.

Law Library Fund - to account for resources received from the various courts of Upson County and disbursements for the support of a centralized law library.

Unincorporated Services Fund - to account for receipts and disbursements specifically identified as benefiting only the unincorporated area of the county.

Joint Projects Fund - to account for County Unincorporated tax receipts and associated county disbursements to fund the county's portion of joint projects with the City of Thomaston.

**UPSON COUNTY, GEORGIA
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2014
With Comparative Totals for December 31, 2013**

	911 FUND	HOTEL/ MOTEL TAX FUND	LAW LIBRARY FUND	UNINCORP- ORATED SERVICES FUND	JOINT PROJECTS FUND	TOTALS	
						2014	2013
ASSETS:							
Cash in banks	\$ 80,184	\$ 0	\$ 23,877	\$ 0	\$ 0	\$ 104,061	\$ 186,314
Taxes Receivable	<u>0</u>	<u>0</u>	<u>0</u>	<u>276,329</u>	<u>540,721</u>	<u>817,050</u>	<u>0</u>
Total Assets	<u>\$ 80,184</u>	<u>\$ 0</u>	<u>\$ 23,877</u>	<u>\$ 276,329</u>	<u>\$ 540,721</u>	<u>\$ 921,111</u>	<u>\$ 186,314</u>
LIABILITIES AND FUND BALANCES:							
Accounts payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,000
Due to General Fund	<u>175,748</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>175,748</u>	<u>100,434</u>
Total Liabilities	<u>\$ 175,748</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 175,748</u>	<u>\$ 111,434</u>
FUND BALANCES:							
Restricted	\$ (95,564)	\$ 0	\$ 23,877	\$ 276,329	\$ 540,721	\$ 745,363	\$ 74,880
Total Fund Balances	<u>\$ (95,564)</u>	<u>\$ 0</u>	<u>\$ 23,877</u>	<u>\$ 276,329</u>	<u>\$ 540,721</u>	<u>\$ 745,363</u>	<u>\$ 74,880</u>
Total Liabilities and Fund Balances	<u>\$ 80,184</u>	<u>\$ 0</u>	<u>\$ 23,877</u>	<u>\$ 276,329</u>	<u>\$ 540,721</u>	<u>\$ 921,111</u>	<u>\$ 186,314</u>

UPSON COUNTY, GEORGIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the year ending December 31, 2014
With Comparative Totals for December 31, 2013

	911 FUND	HOTEL/ MOTEL TAX FUND	LAW LIBRARY FUND	UNINCORP- ORATED SERVICES FUND	JOINT PROJECTS FUND	TOTALS	
						2014	2013
REVENUES:							
Taxes	\$ 0	\$ 4,890	\$ 0	\$ 924,225	\$ 1,710,313	\$ 2,639,428	\$ 4,521
Fines and forfeitures	0	0	11,795	0	0	11,795	11,771
Charges for services	510,091	0	0	0	0	510,091	465,667
Investment earnings	54	0	0	0	0	54	81
Total Revenues	<u>\$ 510,145</u>	<u>\$ 4,890</u>	<u>\$ 11,795</u>	<u>\$ 924,225</u>	<u>\$ 1,710,313</u>	<u>\$ 3,161,368</u>	<u>\$ 482,040</u>
EXPENDITURES:							
Current:							
General government	\$ 0	\$ 0	\$ 10,671	\$ 0	\$ 0	\$ 10,671	\$ 11,529
Public safety	642,481	0	0	0	0	642,481	471,381
Capital Outlay Expenditures	15,355	0	0	0	0	15,355	0
Payments to Chamber Tourism	0	4,890	0	0	0	4,890	4,521
Total Expenditures	<u>\$ 657,836</u>	<u>\$ 4,890</u>	<u>\$ 10,671</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 673,397</u>	<u>\$ 487,431</u>
Excess (Deficit) of Revenues over (Under) Expenses	<u>\$ (147,691)</u>	<u>\$ 0</u>	<u>\$ 1,124</u>	<u>\$ 924,225</u>	<u>\$ 1,710,313</u>	<u>\$ 2,487,971</u>	<u>\$ 5,391</u>
OTHER FINANCING SOURCES (USES)							
Transfers to/from other funds	\$ 0	\$ 0	\$ 0	\$ (647,896)	\$ (1,169,592)	\$ (1,817,488)	\$ 0
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ (647,896)</u>	<u>\$ (1,169,592)</u>	<u>\$ (1,817,488)</u>	<u>\$ 0</u>
Excess (Deficit) of Revenues and Other Sources over (Under) Expenditures and Other Uses	<u>\$ (147,691)</u>	<u>\$ 0</u>	<u>\$ 1,124</u>	<u>\$ 276,329</u>	<u>\$ 540,721</u>	<u>\$ 670,483</u>	<u>\$ (5,391)</u>
Fund Balances - Beginning of Year	<u>52,127</u>	<u>0</u>	<u>22,753</u>	<u>0</u>	<u>0</u>	<u>74,880</u>	<u>80,271</u>
Fund Balances - End of Year	<u>\$ (95,564)</u>	<u>\$ 0</u>	<u>\$ 23,877</u>	<u>\$ 276,329</u>	<u>\$ 540,721</u>	<u>\$ 745,363</u>	<u>\$ 74,880</u>

**UPSON COUNTY, GEORGIA
911 FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2014 and December 31, 2013**

	TOTALS	
	2014	2013
<u>ASSETS:</u>		
Cash in banks	\$ 80,184	\$ 163,561
Total Assets	\$ 80,184	\$ 163,561
<u>LIABILITIES AND FUND BALANCES:</u>		
<u>LIABILITIES:</u>		
Accounts payable	\$ 0	\$ 11,000
Due to General Fund	175,748	100,434
Total Liabilities	\$ 175,748	\$ 111,434
<u>FUND BALANCE:</u>		
Restricted	\$ (95,564)	\$ 52,127
Total Fund Balance	\$ (95,564)	\$ 52,127
Total Liabilities and Fund Balance	\$ 80,184	\$ 163,561

UPSON COUNTY, GEORGIA
911 FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
For the year ending December 31, 2014

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<u>REVENUES:</u>			
Charges for services	\$ 500,000	\$ 510,091	\$ 10,091
Interest earned on investments	0	54	54
Total Revenues	<u>\$ 500,000</u>	<u>\$ 510,145</u>	<u>\$ 10,145</u>
<u>EXPENDITURES:</u>			
Public Safety	\$ 650,000	\$ 642,481	\$ 7,519
Capital Outlay Expenditures	16,000	15,355	645
Total Expenditures	<u>\$ 666,000</u>	<u>\$ 657,836</u>	<u>\$ 8,164</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$(166,000)</u>	<u>\$ (147,691)</u>	<u>\$ 18,309</u>
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfer to General Fund	\$ 0	\$ 0	\$ 0
Total Other Financing Sources and (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$(166,000)</u>	<u>\$ (147,691)</u>	<u>\$ 16,309</u>
Fund Balance - Beginning of Year	52,127	52,127	0
Fund Balance - End of Year	<u>\$(113,873)</u>	<u>\$ (97,564)</u>	<u>\$ 16,309</u>

UPSON COUNTY, GEORGIA
HOTEL/MOTEL TAX FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2014 and December 31, 2013

	TOTALS	
	2014	2013
<u>ASSETS:</u>		
Cash in banks	\$ 0	\$ 0
Total Assets	\$ 0	\$ 0
 <u>LIABILITIES AND FUND BALANCES:</u>		
<u>LIABILITIES:</u>		
Total Liabilities	\$ 0	\$ 0
 <u>FUND BALANCE:</u>		
Total Fund Balance	\$ 0	\$ 0
Total Liabilities and Fund Balance	\$ 0	\$ 0

**UPSON COUNTY, GEORGIA
HOTEL/MOTEL TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
For the year ending December 31, 2014**

	BUDGET	ACTUAL	VARIANCE
<u>REVENUES:</u>			
Hotel/Motel taxes	\$ 4,800	\$ 4,890	\$ 90
Total Revenues	<u>\$ 4,800</u>	<u>\$ 4,890</u>	<u>\$ 90</u>
<u>EXPENDITURES:</u>			
Payments to Chamber - Tourism	\$ 4,800	\$ 4,890	\$ (90)
Total Expenditures	<u>\$ 4,800</u>	<u>\$ 4,890</u>	<u>\$ (90)</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers to General Fund	\$ 0	\$ 0	\$ 0
Total Other Financing Sources and (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	\$ 0	\$ 0	\$ 0
Fund Balance - Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

UPSON COUNTY, GEORGIA
LAW LIBRARY FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2014 and December 31, 2013

	TOTALS	
	2014	2013
<u>ASSETS:</u>		
Cash in banks	\$ 23,877	\$ 22,753
Total Assets	\$ 23,877	\$ 22,753
 <u>LIABILITIES AND FUND BALANCES:</u>		
<u>LIABILITIES:</u>		
Total Liabilities	\$ 0	\$ 0
 <u>FUND BALANCE:</u>		
Restricted	\$ 23,877	\$ 22,753
Total Fund Balance	\$ 23,877	\$ 22,753
 Total Liabilities and Fund Balance	 \$ 23,877	 \$ 22,753

**UPSON COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
For the year ending December 31, 2014**

	BUDGET	ACTUAL	VARIANCE
<u>REVENUES:</u>			
Costs	\$ 11,000	\$ 11,795	\$ 795
Interest earned	0	0	0
Total Revenues	<u>\$ 11,000</u>	<u>\$ 11,795</u>	<u>\$ 795</u>
<u>EXPENDITURES:</u>			
Current:			
General Government	<u>\$ 10,000</u>	<u>\$ 10,671</u>	<u>\$ (671)</u>
Total Expenditures	<u>\$ 10,000</u>	<u>\$ 10,671</u>	<u>\$ (671)</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>\$ 1,000</u>	<u>\$ 1,124</u>	<u>\$ 124</u>
<u>OTHER FINANCING SOURCES (USES):</u>			
Total Other Financing Sources and (Uses)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 1,000	\$ 1,124	\$ 124
Fund Balance - Beginning of Year	<u>22,753</u>	<u>22,753</u>	<u>0</u>
Fund Balance - End of Year	<u>\$ 23,753</u>	<u>\$ 23,877</u>	<u>\$ 124</u>

UPSON COUNTY, GEORGIA
UNINCORPORATED SERVICES FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2014 and December 31, 2013

	<u>TOTALS</u>	
	2014	2013
<u>ASSETS:</u>		
Cash in banks	\$ 0	\$ 0
Taxes receivable	<u>276,329</u>	<u>0</u>
Total Assets	<u>\$ 276,329</u>	<u>\$ 0</u>
 <u>LIABILITIES AND FUND BALANCES:</u>		
<u>LIABILITIES:</u>		
Total Liabilities	<u>\$ 0</u>	<u>\$ 0</u>
 <u>FUND BALANCE:</u>		
Restricted	<u>\$ 276,329</u>	<u>\$ 0</u>
Total Fund Balance	<u>\$ 276,329</u>	<u>\$ 0</u>
 Total Liabilities and Fund Balance	 <u>\$ 276,329</u>	 <u>\$ 0</u>

**UPSON COUNTY, GEORGIA
UNINCORPORATED SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
For the year ending December 31, 2014**

	BUDGET	ACTUAL	VARIANCE
<u>REVENUES:</u>			
Property Taxes	\$ 924,225	\$ 924,225	\$ 0
Total Revenues	\$ 924,225	\$ 924,225	\$ 0
<u>EXPENDITURES:</u>			
Total Expenditures	\$ 0	\$ 0	\$ 0
Excess (Deficiency) of Revenues over (Under) Expenditures	\$ 924,225	\$ 924,225	\$ 0
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers to General Fund	\$(924,225)	\$ (647,896)	\$ (276,329)
Total Other Financing Sources and (Uses)	\$(924,225)	\$ (647,896)	\$ (276,329)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 0	\$ 276,329	\$ (276,329)
Fund Balance - Beginning of Year	0	0	0
Fund Balance - End of Year	\$ 0	\$ 276,329	\$ (276,329)

UPSON COUNTY, GEORGIA
JOINT PROJECTS FUND
COMPARATIVE BALANCE SHEET
DECEMBER 31, 2014 and December 31, 2013

	TOTALS	
	2014	2013
<u>ASSETS:</u>		
Cash in banks	\$ 0	\$ 0
Cash in banks	\$ 540,721	\$ 0
Total Assets	\$ 540,721	\$ 0
 <u>LIABILITIES AND FUND BALANCES:</u>		
<u>LIABILITIES:</u>		
Total Liabilities	\$ 0	\$ 0
 <u>FUND BALANCE:</u>		
Restricted	\$ 540,721	\$ 0
Total Fund Balance	\$ 540,721	\$ 0
 Total Liabilities and Fund Balance	 \$ 540,721	 \$ 0

**UPSON COUNTY, GEORGIA
JOINT PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
For the year ending December 31, 2014**

	BUDGET	ACTUAL	VARIANCE
<u>REVENUES:</u>			
Property Taxes	\$1,710,313	\$ 1,710,313	\$ 0
Total Revenues	\$1,710,313	\$ 1,710,313	\$ 0
<u>EXPENDITURES:</u>			
Total Expenditures	\$ 0	\$ 0	\$ 0
Excess (Deficiency) of Revenues over (Under) Expenditures	\$1,710,313	\$ 1,710,313	\$ 0
<u>OTHER FINANCING SOURCES (USES):</u>			
Transfers to General Fund	\$(1,710,313)	\$(1,169,592)	\$ (540,721)
Total Other Financing Sources and (Uses)	\$(1,710,313)	\$(1,169,592)	\$ (540,721)
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	\$ 0	\$ 540,721	\$ (540,721)
Fund Balance - Beginning of Year	0	0	0
Fund Balance - End of Year	\$ 0	\$ 540,721	\$ (540,721)

Capital Projects Fund - to account for the funds provided by the year 2005 and 2011 S.P.L.O.S.T. proceeds.

**UPSON COUNTY, GEORGIA
CAPITAL PROJECTS FUNDS
BALANCE SHEET**

DECEMBER 31, 2014
WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2013

	2011	2005	2014	2013	TOTALS
	SPECIAL LOCAL OPTION SALES TAX PROJECTS FUND	SPECIAL LOCAL OPTION SALES TAX PROJECTS FUND	2014	2013	TOTALS
ASSETS:					
Cash – Construction Account	\$ 2,482,087	\$ 0	\$ 2,482,087	\$ 2,397,412	
TOTAL ASSETS	<u>\$ 2,482,087</u>	<u>\$ 0</u>	<u>\$ 2,482,087</u>	<u>\$ 2,397,412</u>	
LIABILITIES AND FUND BALANCES:					
Due to General Fund	\$ 2,554	\$ 0	\$ 2,554	\$ 0	
TOTAL LIABILITIES	<u>\$ 2,554</u>	<u>\$ 0</u>	<u>\$ 2,554</u>	<u>\$ 0</u>	
FUND BALANCES:					
Restricted for project completion	\$ 2,479,533	\$ 0	\$ 2,479,533	\$ 2,397,412	
TOTAL FUND BALANCES	<u>\$ 2,479,533</u>	<u>\$ 0</u>	<u>\$ 2,479,533</u>	<u>\$ 2,397,412</u>	
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,482,087</u>	<u>\$ 0</u>	<u>\$ 2,482,087</u>	<u>\$ 2,397,412</u>	

**UPSON COUNTY, GEORGIA
CAPITAL PROJECTS FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
- BUDGET AND ACTUAL -
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2013**

	2011 SPECIAL LOCAL OPTION SALES TAX PROJECTS FUND			2012 SPECIAL LOCAL OPTION SALES TAX PROJECTS FUND			2013 SPECIAL LOCAL OPTION SALES TAX PROJECTS FUND			TOTALS	
	2014 BUDGET	2014 ACTUAL	VARIANCE	2014 BUDGET	2014 ACTUAL	VARIANCE	2014 BUDGET	2014 ACTUAL	2013 ACTUAL	2014 ACTUAL	2013 ACTUAL
REVENUES:											
SPLOST proceeds	\$3,140,000	\$3,144,685	\$ 4,685	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,144,685	\$ 2,864,721	\$ 3,144,685	\$ 2,864,721
Interest earned on investments	1,000	1,419	419	0	6	6	0	1,425	1,201	1,425	1,201
TOTAL REVENUES	<u>\$3,141,000</u>	<u>\$3,146,104</u>	<u>\$ 5,104</u>	<u>\$ 0</u>	<u>\$ 6</u>	<u>\$ 6</u>	<u>\$ 0</u>	<u>\$ 3,146,110</u>	<u>\$ 2,865,922</u>	<u>\$ 3,146,110</u>	<u>\$ 2,865,922</u>
EXPENDITURES:											
General Government:											
Current	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Capital Outlay	2,175,000	2,173,121	1,879	33,998	34,004	(6)	33,998	2,207,125	1,659,981	2,207,125	1,659,981
Total General Government	<u>\$2,175,000</u>	<u>\$2,173,121</u>	<u>\$ 1,879</u>	<u>\$ 33,998</u>	<u>\$ 34,004</u>	<u>\$ (6)</u>	<u>\$ 33,998</u>	<u>\$ 2,207,125</u>	<u>\$ 1,659,981</u>	<u>\$ 2,207,125</u>	<u>\$ 1,659,981</u>
TOTAL EXPENDITURES	<u>\$2,175,000</u>	<u>\$2,173,121</u>	<u>\$ 1,879</u>	<u>\$ 33,998</u>	<u>\$ 34,004</u>	<u>\$ (6)</u>	<u>\$ 33,998</u>	<u>\$ 2,207,125</u>	<u>\$ 1,659,981</u>	<u>\$ 2,207,125</u>	<u>\$ 1,659,981</u>
Excess of Revenue Over (Under) Expenditures	\$ 966,000	\$ 972,983	\$ 6,983	\$ (33,998)	\$ (33,998)	\$ 0	\$ (33,998)	\$ 938,985	\$ 1,205,941	\$ 938,985	\$ 1,205,941

**UPSON COUNTY, GEORGIA
CAPITAL PROJECTS FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
- BUDGET AND ACTUAL -
FOR THE YEAR ENDED DECEMBER 31, 2014
WITH COMPARATIVE TOTALS AS OF DECEMBER 31, 2013**

	2011 SPECIAL LOCAL OPTION SALES TAX PROJECTS FUND			2005 SPECIAL LOCAL OPTION SALES TAX PROJECTS FUND			TOTALS	
	2014 BUDGET	2014 ACTUAL	VARIANCE	2014 BUDGET	2014 ACTUAL	VARIANCE	2014 ACTUAL	2013 ACTUAL
<u>OTHER FINANCING SOURCES</u> <u>(USES):</u>								
Transfer to City of Thomaston	\$ (825,000)	\$ (822,147)	\$ 2,853	\$ 0	\$ 0	\$ 0	\$ (822,147)	\$ (748,850)
Transfer to City of Yatesville	(35,000)	(34,717)	283	0	0	0	(34,717)	(28,345)
Transfer to General Fund	0	0	0	0	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	\$ (860,000)	\$ (856,864)	\$ 3,136	\$ 0	\$ 0	\$ 0	\$ (856,864)	\$ (777,195)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	\$ 106,000	\$ 116,119	\$ 10,119	\$ (33,998)	\$ (33,998)	\$ 0	\$ 82,121	\$ 428,746
Fund Balance - Beginning of Year	2,363,414	2,363,414	0	(33,998)	(33,998)	0	2,397,412	1,968,666
Fund Balance - End of Year	\$ 2,469,414	\$ 2,479,533	\$ 10,119	\$ 0	\$ 0	\$ 0	\$ 2,479,533	\$ 2,397,412

WATER SYSTEM
ENTERPRISE FUND

To account for the provision of water services to the residents and customers of the:

- (A) Upson County Water District
- (B) Sunset Water District
- (C) Lincoln Park Water District

UPSON COUNTY, GEORGIA
COMPARATIVE STATEMENT OF NET POSITION
WATER SYSTEM ENTERPRISE FUND
DECEMBER 31, 2014 AND 2013

ASSETS	TOTALS	
	2014	2013
Current Assets:		
Petty Cash	\$ 100	\$ 100
Cash in Banks	164,868	435,952
Accounts Receivable	<u>125,072</u>	<u>73,728</u>
Total	<u>\$ 290,040</u>	<u>\$ 509,780</u>
Restricted Assets, Cash and Investments:		
Customer Deposits	<u>\$ 155,228</u>	<u>\$ 137,369</u>
Total Restricted Assets	<u>\$ 155,228</u>	<u>\$ 137,369</u>
Total Current Assets	<u>\$ 445,268</u>	<u>\$ 647,149</u>
Property, Plant and Equipment:		
Land	\$ 381,300	\$ 381,300
Water Distribution & Storage System	8,313,213	8,313,213
Equipment & Vehicles	<u>254,937</u>	<u>254,937</u>
Total Property, Plant and Equipment	\$ 8,949,450	\$ 8,949,450
Less Accumulated Depreciation	<u>(2,047,671)</u>	<u>(1,863,281)</u>
Net Property, Plant and Equipment	<u>\$ 6,901,779</u>	<u>\$ 7,086,169</u>
TOTAL ASSETS	<u>\$ 7,347,047</u>	<u>\$ 7,733,318</u>

(THIS FINANCIAL PRESENTATION COVERS MORE THAN ONE PAIR OF FACING PAGES)

UPSON COUNTY, GEORGIA
COMPARATIVE STATEMENT OF NET POSITION
WATER SYSTEM ENTERPRISE FUND
DECEMBER 31, 2014 AND 2013

LIABILITIES AND NET POSITION	TOTALS	
	2014	2013
LIABILITIES:		
Current Liabilities (Payable from Current Assets):		
Current Portion of Notes Payable	\$ 244,736	\$ 238,582
Due to General Fund	75,759	64,657
Accounts Payable	<u>31,898</u>	<u>24,714</u>
Total Current Liabilities (Payable from Current Assets)	<u>\$ 352,393</u>	<u>\$ 327,953</u>
Current Liabilities (Payable from Restricted Assets):		
Customer Deposits	<u>\$ 132,999</u>	<u>\$ 131,769</u>
Total Current Liabilities	<u>\$ 485,392</u>	<u>\$ 459,722</u>
<u>Long-term Liabilities:</u>		
Notes Payable (Net of Current Portion)	<u>\$ 4,536,497</u>	<u>\$ 4,783,100</u>
Total Long-term Liabilities	<u>\$ 4,536,497</u>	<u>\$ 4,783,100</u>
TOTAL LIABILITIES	<u>\$ 5,021,889</u>	<u>\$ 5,242,822</u>
NET POSITION:		
Net investment in capital assets	\$ 2,120,546	\$ 2,064,488
Unassigned	<u>204,612</u>	<u>426,008</u>
TOTAL NET POSITION	<u>\$ 2,325,158</u>	<u>\$ 2,490,496</u>

**UPSON COUNTY, GEORGIA
COMPARATIVE STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITIONS
WATER SYSTEM ENTERPRISE FUND
YEAR ENDED DECEMBER 31, 2014 AND 2013**

	<u>TOTALS</u>	
	<u>2014</u>	<u>2013</u>
<u>OPERATING REVENUES-CHARGES FOR SERVICES:</u>		
Water	\$ 1,016,947	\$ 893,115
Sewer	82,879	71,782
Tap-on and Other Charges	<u>46,761</u>	<u>40,405</u>
Total Operating Revenues	<u>\$ 1,146,587</u>	<u>\$ 1,005,302</u>
<u>OPERATING EXPENSES:</u>		
Personnel Services	\$ 327,593	\$ 254,920
Purchases of Water	226,789	175,338
Sewer Fees	75,381	66,072
Vehicle Expenses	20,353	22,411
Materials, Supplies & Maintenance	185,263	117,956
Utilities & Telephone	73,621	63,326
Administrative Expenses	53,868	62,401
Depreciation	<u>184,390</u>	<u>184,390</u>
Total Operating Expenses	<u>\$ 1,147,258</u>	<u>\$ 946,814</u>
Operating Income (Loss)	<u>\$ (671)</u>	<u>\$ 58,488</u>
<u>NON-OPERATING REVENUE (EXPENSES):</u>		
Interest Income	\$ 74	\$ 77
Interest Expenses & Fiscal Charges	(164,741)	(170,690)
G.E.F.A. Grant	<u>0</u>	<u>500,000</u>
Total Non-operating Revenue (Expenses)	<u>\$ (164,667)</u>	<u>\$ 329,387</u>
Change in Net Position	<u>\$ (165,338)</u>	<u>\$ 387,875</u>
Net Position at Beginning of Year	<u>2,490,496</u>	<u>2,102,621</u>
Net Position at End of Year	<u>\$ 2,325,158</u>	<u>\$ 2,490,496</u>

(THIS FINANCIAL PRESENTATION COVERS MORE THAN ONE PAIR OF FACING PAGES)

UPSON COUNTY, GEORGIA
WATER SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31, 2014 AND 2013

	TOTALS	
	2014	2013
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Receipts from customers	\$1,068,291	\$ 991,963
Payments for employees	(327,593)	(254,920)
Payments to suppliers	<u>(598,451)</u>	<u>(446,388)</u>
Net cash provided (used) by operating activities	<u>\$ 142,247</u>	<u>\$ 290,655</u>
 <u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>		
G.E.F.A. Grant	\$ 0	\$ 500,000
Loan Proceeds	0	186,833
Principal payment on notes	(230,805)	(191,378)
Interest and fiscal charges on revenue bonds and notes	(164,741)	(170,690)
Acquisition of capital assets	<u>0</u>	<u>(824,125)</u>
Net cash from (used for) capital and related financing activities	<u>\$ (395,546)</u>	<u>\$ (499,360)</u>
 <u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Interest Income	\$ 74	\$ 77
Net cash provided from (used) by investing activities	<u>\$ 74</u>	<u>\$ 77</u>
Net increase (decrease) in cash and cash equivalents	\$ (253,225)	\$ (208,628)
Cash and cash equivalents - Beginning of year	<u>573,321</u>	<u>784,949</u>
Cash and cash equivalents - End of year	<u><u>\$ 320,096</u></u>	<u><u>\$ 573,321</u></u>
 <u>Classified as:</u>		
Current assets	\$ 164,868	\$ 435,952
Restricted assets	<u>155,228</u>	<u>137,369</u>
TOTAL	<u><u>\$ 320,096</u></u>	<u><u>\$ 573,321</u></u>
 <u>RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</u>		
Net operating income (loss)	\$ (671)	\$ 58,488
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	<u>\$ 184,390</u>	<u>\$ 184,390</u>

(This financial presentation continues on the following page)

UPSON COUNTY, GEORGIA
WATER SYSTEM ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
 FOR YEAR ENDED DECEMBER 31, 2014 AND 2013

	TOTALS	
	2014	2013
RECONCILIATION OF NET OPERATING INCOME TO		
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES: (CONTINUED)</u>		
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable/prepays	\$ (51,344)	\$ 6,856
Increase (decrease) in payables	18,286	46,122
Increase (decrease) in customer deposits	1,230	4,061
Other	<u>(9,644)</u>	<u>(9,262)</u>
Total adjustment	<u>\$ 41,472</u>	<u>\$ 47,777</u>
Net cash provided (used) by operating activities	<u>\$ 142,247</u>	<u>\$ 290,655</u>

WASTE SERVICES
ENTERPRISE FUND

To account for the provision of waste services to the residents and customers of Upson County.

UPSON COUNTY, GEORGIA
COMPARATIVE STATEMENT OF NET POSITION
WASTE SERVICES ENTERPRISE FUND
DECEMBER 31, 2014 AND 2013

ASSETS	TOTALS	
	2014	2013
Current Assets:		
Petty Cash	\$ 0	\$ 0
Cash in Banks	276,755	0
Accounts Receivable	<u>51,496</u>	<u>0</u>
Total	<u>\$ 328,251</u>	<u>\$ 0</u>
Restricted Assets, Cash and Investments:		
Total Restricted Assets	<u>\$ 0</u>	<u>\$ 0</u>
Total Current Assets	<u>\$ 328,251</u>	<u>\$ 0</u>
Property, Plant and Equipment:		
Total Property, Plant and Equipment	\$ 0	\$ 0
Less Accumulated Depreciation	<u>0</u>	<u>0</u>
Net Property, Plant and Equipment	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL ASSETS	<u>\$ 328,251</u>	<u>\$ 0</u>

(THIS FINANCIAL PRESENTATION COVERS MORE THAN ONE PAIR OF FACING PAGES)

UPSON COUNTY, GEORGIA
COMPARATIVE STATEMENT OF NET POSITION
WASTE SERVICES ENTERPRISE FUND
DECEMBER 31, 2014 AND 2013

LIABILITIES AND NET POSITION	TOTALS	
	2014	2013
<u>LIABILITIES:</u>		
Current Liabilities		
<u>(Payable from Current Assets):</u>		
Due to General Fund	\$ 122,429	\$ 0
Accounts Payable	68,255	0
Total Current Liabilities		
(Payable from Current Assets)	\$ 190,684	\$ 0
TOTAL LIABILITIES	\$ 190,684	\$ 0
NET POSITION:		
Net investment in capital assets	\$ 0	\$ 0
Unassigned	137,567	0
<u>TOTAL NET POSITION</u>	\$ 137,567	\$ 0

**UPSON COUNTY, GEORGIA
COMPARATIVE STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET POSITIONS
WASTE SERVICES ENTERPRISE FUND
YEAR ENDED DECEMBER 31, 2014 AND 2013**

	TOTALS	
	2014	2013
<u>OPERATING REVENUES-CHARGES FOR SERVICES:</u>		
Waste Services	\$ 259,996	\$ 0
Total Operating Revenues	\$ 259,996	\$ 0
<u>OPERATING EXPENSES:</u>		
Personnel Services	\$ 8,627	\$ 0
Trans-Waste Payments	87,770	0
Materials, Supplies & Maintenance	26,025	0
Total Operating Expenses	\$ 122,429	\$ 0
Operating Income (Loss)	\$ 137,567	\$ 0
<u>NON-OPERATING REVENUE (EXPENSES):</u>		
Total Non-operating Revenue (Expenses)	\$ 0	\$ 0
Change in Net Position	\$ 137,567	\$ 0
Net Position at Beginning of Year	0	0
Net Position at End of Year	\$ 137,567	\$ 0

(THIS FINANCIAL PRESENTATION COVERS MORE THAN ONE PAIR OF FACING PAGES)

UPSON COUNTY, GEORGIA
WASTE SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31, 2014 AND 2013

	TOTALS	
	2014	2013
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Receipts from customers	\$ 276,755	\$ 0
Payments for employees	(8,627)	0
Payments to suppliers	(8,627)	0
Net cash provided (used) by operating activities	<u>\$ 259,501</u>	<u>\$ 0</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>		
Principal payments on notes	\$ 0	\$ 0
Interest and fiscal charges on revenue bonds and notes	0	0
Acquisition of capital assets	0	0
Net cash from (used for) capital and related financing activities	<u>\$ 0</u>	<u>\$ 0</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Net increase (decrease) in cash and cash equivalents	\$ 276,755	\$ 0
Cash and cash equivalents - Beginning of year	0	0
Cash and cash equivalents - End of year	<u>\$ 276,755</u>	<u>\$ 0</u>
<u>Classified as:</u>		
Current assets	\$ 276,755	\$ 0
Restricted assets	0	0
TOTAL	<u>\$ 276,755</u>	<u>\$ 0</u>
<u>RECONCILIATION OF NET OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</u>		
Net operating income (loss)	\$ 137,567	\$ 0
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
<u>Depreciation</u>	<u>\$ 0</u>	<u>\$ 0</u>

(This financial presentation continues on the following page)

UPSON COUNTY, GEORGIA
WASTE SERVICES ENTERPRISE FUND
COMPARATIVE STATEMENT OF CASH FLOWS
FOR YEAR ENDED DECEMBER 31, 2014 AND 2013

	TOTALS	
	2014	2013
<u>RECONCILIATION OF NET OPERATING INCOME TO</u>		
<u>NET CASH PROVIDED BY OPERATING ACTIVITIES: (CONTINUED)</u>		
Changes in assets and liabilities:		
(Increase) decrease in accounts receivable/prepays	\$ (51,496)	\$ 0
Increase (decrease) in payables	122,429	0
Increase (decrease) in deferred revenue	<u>68,255</u>	<u>0</u>
Total adjustment	<u>\$ 139,188</u>	<u>\$ 0</u>
Net cash provided (used) by operating activities	<u>\$ 276,755</u>	<u>\$ 0</u>

FIDUCIARY FUNDS

The following Fiduciary Funds are used by the County:

Pension Trust Funds - to account for a single employer public employee retirement system administered by Upson County for all eligible employees of the County.

Agency Funds

Tax Commissioner - to account for tax billings, collections, and remittances made by the County on behalf of other governmental agencies.

Sheriff - to account for the collection and remittance to the County of fines, costs, bond forfeitures and various fees.

Clerk of Superior Court - to account for the receipt and disbursement of court-ordered fines and fees made on behalf of third parties.

Superior Court - to account for the collection of charges for court costs, filings, and settlements and the subsequent remittances to the applicable parties.

Probate Court - to account for the receipt and disbursements of funds held on behalf of minors and others.

Magistrate Court - to account for the receipt and disbursement of bonds (posted to secure release of individuals charged with various crimes) and court-ordered fines and fees made on behalf of third parties.

Juvenile Court - to account for the collection and payment of fines and restitution as directed by the Juvenile Court.

UPSON COUNTY, GEORGIA
EMPLOYEE PENSION FUND
COMPARATIVE STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2014 AND 2013

ASSETS

Investments:

Short-term investments:

	<u>2014</u>	<u>2013</u>
Certificates of deposit		
Southern Farm Bureau Life Insurance Company	\$ <u>6,847,475</u>	\$ <u>6,297,215</u>
 Total Assets	 \$ <u>6,847,475</u>	 \$ <u>6,297,215</u>

LIABILITIES AND NET POSITION

<u>LIABILITIES:</u>	\$ -0-	\$ -0-
 <u>NET POSITION:</u>		
Net position held in trust for pension benefits	<u>6,847,475</u>	<u>6,297,215</u>
 Total Liabilities and Net Position	 \$ <u>6,847,475</u>	 \$ <u>6,297,215</u>

**UPSON COUNTY, GEORGIA
EMPLOYEE PENSION FUND
COMPARATIVE STATEMENT OF CHANGES IN PLAN NET POSITION
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<u>ADDITIONS:</u>		
Employer Contributions	\$ 742,247	\$ 409,125
Investment Income	<u>231,258</u>	<u>210,850</u>
TOTAL ADDITIONS	<u>\$ 973,505</u>	<u>\$ 619,975</u>
<u>DEDUCTIONS:</u>		
Benefits paid retirees	\$ 413,745	\$ 536,526
Administrative expenses	<u>9,500</u>	<u>9,500</u>
TOTAL DEDUCTIONS	<u>\$ 423,245</u>	<u>\$ 546,026</u>
 NET INCREASE (DECREASE) IN PLAN NET POSITION	 \$ 550,260	 \$ 73,949
 NET POSITION - Beginning of Year	 <u>6,297,215</u>	 <u>6,223,266</u>
 NET POSITION - End of Year	 <u>\$ 6,847,475</u>	 <u>\$ 6,297,215</u>

UPSON COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2014

AGENCY FUNDS										TOTAL
	PROBATE COURT	CLERK OF SUPERIOR COURT	SUPERIOR COURT	SHERIFF'S DEPARTMENT	MAGISTRATE COURT	JUVENILE COURT	TAX COMMISSIONER			2014
ASSETS:										
Petty Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			\$ 0
Cash & Investments	37,210	6,215	13,210	82,100	36,211	15,520	-			190,466
Taxes Receivable	-	-	-	-	-	-	1,664,222			1,664,222
TOTAL ASSETS	\$ 37,210	\$ 6,215	\$ 13,210	\$ 82,100	\$ 36,211	\$ 15,520	\$ 1,664,222			\$ 1,854,688
LIABILITIES:										
Due to Others	\$ 37,210	\$ 6,215	\$ 13,210	\$ 83,300	\$ 36,211	\$ 15,520	\$ 2,101,853			\$ 2,293,519
TOTAL LIABILITIES	\$ 37,210	\$ 6,215	\$ 13,210	\$ 83,300	\$ 36,211	\$ 15,520	\$ 2,101,853			\$ 2,293,519

**UPSON COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENTS OF CHANGES IN
ASSETS AND LIABILITIES
FOR THE YEAR ENDING DECEMBER 31, 2014**

	DECEMBER 31, 2013	ADDITIONS	DEDUCTIONS	DECEMBER 31, 2014
<u>PROBATE COURT</u>				
<u>Assets</u>				
Cash	<u>\$ 39,841</u>	<u>\$ 581,221</u>	<u>\$ 583,852</u>	<u>\$ 37,210</u>
<u>Liabilities</u>				
Accounts Payable	<u>\$ 39,841</u>	<u>\$ 581,221</u>	<u>\$ 583,852</u>	<u>\$ 37,210</u>
Total Liabilities	<u>\$ 39,841</u>	<u>\$ 581,221</u>	<u>\$ 583,852</u>	<u>\$ 37,210</u>
<u>CLERK OF SUPERIOR COURT</u>				
<u>Assets</u>				
Cash	<u>\$ 7,019</u>	<u>\$ 446,200</u>	<u>\$ 447,004</u>	<u>\$ 6,215</u>
<u>Liabilities</u>				
Accounts Payable	<u>\$ 7,019</u>	<u>\$ 446,200</u>	<u>\$ 447,004</u>	<u>\$ 6,215</u>
Total Liabilities	<u>\$ 7,019</u>	<u>\$ 446,200</u>	<u>\$ 447,004</u>	<u>\$ 6,215</u>
<u>SUPERIOR COURT</u>				
<u>Assets</u>				
Cash	<u>\$ 14,688</u>	<u>\$ 262,200</u>	<u>\$ 263,678</u>	<u>\$ 13,210</u>
<u>Liabilities</u>				
Accounts Payable	<u>\$ 14,688</u>	<u>\$ 262,200</u>	<u>\$ 263,678</u>	<u>\$ 13,210</u>
Total Liabilities	<u>\$ 14,688</u>	<u>\$ 262,200</u>	<u>\$ 263,678</u>	<u>\$ 13,210</u>
<u>SHERIFF'S OFFICE</u>				
<u>Assets</u>				
Cash	<u>\$ 98,062</u>	<u>\$ 628,900</u>	<u>\$ 643,662</u>	<u>\$ 83,300</u>
<u>Liabilities</u>				
Accounts Payable	<u>\$ 98,062</u>	<u>\$ 628,900</u>	<u>\$ 643,662</u>	<u>\$ 83,300</u>
Total Liabilities	<u>\$ 98,062</u>	<u>\$ 628,900</u>	<u>\$ 643,662</u>	<u>\$ 83,300</u>

(THIS FINANCIAL PRESENTATION COVERS MORE THAN ONE PAIR OF FACING PAGES.)

**UPSON COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENTS OF CHANGES IN
ASSETS AND LIABILITIES
FOR THE YEAR ENDING DECEMBER 31, 2014**

	DECEMBER 31, 2013	ADDITIONS	DEDUCTIONS	DECEMBER 31, 2014
<u>MAGISTRATE COURT</u>				
<u>Assets</u>				
Cash	\$ 36,310	\$ 415,510	\$ 415,609	\$ 36,211
<u>Liabilities</u>				
Accounts Payable	\$ 36,310	\$ 415,510	\$ 415,609	\$ 36,211
Total Liabilities	<u>\$ 36,310</u>	<u>\$ 415,510</u>	<u>\$ 415,609</u>	<u>\$ 36,211</u>
<u>JUVENILE COURT</u>				
<u>Assets</u>				
Cash	\$ 18,180	\$ 14,221	\$ 16,881	\$ 15,520
<u>Liabilities</u>				
Accounts Payable	\$ 18,180	\$ 14,221	\$ 16,881	\$ 15,520
Total Liabilities	<u>\$ 18,180</u>	<u>\$ 14,221</u>	<u>\$ 16,881</u>	<u>\$ 15,520</u>
<u>TAX COMMISSIONER</u>				
<u>Assets</u>				
Cash	\$ -	\$ -	\$ -	\$ -
Taxes Receivable	<u>2,101,853</u>	<u>5,686,550</u>	<u>4,862,876</u>	<u>1,664,222</u>
Total Assets	<u>\$ 2,101,853</u>	<u>\$ 5,686,550</u>	<u>\$ 4,862,876</u>	<u>\$ 1,664,222</u>
<u>Liabilities</u>				
Accounts Payable	<u>\$ 2,101,853</u>	<u>\$ 5,686,550</u>	<u>\$ 4,862,876</u>	<u>\$ 1,664,222</u>
Total Liabilities	<u>\$ 2,101,853</u>	<u>\$ 5,686,550</u>	<u>\$ 4,862,876</u>	<u>\$ 1,664,222</u>

(THIS FINANCIAL PRESENTATION COVERS MORE THAN ONE PAIR OF FACING PAGES.)

**UPSON COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENTS OF CHANGES IN
ASSETS AND LIABILITIES
FOR THE YEAR ENDING DECEMBER 31, 2014**

	DECEMBER 31, 2013	ADDITIONS	DEDUCTIONS	DECEMBER 31, 2014
<u>TOTALS - ALL AGENCY FUNDS</u>				
<u>Assets</u>				
Cash	\$ 214,100	\$ 2,354,462	\$ 2,376,896	\$ 191,666
Taxes Receivable	<u>2,101,853</u>	<u>5,686,550</u>	<u>4,862,876</u>	<u>1,664,222</u>
Total Assets	<u>\$ 2,315,953</u>	<u>\$ 8,041,012</u>	<u>\$ 7,239,772</u>	<u>\$ 1,854,688</u>
<u>Liabilities</u>				
Accounts Payable	<u>\$ 1,492,279</u>	<u>\$ 8,041,012</u>	<u>\$ 7,239,772</u>	<u>\$ 1,854,688</u>
Total Liabilities	<u>\$ 1,492,279</u>	<u>\$ 8,041,012</u>	<u>\$ 7,239,772</u>	<u>\$ 1,854,688</u>

(THIS FINANCIAL PRESENTATION COVERS MORE THAN ONE PAIR OF FACING PAGES.)

NON-MAJOR COMPONENT UNITS

UPSON COUNTY, GEORGIA
COMBINING STATEMENT OF NET POSITION
Nonmajor Component Units
December 31, 2014

	Upson County Department of Public Health	Thomaston- Upson County Solid Waste Disposal Facility	Total Nonmajor Governmental Funds
ASSETS:			
Cash and cash equivalents	\$ 884,326	\$ 15,235	\$ 899,561
Receivables:			
Accounts	0	0	0
Capital assets, net of accumulated depreciation:			
Land	0	173,772	173,772
Other capital assets, net of depreciation	<u>42,070</u>	<u>1,644,045</u>	<u>1,686,115</u>
Total Assets	<u>\$ 926,396</u>	<u>\$ 1,833,052</u>	<u>\$ 2,759,448</u>
LIABILITIES:			
Accounts payable	\$ 66,495	\$ 0	\$ 66,495
Due to general fund	0	7,367	7,367
Long-term liabilities:			
Due within one year	0	0	0
Due beyond one year	<u>0</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>\$ 66,495</u>	<u>\$ 7,367</u>	<u>\$ 73,862</u>
NET POSITION:			
Invested in capital assets	\$ 42,070	\$ 1,817,817	\$ 1,859,887
Restricted	608,753	(23,655)	585,098
Unrestricted	<u>209,078</u>	<u>0</u>	<u>209,078</u>
Total Net Position	<u>\$ 859,901</u>	<u>\$ 1,794,162</u>	<u>\$ 2,654,063</u>

UPSON COUNTY, GEORGIA
COMBINING STATEMENT OF ACTIVITIES
Nonmajor Component Units
For the Year Ending December 31, 2014

<u>Functions / Programs</u>	PROGRAM REVENUES						
	Expenses	Charges For Services	Operating Grants & Contributions	Capital Grants & Contributions	Upson County Department of Public Health	Thomaston-Upson County Solid Waste Disposal Facility	Total Nonmajor Governmental Funds
COMPONENT UNITS:							
Upson County Dept. of Public Health	\$ 1,189,873	\$ 469,224	\$ 554,265	\$ -	\$ 166,384	\$ -	\$ 166,384
Thomaston-Upson County Solid Waste Disposal Facility	<u>398,954</u>	-	<u>362,299</u>	-	-	<u>(36,655)</u>	<u>(36,655)</u>
Total Component Units	\$ 1,588,827	\$ 469,224	\$ 916,564	\$ 0	\$ 166,384	\$ (36,655)	\$ 129,729
General Revenues							
Interest Income					\$ 1,227	\$ 26	\$ 1,253
Total General Revenues					<u>\$ 1,227</u>	<u>\$ 26</u>	<u>\$ 1,253</u>
Change in Net Position					\$ 167,611	\$ (36,629)	\$ 130,982
Net Position - Beginning of Year					692,290	1,830,791	2,523,081
Net Position - End of Year					<u>\$ 859,901</u>	<u>\$ 1,794,162</u>	<u>\$ 2,654,063</u>

**OTHER
SUPPLEMENTARY
SCHEDULES**

LONG TERM DEBT SCHEDULE - This schedule provides detail debt of Upson County, Georgia.

UPSON COUNTY, GEORGIA
COMPARATIVE SCHEDULE OF LONG-TERM DEBT
December 31, 2014 and 2013

	<u>2014</u>	<u>2013</u>
<u>GOVERNMENTAL FUNDS:</u>		
<u>Other Long-term Liabilities:</u>		
Capital Leases	\$ 186,416	\$ 259,022
TOTAL GOVERNMENTAL FUNDS	<u>\$ 186,416</u>	<u>\$ 259,022</u>
<u>PROPRIETARY FUNDS:</u>		
Note Payable – Wells Fargo	\$ 5,809	\$ 15,453
Note Payable – Georgia Environmental Facilities Authority	151,874	166,334
Note Payable – Georgia Environmental Facilities Authority	156,995	184,151
Note Payable – Georgia Environmental Facilities Authority	3,249,289	3,379,940
Note Payable – Georgia Environmental Facilities Authority	<u>1,217,266</u>	<u>1,275,804</u>
TOTAL PROPRIETARY FUNDS	<u>\$ 4,781,233</u>	<u>\$ 5,021,682</u>
 TOTAL LONG-TERM DEBT	 <u>\$ 4,967,649</u>	 <u>\$ 5,280,704</u>

STATISTICAL SECTION

This part of Upson County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents **Page**

Financial Trends 100-104

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Statistical Tables #1 - #4

Revenue Capacity 105-108

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Statistical Tables #5 - #8

Debt Capacity 109-112

These schedules contain information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Statistical Tables #9 - #11B

Demographic and Economic Information 113-114

These schedules offer demographic and economic indicators to help the reader understand the environment within the County's financial activities take place.

Statistical Tables #12 - #13

Operating Information 115-117

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services to the government provides and the activities it performs.

Statistical Tables #14 - #16

Principal Property Tax Payers - Current Year and Nine Years Ago 118

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

THIS PAGE IS LEFT BLANK INTENTIONALLY.

Schedule 1
Upson County, Georgia
Net Position by Component
Last Eight Fiscal Years
 (accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014
<u>Governmental Activities</u>								
Net investment in capital assets	\$ 31,158,580	\$ 29,859,796	\$ 31,829,427	\$ 32,402,303	\$ 32,510,266	\$ 33,112,589	\$ 32,380,606	\$ 32,688,422
Restricted	4,654,553	5,220,714	4,098,783	4,419,484	4,790,696	2,048,937	2,472,290	3,744,896
Unrestricted	<u>3,557,566</u>	<u>2,981,071</u>	<u>2,894,516</u>	<u>3,144,501</u>	<u>3,422,962</u>	<u>2,467,326</u>	<u>2,921,486</u>	<u>2,039,880</u>
Total Governmental Activities Net Position	\$ <u>39,370,699</u>	\$ <u>38,061,581</u>	\$ <u>38,822,726</u>	\$ <u>39,966,288</u>	\$ <u>40,723,924</u>	\$ <u>37,628,852</u>	\$ <u>37,774,382</u>	\$ <u>38,473,198</u>
<u>Business-type Activities</u>								
Net investment in capital assets	\$ 1,108,793	\$ 1,123,193	\$ 1,332,341	\$ 1,430,396	\$ 1,415,928	\$ 1,410,945	\$ 2,064,488	\$ 2,120,546
Restricted	-	-	-	-	-	-	-	-
Unrestricted	<u>378,447</u>	<u>473,916</u>	<u>202,681</u>	<u>487,997</u>	<u>640,365</u>	<u>691,676</u>	<u>426,008</u>	<u>342,179</u>
Total Business-type Activities Net Position	\$ <u>1,487,240</u>	\$ <u>1,597,109</u>	\$ <u>1,535,022</u>	\$ <u>1,918,393</u>	\$ <u>2,056,293</u>	\$ <u>2,102,621</u>	\$ <u>2,490,496</u>	\$ <u>2,462,725</u>
<u>Primary Government</u>								
Net investment in capital assets	\$ 32,267,373	\$ 30,982,989	\$ 33,161,768	\$ 33,832,699	\$ 33,926,194	\$ 34,523,534	\$ 34,445,094	\$ 34,808,968
Restricted	4,654,553	5,220,714	4,098,783	4,419,484	4,790,696	2,048,937	2,472,290	3,744,896
Unrestricted	<u>3,936,013</u>	<u>3,454,987</u>	<u>3,097,197</u>	<u>3,632,498</u>	<u>4,063,327</u>	<u>3,159,002</u>	<u>3,347,494</u>	<u>2,382,059</u>
Total Governmental Activities Net Position	\$ <u>40,857,939</u>	\$ <u>39,658,690</u>	\$ <u>40,357,748</u>	\$ <u>41,884,681</u>	\$ <u>42,780,217</u>	\$ <u>39,731,473</u>	\$ <u>40,264,878</u>	\$ <u>40,935,923</u>

Note: The County began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Schedule 2
Upson County, Georgia
Changes in Net Position, Last Eight Fiscal Years
 (accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014
Expenses								
Governmental activities:								
General Government	\$ 6,529,384	\$ 6,797,886	\$ 7,275,699	\$ 6,901,756	\$ 6,666,811	\$ 7,254,484	\$ 7,877,480	\$ 6,034,931
Public Safety	4,022,190	4,340,711	4,245,847	3,943,478	3,976,264	4,152,062	3,989,046	5,236,706
Public Works	1,688,663	1,609,243	1,542,130	1,593,621	1,588,385	1,641,349	2,118,469	2,933,607
Miscellaneous general government	3,949,585	3,957,835	3,709,910	3,621,254	3,024,534	3,767,350	3,794,544	3,838,831
Total Governmental Activities Expenses	\$ 16,189,822	\$ 16,705,675	\$ 16,773,586	\$ 16,060,109	\$ 15,265,994	\$ 16,815,245	\$ 17,779,539	\$ 18,044,075
Business-type Activities								
*Water, Sewer and Waste Services	\$ 1,023,637	\$ 1,142,216	\$ 1,157,284	\$ 1,019,375	\$ 952,021	\$ 994,619	\$ 1,117,504	\$ 1,434,428
Total Business-type Activities Expenses	\$ 1,023,637	\$ 1,142,216	\$ 1,157,284	\$ 1,019,375	\$ 952,021	\$ 994,619	\$ 1,117,504	\$ 1,434,428
Total Primary Government Expenses	\$ 17,213,459	\$ 17,847,891	\$ 17,930,870	\$ 17,079,484	\$ 16,218,015	\$ 17,809,864	\$ 18,897,043	\$ 19,478,503
Program Revenues								
Governmental activities:								
Charges for Services:								
General Government	\$ 1,408,440	\$ 1,221,001	\$ 1,717,719	\$ 1,821,741	\$ 1,653,075	\$ 1,517,914	\$ 1,321,221	\$ 915,834
Public Safety	715,912	1,088,878	659,488	648,548	692,968	567,891	617,547	1,064,346
Operating Grants and Contributions	109,445	505,420	157,067	44,107	53,727	97,859	407,466	1,409,948
Capital Grants and Contributions	-	-	-	-	-	473,278	5,000	-
Total Governmental Activities Net Position	\$ 2,233,797	\$ 2,815,299	\$ 2,534,274	\$ 2,514,396	\$ 2,399,770	\$ 2,666,940	\$ 2,351,234	\$ 3,390,128
Business-type activities:								
*Water, Sewer, and Waste Services	\$ 1,004,273	\$ 1,013,821	\$ 989,518	\$ 1,163,488	\$ 1,089,790	\$ 1,040,855	\$ 1,005,302	\$ 1,406,583
Operating Grants and Contributions	-	-	-	-	-	-	-	-
Capital Grants and Contributions	47,330	237,790	105,437	239,074	-	-	500,000	-
Total Business-type Activities Program Revenues	\$ 1,051,603	\$ 1,251,611	\$ 1,094,955	\$ 1,402,562	\$ 1,089,790	\$ 1,040,855	\$ 1,505,302	\$ 1,406,583
Total Primary Government Program Revenues	\$ 3,285,400	\$ 4,066,910	\$ 3,629,229	\$ 3,916,958	\$ 3,489,560	\$ 3,707,795	\$ 3,856,536	\$ 4,796,711

*2014 was initial year for Waste Services

Schedule 2
Upson County, Georgia
Changes in Net Position, Last Eight Fiscal Years
 (accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014
Net (Expenses)/Revenue								
Governmental Activities	\$ (13,956,025)	\$ (13,890,376)	\$ (14,239,312)	\$ (13,542,713)	\$ (12,866,224)	\$ 14,148,305	\$ (15,428,305)	\$ (14,653,947)
Business-type Activities	27,966	109,395	(62,329)	383,187	137,769	46,236	387,798	(27,845)
Total Primary Government Net Expense	\$ (13,928,059)	\$ (13,780,981)	\$ (14,301,641)	\$ (13,159,526)	\$ (12,728,455)	\$ (14,102,069)	\$ (15,040,507)	\$ (14,681,792)
General Revenue & Other Changes in Net Position								
Governmental Activities:								
Taxes								
Property Taxes	\$ 8,441,520	\$ 8,052,832	\$ 8,821,475	\$ 8,535,057	\$ 8,816,472	\$ 4,862,876	\$ 9,800,914	\$ 9,074,785
Sales Taxes	5,486,687	5,012,710	4,842,702	4,980,673	3,672,882	4,889,905	4,434,859	4,876,295
Franchise Taxes	115,339	117,853	117,702	90,501	90,804	126,681	129,542	140,312
Insurance Premiums Taxes	862,930	883,964	871,289	847,392	737,236	787,601	818,585	863,778
Other Taxes	314,921	245,426	229,668	217,697	224,984	267,488	231,469	197,337
Unrestricted grants and contributions	-	-	-	-	-	-	-	-
Interest Revenue	289,654	241,884	7,947	6,123	2,319	2,585	628	2,442
Miscellaneous	186,728	195,341	109,674	102,065	79,331	116,097	157,838	197,792
Transfers	-	-	-	-	-	-	-	-
Total Government Activities	\$ 15,697,679	\$ 14,750,010	\$ 15,000,457	\$ 14,707,508	\$ 13,624,028	\$ 11,053,233	\$ 15,573,835	\$ 15,352,741
Business-type Activities:								
Unrestricted Grants and Contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Revenue	764	808	242	184	131	92	77	74
Miscellaneous	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-
Total Business-type Activities	\$ 764	\$ 808	\$ 242	\$ 184	\$ 131	\$ 92	\$ 77	\$ 74
Total Primary Government	\$ 15,698,443	\$ 14,750,818	\$ 15,000,699	\$ 14,707,692	\$ 13,624,159	\$ 11,053,325	\$ 15,573,912	\$ 15,352,815
Change in Net Position								
Governmental Activities	\$ 1,741,654	\$ 859,634	\$ 761,145	\$ 1,164,795	\$ 757,636	\$ (3,095,072)	\$ 145,530	\$ 698,794
Business-type Activities	28,730	109,868	(62,087)	383,371	137,900	46,328	387,895	(27,771)
Total Primary Government	\$ 1,770,384	\$ 969,502	\$ 699,058	\$ 1,548,166	\$ 895,536	\$ (3,048,744)	\$ 533,405	\$ 671,023

Note: The County began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Schedule 3
Upson County, Georgia
Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

General Fund	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,865	\$ 37,296	\$ 14,937
Unassigned	<u>3,394,738</u>	<u>3,726,638</u>	<u>3,557,566</u>	<u>2,981,071</u>	<u>2,894,516</u>	<u>3,144,501</u>	<u>3,422,962</u>	<u>2,458,461</u>	<u>2,884,190</u>	<u>2,544,943</u>
Total General Fund	<u>\$3,394,738</u>	<u>\$3,726,638</u>	<u>\$3,557,566</u>	<u>\$ 2,981,071</u>	<u>\$2,894,516</u>	<u>\$3,144,501</u>	<u>\$3,422,962</u>	<u>\$2,467,326</u>	<u>\$2,921,486</u>	<u>\$2,559,880</u>
<u>All Other Governmental Funds</u>										
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted										
Capital Outlay	880,486	2,494,911	4,461,541	5,018,007	4,049,239	4,378,950	4,728,765	1,968,667	2,397,412	2,479,533
Unrestricted										
Special Revenue Funds	78,447	45,442	193,012	202,707	49,544	40,534	61,931	80,270	74,880	745,563
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Total All Other Government Funds	<u>\$ 958,933</u>	<u>\$2,540,353</u>	<u>\$4,654,553</u>	<u>\$ 5,220,714</u>	<u>\$4,098,783</u>	<u>\$4,419,484</u>	<u>\$4,790,696</u>	<u>\$2,048,937</u>	<u>\$2,472,292</u>	<u>\$3,225,096</u>

Schedule 4
Upson County, Georgia
Changes in Fund Balances, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Property Taxes	\$ 7,959,584	\$ 7,962,249	\$ 8,441,520	\$ 8,052,832	\$ 8,821,475	\$ 8,535,057	\$ 8,816,472	\$ 4,862,876	\$ 9,800,914	\$ 9,074,785
Sales Taxes	4,900,246	5,312,463	5,486,587	5,012,710	4,842,702	4,908,673	3,672,882	4,889,905	4,434,859	4,876,295
Other Taxes	1,213,587	1,286,012	1,293,190	1,247,243	1,218,659	1,155,590	1,053,024	1,181,770	1,179,596	1,200,964
Licenses and Permits	150,610	126,698	138,841	140,448	140,772	167,795	149,488	173,491	124,685	124,819
Intergovernmental	406,553	364,453	109,445	505,420	157,067	44,107	53,727	581,135	412,466	1,409,948
Fines and Forfeitures	682,779	730,788	715,912	637,978	659,488	648,548	692,968	567,891	617,547	554,255
Charges for Services	1,185,791	1,286,984	1,269,599	1,531,453	1,576,947	1,656,946	1,503,587	1,344,423	1,196,536	1,301,106
Interest Earnings	154,872	225,653	289,654	241,884	7,947	6,123	2,319	2,585	628	2,442
Other Revenues	439,511	170,863	186,728	195,341	109,674	102,065	79,331	116,097	157,820	198,275
Total Revenue	\$ 17,093,533	\$ 17,466,163	\$ 17,931,476	\$ 17,565,309	\$ 17,534,731	\$ 17,224,904	\$ 16,023,798	\$ 13,720,173	\$ 17,925,051	\$ 17,925,051
Expenditures										
General Government	\$ 5,261,652	\$ 5,468,051	\$ 6,102,801	\$ 6,370,665	\$ 6,854,764	\$ 6,480,821	\$ 6,281,017	\$ 5,833,274	\$ 6,875,100	\$ 5,609,977
Public Safety	3,627,513	3,775,770	3,615,363	3,933,886	3,840,502	3,533,228	3,600,442	3,754,762	3,593,314	1,826,117
Public Works	1,264,135	1,043,764	1,016,180	933,833	858,782	874,143	939,119	913,049	1,213,635	1,981,006
Health & Welfare	1,026,731	1,096,501	1,006,573	1,102,974	1,085,131	1,097,160	1,267,619	1,188,722	1,190,306	814,888
Other	2,259,939	2,617,059	2,656,359	2,615,003	2,390,384	2,378,041	1,612,828	2,435,385	2,284,437	2,699,688
Capital Outlay	441,466	998,589	1,182,678	2,243,185	3,353,580	2,066,030	1,448,958	2,077,242	1,687,521	2,275,792
Debt Service										
Interest	386,767	272,886	232,403	196,332	185,005	96,663	98,631	82,323	74,987	71,817
Principal	2,687,738	280,223	173,991	179,765	175,069	128,132	125,511	132,811	128,256	72,606
Total Expenditures	\$ 16,955,941	\$ 15,552,843	\$ 15,986,348	\$ 17,575,643	\$ 18,743,217	\$ 16,654,218	\$ 15,374,125	\$ 17,417,588	\$ 17,047,556	\$ 18,351,891
Excess of Revenues Over (Under)	\$ 137,592	\$ 1,913,320	\$ 1,945,128	\$ (10,334)	\$ (1,208,486)	\$ 570,686	\$ 649,673	\$ (3,697,395)	\$ 877,515	\$ 390,988
Other Financing Sources (Uses)										
Transfers from other funds	\$ -	\$ -	\$ -	\$ -	\$ 48,890	\$ -	\$ -	\$ 3,430,156	\$ -	\$ -
Transfers to other funds	(195,481)	-	-	-	(48,890)	-	-	(3,430,156)	-	1,817,488
Other Proceeds	-	-	-	-	-	-	-	-	-	(1,817,488)
Total Other Financing Sources	\$ (195,481)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 649,673	\$ (3,697,395)	\$ -	\$ -
Net Change in Fund Balances	\$ 137,592	\$ 1,913,320	\$ 1,945,128	\$ (10,334)	\$ (1,208,486)	\$ 570,686	\$ 649,673	\$ (3,697,395)	\$ 877,515	\$ 390,988

Schedule 5
Upson County, Georgia
Tax Revenues By Source, Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

TAX REVENUES

YEAR	GENERAL PROPERTY	LOCAL OPTION (LOST) SALES	SPECIAL LOCAL OPTION (S/LOST) SALES	INSURANCE PREMIUM	INTANGIBLE	FRANCHISE	REAL ESTATE TRANSFER	BEER & WINE	HOTEL/ MOTEL	TOTAL
2005	7,959,584	1,741,565	3,158,681	783,091	138,382	107,926	39,021	139,271	5,896	14,073,417
2006	7,962,249	1,899,656	3,412,807	820,656	167,826	117,514	42,002	133,179	4,235	14,560,124
2007	8,441,520	1,936,545	3,550,042	862,930	127,886	115,339	28,507	149,294	9,234	15,221,297
2008	8,052,832	1,780,815	3,231,895	883,964	87,065	117,853	27,777	125,971	4,613	14,312,785
2009	8,821,475	1,719,553	3,123,149	871,289	69,678	117,702	12,784	141,135	6,071	14,882,836
2010	8,535,057	1,739,340	3,241,333	847,392	59,905	90,501	12,683	138,097	7,012	14,671,320
2011	8,816,472	1,596,149	2,076,733	737,236	49,224	90,804	32,558	139,389	3,813	13,542,378
2012	4,862,876	1,737,889	3,152,016	787,601	55,591	126,681	62,665	147,236	1,996	10,934,551
2013	9,800,914	1,570,138	2,864,721	818,585	43,478	129,542	52,829	130,641	4,521	15,415,369
2014	9,074,785	1,731,610	3,144,685	863,778	24,044	140,312	44,745	123,678	4,890	15,152,527

Schedule 6

UPSON COUNTY, GEORGIA
ASSESSED AND ESTIMATED ACTUAL VALUE OF REAL AND PERSONAL PROPERTY
 LAST TEN YEARS

FISCAL YEAR	REAL PROPERTY		PERSONAL PROPERTY		TOTAL PROPERTY		RATIO OF TOTAL ASSESSED TO TOTAL ESTIMATED ACTUAL VALUE
	ASSESSED VALUE (1)	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	ASSESSED VALUE	ESTIMATED ACTUAL VALUE	
2005	357,024,925	892,562,313	238,016,617	595,041,543	595,041,542	1,487,603,856	40%
2006	374,436,308	936,090,770	249,624,205	624,060,513	624,060,513	1,560,151,283	40%
2007	383,716,309	959,290,772	255,810,873	639,527,183	639,527,182	1,598,817,955	40%
2008	432,528,271	1,081,320,677	288,352,180	720,880,045	720,880,451	1,802,201,128	40%
2009	394,415,751	986,039,377	262,943,834	657,359,585	657,359,585	1,643,398,962	40%
2010	387,605,087	969,012,720	258,403,392	646,008,480	646,008,479	1,615,021,200	40%
2011	381,072,816	952,682,040	254,048,544	635,121,360	635,121,360	1,587,803,400	40%
2012	369,218,908	923,047,269	246,145,938	615,364,846	615,364,846	1,538,412,115	40%
2013	362,391,531	905,978,827	241,594,354	603,985,885	603,985,885	1,509,964,712	40%
2014	323,583,485	808,958,712	215,722,323	539,305,808	539,305,808	1,348,264,520	40%

SOURCE: Final Accounting reports of Upson County Tax Commissioner

Schedule 7

**UPSON COUNTY, GEORGIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

FISCAL YEAR	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAX COLLECTIONS	TOTAL TAX COLLECTIONS	OUTSTANDING TAXES
2005	7,663,577	6,281,820	82%	851,734	7,133,554	1,994,337
2006	7,966,926	6,431,753	81%	2,071,488	8,503,241	1,711,926
2007	8,384,733	7,228,418	86%	1,743,141	8,971,559	1,368,006
2008	8,744,562	6,516,748	75%	2,126,767	8,643,515	2,075,434
2009	8,425,654	6,816,975	81%	2,286,200	10,711,854	1,829,688
2010	8,999,153	7,544,290	84%	1,732,613	9,276,903	1,824,437
2011	8,471,861	6,888,299	81%	2,454,567	10,926,428	1,779,030
2012	5,086,092	4,046,787	80%	1,876,353	5,923,140	1,278,179
2013	9,998,244	7,752,684	78%	1,448,804	9,201,488	2,101,853
2014	10,858,923	8,379,742	77%	2,383,322	10,763,064	1,664,222

SOURCE: Final Accounting reports of Upson County Tax Commissioner

Schedule 8

**UPSON COUNTY, GEORGIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS**

FISCAL YEAR	CITY OF THOMASTON	STATE OF GEORGIA	CONSOLIDATED SCHOOL SYSTEM	UPSON COUNTY			
				INCORPORATED	UNINCORPORATED	UNINCORPORATED SERVICES	JOINT PROJECTS
2005	3.83	0.25	13.46	13.31	13.31	-	-
2006	3.66	0.25	15.03	12.72	12.72	-	-
2007	3.66	0.25	15.03	12.72	12.72	-	-
2008	3.62	0.25	14.30	12.72	12.72	-	-
2009	3.62	0.25	14.30	12.72	12.72	-	-
2010	3.62	0.25	14.30	12.72	12.72	-	-
2011	3.62	0.03	14.3	12.72	12.72	-	-
2012	3.84	0.20	15.30	7.77	7.77	-	-
2013	3.84	0.15	15.34	16.50	16.50	-	-
2014	3.84	0.10	15.38	11.13	11.13	2.72	4.91

NOTE: TAX PER \$1,000 OF ASSESSED VALUE

Schedule 9
 UPSON COUNTY, GEORGIA
RATIOS OF OUTSTANDING DEBT BY TYPE
 LAST TEN YEARS

FISCAL YEAR	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES			TOTAL PRIMARY GOVERNMENT	PER CAPITA
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	WATER/SEWER GEORGIA REVOLVING LOAN					
2005	2,202,803	—	619,998				2,822,801	1.04
2006	0	1,302,557	591,784				1,894,341	0.70
2007	0	1,128,566	562,168				1,690,734	0.62
2008	0	948,801	722,920				1,671,721	0.62
2009	0	773,732	3,585,086				4,358,818	1.61
2010	0	645,600	3,747,580				4,393,180	1.64
2011	0	520,089	3,752,002				4,272,091	1.56
2012	0	387,278	5,035,487				5,422,765	1.99
2013	0	259,022	5,021,682				5,280,704	1.94
2014	0	186,416	4,781,233				4,967,649	1.84

Schedule 10

**UPSON COUNTY, GEORGIA
PLEDGE-REVENUE COVERAGE
PUBLIC UTILITIES SYSTEM REVENUE NOTES
LAST TEN YEARS**

FISCAL YEAR	(1)		(2)		DEBT SERVICE REQUIREMENTS			TOTAL	COVERAGE
	GROSS REVENUE	DIRECT OPERATING EXPENSES	NET REVENUE AVAILABLE FOR DEBT SERVICE	PRINCIPAL	INTEREST				
2005	920,414	1,057,534	(137,120)	26,544	31,039	57,583	(2.42)		
2006	1,017,115	877,279	139,836	28,213	31,039	59,252	2.36		
2007	1,004,273	919,629	84,644	29,618	28,605	58,223	1.45		
2008	1,013,821	1,002,024	11,797	31,095	25,728	56,823	(2.08)		
2009	989,518	1,050,385	(60,867)	32,644	25,578	58,222	(3.38)		
2010	1,163,488	803,651	359,837	37,725	24,056	61,781	5.82		
2011	1,089,790	737,036	352,754	35,900	23,326	59,226	5.96		
2012	1,040,790	651,286	389,504	167,238	164,413	331,651	1.17		
2013	1,005,302	762,424	242,878	191,378	170,690	362,068	(1.49)		
2014	1,146,587	962,868	183,719	230,805	164,741	395,546	(2.15)		

NOTE: (1) Gross revenue equals operating revenues of the Public Utilities Water Revenue Fund.

(2) Expenses equal total operating expenses and excludes interest expense and depreciation.

**Schedule 11
Upson County, Georgia
Legal Debt Margin Information
Last Ten Years**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Net Assessed Value	\$ 595,041,542	\$ 624,060,513	\$ 639,527,182	\$ 720,880,451	\$ 657,359,585	\$ 646,008,479	\$ 635,121,360	\$ 615,364,846	\$ 603,985,885	\$ 591,007,514
Debt Limit - 10% of Assessed	\$ 59,504,154	\$ 62,406,051	\$ 63,952,718	\$ 72,088,045	\$ 65,735,959	\$ 64,600,848	\$ 63,512,136	\$ 61,536,485	\$ 60,398,589	\$ 59,100,751
Debt Applicable to Limit:										
General Obligation Debt	2,202,803	1,302,557	1,128,566	948,801	773,732	645,600	520,089	445,278	259,022	186,416
Legal Debt Margin	\$ 57,301,351	\$ 61,103,494	\$ 62,824,152	\$ 71,139,244	\$ 64,962,227	\$ 63,955,248	\$ 62,992,047	\$ 61,091,207	\$ 60,139,567	\$ 58,914,335
Legal Debt Margin as a percentage of the debt limit	<u>96%</u>	<u>98%</u>	<u>98%</u>	<u>98%</u>	<u>98%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>	<u>99%</u>

Schedule 11-B
Upson County, Georgia
Direct and Overlapping Governmental Activities Debt
As of December 31, 2014

Summary of Upson County Debt by Category and Overlapping Debt

Set forth below is information concerning long-term tax supported debt of the County and the overlapping property tax supported debt of certain governmental entities that is attributable to property owners in the County based on proportion to which the jurisdiction of the County overlaps such entities. Although the County has attempted to obtain accurate information as to the outstanding overlapping debt, it does not warrant its completeness or accuracy, as there is no central reporting entity which has the information available, and the amounts are based on information supplied by others.

<u>Category of Debt</u>	<u>Amount of Outstanding Debt</u>
Direct Overlapping (3):	
Upson County - General Obligation Debt (1)	
GEFA Loans (2)	\$ 4,781,233
Capital Leases (4)	<u>186,416</u>
Total Direct Debt	<u>\$ 4,967,649</u>
City's General Obligation Debt (1)	\$ _____
Total Overlapping Debt	<u>\$ _____</u>
Total Direct and Overlapping Debt	<u>\$ 4,967,649</u>

Notes:

- (1) Represents general obligations of the issuer to which its full faith and credit are pledged.
- (2) GEFA loans are general obligations of the issuer to which its full faith and credit and taxing power are pledged, but do not constitute debt for purposes of the constitutional debt limit. These loans are expected to be paid with moneys derived from the operation of the water and sewer system.
- (3) Approximately 36% of Upson County's debt is allocable to the City.
- (4) The financial obligations under capital leases do not constitute general obligations to which the taxing power is pledged, but are subject to and dependent upon lawful appropriations of general revenue being made to pay the capital lease payments due in such year. Obligations under capital leases do not constitute debt for purposes of the constitutional debt limit.

Schedule 12

**UPSON COUNTY, GEORGIA
DEMOGRAPHIC & ECONOMIC STATISTICS
LAST TEN YEARS**

FISCAL YEAR	POPULATION	PER CAPITA INCOME	MEDIAN AGE	UNEMPLOYMENT RATE
2005	27,075	N/A	N/A	N/A
2006	27,075	N/A	N/A	N/A
2007	27,075	N/A	N/A	N/A
2008	27,075	N/A	N/A	N/A
2009	27,075	N/A	N/A	N/A
2010	27,243	26,133	N/A	N/A
2011	27,243	N/A	N/A	N/A
2012	27,243	N/A	N/A	N/A
2013	27,243	N/A	N/A	N/A
2014	27,243	N/A	N/A	N/A

Sources:

McIntosh Trail Regional Development Commission

N/A - Not available

Schedule 13
UPSON COUNTY, GEORGIA
PRINCIPAL EMPLOYERS
 Current Year and Ten Years Ago

<u>EMPLOYER</u>	2014		2004	
	Number of Employees	Rank	EMPLOYERS	RANK
Upson Regional Medical Center	623	1	Thomaston Mills, Inc.	1
Thomaston-Upson County Schools	620	2	Thomaston-Upson County	2
Quad/Graphics of Georgia	474	3	Quad/Graphics of Georgia	3
Walmart	271	4	Upson Regional Medical	4
Department of Transportation	220	5	Walmart	5
Upson County Govt	219	6	Department of Transportation	6
DART Container	200	7	Yamaha Music Mfg.	7
Standard Textiles	147	8	WesTek Georgia, LLC	8
Southern Crescent Tech	127	9	DeSter Production Corp.	9
Tencate	102	10	Upson County Govt.	10

Source: Thomaston-Upson County Industrial Development Authority

**Schedule 14
Upson County, Georgia
Full-Time Equivalent County Government
Employees by Function/Program
Last Six Years**

	2009	2010	2011	2012	2013	2014
Public Safety:						
Sheriff	37	44	44	33	33	33
Jail	39	34	34	35	35	35
Public Works	24	24	24	24	24	24
General Government:						
Administration and Finance	6	6	6	5	5	6
Courts	27	22	22	17	17	17
All Other Departments	64	52	52	57	57	57
Water / Waste Water	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>
Total	<u>205</u>	<u>190</u>	<u>190</u>	<u>179</u>	<u>179</u>	<u>180</u>

Note: Information prior to 2009 not available.

Schedule 15
Upson County, Georgia
Operating Indicators By Function / Program
Last Seven Years

FUNCTION / PROGRAM	2008	2009	2010	2011	2012	2013	2014
General Government:							
Building permits issued – Commercial	14	10	12	10	16	14	11
Building permits issued – Residential	226	241	257	225	265	240	226
Public Safety:							
Physical arrests	2,623	2,726	2,810	2,922	2,285	2,325	2,466
Citations	2,310	2,865	3,026	3,165	3,864	4,120	4,380
Public Works:							
Roads resurfaced (miles)	5.65	12.20	13.90	6.00	7.27	7.27	7.27
Roads maintained (miles)	463.25	463.25	463.25	463.25	463.25	463.25	463.25
Water and Sewer:							
Average daily consumption	374,210	385,220	40,800	410,000	420,000	420,000	420,000
Average daily consumption - sewer	44,200	46,210	48,000	51,000	51,000	51,000	51,000

Note: Information prior to 2008 not available.

Schedule 16
Upson County, Georgia
Capital Asset Statistics By Function
Last Six Years

	2009	2010	2011	2012	2013	2014
Public Safety:						
Patrol Cars	38	41	44	44	44	44
Jail Facility capacity	200	200	200	215	215	215
Stations	1	1	1	1	1	1
Public Works:						
Roads (miles)	463.25	463.25	463.25	463.25	463.25	463.25
Water / Waste Water:						
Water tanks	3	3	3	3	3	3
Water lines (linear feet)	482,550	482,550	482,550	482,550	482,550	482,550
Storage capacity (gallons)	835,000	835,000	835,000	1,100,000	1,100,000	1,100,000
Sewer lines (linear feet)	88,200	88,200	88,200	88,200	88,200	88,200

**UPSON COUNTY, GEORGIA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

		December 31, 2014				December 31, 2005			
TAXPAYER	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Tax	TAXPAYER	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Tax
QuadGraphics, Inc.	\$ 26,743,343	1	5.17%	\$ 495,546	Thomaston Mills	\$ 36,821,848	1	8.58%	\$ 477,579
West Ga. Generating Plant	32,869,331	2	3.82%	365,835	Quad Graphics	11,675,090	2	2.72%	151,426
Georgia Power Co.	9,160,206	3	1.95%	187,042	De Ster	9,149,832	3	2.13%	118,673
Southern Natural Gas	8,815,906	4	1.86%	178,090	Southern Mills	8,498,292	4	1.98%	110,223
Solo - Innaware	8,127,153	5	1.20%	114,930	T-J IDA - Generating Plant	7,484,234	5	1.74%	97,071
Southern Mills	15,613,764	6	1.11%	105,653	WestTek	5,798,793	6	1.35%	75,210
Wal-Mart	7,039,742	7	0.82%	78,352	Georgia Power	5,359,711	7	1.25%	69,515
Interfor US Inc.	3,905,628	8	0.65%	61,909	Yamaha	5,169,753	8	1.20%	67,052
Upson County EMC	2,885,208	9	0.62%	58,765	Keadle Lumber	5,041,659	9	1.18%	65,390
Georgia Windstream	3,042,105	10	0.54%	51,466	Weyerhaeuser	3,829,800	10	0.89%	49,672
Total	**\$118,202,386		17.74%	\$ 1,697,588	Total	*\$ 98,829,012		23.02%	\$ 1,281,811

* Based on county wide assessed value of \$570,301,007

Source: Provided by Upson County Tax Commissioner's Office.
**Based on County Wide assessed value of \$603,985,885.

**GOVERNMENTAL
REPORTS**



DRIVER & ADAMS

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

Wayne D. Driver, CPA
Reshann Pruett Adams, CPA

Cherry E. Coker
Sydney S. Lord

Established 1977

Independent Auditors' Report over Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Board of Commissioners
Thomaston, 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, each major fund, and the aggregate remaining fund information of the County of Upson, Georgia as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise County of Upson, Georgia's basic financial statements, and have issued our report thereon dated June 1, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we consider County of Upson, 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 County of Upson, Georgia's internal control. Accordingly, we do not express an opinion on the effectiveness of County of Upson, Georgia's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weakness or significant deficiencies and therefore material weakness or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned responses, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency listed on page 121-122

described in the accompanying schedule of findings and questioned cost to be a material weakness. 06-01

Compliance and Other Matters

As part of obtaining reasonable assurance about whether County of Upson, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

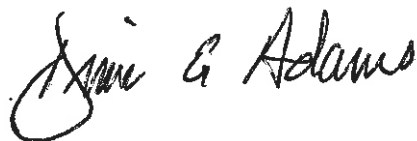
County of Upson, Georgia's Response to Findings

County of Upson, Georgia's response to the findings identified in our audit are described in the accompanying schedule of findings and questioned responses on pages 121-122. County of Upson, Georgia's response was not subjected to the auditing procedures applied in our 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 result 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.

Thomaston, Georgia
June 1, 2015



UPSON COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND QUESTIONED RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2014

Section I. Summary of Audit's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(es) identified that are not consider to be material weaknesses	None reported

Section II. Financial Statement Findings

Findings noted on the Report on Compliance and on Internal Control of Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards*:

06-01 Accounting Expertise (Preparation of Financial Statements)

CRITERIA

Statement on Auditing Standards No. 112 and No. 115 describes examples of circumstances that are to be considered to be a significant deficiency and a strong indicator of a material weakness in internal control. Deficiencies in the design of controls exist when employees or management lack the qualifications and training to prepare year-end financial statements in accordance with generally accepted accounting principles.

CONDITION

The County did not have an employee with adequate qualifications and training to prepare the year-end financial statements. The County is a small local government where material audit adjustments by the external auditor are required to correct financial activity.

EFFECT

The independent auditor has prepared financial statements from the records of the County. The county personnel are unable to evaluate the adequacy and completeness of the information presented.

CAUSE

The material weakness is the result of the County not having employees with adequate training and expertise in generally accepted accounting principles and governmental accounting standards to prepare or adequately review and evaluate the financial statements which were prepared by the independent auditor.

RECOMMENDATION

The County should evaluate the cost/benefit implications of improving internal control with the preparation of year-end financial statements.

MANAGEMENT'S RESPONSE

Considering the cost and benefit implications of internally preparing financial statements, the County has decided that the preparation of the financial statements will be contracted to a third party. The county will consider additional training opportunities for financial staff, in an effort to better assist during the performance of the annual audit and preparation of the financial statements by the third party.

**UPSON COUNTY, GEORGIA
YEAR ENDED DECEMBER 31, 2014
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
SERIES 2005**

PROJECT	ORIGINAL ESTIMATED COST	REVISED ESTIMATED COST	EXPENDITURES			ESTIMATED PERCENTAGE OF COMPLETION
			PRIOR YEARS	CURRENT YEAR	TOTAL	
Highway 36 Expansion	\$ 1,800,000	\$ 1,652,839	\$ 4,286	\$ 0	\$ 4,286	00.238%
Recreation Projects	1,500,000	1,500,000	2,000,773	34,004	2,034,777	100.00%
Emergency Management & Narcotics Task Force Facilities	500,000	596,530	596,530	0	596,530	100.00%
Sheriff Vehicles	720,000	709,644	720,000	0	720,000	100.00%
Water Line Extensions	1,410,000	1,410,000	1,410,000	0	1,410,000	100.00%
Road, Street & Bridge Improvements	7,100,000	7,160,987	7,165,281	0	7,165,281	100.00%
City of Thomaston	4,828,000	4,828,000	4,828,000	0	4,828,000	100.00%
City of Yatesville	142,000	142,000	142,000	0	142,000	100.00%
TOTALS	\$18,000,000	\$18,000,000	\$16,866,870	\$ 34,004	\$16,900,874	\$1.56%

**UPSON COUNTY, GEORGIA
YEAR ENDED DECEMBER 31, 2014
SCHEDULE OF PROJECTS CONSTRUCTED
WITH SPECIAL SALES TAX PROCEEDS
SERIES 2011**

PROJECT	ORIGINAL ESTIMATED COST	REVISED ESTIMATED COST	EXPENDITURES			ESTIMATED PERCENTAGE OF COMPLETION
			PRIOR YEARS	CURRENT YEAR	TOTAL	
County Level 2 Projects	\$ 3,200,000	\$ 3,200,000	\$ 132,222	\$ 367,401	\$ 499,623	1.56%
Roads	4,855,321	4,855,321	1,274,392	1,367,360	2,641,752	54.41%
Water System Project	765,000	765,000	257,786	-	257,786	33.70%
Sheriff Vehicles	520,000	520,000	211,380	152,354	363,734	69.95%
Building Improvements & Equipment	2,300,000	2,300,000	898,549	286,006	1,184,555	51.50%
City of Thomaston	4,183,276	4,183,276	1,840,418	822,146	2,662,564	63.65%
City of Yatesville	176,403	176,403	74,439	34,717	109,156	61.88%
TOTALS	\$16,000,000	\$16,000,000	\$ 4,689,186	\$3,029,984	\$ 7,719,170	48.24%