

**HARRIS COUNTY, GEORGIA  
FINANCIAL STATEMENTS AND  
OTHER FINANCIAL INFORMATION  
FOR THE YEAR ENDED JUNE 30, 2015**

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

**TABLE OF CONTENTS**

**Financial Section**

<b>Independent Auditors' Report</b> .....	1-3
<b>Management's Discussion and Analysis (Unaudited)</b> .....	4 - 14
<b>Basic Financial Statements</b>	
<b>Government-wide Financial Statements:</b>	
Statement of Net Position .....	15
Statement of Activities .....	16
<b>Fund Financial Statements:</b>	
<b>Governmental Funds:</b>	
Balance Sheet .....	17
Reconciliation of the Balance Sheet of Governmental Funds to the Government-wide Statement of Net Position .....	18
Statement of Revenues, Expenditures and Changes in Fund Balances .....	19
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities .....	20
<b>Proprietary Funds:</b>	
Statement of Net Position .....	21
Statement of Revenues, Expenses, and Changes in Fund Net Position .....	22
Statement of Cash Flows .....	23
<b>Fiduciary Funds:</b>	
Comparative Statement of Fiduciary Assets and Liabilities .....	24
<b>Component Units:</b>	
Combining Statement of Net Position .....	25
Combining Statement of Activities .....	26
<b>Notes to the Basic Financial Statements</b> .....	27-63
<b>Required Supplementary Information (to be updated for GASBS 68)</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – <i>General Fund</i> .....	64
Schedule of Funding Progress and the Schedule of Employers Contributions .....	65-66

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

**Supplementary Information**

**Combining and Individual Fund Statements and Schedules:**

**Governmental Funds**

**General Fund:**

Comparative Balance Sheet .....	67
Comparative Statement of Revenues, Expenditures and Changes in Fund Balances .....	68
Schedule of Revenues and Other Financing Sources – Budget and Actual .....	69-70
Schedule of Expenditures and Other Financing Uses – Budget and Actual.....	71-77

**Nonmajor Governmental Funds:**

Combining Balance Sheet – By Fund Type.....	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – By Fund Type .....	79

**Nonmajor Special Revenue Funds:**

Combining Balance Sheet .....	80
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	81
<i>Hotel-Motel Tax Fund</i>	
Comparative Balance Sheet.....	82
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	83
<i>Emergency 911 Fund</i>	
Comparative Balance Sheet.....	84
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	85
<i>Law Library Fund</i>	
Comparative Balance Sheet.....	86
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	87
<i>Mental Health Center Fund</i>	
Comparative Balance Sheet.....	88
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	89
<i>Mental Retardation Center Fund</i>	
Comparative Balance Sheet.....	90
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	91
<i>Drug Abuse Treatment Fund</i>	
Comparative Balance Sheet.....	92
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	93
<i>Jail Fee Fund</i>	
Comparative Balance Sheet.....	94
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual.....	95

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

**Debt Service Fund**

*Callaway Debt Service Fund*

Comparative Balance Sheet.....	96
Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual.....	97

**Major Capital Projects Fund**

*2009 SPLOST Fund*

Comparative Balance Sheet.....	98
Project Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual.....	99

*2014 SPLOST Fund*

Comparative Balance Sheet.....	100
Project Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual.....	101

*Public Improvements Authority Fund*

Comparative Balance Sheet.....	102
Comparative Statement of Revenues, Expenditures and Changes in Fund	
Balances .....	103

*TIA Fund*

Comparative Balance Sheet.....	104
Comparative Statement of Revenues, Expenditures and Changes in Fund	
Balances .....	105

**Nonmajor Capital Projects Funds**

Combining Balance Sheet .....	106
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	107

*1999 SPLOST Fund*

Balance Sheet .....	108
Project Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual.....	109

*2004 SPLOST Fund*

Balance Sheet .....	110
Project Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual.....	111

*CDBG Fund*

Balance Sheet .....	112
Project Schedule of Revenues, Expenditures and Changes in Fund	
Balances - Budget and Actual.....	113

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

**Proprietary Funds**

**Major Enterprise Funds**

*Water Works Fund*

Comparative Statement of Net Position .....114

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position .....115

Comparative Statement of Cash Flows ..... 116-117

*Solid Waste Fund*

Comparative Statement of Net Position .....118

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position .....119

Comparative Statement of Cash Flows ..... 120-121

*Airport Fund*

Comparative Statement of Net Position .....122

Comparative Statement of Revenues, Expenses, and Changes in Fund Net Position .....123

Comparative Statement of Cash Flows ..... 124-125

**Schedule of Special Purpose Local Option Sales Tax ..... 126-127**

**Compliance and Internal Control Section**

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements Performed in Accordance with  
Government Auditing Standards ..... 128-129

Schedule of Findings and Responses ..... 130-133

## Independent Auditor's Report

Harris County Board of Commissioners  
Harris County, Georgia

### **Report on the Financial Statements**

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Harris County Health Department, which represent 3.6 percent, 1.1 percent and 53.8%, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Harris County Health Department, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County'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 County's internal control. Accordingly, we express no such opinion.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

***Opinions***

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the County, as of June 30, 2015, and the respective changes in financial position and, where applicable, budgetary comparison and 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 on pages 4 – 14 and other required supplementary information on pages 64 – 66 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying supplementary schedules (pages 67 – 127) are presented for purposes of additional analysis and are not a required part of the basic financial statements. These schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, the supplementary schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 3, 2017 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

*Robinson, Grimes + Company, P.C.*

Certified Public Accountants

March 3, 2017



## MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of Harris County, Georgia (the County) annual financial report, the County's management is pleased to provide this narrative discussion and analysis of the financial activities of the County for the fiscal year ended June 30, 2015. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

### Financial Highlights

- The County's assets exceeded its liabilities by \$75,283,941 (net position) for the fiscal year reported.
- Total net position are comprised of the following:
  - (1) Net investment in capital assets, of \$45,430,641 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
  - (2) Net position of \$12,399,091 is restricted by constraints imposed from outside the County such as debt covenants, grantors, laws, or regulations.
  - (3) Unrestricted net position of \$17,454,209 represent the portion available to maintain the County's continuing obligations to citizens and creditors.
- The County's governmental funds reported total ending fund balance of \$24,132,549 this year. This compares to the prior year ending fund balance of \$21,766,282 showing an increase of 2,366,267 during the current year. Unassigned fund balance of \$11,025,657 at June 30, 2015 shows a \$484,222 decrease from the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$11,499,343 or 64.4% of total General Fund expenditures, as compared to 59.1% at June 30, 2014.
- Overall, the County continues to maintain a strong financial position, in spite of a somewhat depressed economy.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

### Overview of the Financial Statements

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available and feasible.

### *Government-wide Financial Statements*

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference 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 as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, judicial, public safety, public works, health and welfare, culture and recreation and housing and development. Business-type activities include the water, solid waste and the airport.

The government-wide financial statements are presented on pages 15-16 of this report.

### ***Fund Financial Statements***

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for nonmajor funds is provided in the form of combining statements in a later section of this report.

The County has two kinds of funds:

*Governmental funds* are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives. The budget to the actual presentation for the general fund is also presented as a basic financial statement.

The basic governmental fund financial statements are presented on pages 17-20 of this report.

Individual fund information for nonmajor governmental funds is found in a later section of this report.

The *Proprietary funds* are reported in the fund financial statements and generally report services for which the County charges customers a fee. The County's proprietary funds are classified as enterprise funds. The enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization for water services, the landfill and solid waste pickup and the airport services.

The basic enterprise fund financial statements are presented on pages 21-23 of this report.

### ***Notes to the Basic Financial Statements***

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the basic financial statements begin on page 27 of this report.

**Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information relating to funding progress for the County's pension plan.

**Supplementary Information**

Combining statements for nonmajor governmental funds and budgetary comparison schedules for the nonmajor special revenue and debt service funds can be found in the supplementary information.

**Financial Analysis of the County as a Whole**

The County's net position at fiscal year-end is \$75,283,941, as compared to a restated \$73,426,439 at June 30, 2014. The following table provides a summary of the County's net position:

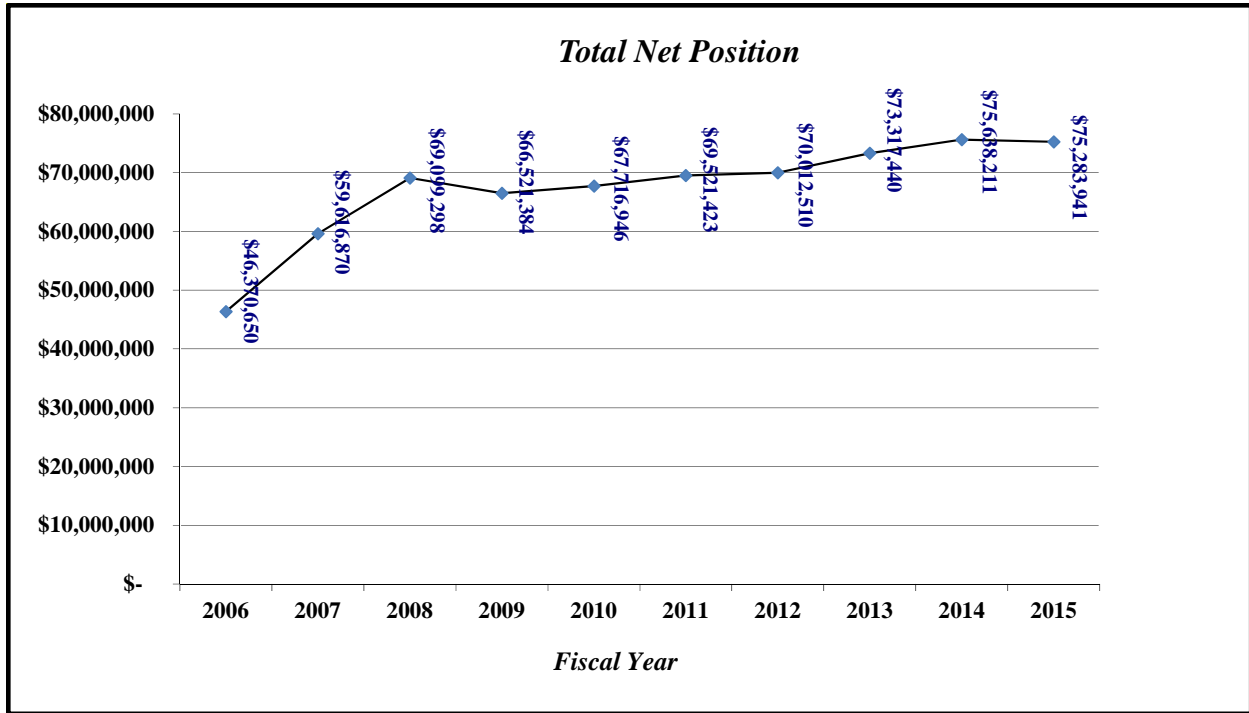
	Summary of Net Position					
	Governmental Activities		Business-type Activities		Total	
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014
Assets:						
Current assets	\$ 25,272,003	\$ 25,260,298	\$ 8,323,108	\$ 7,949,874	\$ 33,595,111	\$ 33,210,172
Capital assets	46,013,582	42,920,828	22,266,680	19,186,104	68,280,262	62,106,932
Total assets	71,285,585	68,181,126	30,589,788	27,135,978	101,875,373	95,317,104
Deferred outflows	61,071	-	161,918	-	222,989	-
Liabilities:						
Current liabilities	1,913,703	2,504,474	1,188,467	1,170,799	3,102,170	3,675,273
Long-term liabilities	16,044,366	8,472,455	7,667,885	7,531,165	23,712,251	16,003,620
Total liabilities	17,958,069	10,976,929	8,856,352	8,701,964	26,814,421	19,678,893
Net position:						
Net investment in capital assets	30,648,842	35,671,576	14,781,799	12,020,649	45,430,641	47,692,225
Restricted	12,128,939	9,011,951	270,152	270,152	12,399,091	9,282,103
Unrestricted	10,610,806	12,520,670	6,843,403	6,143,213	17,454,209	18,663,883
Total net position	\$ 53,388,587	\$ 57,204,197	\$ 21,895,354	\$ 18,434,014	\$ 75,283,941	\$ 75,638,211

The County continues to maintain a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 19.1 to 1 as compared to 10.1 to 1 at June 30, 2014. The current ratio for business-type activities is 7 to 1 as compared to 6.8 to 1 at June 30, 2014.

The County reported positive balances in net position for both governmental and business-type activities. Net position decreased \$1,957,390 or 3.5% for governmental activities, and increased \$3,814,892 or 21.1% for business-type activities. The County's overall financial position improved during fiscal year 2015 by \$1,857,502.

Note that approximately 57.4% of the governmental activities' net position is tied up in capital. The County uses these capital assets to provide services to its citizens. However, with business type activities, the County has spent approximately 67.5% of its net position on capital.

The following chart reports the total net position balances from June 30, 2006 – 2015.



Since 2006, the total net position has increased \$28,913,291 or 62.4%.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**  
**As of and For The Year Ended June 30, 2015**

**Harris County, Georgia**

The following table provides a summary of the County's changes in net position:

	<b>Summary of Changes in Net Position</b>					
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Revenues:						
Program:						
Charges for services & fines	\$ 4,685,830	\$ 4,439,472	\$ 7,269,079	\$ 6,314,998	\$ 11,954,909	\$ 10,754,470
Operating grants	27,667	42,062	-	-	27,667	42,062
Capital grants	876,271	1,461,304	2,763,226	-	3,639,497	1,461,304
General:						
Taxes	15,965,663	15,552,555	-	-	15,965,663	15,552,555
Other	124,380	155,639	139,844	29,186	264,224	184,825
Total revenues	<u>21,679,811</u>	<u>21,651,032</u>	<u>10,172,149</u>	<u>6,344,184</u>	<u>31,851,960</u>	<u>27,995,216</u>
Program Expenses:						
General government	5,686,369	5,320,282	-	-	5,686,369	5,320,282
Judicial	1,826,715	1,077,910	-	-	1,826,715	1,077,910
Public safety	8,301,191	8,279,390	-	-	8,301,191	8,279,390
Public works	5,314,023	3,069,413	-	-	5,314,023	3,069,413
Health and welfare	541,978	321,014	-	-	541,978	321,014
Culture and recreation	936,247	1,131,290	-	-	936,247	1,131,290
Housing and development	195,695	270,345	-	-	195,695	270,345
Interest	605,859	399,238	-	-	605,859	399,238
Water and sewer	-	-	4,493,710	3,903,650	4,493,710	3,903,650
Solid waste	-	-	1,585,821	1,540,719	1,585,821	1,540,719
Airport	-	-	506,850	361,194	506,850	361,194
Total expenses	<u>23,408,077</u>	<u>19,868,882</u>	<u>6,586,381</u>	<u>5,805,563</u>	<u>29,994,458</u>	<u>25,674,445</u>
Revenues over (under) expenses	(1,728,266)	1,782,150	3,585,768	538,621	1,857,502	2,320,771
Transfers in (out)	(229,124)	(904,659)	229,124	904,659	-	-
Net changes in net position	(1,957,390)	877,491	3,814,892	1,443,280	1,857,502	2,320,771
Beginning net position	55,345,977	56,326,706	18,080,462	16,990,734	75,638,211	73,317,440
Restatement	-	(1,858,220)	-	(353,552)	-	-
Ending net position	<u>\$ 53,388,587</u>	<u>\$ 55,345,977</u>	<u>\$ 21,895,354</u>	<u>\$ 18,080,462</u>	<u>\$ 77,495,713</u>	<u>\$ 75,638,211</u>

**GOVERNMENTAL REVENUES**

The County is heavily reliant on property taxes and sales taxes to support governmental operations and capital. Property taxes, including vehicle tax, provided 41.8% of the County's total governmental revenues as compared to 38.9% in fiscal year 2014. Sales taxes make up 24.0% of the County's total governmental revenues as compared to 23.3% in fiscal year 2014.

Capital grant type revenue was reported in fiscal year 2015 for the public works function (\$744,032) and the housing and development function (\$132,239) which included the following:

Public works:

- Georgia Department of Transportation for roads (\$210,853)
- Georgia LMIG grant for roads (\$533,179)

Housing and development:

- Capital development block grant for roads (\$132,239)

In total, user charges for the governmental user charges increased \$246,358 or 5.5%. Ambulance fees increases \$60,601 or 10% over fiscal year 2014 due to an increased number of calls. State reimbursements for County subsidy payments for state inmates increased by approximately 25 inmates or \$42,414, based upon \$20 per day. We also recognized a \$50,000 payment from the Cattlemen's Association to partially fund the County's Agri-center.

Because of the County's healthy financial position, we have been able to earn \$104,143 in unrestricted interest earnings to support governmental activities. Also, note that program revenues cover 23.9% of governmental operating expenses. This means that the government's taxpayers and the County's other general governmental revenues fund 76.1% of the governmental activities.

### **GOVERNMENTAL FUNCTIONAL EXPENSES**

The general government and the public safety functions make up approximately 59.8% of the total governmental activities expenses as compared to 68.5% in fiscal year 2014. Public works totals over \$5.3 million.

This table presents the cost of each of the County's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the County's taxpayers by each of these functions.

	<b>Governmental Activities</b>			
	<b>Total Cost of Services</b>	<b>%</b>	<b>Net Cost of Services</b>	<b>%</b>
General government	\$ 5,686,369	24.3%	\$ 4,884,978	27.4%
Judicial	1,826,715	7.8%	1,822,915	10.2%
Public safety	8,301,191	35.5%	4,990,705	28.0%
Public works	5,314,023	22.7%	4,418,516	24.8%
Health and welfare	541,978	2.3%	529,978	3.0%
Culture and recreation	936,247	4.0%	781,698	4.4%
Housing and development	195,695	0.8%	(216,340)	-1.2%
Interest	605,859	2.6%	605,859	3.4%
<b>Total</b>	<b>\$ 23,408,077</b>	<b>100.0%</b>	<b>\$ 17,818,309</b>	<b>100.0%</b>

The public safety totals 28% of the net cost of services and general government totals 27.4% of these costs.

**Overall Analysis** – For all enterprise funds, total operating revenues increased \$954,081 or 15.1%. Operating expenses increased \$771,885 or 13.8%. In total, the operating income increased \$221,799 or 30.1%.

The operating income (loss) for each utility was as follows:

	<u>Amount</u>
Water works	\$ 645,453
Solid waste	452,328
Airport	(157,975)

The following includes an analysis of the fiscal year 2015 financial activities for each enterprise.

**Water Works** - The operating income of \$645,453 in fiscal year 2015 compares to operating income of \$402,905 in fiscal year 2014. The fiscal year 2015 operating revenues of \$4,930,434 were \$823,575 or 20.1% over fiscal year 2014. This increase relates primarily to a rate increase. Operating expenses increased \$581,027 or 15.7% of which \$296,911 related to personal services costs for manually monitoring the water tank capacities, due to water tank monitoring software that had to be replaced. In total, this year's operations, operating income is up because revenue for charges for services increased.

**Solid Waste** - The operating income of \$452,328 in fiscal year 2015 compares to operating income of \$428,006 in fiscal year 2014. The fiscal year 2015 operating revenues increased \$69,525 or 3.5% over fiscal year 2014. Operating expenses increased \$45,203 or 3%. Depreciation costs increased \$14,496 or 6.9%.

**Airport** - The operating loss of \$157,975 in fiscal year 2015 compares to an operating loss of \$112,903 in fiscal year 2014. The fiscal year 2015 operating revenues increased \$100,583 or 40.5% over fiscal year 2014. Operating expenses increased \$145,655. The general fund transferred in \$229,124 to support airport operations.

### Financial Analysis of the County's Funds

#### Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term, inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds reported ending fund balances of \$24,132,549 as compared to the 2014 fiscal year amount of \$21,766,282. Of this year-end total, \$11,025,657 is unassigned indicating availability for continuing County service requirements. Fund balance includes \$10,977,539 restricted for capital projects and \$557,271 restricted for debt service. Fund balances assigned for specific purposes totaled \$179,426, fund balance committed to recreation \$360,000 and fund balance includes assets not available for current expenditure of \$438,527, which is tied up in inventory and prepaid assets.

The total ending fund balances of governmental funds show an increase of \$2,366,267 or an increase of 10.9% over the prior year.

#### Major Governmental Funds

**General Fund** - The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery. The General Fund's fund balance increased \$338,406 in fiscal year 2015 or an increase of 2.7%. In fiscal year 2014, the fund balance decreased \$1,697,213.

Total revenues decreased \$236,798 or 1.4% from that of fiscal year 2014.

Real property taxes and motor vehicle taxes increased \$166,939 or 1.9% from that of fiscal year 2014. General fund local option sales taxes were up \$55,827 or 3.2%, as the local economy appears to remain flat. Insurance premium taxes increased \$71,280 or 5.5% in fiscal year 2015.

In total, charges for services increased \$126,274 or 5%. Charges for ambulance services increased \$60,601 or 10% in fiscal year 2015 as compared to 2014. Fines and forfeitures were almost identical to fiscal year 2014 or around \$816,000.

Total expenditures decreased \$1,622,250 or 8.3% below the fiscal year 2014 total.

The general government function costs are down \$544,057 or 9.7% below the fiscal year 2014 amount. The major changes include:

- Buildings and plant purchased services decrease of \$131,066 or 19.1%
- Operations capital outlay decreased \$1,055,881 or 67.4% as the 800 MHZ radio system for \$909,298 in fiscal year 2014 was not duplicated in fiscal year 2015.
- Pension expenditures increased \$135,292 or 18.5% based upon the changes in the actuarial valuation.
- Group health insurance increased \$297,004 or 31.7%.
- Workers compensation increased \$125,081 or 108.7%

In the judicial function, the total expenditure increased just \$81,955 or 7.6%.

The total public safety costs increased \$355,258 or 5%. The sheriff's expenditures increased \$237,077 or 9.7%, most of which relates to capital outlay. Total jail costs increased \$97,246 or 8.4%. The correctional institute expenditures increased \$156,779 or 14%. Total personal costs increased \$122,940 and contracted medical costs increased \$19,717. The fire protection costs increased \$119,917, resulting primarily to the purchase of equipment.

Total public works costs decreased \$855,521 due to primarily to reduced road paving. Culture and recreation costs decreased from \$1,657,983 to \$935,654, due to the purchase of the land for Ellerslie Park in fiscal year 2014 that was not duplicated.

The expenditures for the other functions were approximately equal to the fiscal year 2014 amount.

In fiscal year 2015, the general fund's ending unassigned fund balance decreased just \$10,536 below the June 30, 2014 balance. This unassigned balance of \$11,499,343 is considered adequate, representing the equivalent of 64.4% of annual expenditures, as compared to 59.1% last year.

**Public Improvement Authority** – This fund is used to pay the debt service costs at the community center. This debt service has been funded from a transfer from the 2009 SPLOST fund. In fiscal year 2015, this fund reported a transfer in of \$566,830 and paid debt service of \$669,488. In this fiscal year this fund also recognized a bond sale of \$5,400,000 for the Mulberry Grove project. During this year, this fund spent \$2.7 million of these bond proceeds on this project. The fund balance at year-end is \$3,104,187.

**2009 SPLOST Fund** – In fiscal year 2015, this fund reported revenues for investment earnings of \$14,978. The County spent about one-half of a million on approved projects for capital outlay and \$44,475 for the distribution of the SPLOST to the cities. The ending fund balance totals over \$4.5 million.

**2014 SPLOST Fund** – In fiscal year 2015, this fund reported revenues of about \$2.5 million, of which the majority was SPLOST taxes received from the County. The County spent just \$172,839 for capital outlay and \$131,698 for the distribution of the SPLOST to the cities. The ending fund balance totals over \$2.7 million.

**Callaway Debt Service Fund** - This fund is used to account for the debt service on a GEFA loan. The Callaway Foundation reimburses the County for the cost of this debt service.

### ***The Proprietary Funds***

The proprietary funds statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, additional analysis is not necessary.



**Budgetary Highlights**

*The General Fund* – During fiscal year 2015, the County did amend the general fund budget.

The total revenue fund budget was amended upward \$765,308 or 4.9%. The County recognized \$668,129 more than anticipated total revenues, primarily in taxes and fines. In total, the County realized 104.1% of the estimated revenues, primarily because of the above-mentioned revenue.

The expenditure side. Excluding transfers, the budget was amended upward \$364,099.

The total general government function was under expended \$388,126 or 7.7%, primarily due to lower operation costs and pension and insurance costs. Most other expenditure functions were consistent with the amended budget. In total, the expenditure budget was overspent by \$600,784 or 3.3%.

**Capital Assets and Debt Administration**

*Capital Assets*

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of June 30, 2015, was \$44,726,887 and \$22,266,680 and for June 30, 2014 was \$42,920,828 and \$19,186,105 respectively. The increase in net investment was \$1,806,059 or 4.2% for governmental activities and was \$3,080,575 or a 9.4% increase for business-type activities. See Note 3-E for additional information about changes in capital assets during the fiscal year and outstanding at the end of the year.

The following table provides a summary of capital asset activity.

	Capital Assets					
	Governmental Activities		Business Activities		Total	
	2015	2014	2015	2014	2015	2014
Non-depreciable assets:						
Land	\$ 14,580,346	\$ 14,394,079	\$ 623,649	\$ 623,649	\$ 15,203,995	\$ 15,017,728
Construction in progress	890,581	547,900	3,237,160	458,990	4,127,741	1,006,890
Total non-depreciable assets:	15,470,927	14,941,979	3,860,809	1,082,639	19,331,736	16,024,618
Depreciable assets:						
Buildings and improvements	20,584,312	20,584,312	2,135,050	1,914,158	22,719,362	22,498,470
Water system and water lines	-	-	5,740,580	24,712,659	5,740,580	24,712,659
Machinery and equipment	19,732,761	18,653,142	25,280,487	5,329,964	45,013,248	23,983,106
Infrastructure	25,355,352	23,209,652	-	-	25,355,352	23,209,652
Total depreciable assets	65,672,425	62,447,106	33,156,117	31,956,781	98,828,542	94,403,887
Less accumulated depreciation	36,416,465	34,468,257	14,750,246	13,853,316	51,166,711	48,321,573
Book value - depreciable assets	29,255,960	27,978,849	18,405,871	18,103,465	47,661,831	46,082,314
Percentage depreciated	55%	55%	44%	43%	52%	51%
Book value - all assets	\$ 44,726,887	\$ 42,920,828	\$ 22,266,680	\$ 19,186,104	\$ 66,993,567	\$ 62,106,932

At June 30, 2015, the depreciable capital assets for governmental activities were 55% depreciated. This compares to 55% at the June 30, 2014 percentage. This comparison indicates that the County is replacing its assets at the same rate as they are depreciating which is a positive indicator. However, 55% depreciated is a relatively high rate for a Georgia government.

With the County's business type activities, 44% of the asset values were depreciated at June 30, 2015, which compares to 43% at June 30, 2014.

In governmental activities, the primary additions to the machinery and equipment account includes six pieces of heavy equipment acquired through a capital lease at a cost of \$495,613, 27 computer for the sheriff's vehicles at a cost of \$104,482, Gateway repeaters for the sheriff's vehicles at a cost of \$49,000, five Tahoe's with lights and sirens at a total cost of \$198,064 and two Ram trucks at a cost of \$56,990.

In the business type activities, the addition to the construction in progress are the water lines for the Mulberry Grove project.

### Long-term Debt

At the end of this fiscal year, the County reported \$6,828,976 of outstanding revenue bonds relating to the community center and \$5,400,000 in revenue bonds relating to the Mulberry Grove project. The water and sewer fund reported \$7,003,249 in revenue bonds relating to water and sewer system improvements.

During the year, the County retired \$327,792 or 4.6% of the beginning outstanding governmental activities community center revenue bonds. The water and sewer fund retired \$447,745 or 6% of the beginning outstanding water revenue bonds.

The following schedule reports long-term debt balances for both governmental activities on a comparative basis.

	Outstanding Borrowings						% Change
	Governmental Activities		Business-type Activities		Totals		
	2015	Restated 2014	2015	Restated 2014	2015	Restated 2014	
GEFA loans	\$ 1,407,280	\$ 1,507,391	\$ 84,616	\$ 94,872	\$ 1,491,896	\$ 1,602,263	-7%
Revenue bonds	12,228,976	7,156,768	7,003,249	7,450,994	19,232,225	14,607,762	32%
Capital leases	441,789	-	397,016	360,123	838,805	360,123	100%
Net pension liability	2,455,256	2,545,070	460,716	477,579	2,915,972	3,022,649	100%
Postclosure	-	-	249,770	264,035	249,770	264,035	-5%
Compensated absences	253,958	265,635	67,101	63,429	321,059	329,064	-2%
Total	<u>\$ 16,787,259</u>	<u>\$ 11,474,864</u>	<u>\$ 8,262,468</u>	<u>\$ 8,711,032</u>	<u>\$ 25,049,727</u>	<u>\$ 20,185,896</u>	24%

See Note 3-H for additional information about the County's long-term debt.

### Economic Conditions Affecting the County

The County is physically located in the west-central portion of the State of Georgia, 80 miles southwest of the State capitol, Atlanta, Georgia. The County's land area is 473 square miles with 70 persons per square mile. This compares favorably with the State of Georgia's rate of 141.4 persons per square mile. The County seat is Hamilton, Georgia, which has a population of approximately 1,000.

The County's per capita income is \$27,530 with a medium home value of \$208,880. The County has 13,444 housing units. The median age is 43.2 years.

The County's population is estimated at 33,381. Since the County relies primarily on property and sales taxes for its operating revenue, changes in the economy definitely affect these revenue streams. Since sales taxes are an "elastic revenue stream," in a sluggish economy, the sales tax revenues are reduced immediately. Property taxes are considered "inelastic" in the short-term; this revenue stream is more stable. Fortunately, for the County, because of its revenue stream makeup, it is able to survive financially in a slow economy.

The Board of Commissioners considers many factors when setting the fiscal year budget, tax rates, and fees charged for various services. One of the greatest factors is the economy. Harris County is primarily a rural community with a number of small business and retail outlets. In spite of the current nationwide economic trends, current economic conditions are not having any significant effects in the County's services or financial performance.

Careful analysis of the County's financial statements reveals that the County is in a sound financial position for the future. The County carries little debt as recent capital expansions have been paid from current funds or through proceeds from a one percent special purpose local option sales tax. This sales tax is currently approved to extend to 2019 and will be used to fund a number of planned capital projects along with road maintenance and a new library.

The estimated 2014 unemployment rate for the County is 5.2%. This rate compares to the State of Georgia's rate of 5.9% and the United States rate of 7.4%, both for the same period. In June 2015, there are 14,658 employed in the County.

#### **Contacting the County's Financial Management**

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County's Finance Officer at 706/628-4958 or stop by County Courthouse in Hamilton, Georgia, 30401.

**Harris County, Georgia**  
**Statement of Net Position**  
**June 30, 2015**

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
<b>Assets</b>				
<b>Current Assets</b>				
Cash and cash equivalents (Note 3A)	\$ 9,513,419	\$ 4,264,426	\$ 13,777,845	\$ 710,740
Restricted cash	4,162,343	768,296	4,930,639	387,867
Investments	7,689,164	4,494,090	12,183,254	-
Receivables:				
Accounts	122,989	554,308	677,297	73,684
Interest	28,381	742	29,123	-
Property taxes	190,944	-	190,944	-
TAVT	195,853	-	195,853	-
Sales taxes	537,263	-	537,263	-
Intergovernmental	214,250	4,586	218,836	21,677
Notes	103,626	-	103,626	-
Lease	-	-	-	884,210
Interfund	2,075,229	(2,075,229)	-	-
Component unit	15	-	15	-
Inventory	333,766	236,641	570,407	-
Prepaid items	104,761	75,248	180,009	-
<b>Total Current Assets</b>	<b>25,272,003</b>	<b>8,323,108</b>	<b>33,595,111</b>	<b>2,078,178</b>
<b>Non-current Assets</b>				
Lease receivable	-	-	-	9,902,946
Notes receivable (net of current portion)	1,286,695	-	1,286,695	-
Capital assets (Note 3E)				
Nondepreciable	15,470,927	3,860,809	19,331,736	-
Depreciable, net	29,255,960	18,405,871	47,661,831	4,510,668
<b>Total Non-current Assets</b>	<b>46,013,582</b>	<b>22,266,680</b>	<b>68,280,262</b>	<b>14,413,614</b>
<b>Total Assets</b>	<b>71,285,585</b>	<b>30,589,788</b>	<b>101,875,373</b>	<b>16,491,792</b>
<b>Deferred Outflows of Resources (Note 3-D)</b>	<b>61,071</b>	<b>161,918</b>	<b>222,989</b>	<b>97,728</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>71,346,655</b>	<b>30,751,706</b>	<b>102,098,362</b>	<b>16,589,520</b>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable	404,759	84,614	489,373	385
Retainage payable	1,262	10,000	11,262	-
Accrued expenses payable	512,474	51,628	564,102	18,187
Accrued interest payable	252,315	15,677	267,992	139,278
Customer deposits payable	-	431,955	431,955	-
Due to component unit	-	-	-	15
Compensated absences payable	203,166	53,681	256,847	2,886
Post-closure care liability	-	20,232	20,232	-
GEFA loan payable	103,091	10,256	113,347	-
Revenue bonds payable	350,000	435,000	785,000	419,057
Capital leases payable	86,636	75,424	162,060	-
<b>Total Current Liabilities</b>	<b>1,913,703</b>	<b>1,188,467</b>	<b>3,102,170</b>	<b>579,808</b>
<b>Long-Term Liabilities (Note 3H) (net of current portion)</b>				
Compensated absences payable	50,791	13,420	64,211	25,970
Closure and postclosure care payable	-	229,538	229,538	-
Net pension liability payable	2,455,257	460,726	2,915,983	485,105
GEFA loan payable	1,304,189	74,360	1,378,549	-
Capital leases payable	355,153	321,592	676,745	-
Revenue bonds payable	11,878,976	6,568,249	18,447,225	9,039,984
<b>Total Long-Term Liabilities</b>	<b>16,044,366</b>	<b>7,667,885</b>	<b>23,712,251</b>	<b>9,551,059</b>
<b>Deferred Inflows of Resources (Note 3-D)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,788,804</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>17,958,069</b>	<b>8,856,352</b>	<b>26,814,421</b>	<b>11,919,671</b>
<b>Net Position</b>				
Net investment in capital assets (Note 3J)	30,648,842	14,781,799	45,430,641	4,510,668
Restricted for:				
Capital projects	10,977,539	-	10,977,539	23,707
Debt service	557,271	270,152	827,423	364,160
Specific health program	-	-	-	202,586
Public safety	539,460	-	539,460	-
Law library	54,669	-	54,669	-
Unrestricted (deficit)	10,610,806	6,843,403	17,454,209	(431,272)
<b>Total Net Position</b>	<b>\$ 53,388,587</b>	<b>\$ 21,895,354</b>	<b>\$ 75,283,941</b>	<b>\$ 4,669,849</b>

See accompanying notes to the basic financial statements

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

Function/Program	Program Revenues				Net (Expense)			Component Units
	Expenses	Charges for Services and Fines	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Revenue and Changes in Net Position			
					Governmental Activities	Business-type Activities	Total	
<b>Primary Government</b>								
<b>Governmental Activities</b>								
General government	\$ 5,686,369	\$ 785,474	\$ 15,917	\$ -	\$ (4,884,978)	\$ -	\$ (4,884,978)	\$ -
Judicial	1,826,715	3,800	-	-	(1,822,915)	-	(1,822,915)	-
Public safety	8,301,191	3,298,736	11,750	-	(4,990,705)	-	(4,990,705)	-
Public works	5,314,023	151,475	-	744,032	(4,418,516)	-	(4,418,516)	-
Health and welfare	541,978	12,000	-	-	(529,978)	-	(529,978)	-
Culture and recreation	936,247	154,549	-	-	(781,698)	-	(781,698)	-
Housing and development	195,695	279,796	-	132,239	216,340	-	216,340	-
Interest	605,859	-	-	-	(605,859)	-	(605,859)	-
<b>Total Governmental Activities</b>	<b>23,408,076</b>	<b>4,685,830</b>	<b>27,667</b>	<b>876,271</b>	<b>(17,818,309)</b>	<b>-</b>	<b>(17,818,309)</b>	<b>-</b>
<b>Business-type Activities</b>								
Water works	4,493,710	4,930,434	-	2,724,650	-	3,161,374	3,161,374	-
Solid waste	1,585,821	1,989,770	-	-	-	403,949	403,949	-
Airport	506,850	348,875	-	38,576	-	(119,399)	(119,399)	-
<b>Total Business-type Activities</b>	<b>6,586,381</b>	<b>7,269,079</b>	<b>-</b>	<b>2,763,226</b>	<b>-</b>	<b>3,445,924</b>	<b>3,445,924</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 29,994,457</b>	<b>\$ 11,954,909</b>	<b>\$ 27,667</b>	<b>\$ 3,639,497</b>	<b>(17,818,309)</b>	<b>3,445,924</b>	<b>(14,372,385)</b>	<b>-</b>
<b>Component Units</b>								
Department of Public Health	\$ 585,537	\$ 258,173	\$ 455,381	\$ -	-	-	-	128,017
Development Authority	493,780	-	-	-	-	-	-	(493,780)
<b>Total - Component Units</b>	<b>\$ 1,079,317</b>	<b>\$ 258,173</b>	<b>\$ 455,381</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(365,763)</b>
<b>General Revenues</b>								
Property taxes levied for general government purposes					9,057,111	-	9,057,111	-
Sales taxes					5,200,888	-	5,200,888	-
Insurance premium tax					1,359,579	-	1,359,579	-
Other taxes					348,085	-	348,085	-
Gain on disposition of capital assets					-	66,816	66,816	-
Unrestricted investment earnings					104,143	33,425	137,568	541,790
Miscellaneous					20,237	39,603	59,840	70,000
Transfers					(229,124)	229,124	-	-
<b>Total General Revenues</b>					<b>15,860,919</b>	<b>368,968</b>	<b>16,229,887</b>	<b>611,790</b>
<b>Change in Net Position</b>					<b>(1,957,390)</b>	<b>3,814,892</b>	<b>1,857,502</b>	<b>246,027</b>
<b>Net Position Beginning of Year, as Restated</b>					<b>55,345,977</b>	<b>18,080,462</b>	<b>73,426,439</b>	<b>4,423,822</b>
<b>Net Position End of Year</b>					<b>\$ 53,388,587</b>	<b>\$ 21,895,354</b>	<b>\$ 75,283,941</b>	<b>\$ 4,669,849</b>

See accompanying notes to the basic financial statements

**Harris County, Georgia**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2015**  
*(With Comparative Totals at June 30, 2014)*

	2015								2014
	General	2009 SPLOST	2014 SPLOST	Callaway Debt Service	Public Improvement Authority	Transportation Investment Act	Other Governmental Funds	Total Governmental Funds	Restated Total Governmental Funds
<b>Assets</b>									
Cash and cash equivalents	\$ 1,800,081	\$ 3,917,200	\$ 1,234,626	\$ 24,560	\$ -	\$ 473,490	\$ 2,063,462	\$ 9,513,419	\$ 8,161,755
Investments	5,392,989	1,830,039	466,136	-	-	-	-	7,689,164	11,303,553
Restricted cash	1,064,540	8,387	1,801	-	3,087,615	-	-	4,162,343	1,421,934
Receivables:									
Accounts	-	-	700	-	-	-	122,289	122,989	357,907
Property taxes	190,944	-	-	-	-	-	-	190,944	249,005
TAVT	195,853	-	-	-	-	-	-	195,853	47,170
Sales taxes	159,195	-	217,465	-	-	160,603	-	537,263	522,993
Interest	21,958	6,016	407	-	-	-	-	28,381	3,550
Intergovernmental	109,148	-	-	-	-	-	56,482	165,630	68,000
Notes	-	-	-	1,390,321	-	-	-	1,390,321	-
Interfund	4,371,200	-	1,216,001	-	16,572	-	5,269	5,609,042	2,543,184
Component units	15	-	-	-	-	-	-	15	825
Inventory	333,766	-	-	-	-	-	-	333,766	502,083
Prepaid items	104,761	-	-	-	-	-	-	104,761	183,622
<b>Total Assets</b>	<b>\$ 13,744,450</b>	<b>\$ 5,761,642</b>	<b>\$ 3,137,136</b>	<b>\$ 1,414,881</b>	<b>\$ 3,104,187</b>	<b>\$ 634,093</b>	<b>\$ 2,247,502</b>	<b>\$ 30,043,891</b>	<b>\$ 25,365,581</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>									
<b>Liabilities</b>									
Accounts payable	\$ 327,772	\$ 7,038	\$ 59,077	\$ -	\$ -	\$ -	\$ 10,872	\$ 404,759	\$ 1,339,630
Accrued expenditures payable	499,082	-	-	-	-	-	13,392	512,474	535,607
Retainage payable	1,262	-	-	-	-	-	-	1,262	-
Intergovernmental payable	-	-	-	-	-	-	-	-	-
Interfund payable	16,572	1,207,587	370,392	-	-	1,090,275	848,987	3,533,813	1,846,016
Other payable	-	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	1,390,321	-	-	-	1,390,321	-
<b>Total Liabilities</b>	<b>844,688</b>	<b>1,214,625</b>	<b>429,469</b>	<b>1,390,321</b>	<b>-</b>	<b>1,090,275</b>	<b>873,251</b>	<b>5,842,629</b>	<b>3,721,253</b>
<b>Deferred Inflows of Resources</b>	<b>68,713</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68,713</b>	<b>78,046</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>913,401</b>	<b>1,214,625</b>	<b>429,469</b>	<b>1,390,321</b>	<b>-</b>	<b>1,090,275</b>	<b>873,251</b>	<b>5,911,342</b>	<b>3,799,299</b>
<b>Fund Balances</b>									
Nonspendable	438,527	-	-	-	-	-	-	438,527	685,705
Restricted	533,179	4,547,017	2,707,667	24,560	3,104,187	-	1,212,329	12,128,939	9,106,052
Committed	360,000	-	-	-	-	-	-	360,000	-
Assigned	-	-	-	-	-	-	179,426	179,426	464,646
Unassigned	11,499,343	-	-	-	-	(456,182)	(17,504)	11,025,657	11,509,879
<b>Total Fund Balances</b>	<b>12,831,049</b>	<b>4,547,017</b>	<b>2,707,667</b>	<b>24,560</b>	<b>3,104,187</b>	<b>(456,182)</b>	<b>1,374,251</b>	<b>24,132,549</b>	<b>21,766,282</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 13,744,450</b>	<b>\$ 5,761,642</b>	<b>\$ 3,137,136</b>	<b>\$ 1,414,881</b>	<b>\$ 3,104,187</b>	<b>\$ 634,093</b>	<b>\$ 2,247,502</b>	<b>\$ 30,043,891</b>	<b>\$ 25,565,581</b>

See accompanying notes to the basic financial statements

**Harris County, Georgia**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Government-wide Statement of Net Position**  
**June 30, 2015**

---



---

<b>Total Governmental Fund Balances</b>	\$	24,132,549
---	----	------------

**Amounts reported for governmental activities in the statement of net position are different because:**

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.

Cost of capital assets	\$	81,143,352	
Less accumulated depreciation		<u>(36,416,465)</u>	44,726,887

Other long-term assets are not available to pay for current-period expenditures; and therefore, are deferred in the funds.

Property taxes			68,713
----------------	--	--	--------

Long-term note receivable not available to pay current expenditures.		1,390,321
--	--	-----------

Deferred outflows for pensions reported on the government-wide statement of position but not reported on the governmental fund balance sheet.		61,071
---	--	--------

Miscellaneous adjustment		48,620
--------------------------	--	--------

Interfund receivables and payables between governmental funds are reported on the governmental fund's balance sheet but eliminated on the government-wide statement of net position.

Interfund receivables	\$	(3,533,813)	
Interfund payables		<u>3,533,813</u>	-

Liabilities not due and payable in the current period and therefore are not reported in the governmental fund balance sheets but are reported on the government-wide statement of net position.

Revenue bonds payable	\$	(12,228,976)	
GEFA loan payable		(1,407,280)	
Capital leases payable		(441,789)	
Net pension liability payable		(2,455,257)	
Accrued interest payable		(252,315)	
Compensated absences payable		<u>(253,957)</u>	<u>(17,039,574)</u>

<b>Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>53,388,587</u></b>
--	-----------	--------------------------

See accompanying notes to the basic financial statements

**Harris County, Georgia**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2015**  
*(With Comparative Totals For the Year Ended June 30, 2014)*

	2015							2014	
	General	2009 SPLOST	2014 SPLOST	Callaway Debt Service	Public Improvement Authority	Transportation Investment Act	Other Governmental Funds	Total Governmental Funds	Total Governmental Funds
<b>Revenues</b>									
Taxes	\$ 12,525,148	\$ -	\$ 2,460,020	\$ -	\$ -	\$ 939,640	\$ 50,188	\$ 15,974,996	\$ 15,566,590
Intergovernmental	771,699	-	-	-	55,456	-	132,239	959,394	580,835
Licenses and permits	268,473	-	-	-	-	-	-	268,473	221,019
Charges for services	2,650,497	-	-	100,613	-	-	653,851	3,404,961	3,202,304
Interest	-	-	-	43,344	113,400	-	-	156,744	46,324
Fines and forfeitures	816,509	-	-	-	-	-	83,430	899,939	886,292
Investment earnings	84,971	14,978	4,043	-	151	-	-	104,143	91,710
Miscellaneous	9,714	-	-	-	-	-	5,269	14,983	1,505,652
<b>Total Revenues</b>	<b>17,127,011</b>	<b>14,978</b>	<b>2,464,063</b>	<b>143,957</b>	<b>169,007</b>	<b>939,640</b>	<b>924,977</b>	<b>21,783,633</b>	<b>22,100,726</b>
<b>Expenditures</b>									
<b>Current:</b>									
General government	5,049,802	-	-	-	-	-	4,634	5,054,436	5,707,130
Judicial	1,157,216	-	-	-	-	-	669,222	1,826,438	1,089,696
Public safety	7,489,488	-	-	-	-	-	189,795	7,679,283	7,788,612
Public works	2,544,479	-	-	-	-	-	-	2,544,479	3,400,000
Health and welfare	289,819	-	-	-	-	-	-	289,819	321,014
Culture and recreation	935,654	-	-	-	-	-	-	935,654	1,657,983
Housing and development	337,403	-	-	-	-	-	-	337,403	259,545
<b>Intergovernmental</b>	-	44,475	131,698	-	-	-	11,819	187,992	333,347
<b>Capital Outlay</b>	-	503,857	172,839	-	2,724,650	1,680,695	172,504	5,254,545	1,534,008
<b>Debt Service:</b>									
Principal retirement	53,824	-	-	100,111	330,000	-	-	483,935	430,113
Interest and fiscal charges	8,822	-	-	43,846	339,488	-	-	392,156	391,542
Bond issuance costs	-	-	-	-	104,000	-	-	104,000	-
<b>Total Expenditures</b>	<b>17,866,507</b>	<b>548,332</b>	<b>304,537</b>	<b>143,957</b>	<b>3,498,138</b>	<b>1,680,695</b>	<b>1,047,974</b>	<b>25,090,140</b>	<b>22,912,990</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(739,496)</b>	<b>(533,354)</b>	<b>2,159,526</b>	<b>-</b>	<b>(3,329,131)</b>	<b>(741,055)</b>	<b>(122,997)</b>	<b>(3,306,507)</b>	<b>(812,264)</b>
<b>Other Financing Sources (Uses)</b>									
Insurance proceeds	6,285	-	-	-	-	-	-	6,285	-
Inception of capital leases	495,613	-	-	-	-	-	-	495,613	-
Issuance of revenue bonds	-	-	-	-	5,400,000	-	-	5,400,000	-
Transfers in	1,070,845	-	-	-	566,830	-	56,493	1,694,168	1,730,856
Transfers out	(494,841)	(357,606)	(46,037)	-	(947,458)	(63,614)	(13,736)	(1,923,292)	(2,635,513)
<b>Total Other Financing Sources (Uses)</b>	<b>1,077,902</b>	<b>(357,606)</b>	<b>(46,037)</b>	<b>-</b>	<b>5,019,372</b>	<b>(63,614)</b>	<b>42,757</b>	<b>5,672,774</b>	<b>(904,657)</b>
<b>Net Change in Fund Balances</b>	<b>338,406</b>	<b>(890,960)</b>	<b>2,113,489</b>	<b>-</b>	<b>1,690,241</b>	<b>(804,669)</b>	<b>(80,240)</b>	<b>2,366,267</b>	<b>(1,716,921)</b>
<b>Fund Balances Beginning of Year</b>	<b>12,492,643</b>	<b>5,437,977</b>	<b>594,178</b>	<b>24,560</b>	<b>1,413,946</b>	<b>348,487</b>	<b>1,454,491</b>	<b>21,766,282</b>	<b>23,483,203</b>
<b>Fund Balances End of Year</b>	<b>\$ 12,831,049</b>	<b>\$ 4,547,017</b>	<b>\$ 2,707,667</b>	<b>\$ 24,560</b>	<b>\$ 3,104,187</b>	<b>\$ (456,182)</b>	<b>\$ 1,374,251</b>	<b>\$ 24,132,549</b>	<b>\$ 21,766,282</b>

See accompanying notes to the basic financial statements



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

<b>Net Changes In Fund Balances - Total Governmental Funds</b>		<b>\$ 2,366,267</b>
 <b>Amounts reported for governmental activities in the statement of activities are different because</b>		
 Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period.		
Depreciation expense	\$ (2,271,697)	
Capital outlay	4,077,756	1,806,059
 Capital assets contributed are not reported at the fund financial reporting level but are reported on the government-wide financial reporting level.		
		-
 Pension expense is reported on the government-wide statement of activities but not reported at the fund financial reporting level.		
		(510,066)
 Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues at the fund financial reporting level.		
Property taxes:		
Deferred @ 6/30/15	\$ 68,713	
Deferred @ 6/30/14	(78,046)	(9,333)
 Miscellaneous reconciling items		
		(101,793)
 Transfers between governmental funds are reported in the governmental funds operating statement but are eliminated on the government-wide statement of activities:		
Transfers in	\$ (1,694,168)	
Transfers out	1,694,168	-
 The issuance of long-term debt is reported as an other financing source at the fund financial reporting level but reclassified as a liability at the government-wide financial reporting level.		
		(5,895,613)
 The amortization of the bond discount is reported in the government-wide statement of activities, but does not require the use of financial resources and therefore are not reported as reported as expenditures in governmental funds.		
		(2,208)
 Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
		483,935
 Accrued interest is reported in the government-wide statement of activities but does not require the use of financial resources and therefore are not reported as reported as expenditures in governmental funds.		
Balance @6 /30/14	\$ 145,999	
Balance @6 /30/15	(252,315)	(106,316)
 Compensated absences reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 6/30/15	\$ (253,957)	
Liability @ 6/30/14	265,635	11,678
 <b>Change In Net Position of Governmental Activities</b>		 <b><u>\$ (1,957,390)</u></b>

See accompanying notes to the basic financial statements

**Harris County, Georgia**  
**Proprietary Funds**  
**Statement of Net Position**  
**June 30, 2015**

	<b>Business-type Activities</b>			
	<b>Water Works</b>	<b>Solid Waste</b>	<b>Airport</b>	<b>Total</b>
<b>Assets</b>				
<b>Current Assets:</b>				
Cash and cash equivalents	\$ 786,373	\$ 3,478,053	\$ -	\$ 4,264,426
Restricted cash	768,296	-	-	768,296
Investments	1,731,248	2,762,842	-	4,494,090
Receivables:				
Accounts	510,215	44,093	-	554,308
Interest	742	-	-	742
Intergovernmental	-	4,586	-	4,586
Prepaid items	58,915	15,076	1,257	75,248
Inventories	184,644	-	51,997	236,641
<b>Total Current Assets</b>	<b>4,040,433</b>	<b>6,304,650</b>	<b>53,254</b>	<b>10,398,337</b>
<b>Capital Assets</b>				
Nondepreciable	3,102,027	199,250	559,532	3,860,809
Depreciable, net	14,341,625	1,099,930	2,964,316	18,405,871
<b>Total Capital Assets</b>	<b>17,443,652</b>	<b>1,299,180</b>	<b>3,523,848</b>	<b>22,266,680</b>
<b>Deferred Outflows of Resources (Note 3-D)</b>	<b>158,437</b>	<b>3,191</b>	<b>290</b>	<b>161,918</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>21,642,522</b>	<b>7,607,021</b>	<b>3,577,392</b>	<b>32,826,935</b>
<b>Liabilities</b>				
<b>Current Liabilities:</b>				
Accounts payable	39,819	44,795	-	84,614
Retainage payable	-	-	10,000	10,000
Accrued expenses payable	39,162	11,172	1,294	51,628
Accrued interest payable	15,677	-	-	15,677
Customer deposits payable	431,955	-	-	431,955
Interfund payable	238,699	1,784,533	51,997	2,075,229
Compensated absences payable	40,566	12,371	744	53,681
Revenue bonds payable	435,000	-	-	435,000
GEFA loans payable	10,256	-	-	10,256
Capital leases payable	-	75,424	-	75,424
<b>Total Current Liabilities</b>	<b>1,251,134</b>	<b>1,928,295</b>	<b>64,035</b>	<b>3,243,464</b>
<b>Long-term Liabilities (Net of current portion):</b>				
Compensated absences payable	10,141	3,093	186	13,420
Closure and post-closure care payable	-	249,770	-	249,770
Revenue bonds payable	6,568,249	-	-	6,568,249
GEFA loans payable	74,360	-	-	74,360
Capital leases payable	-	321,592	-	321,592
Net pension liability	320,758	128,304	11,664	460,726
<b>Total Long-term Liabilities:</b>	<b>6,973,508</b>	<b>702,759</b>	<b>11,850</b>	<b>7,688,117</b>
<b>Total Liabilities</b>	<b>8,224,642</b>	<b>2,631,054</b>	<b>75,885</b>	<b>10,931,581</b>
<b>Net Position</b>				
Net investment in capital assets	10,355,787	902,164	3,523,848	14,781,799
Restricted	270,152	-	-	270,152
Unrestricted	2,791,941	4,073,803	(22,341)	6,843,403
<b>Total Net Position</b>	<b>\$ 13,417,880</b>	<b>\$ 4,975,967</b>	<b>\$ 3,501,507</b>	<b>\$ 21,895,354</b>

See accompanying notes to the basic financial statements

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

	<b>Business-type Activities</b>			
	<b>Water Works</b>	<b>Solid Waste</b>	<b>Airport</b>	<b>Total</b>
<b>Operating Revenues</b>				
Charges for services	\$ 4,930,434	\$ 1,989,770	\$ 348,875	\$ 7,269,079
Miscellaneous	-	39,603	-	39,603
<b>Total Operating Revenues</b>	<b>4,930,434</b>	<b>2,029,373</b>	<b>348,875</b>	<b>7,308,682</b>
<b>Operating Expenses</b>				
Personal services	1,585,875	613,715	54,582	2,254,172
Purchased services	1,521,777	78,193	59,154	1,659,124
Purchased services - tipping fees	-	517,335	-	517,335
Cost of sales	-	-	268,787	268,787
Materials and supplies	514,472	144,337	11,218	670,027
Depreciation	662,857	223,465	113,109	999,431
<b>Total Operating Expenses</b>	<b>4,284,981</b>	<b>1,577,045</b>	<b>506,850</b>	<b>6,368,876</b>
<b>Operating Income (Loss)</b>	<b>645,453</b>	<b>452,328</b>	<b>(157,975)</b>	<b>939,806</b>
<b>Non-operating Revenue (Expenses)</b>				
Gain on disposal of capital assets	-	66,816	-	66,816
Investment earnings	3,887	29,538	-	33,425
Interest and fiscal charges	(208,729)	(8,776)	-	(217,505)
<b>Total Non-operating Revenue (Expenses)</b>	<b>(204,842)</b>	<b>87,578</b>	<b>-</b>	<b>(117,264)</b>
<b>Income (Loss) Before Capital Contributions and Transfers In</b>	<b>440,611</b>	<b>539,906</b>	<b>(157,975)</b>	<b>822,542</b>
<b>Capital Contributions</b>	<b>2,724,650</b>	<b>-</b>	<b>38,576</b>	<b>2,763,226</b>
<b>Transfers In</b>	<b>-</b>	<b>-</b>	<b>229,124</b>	<b>229,124</b>
<b>Change in Net Position</b>	<b>3,165,261</b>	<b>539,906</b>	<b>109,725</b>	<b>3,814,892</b>
<b>Net Position Beginning of Year - as Restated</b>	<b>10,252,619</b>	<b>4,436,061</b>	<b>3,391,782</b>	<b>18,080,462</b>
<b>Net Position End of Year</b>	<b>\$ 13,417,880</b>	<b>\$ 4,975,967</b>	<b>\$ 3,501,507</b>	<b>\$ 21,895,354</b>

See accompanying notes to the basic financial statements

**Harris County, Georgia**  
**Proprietary Funds**  
**Statement of Cash Flows**  
**For the Year Ended June 30, 2015**

	<b>Business-type Activities</b>			
	<b>Water Works</b>	<b>Solid Waste</b>	<b>Airport</b>	<b>Total</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>				
<b>Cash Flows from Operating Activities</b>				
Cash received from customers	\$ 4,877,528	\$ 2,031,827	\$ 348,875	\$ 7,258,230
Cash payments for personal services	(1,515,760)	(582,565)	(51,229)	(2,149,554)
Cash payments for goods and services	(2,039,054)	(727,419)	(354,657)	(3,121,130)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>1,322,714</b>	<b>721,843</b>	<b>(57,011)</b>	<b>1,987,546</b>
<b>Cash Flows from Noncapital Financing Activities</b>				
Interfund receivable	11,645	-	43,863	55,508
Interfund payable	1,127	1,334,905	(13,479)	1,322,553
Transfers in	-	-	229,124	229,124
<b>Net Cash Flows from Noncapital Financing Activities</b>	<b>12,772</b>	<b>1,334,905</b>	<b>259,508</b>	<b>1,607,185</b>
<b>Cash Flows from Capital and Related Financing Activities</b>				
Capital grant	-	-	38,576	38,576
Insurance recovery	-	87,316	-	87,316
Principal paid on GEFA loans	(10,256)	-	-	(10,256)
Principal paid on revenue bonds	(435,000)	-	-	(435,000)
Principal paid on capital leases	-	(53,824)	-	(53,824)
Interest paid on capital debt	(209,454)	(8,776)	-	(218,230)
Acquisition of capital assets	(668,336)	(363,967)	(241,073)	(1,273,376)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(1,323,046)</b>	<b>(339,251)</b>	<b>(202,497)</b>	<b>(1,864,794)</b>
<b>Cash Flows from Investing Activities</b>				
Investment earnings	3,556	30,221	-	33,777
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>15,996</b>	<b>1,747,718</b>	<b>-</b>	<b>1,763,714</b>
<b>Cash and Cash Equivalents Beginning of Year</b>	<b>3,269,921</b>	<b>4,493,177</b>	<b>-</b>	<b>7,763,098</b>
<b>Cash and Cash Equivalents End of Year</b>	<b>\$ 3,285,917</b>	<b>\$ 6,240,895</b>	<b>\$ -</b>	<b>\$ 9,526,812</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities</b>				
<b>Operating Income (Loss)</b>	<b>\$ 645,453</b>	<b>\$ 452,328</b>	<b>\$ (157,975)</b>	<b>\$ 939,806</b>
<b>Adjustments:</b>				
Depreciation and amortization	662,857	\$ 223,465	113,109	999,431
<b>(Increase) Decrease in Assets:</b>				
Accounts receivable	(61,578)	2,454	-	(59,124)
Prepaid items	346	(5,695)	873	(4,476)
Inventories	63,214	-	12,453	75,667
<b>Increase (Decrease) in Liabilities:</b>				
Accounts payable	(79,794)	44,795	(38,791)	(73,790)
Retainage payable	-	-	10,000	10,000
Accrued expenses payable	13,429	5,233	(33)	18,629
Customer deposits payable	8,672	-	-	8,672
Compensated absences payable	3,479	(737)	930	3,672
Other	66,636	-	2,423	69,059
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>\$ 1,322,714</b>	<b>\$ 721,843</b>	<b>\$ (57,011)</b>	<b>\$ 1,987,546</b>
<b>Non-cash Capital Activities:</b>				
Contributions of capital assets constructed in the public improvemen authority fund	\$ 2,724,650	\$ -	\$ -	\$ 2,724,650

**Harris County, Georgia**  
*Comparative Statement of Fiduciary Assets and Liabilities*  
*Fiduciary Funds - Agency Funds*  
*June 30, 2015 and 2014*

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,286,055	\$ 2,188,194
Due from others	<u>309,703</u>	<u>288,089</u>
<b>Total Assets</b>	<u>\$ 1,595,758</u>	<u>\$ 2,476,283</u>
<b>Liabilities</b>		
Due to others	<u>\$ 1,595,758</u>	<u>\$ 2,476,283</u>

See accompanying notes to the basic financial statements

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

	<b>Department of Public Health</b>	<b>Development Authority</b>	<b>Total</b>
<b>Assets</b>			
<b>Current:</b>			
Cash and cash equivalents	\$ 582,000	\$ 128,740	\$ 710,740
Restricted cash and cash equivalents	-	387,867	387,867
Receivables:			
Accounts	-	73,684	73,684
Intergovernmental	21,677	-	21,677
Lease	-	884,210	884,210
<b>Total Current</b>	<b>603,677</b>	<b>1,474,501</b>	<b>2,078,178</b>
<b>Noncurrent :</b>			
Lease receivable (net of current portion)	-	9,902,946	9,902,946
Capital assets:			
Nondepreciable capital assets	-	4,510,668	4,510,668
<b>Total Noncurrent</b>	<b>-</b>	<b>14,413,614</b>	<b>14,413,614</b>
<b>Total Assets</b>	<b>603,677</b>	<b>15,888,115</b>	<b>16,491,792</b>
<b>Deferred Outflows of Resources</b>	<b>97,728</b>	<b>-</b>	<b>97,728</b>
<b>Total Assets and Deferred Outflows of Resources</b>	<b>701,405</b>	<b>15,888,115</b>	<b>16,589,520</b>
<b>Liabilities</b>			
<b>Current Liabilities:</b>			
Accounts payable	385	-	385
Compensated absences payable	2,886	-	2,886
Intergovernmental payable	18,187	-	18,187
Accrued interest payable	-	139,278	139,278
Due to component unit	-	15	15
Revenue bonds payable	-	419,057	419,057
<b>Total Current Liabilities:</b>	<b>21,458</b>	<b>558,350</b>	<b>579,808</b>
<b>Long-term Liabilities: (net of current portion)</b>			
Compensated absences payable	25,970	-	25,970
Net pension liability	485,105	-	485,105
Revenue bonds payable	-	9,039,984	9,039,984
<b>Total Liabilities</b>	<b>511,075</b>	<b>9,039,984</b>	<b>9,551,059</b>
<b>Deferred Inflows of Resources</b>	<b>118,399</b>	<b>1,670,405</b>	<b>1,788,804</b>
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>650,932</b>	<b>11,268,739</b>	<b>11,919,671</b>
<b>Net Position</b>			
Net investment in capital assets	-	4,510,668	4,510,668
Restricted for:			
Specific health program	202,586	-	202,586
Capital projects	-	23,707	23,707
Debt service	-	364,160	364,160
Unrestricted (deficit)	(152,113)	(279,159)	(431,272)
<b>Total Net Position</b>	<b>\$ 50,473</b>	<b>\$ 4,619,376</b>	<b>\$ 4,669,849</b>

See accompanying notes to the basic financial statements

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

	<b>Department of Public Health</b>	<b>Development Authority</b>	<b>Total</b>
<b>Expenses</b>			
Health and welfare	\$ 585,537	\$ -	\$ 585,537
Community development	-	493,780	493,780
<b>Total Expenses</b>	<b>585,537</b>	<b>493,780</b>	<b>1,079,317</b>
<b>Revenues</b>			
Program revenues:			
Charges for services	258,173	-	258,173
Operating grants and contributions	455,381	-	455,381
<b>Total Program Revenues</b>	<b>713,554</b>	<b>-</b>	<b>713,554</b>
<b>Net Program Revenue (Expense)</b>	<b>128,017</b>	<b>(493,780)</b>	<b>(365,763)</b>
<b>General Revenues</b>			
Miscellaneous	-	70,000	70,000
Investment earnings	-	541,790	541,790
<b>Total General Revenues</b>	<b>-</b>	<b>611,790</b>	<b>611,790</b>
<b>Change in Net Position</b>	<b>128,017</b>	<b>118,010</b>	<b>246,027</b>
<b>Net Position Beginning of Year</b>	<b>(77,544)</b>	<b>4,501,366</b>	<b>4,423,822</b>
<b>Net Position End of Year</b>	<b>\$ 50,473</b>	<b>\$ 4,619,376</b>	<b>\$ 4,669,849</b>

See accompanying notes to the basic financial statements

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Index**

<b>Summary of Significant Accounting Policies .....</b>	<b>1</b>
Reporting Entity.....	1-A
Basis of Presentation.....	1-B
Measurement Focus.....	1-C
Basis of Accounting.....	1-D
Assets, Liabilities and Fund Equity .....	1-E
Cash, Cash Equivalents and Investments .....	1-E-1
Receivables.....	1-E-2
Interfund Balances.....	1-E-3
Consumable Inventories .....	1-E-4
Prepaid Items .....	1-E-5
Restricted Assets.....	1-E-6
Capital Assets .....	1-E-7
Compensated Absences .....	1-E-8
Accrued Liabilities and Long-term Obligations .....	1-E-9
Fund Equity .....	1-E-10
Operating Revenues and Expenses .....	1-E-11
Interfund Activity .....	1-E-12
Estimates.....	1-E-13
Comparative Data .....	1-E-14
Implementation of New GASB Standards.....	1-E-15
 <b>Stewardship, Compliance and Accountability .....</b>	 <b>2</b>
Budgetary Information.....	2-A
Excess of Expenditures over Appropriations.....	2-B
Fund Deficits .....	2-C
 <b>Detailed Notes on All Funds.....</b>	 <b>3</b>
Deposits .....	3-A
Receivables.....	3-B
Restricted Assets.....	3-C
Property Taxes .....	3-D
Capital Assets .....	3-E
Deferred Inflows of Resources .....	3-F
Interfund Balances and Transfers .....	3-G
Long-Term Debt .....	3-H
Pension.....	3-I
Fund Equity .....	3-J
 <b>Other Notes .....</b>	 <b>4</b>
Risk Management .....	4-A
Contingent Liabilities .....	4-B
Subsequent Events .....	4-C
Hotel/Motel Lodging Tax .....	4-D
Prior Period Adjustment .....	4-E



**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

Harris County, Georgia (the County) is a political subdivision of the State of Georgia and was formed in 1825. The County operates under a Commission-Manager form of government and is governed by a five member elected board of county commissioners, elected from single-member districts. The Board's powers are vested by state statutes and regulations. There are certain elected officials whose operations are wholly included within the financial records and financial statements of the County. These elected officials include the Sheriff, Tax Commissioner, Probate Court Judge, Magistrate Court Judge and Clerk of the Superior Court. The County's major services include general government, courts, public safety, public works, health and welfare, culture and recreation and housing and development.

**Note 1 - Summary of Significant Accounting Policies**

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

The most significant of the County's accounting policies are described below.

**1-A. Reporting Entity**

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County. For the County, this entity includes the constitutionally elected officers.

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

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

The following is a brief description of the blended component unit:

**Harris County Public Improvement Authority** (the HCPIA) – The governing board is appointed by the Harris County Board of Commissioners. The main purpose of the HCPIA is to provide basic infrastructure and recreational facilities, improvements and services to the citizens of the County in order to promote the growth and development of the County and the general welfare of the citizens. The HCPIA is reported as an enterprise fund. The HCPIA does not issue separate financial statements.

Brief descriptions of the discretely presented component units follow:

**Harris County Health Department** (the Health Department) – The Health Department works to promote and preserve the health of the citizens of the County. The Health Department's Board consists of seven members, four of these members are appointed by the County Commission.

Although the County does not have the authority to approve or modify the Health Department's budgets, it does have the ability to control the amount of funding it provides to the Health Department and such funding is significant to the overall operations of the Health Department. The Health Department is reported on a June 30, 2015 fiscal year. Complete financial statements for the Health Department may be obtained from its administrative office at 210 Forest Hill Drive, Hamilton, Georgia 31811 or by calling 706/628-5375.

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

A County Board of Health should be reported as a discretely presented component unit in the county's financial statements because the entity is legally separate, the primary government appoints a voting majority of the entity's board, the primary government is able to impose its will on the entity, the entity does not provide services entirely or almost entirely to the primary government, and in most cases, the entity and the primary government do not have boards that are substantively the same.

**Harris County Development Authority** (the "Authority") is responsible for promoting industrial and commercial development within Harris County. The Authority is considered a component unit of the primary government based on the aforementioned criteria. Specifically, a voting majority of the Authority is appointed by the Board, and it can impose its will on the Authority. There are no separately issued financial statements available for the Authority.

The County has partnered with the Authority with the development of the Northwest Harris Business Park (the "Business Park"). The County purchased land for the Business Park during 2005 and 2007. Pursuant to an intergovernmental agreement between the County and the Authority, once a business moves into the Business Park, subject to certain stipulations, the County will transfer the land to the Authority for development and subsequent sale of the property with proceeds being remitted to the County.

The Authority has continued construction on the Progress Parkway project. The purpose of this project is to construct a road in the Business Park. Construction began during the fiscal year ended June 30, 2009. During the following years, the Authority has continued construction of the road with funding provided by the County's 2009 SPLOST fund, grant funding and existing Authority funds. Funding provided by the County and grant funding is shown as a capital contribution to the Authority in the government-wide financial statements. Costs of the road are included in the Authority's construction in progress at June 30, 2015.

During 2009, a building was constructed for Johnson Controls, Inc. ("JCI") for a total cost of approximately \$7.06 million. The purpose of the JCI project was to assist in the location of the manufacturing company in the Business Park. The building was funded by bonds issued by the Authority, County funds, and grant revenue. The building was then leased to JCI.

During 2010, the County, in agreement with JCI, issued bonds in the amount of \$5.5 million to expand the building. The agreement requires JCI to lease the building from the County at a rate necessary to service both the 2008 and 2010 bond issues and to purchase the building at the end of the lease term. The lease is accounted for as a sales-type lease with a receivable established to account for the future payments (Note 3-H).

**Related Organizations** – The following are related organizations for which the County appoints one or more of the Board of Directors but they do not meet any other of the reporting entity criteria:

- Harris County Board of Education
- Harris County Board of Family and Children's Service
- The Cattlemen's Association

**Joint Ventures** – The County participates in the following joint venture.

**River Valley Regional Commission** (RVRC) - The County, in conjunction with sixteen counties and thirty-five municipalities in the west central Georgia area are members of the RVRC. Membership in an RVRC is automatic for each municipality and county in the state. The Official Code of Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the RVRC. Each county and municipality in the state is required by law to pay minimum annual dues to the RVRC. The RVRC Board membership includes the chief elected official of each county and the chief elected official of each municipality. Separately issued financial statements are available at the RVRC's administrative office, 710 Front Avenue, Suite A, Columbus, GA 31901.

The Georgia Planning Act of 1989 (O.C.G.A. 50-8-34) defines RVRCs as "public agencies and instrumentalities of their members. Georgia laws also provide that the member governments are liable for any debts or obligations of an RVRC beyond its resources (O.C.G.A. 50-8-39.1).

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**1-B. Basis of Presentation**

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

**Government-wide Financial Statements** - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Fiduciary funds are not presented in the government-wide financial statements.

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

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

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

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

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

Major individual governmental funds are reported in separate columns.

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

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

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

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**2009 Special Purpose Local Option Sales Tax Capital Projects Fund** – This fund is utilized to account for the proceeds of a 1 percent special purpose local option sales tax beginning April 1, 2009 for funding various capital outlay projects including road, street and bridge projects, a library, EMS/fire/sheriff equipment, a community center and economic development projects.

**2014 Special Purpose Local Option Sales Tax Capital Projects Fund** – This fund is utilized to account for the proceeds of a 1 percent special purpose local option sales tax beginning April 1, 2014 for funding various capital outlay projects including road, street and bridge projects, a library, fire trucks, public safety equipment and construction of a CAD system, expansion of the water system, development of an agri-center and economic development projects.

**Callaway Debt Service Fund** – This fund is used to service a Georgia Environmental Facilities Authority loan from the Clean Water State Revolving Fund for Land Conservation, whose proceeds were used to finance the acquisition of a land conservation easement.

**Public Improvement Authority Capital Projects Fund** – This fund is a blended component unit of the County. This fund is used to account for the costs of projects that promote industrial and commercial development within the County, as well as accounting for the related debt service.

**Transportation Investment Act Capital Projects Fund** – This fund is used to account for a 1% regional sales tax which funds transportation improvements, which includes County roads.

**Proprietary Funds** – The proprietary funds reporting focus is on the determination of operating income, changes in net position, financial position and cash flows. All three of the proprietary funds are classified as enterprise funds.

The County reports the following major enterprise funds:

**Water Works.** This fund accounts for the operation and maintenance of the County's water distribution system.

**Solid Waste.** This fund accounts for the operation, maintenance, and development of various landfills and disposal sites.

**Airport.** This fund accounts for the operation, maintenance, and development of the County's Airport.

**Fiduciary Funds** – Fiduciary fund reporting focuses on assets and liabilities. The County's fiduciary funds are agency funds for use primarily by the County's constitutional officers comprised of the Tax Commissioner, Clerk of Superior Court, Sheriff, Probate Court and Magistrate Court.

**1-C. Measurement Focus**

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

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

Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

**1-D. Basis of Accounting**

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

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

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

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, franchise taxes, charges for services, federal and state grants and investment earnings.

**Unearned Revenue** - Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On both the government-fund financial statements and the government-wide financial statements, revenues are deferred for:

- Grants and entitlements received before the eligibility requirements are met (e.g., cash advances).

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

**1-E. Assets, Liabilities and Fund Equity**

**1-E-1 Cash, Cash Equivalents, and Investments**

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. Time deposits are classified as cash and cash equivalent without regard to maturity date.

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

***Note 1 - Summary of Significant Accounting Policies (Continued)***

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

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

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

***1-E-2 Receivables***

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

***1-E-3 Interfund Balances***

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental activities column of the statement of net position.

***1-E-4 Consumable Inventories***

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

On the fund financial statements, inventories of governmental funds are stated at cost. Cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when used (i.e., the consumption method). At year-end, fund balance is classified as nonexpendable for a like amount of inventory on hand since it is not available for general appropriation.

The inventory consists primarily of vehicle parts and fuel.

***1-E-5 Prepaid Items***

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

***1-E-6 Restricted Assets***

Certain items are classified as restricted in the general fund because their use is legally restricted to a specific use, some of which is deposited with bank trust funds.

***1-E-7 Capital Assets***

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

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 1 - Summary of Significant Accounting Policies (Continued)**

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County’s infrastructure consists of roads and bridges. The County’s infrastructure has been reported retroactively in 2007. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are expensed.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County’s historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives using these capitalization thresholds:

Asset Class	Governmental Activities Estimated Lives	Capitalization Threshold
Primary Government:		
Buildings and improvements	40 Years	\$5,000
Machinery and equipment	3 - 20 Years	\$5,000
Infrastructure	20 - 30 Years	\$100,000
Machinery and equipment	5 - 7 Years	\$5,000

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

**1-E-8 Compensated Absences**

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

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

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

The total compensated absence liability is reported on the government-wide financial statements. Governmental funds report the compensated absence liability at the fund reporting level only “when due.”

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

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

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

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

**1-E-10 Fund Equity**

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

**Fund Balance** - Fund balances may be classified as follows:

- **Nonspendable** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- **Restricted** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County Board of Commissioners or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- **Committed** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the County Board of Commissioners through a motion. The fund balance must result from a specific revenue stream committed for a specific purpose. Only the Board of County Commissioners may modify or rescind the commitment.
- **Assigned** – Fund balances are reported as assigned when amounts are constrained by the Board of County Commissioners’ intent to be used for specific purposes, but are neither restricted nor committed. By motion, only the Board of County Commissioners can authorize an assignment of fund balances. Also, any of the fund balance reported at year-end that is included in the subsequent year’s budget is reported as assigned.
- **Unassigned** - Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund.

**Net Position Flow Assumptions** – In order to report net position as a restricted – net position and an unrestricted – net position in the government-wide and proprietary fund financial statements, the County has established a flow assumption policy. It is the County’s policy to use restricted – net position first before using unrestricted – net position.

**Fund Balance Flow Assumptions** – It is the County’s policy to consider restricted fund balance to have been used before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, it is the County’s policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned



*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 1 - Summary of Significant Accounting Policies (Continued)**

**Net Position** - Net position represent the difference between assets and liabilities. The net invested in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment amount also is adjusted by any bond issuance deferral amounts. Net position are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

**1-E-11 Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise and internal service funds. For the County, these revenues are charges for services for water works, waste collection and airport services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund. Nonoperating revenues are investment earnings, the gain on the disposition of capital assets and operating grants. Nonoperating expenses include the loss on the disposition of capital assets and interest expense.

**1-E-12 Interfund Activity**

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

Transfers between funds reported in the governmental activities column are eliminated.

**1-E-13 Estimates**

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

**1-E-14 Comparative Data**

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

**1-E-15 Implementation of New GASB Standards**

In fiscal year 2015, the County implemented the following GASB Standards:

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The provisions of this Statement establish accounting and financial reporting standards for pensions that are provided to the employees of state and local governmental employers through pension plans that are administered through trusts. Implementation of this statement requires a restatement to beginning net position. The adoption of this statement has a significant impact on the County's financial statements.

GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* - an amendment of GASB No. 68. The objective of this statement is to improve accounting and financial reporting by addressing an issue in Statement No. 68, *Accounting and Financial Reporting for Pensions*, concerning transition provisions related to certain pension contributions made to defined benefit pension plans prior to implementation of the statement. This statement amends paragraph 137 of Statement No. 68 which limited recognition of pension-related deferred inflows of resources at the transition to circumstances in which it is practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions.

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 2 – Stewardship, Compliance and Accountability**

**2-A. Budgetary Information** – The County adopts an annual operating budget for all governmental funds except the capital projects funds, which have an adopted project budget. The budget resolution reflects the total of each department’s appropriation in each fund.

Budgets are adopted on a basis consistent with GAAP with the exception of the capital projects funds, which have project length budgets, rather than annual budgets. For management purposes, the County adopts annual budgets for its enterprise fund.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the department level within each individual fund. Any change in total to a fund or departmental appropriation within a fund requires approval of the Board of County Commissioners. The Board of County Commissioners also must approve budget transfers within departments.

The original 2015 budget was amended during the year. Most unexpended annual appropriations lapse at year-end. However, encumbered appropriations may be carried forward automatically (i.e., no County Commission action is required), to resolve unusual situations or hardships caused by this policy (i.e., for large equipment orders not received by June 30). Departments desiring the carryover of appropriations shall make their request in writing to the County Manager for approval.

**2-B. Excess of Expenditures over Appropriations**

The following departments overspent the final amended 2015 annual budget:

General Fund	
Voter registration	\$ 76
General administration	1,182
Sheriff	94,335
Emergency medical	8,418
Fire protection	8,119
Animal control	3,827
Vehicle maintenance	159,332
Debt service	62,646
Hotel/motel Fund – transfers out	13,736
Law library – judicial	434
Drug abuse fund – capital outlay	109,477
Jail fee fund – public safety	15,961

**2-C. Fund Deficits**

The CDBG fund reports a fund balance deficit of \$17,504 which will be eliminated through the allocation of out matching amount. The transportation investment act (TIA) fund reports a deficit of \$456,182 resulting from road construction costs exceeding current TIA tax collections. This deficit will be eliminated through subsequent year’s tax collections.

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds**

**3-A. Deposits**

**Deposits** – The County’s cash and investment policy limits deposits to demand and money market accounts, and time deposits at local banks. The County’s deposits shall be secured by Federal Deposit Insurance Corporation (FDIC) coverage and/or bank pledges. State statutes require banks holding public funds to secure these funds by FDIC insurance, securities pledged at par value, and surety bonds at face value in combined aggregate totaling not less than 110 percent of the public funds held, less the FDIC insurance.

**Custodial Credit Risk – Deposits** – The custodial credit risk for deposits is the risk that, in the event of a bank failure, the County’s deposits may not be recovered.

As of June 30, 2015, all of the County’s deposits were covered, either by FDIC coverage or collateralized with securities held by the County’s agent in the County’s name, with the exception of the following carrying amounts and required collateralized amounts:

- Superior Court – First Peoples Bank - \$29,650 (\$32,615)
- Water Works – Wells Fargo - \$1,874 (\$2,062)
- General Fund - 1<sup>st</sup> Empire Securities - \$522,932 (\$575,225)
- General Fund - Colony Bank - \$26,739 (\$29,413)

Also, the Harris County Health Department’s deposits were covered either by FDIC coverage or were entirely insured or collateralized with securities held by the component unit’s agent in the component unit’s name.

Primary government cash and cash equivalents reconciliation:

	Cash and Cash Equivalents
Primary Government - Fund Reporting Level:	
Governmental Funds - Balance Sheet	\$ 9,513,419
Governmental Funds - Balance Sheet - Restricted	4,162,343
Proprietary Fund Type Statement of Net Position	4,264,426
Proprietary Fund Type Statement of Net Position - Restricted	768,296
Statement of Fiduciary Assets and Liabilities	1,286,055
 Total	 \$ 19,994,539

**3-B. Receivables**

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

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

**Allowance for Uncollectibles** - The allowances for uncollectibles are as follows:

- Water works fund - \$24,699

**Note Receivable** – During the year ended June 30, 2009, the County, through an agreement, acquired a land conservation easement from the “*Ida Cason Callaway Foundation*” (the “Foundation”). In order to fund the acquisition, the Georgia Environmental Facilities Authority (“GEFA”), provided a \$2,000,000 land conservation grant and a \$2,000,000 loan from the Clean Water State Revolving Fund for Land Conservation (see Note 3-H).

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

Under the agreement between the County and the Foundation, the Foundation is repaying the loan as follows:

Year	Principal	Interest	Total
2016	\$ 103,626	\$ 40,331	\$ 143,957
2017	106,870	37,087	143,957
2018	110,076	33,881	143,957
2019	113,424	30,533	143,957
2020	116,841	27,115	143,956
2021 - 2025	639,928	79,858	719,786
2026 - 2027	199,556	4,512	204,068
	<u>\$ 1,390,321</u>	<u>\$ 253,318</u>	<u>\$ 1,643,639</u>

**Lease Receivable** – The lease receivable for the Harris County Development Authority as of June 30, 2015 balance of \$10,787,156 is the result of a capital lease entered into between the County and JCI as described in Note 1A. The Authority issued bonds to support the construction and expansion of the building leased by JCI in fiscal years 2009 and 2011. The lease is accounted for as a sales-type lease with an initial present value of minimum payments of \$10,714,812 and unearned interest of \$4,108,290 for an initial gross capital lease receivable of \$14,823,103. The interest income is recognized and reported as interest income over the life of the lease. Interest income recognized in the current fiscal year is reported in charges for services in the amount of \$541,790. Lease payments support the debt service of the 2008 and 2010 revenue bonds (Note 3-H).

Under the agreement between the County and JCI, JCI will reimburse the County for costs related to the bonds through lease payments as follows:

Year	Total Lease Payments
2016	\$ 884,210
2017	884,210
2018	884,210
2019	884,210
2020	<u>7,250,316</u>
Total minimum payments	10,787,156
Less amounts representing interest	<u>1,670,405</u>
Present value of minimum capital lease payments	<u>\$ 9,116,751</u>

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

**3-C. Restricted Assets**

Restricted assets reported in the governmental funds are comprised of the following:

General fund:	
LMIG funds	\$ 533,179
Deposit with investment broker	522,932
Walking trial	<u>8,429</u>
Total	<u>\$1,064,540</u>
2009 SPLOST fund - deposit with investment broker	\$ 8,387
2014 SPLOST fund - deposit with investment broker	1,801
PIA fund – construction and debt service	3,087,615

**3-D. Property Taxes**

The Board of Commissioners levy property taxes by or about September of each year. Property taxes attach as an enforceable lien on property as of January 1. The property taxes were levied on August 12, 2014. Property taxes were billed on September 29, 2014 and are due upon receipt, however, the due date was December 20, 2014 and became delinquent on December 21, 2014.

The County bills and collects its own property taxes and also collects property taxes for the County Board of Education and the State of Georgia. The County also collects vehicle and mobile home taxes for the cities located in the County and the State of Georgia. Collection of the County's taxes and for the other governmental agencies is the responsibility of the Tax Commissioner's Office, which is accounted for in an agency fund.

(This page continue on the subsequent page)

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

**3-E. Capital Assets**

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

	Balance 7/1/2014	Additions	Deductions	Balance 6/30/2015
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 14,394,079	\$ 186,267	\$ -	\$ 14,580,346
Construction in progress	547,900	342,681	-	890,581
Total nondepreciable capital assets	<u>14,941,979</u>	<u>528,948</u>	<u>-</u>	<u>15,470,927</u>
Depreciable capital assets:				
Buildings and improvements	20,584,312	-	-	20,584,312
Machinery and equipment	18,653,142	1,403,108	323,489	19,732,761
Infrastructure	23,209,652	2,145,700	-	25,355,352
Total depreciable capital assets	<u>62,447,106</u>	<u>3,548,808</u>	<u>323,489</u>	<u>65,672,425</u>
Total capital assets	<u>77,389,085</u>	<u>4,077,756</u>	<u>323,489</u>	<u>81,143,352</u>
Accumulated depreciation:				
Buildings	5,315,692	521,432	-	5,837,124
Machinery and equipment	14,794,482	914,496	323,489	15,385,489
Infrastructure	14,358,083	835,769	-	15,193,852
Total accumulated depreciation	<u>34,468,257</u>	<u>2,271,697</u>	<u>323,489</u>	<u>36,416,465</u>
Governmental activities capital assets, net	<u>\$ 42,920,828</u>	<u>\$ 1,806,059</u>	<u>\$ -</u>	<u>\$ 44,726,887</u>
Governmental activities depreciation expense				
General government		\$ 252,158		
Public safety		763,290		
Public works		1,004,090		
Culture and recreation		<u>252,159</u>		
Total governmental activities depreciation expense		<u>\$ 2,271,697</u>		

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

	Balance 7/1/2014	Additions	Deductions	Balance 6/30/2015
Business-type activities:				
Nondepreciable capital assets:				
Land	\$ 623,649	\$ -	\$ -	\$ 623,649
Construction in progress	458,990	2,778,170	-	3,237,160
Total nondepreciable capital assets	1,082,639	2,778,170	-	3,860,809
Depreciable capital assets:				
Buildings and improvements	1,914,158	220,892	-	2,135,050
Machinery and equipment	5,329,964	533,616	123,000	5,740,580
Infrastructure	24,712,659	567,828	-	25,280,487
Total depreciable capital assets	31,956,781	1,322,336	123,000	33,156,117
Total capital assets	33,039,420	4,100,506	123,000	37,016,926
Accumulated depreciation:				
Buildings and improvements	255,929	4,500	-	260,429
Machinery and equipment	2,995,634	242,211	102,500	3,135,345
Infrastructure	10,601,752	752,720	-	11,354,472
Total accumulated depreciation	13,853,315	999,431	102,500	14,750,246
Business-type activities capital assets, net	<u>\$ 19,186,105</u>	<u>\$ 3,101,075</u>	<u>\$ 20,500</u>	<u>\$ 22,266,680</u>

The depreciation expense for the business-type activities relates to the water works fund, \$662,857, the solid waste fund \$223,465 and the airport fund, \$113,109.

Capital asset activity for the development authority component unit for the year ended June 30, 2015, was as follows:

	Balance 7/1/2014	Additions	Deductions	Balance 6/30/2015
Harris County Development Authority				
Nondepreciable capital assets:				
Land	\$ 34,341	\$ -	\$ -	\$ 34,341
Construction in progress	4,476,327	-	-	4,476,327
Total nondepreciable capital assets	<u>\$ 4,510,668</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,510,668</u>

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

**3-F. Deferred Inflows/Outflows of Resources**

**Fund Financial Reporting Level** - In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The School System reports one of these items. This item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes (\$68,713). This amount is deferred and recognized as an inflow of resources in the period that the amounts become available.

**Government-wide Financial Reporting Level** - The County also has deferred inflows of resources and deferred outflows of resources related to the recording of changes in its net pension liability. Certain changes in the net pension liability are recognized as pension expense over time instead of all being recognized in the year of occurrence. Experience gains or losses result from periodic studies by the County's actuary which adjust the net pension liability for actual experience for certain trend information that was previously assumed, for example the assumed dates of retirement of Plan members. These experience gains or losses are recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. Changes in actuarial assumptions which adjust the net pension liability are also recorded as deferred outflows of resources or deferred inflows of resources and are amortized into pension expense over the expected remaining service lives of Plan members. The difference between projected investment return on pension investments and actual return on those investments is also deferred and amortized against pension expense over a five-year period. Additionally, any contributions made by the County to the pension plan before fiscal year end but subsequent to the measurement date of the County's net pension liability are reported as deferred outflows of resources.

**3-G. Interfund Balances and Transfers**

**Interfund Balances** - Interfund balances at June 30, 2015, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made.

The following table includes the interfund receivables and payables at June 30, 2015:

Payable to:	Payable from:								Total
	General	2009 SPLOST	2014 SPLOST	TIA	Nonmajor govern.	Water works	Solid waste	Airport	
General	\$ -	\$ (8,414)	\$ 370,392	\$ 1,090,275	\$ 843,718	\$ 238,699	\$ 1,784,533	\$ 51,997	\$ 4,371,200
2014 SPLOST	-	1,216,001	-	-	-	-	-	-	1,216,001
2009 SPLOST	-	-	-	-	-	-	-	-	-
PIA	16,572	-	-	-	-	-	-	-	16,572
Nonmajor govern.	-	-	-	-	5,269	-	-	-	5,269
<b>Total</b>	<b>\$16,572</b>	<b>\$ 1,207,587</b>	<b>\$ 370,392</b>	<b>\$ 1,090,275</b>	<b>\$ 848,987</b>	<b>\$ 238,699</b>	<b>\$ 1,784,533</b>	<b>\$ 51,997</b>	<b>\$ 5,609,042</b>

The County expects to repay all interfund balances within one year.



**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

**Interfund Transfers** - Interfund transfers for the year ended June 30, 2015, consisted of the following:

Transfers to	Transfers From						Total
	General fund	PIA	2009 SPLOST	2014 SPLOST	TIA	Nonmajor Governmental	
General	\$ -	\$ 947,458	\$ -	\$ 46,037	\$ 63,614	\$ 13,736	\$ 1,070,845
PIA	209,224	-	357,606	-	-	-	566,830
Nonmajor governme	56,493	-	-	-	-	-	56,493
Airport	229,124	-	-	-	-	-	229,124
<b>Total</b>	<b>\$ 494,841</b>	<b>\$ 947,458</b>	<b>\$ 357,606</b>	<b>\$ 46,037</b>	<b>\$ 63,614</b>	<b>\$ 13,736</b>	<b>\$ 1,923,292</b>

The transfer from the PIA to the general fund was moving the balance of the Wells Fargo trust account for the community center debt. The transfer from the 2009 SPLOST to the PIA was for the remaining taxes allocated to repay the community center debt. The transfer from the general fund to the 2009 SPLOST fund was reimbursing the 2009 SPLOST fund excess funds paid for the community center. The transfer from the general fund to the airport fund is for subsidizing the airport fund. All other transfers are consistent with the purpose of the fund.

**3-H. Long-Term Debt**

**Governmental Activities | GEFA Loan Payable** - The County has one outstanding GEFA loan payable at June 30, 2015.

**GEFA Loan Payable – 2009 LC 2006016** – In February 2009, the County borrowed \$2,000,000 at an interest rate of 3% for the acquisition of a conservation easement discussed in Note 3-B. The Loan is payable in 216 monthly principal and interest payments of \$11,996 with a final maturity date of January 1, 2027.

Annual debt service requirements to this loan payable as of June 30, 2015 follow:

Year	Principal	Interest	Total
2016	\$ 103,091	\$ 40,867	\$ 143,957
2017	106,354	37,603	143,957
2018	109,526	34,431	143,957
2019	112,858	31,100	143,957
2020	116,246	27,711	143,957
2021 - 2025	636,743	83,042	719,786
2026 & 2027	222,462	5,597	228,059
	<b>\$ 1,407,280</b>	<b>\$ 260,350</b>	<b>\$ 1,667,630</b>

**Governmental Activities | Bonds Payable** - The County has two outstanding bond issues outstanding at June 30, 2015.

**Harris County Public Improvements Authority Revenue Bonds, Taxable “Build America” Bonds, Series 2010 A and 2010B** – The Harris County Community Public Improvement Authority (HCPIA) issued revenue bonds in December 2010 for a total of \$8,240,000, to fund the construction of the Harris County Community Center, a recreational facility for the County. The Series 2010A bonds totaled \$185,000 which are retired and Series B were \$8,055,000 revenue bonds.

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

Payments are due in semiannual installments commencing February 1, 2011 through August 1, 2030. Interest accrues at 1.45% to 6%. Principal is subject to redemption on or after August 1, 2010 at the option of the issuer, at direction of the County, in whole or in part at any time at a redemption price of 100%.

Pursuant to the bond resolution, the County is in compliance with certain covenants.

Annual debt service requirements to this loan payable as of June 30, 2015 follow:

Year	Principal	Interest	Total
2016	\$ 350,000	\$ 328,583	\$ 678,583
2017	355,000	318,179	673,179
2018	360,000	306,288	666,288
2019	370,000	292,865	662,865
2020	380,000	277,953	657,953
2021 - 2025	2,070,000	1,117,395	3,187,395
2026 - 2030	2,440,000	530,283	2,970,283
2031	545,000	16,350	561,350
	<u>\$ 6,870,000</u>	<u>\$ 3,187,896</u>	<u>\$ 10,057,896</u>

**Harris County Public Improvements Authority Revenue Bonds , Taxable Series 2015** – The Harris County Community Public Improvement Authority (HCPIA) issued revenue bonds on December 22, 2014 in the amount of \$5,400,000, to fund various projects, which will result in providing a new County sewer line known as the “*Grove Sewer Project*.”

The principal is due in a single lump sum payment on January 1, 2035. Interest payments are due in semiannual installments of \$108,000 (Except the first payment which is \$113,400) commencing July 1, 2015 through January 1, 2035. Interest accrues at 4.0%. Principal is subject to redemption at the option of the issuer, at direction of the County, in whole or in part at any time at a redemption price of 100%.

Annual debt service requirements to bonds payable as of June 30, 2015 follow:

Year	Principal	Interest	Total
2016	\$ -	221,400	\$ 221,400
2017	-	216,000	216,000
2018	-	216,000	216,000
2019	-	216,000	216,000
2020	-	216,000	216,000
2021-2025	-	1,080,000	1,080,000
2026-2030	-	1,080,000	1,080,000
2031-2035	5,400,000	1,080,000	6,480,000
Total	<u>\$ 5,400,000</u>	<u>\$ 4,325,400</u>	<u>\$ 9,725,400</u>

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

**Governmental Activities | Capital Leases Payable** - The County has six outstanding capital leases payable at June 30, 2015.

**Capital Lease Payable #001-726726-000 – Caterpillar Financial Services – Lease #5** - This lease was entered into on December 18, 2014 in the original amount of \$62,578 to purchase a Caterpillar 924K wheel loader at an interest rate of 3.2% with monthly payments (which includes principal and interest) of \$1,130 beginning January, 2015. The lease matures December 18, 2019. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$56,319 (cost of \$62,578 less accumulated depreciation of \$6,258).

Annual debt service requirements to this lease payable as of June 30, 2015 follow:

Year	Principal	Interest	Total
2016	\$ 10,939	\$ 1,491	\$ 12,430
2017	12,304	1,256	13,560
2018	12,704	856	13,560
2019	13,117	443	13,560
2020	6,718	62	6,780
Total	<u>\$ 55,782</u>	<u>\$ 4,108</u>	<u>\$ 59,890</u>

**Capital Lease Payable #001-726726-001 – Caterpillar Financial Services – Lease #6** - This lease was entered into on December 18, 2014 in the original amount of \$102,422 to purchase a Caterpillar 12M3 motor grader at an interest rate of 4% with monthly payments (which includes principal and interest) of \$1,850 beginning January, 2015. The lease matures December 18, 2019. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$92,180 (cost of \$102,422 less accumulated depreciation of \$10,242).

Annual debt service requirements to this note payable as of June 30, 2015 follow:

Year	Principal	Interest	Total
2016	\$ 17,904	\$ 2,440	\$ 20,344
2017	20,139	2,055	22,194
2018	20,793	1,434	22,227
2019	21,468	726	22,194
2020	10,995	103	11,098
Total	<u>\$ 91,299</u>	<u>\$ 6,758</u>	<u>\$ 98,057</u>

**Capital Lease Payable #001-726726-002 – Caterpillar Financial Services – Lease #7** - This lease was entered into on December 18, 2014 in the original amount of \$102,422 to purchase a Caterpillar 12M3 motor grader at an interest rate of 4% with monthly payments (which includes principal and interest) of \$1,850 beginning January, 2015. The lease matures December 18, 2019. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$92,180 (cost of \$102,422 less accumulated depreciation of \$10,242).

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

Annual debt service requirements to this note payable as of June 30, 2015 follow:

Year	Principal	Interest	Total
2016	\$ 17,904	\$ 2,440	\$ 20,344
2017	20,139	2,055	22,194
2018	20,793	1,434	22,227
2019	21,468	726	22,194
2020	10,995	103	11,098
Total	<u>\$ 91,299</u>	<u>\$ 6,758</u>	<u>\$ 98,057</u>

**Capital Lease Payable #001-726726-003 – Caterpillar Financial Services – Lease #8** - This lease was entered into on December 18, 2014 in the original amount of \$102,422 to purchase a Caterpillar 12M3 motor grader at an interest rate of 4% with monthly payments (which includes principal and interest) of \$1,850 beginning January, 2015. The lease matures December 18, 2019. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$92,180 (cost of \$102,422 less accumulated depreciation of \$10,242).

Annual debt service requirements to this note payable as of June 30, 2015 follow:

Year	Principal	Interest	Total
2016	\$ 17,904	\$ 2,440	\$ 20,344
2017	20,139	2,055	22,194
2018	20,793	1,434	22,227
2019	21,468	726	22,194
2020	10,995	103	11,098
Total	<u>\$ 91,299</u>	<u>\$ 6,758</u>	<u>\$ 98,057</u>

**Capital Lease Payable #001-726726-004 – Caterpillar Financial Services – Lease #9** - This lease was entered into on December 18, 2014 in the original amount of \$50,393 to purchase a Caterpillar D5K2 track type tractor at an interest rate of 3.2% with monthly payments (which includes principal and interest) of \$910 beginning January, 2015. The lease matures December 18, 2019. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$45,354 (cost of \$50,393 less accumulated depreciation of \$5,039).

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 3 - Detailed Notes on All Funds (Continued)**

Annual debt service requirements to this note payable as of June 30, 2015 follow:

Year	Principal	Interest	Total
2016	\$ 8,809	\$ 2,200	\$ 11,009
2017	9,908	1,012	10,920
2018	10,230	690	10,920
2019	10,563	357	10,920
2020	5,410	51	5,461
Total	<u>\$ 44,920</u>	<u>\$ 4,310</u>	<u>\$ 49,230</u>

**Capital Lease Payable #001-726726-005 – Caterpillar Financial Services – Lease #10** - This lease was entered into on December 18, 2014 in the original amount of \$75,376 to purchase a Caterpillar 953D track loader at an interest rate of 3.2% with monthly payments (which includes principal and interest) of \$1,361 beginning January, 2015. The lease matures December 18, 2019. The equipment acquired by this lease is included in governmental activities general capital assets of the County in the amount of \$67,838 (cost of \$75,376 less accumulated depreciation of \$7,538).

Annual debt service requirements to this note payable as of June 30, 2015 follow:

Year	Principal	Interest	Total
2016	\$ 13,176	\$ 1,796	\$ 14,972
2017	14,821	1,512	16,333
2018	15,302	1,031	16,333
2019	15,799	534	16,333
2020	8,092	74	8,166
Total	<u>\$ 67,190</u>	<u>\$ 4,947</u>	<u>\$ 72,137</u>

**Business-type Activities** – The County has one outstanding GEFA loan payable for the water works fund.

During the year ended June 30, 2003, the Harris County Water Works (“HCWW”) entered into a contract with GEFA under which it received certain funds made available through the Drinking Water State Revolving Loan Fund. In connection with the contract, the HCWW signed a promissory note in the amount of \$700,000. However, under the terms of the note, the HCWW is only required to repay principal in the amount of \$200,000. The other \$500,000 was reported as grant revenue.

Proceeds were required to be used to reimburse construction costs for specified projects related to the HCWW’s water system. Additionally, the HCWW was required to meet certain covenants related to commencement and completion of construction. As of June 30, 2015 the HCWW is in compliance with these covenants. The loan is payable quarterly in seventy-eight equal installments of \$2,564 with principal maturities as follows:

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 3 - Detailed Notes on All Funds (Continued)**

Annual debt service requirements to maturity as of June 30, 2015 are as follows:

Year	Principal	Interest	Total
2016	\$ 10,256	\$ -	\$ 10,256
2017	10,256	-	10,256
2018	10,256	-	10,256
2019	10,256	-	10,256
2020	10,256	-	10,256
2021-2024	<u>33,336</u>	<u>-</u>	<u>33,336</u>
Total	<u>\$ 84,616</u>	<u>\$ -</u>	<u>\$ 84,616</u>

**Business-type Activities** – The County has one outstanding bond issue payable for the solid waste fund.

**2012A and 2012B Series Tax Exempt Water Revenue Bonds** – During the year ended June 30, 2013, the HCPIA issued Tax Exempt Bonds Series 2012A and Taxable Series 2012B (“Series 2012 Bonds”) in the amounts of \$7,500,000 and \$310,000, respectively, on behalf of the HCWW. Proceeds from these bonds were used to refund the outstanding 2002 Series Water and Sewer Revenue Bonds and pay the costs of issuing the Series 2012 Bonds. The 2002 Series Bonds had been used to refund the outstanding Revenue Bonds, Series 1995A, 1995B, 1995C and 1995D; make additions, alterations and improvements to the County’s water system; provide for a debt service reserve; and to pay the costs of issuing and insuring the Series 2002 Bonds.

The 2012 Series Bonds are limited obligations of the HCPIA payable solely from the revenues that are payable to the HCPIA pursuant to a Project Lease Agreement (“PLA”) dated as of September 1, 2012 between the HCPIA and the County. Under the PLA, the County is obligated to make payments to the HCPIA in amounts sufficient to enable the HCPIA to pay the principal of, redemption premium (if any) and interest on the bonds as they become due and payable and, to the extent required, levy a tax on all taxable property located with the boundaries of the County as may be necessary to produce funds sufficient to enable the County to make such payments. All rights of the HCPIA as defined in the PLA provide security for the 2012 Series Bonds. Under provisions of the Bond Resolution, the HCPIA is required to maintain certain restricted accounts including a revenue fund, sinking fund, and rebate fund. The County makes lease payments to the HCPIA from water and sewer revenues generated by the HCWW for payment of the bonds. Therefore, the bonds are accounted for within the Water Works Fund.

Annual principal payments for the Series 2012A Bonds begin December 1, 2013 and continue through December 1, 2027 with interest accruing at 2.0% through 5.0% per annum, payable semiannually. Annual principal payments for the Series 2012B Bonds began December 1, 2012 and continued through December 1, 2013.

The Tax Exempt Series 2012A Bonds maturing on and after December 1, 2019 are subject to redemption prior to maturity on or after December 1, 2018, at the option of the HCPIA, at the direction of the County, in whole or in part at any time at a redemption price of 100% plus accrued interest to the redemption date.

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

Annual debt service requirements to maturity as of June 30, 2015 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2016	\$ 435,000	\$ 181,598	\$ 616,598
2017	450,000	168,323	618,323
2018	470,000	152,173	622,173
2019	485,000	130,648	615,648
2020	505,000	113,473	618,473
2021-2025	2,710,000	398,684	3,108,684
2026-2028	1,790,000	72,478	1,862,478
<b>Total</b>	<b>\$ 6,845,000</b>	<b>\$ 1,217,377</b>	<b>\$ 8,062,377</b>

**Business-type Activities** – The County has four outstanding capital leases payable for the solid waste fund.

**Solid Waste Fund – Lease Purchase Agreement Payable – Caterpillar Financial Services Corp. #1** - On March 5, 2013, the County entered into a lease-purchase agreement in the original amount of \$298,763 to purchase a truck type tractor at an interest rate of 2.19% with monthly payments of \$3,170 beginning April 2, 2013. The final payment is due April 2, 2018. The tractor acquired through this agreement is included in the solid waste fund totaling \$130,928 (cost of \$296,138 less accumulated depreciation of \$7,877).

Annual debt service requirements to maturity as of June 30, 2015 are as follows:

Year	Principal	Interest	Total
2016	\$ 33,419	\$ 4,619	\$ 38,038
2017	34,158	3,880	38,038
2018	158,614	2,415	161,029
<b>Total</b>	<b>\$ 226,191</b>	<b>\$ 10,914</b>	<b>\$ 237,105</b>

**Solid Waste Fund – Lease Purchase Agreement Payable – Caterpillar Financial Services Corp. #2** - On March 4, 2014, the County entered into a lease-purchase agreement in the original amount of \$43,709 to purchase a backhoe at an interest rate of 3.2% with monthly payments of \$789 including interest beginning March 4, 2013. The final payment is due March 4, 2019. The backhoe acquired through this agreement is included in the solid waste fund totaling \$30,924 (cost of \$43,150 less accumulated depreciation of \$12,226).

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

Annual debt service requirements to maturity as of June 30, 2015 are as follows:

Year	Principal	Interest	Total
2016	\$ 8,549	\$ 922	\$ 9,471
2017	8,826	645	9,471
2018	9,113	358	9,471
2019	6,240	74	6,314
	<u>\$ 32,728</u>	<u>\$ 1,999</u>	<u>\$ 34,727</u>

**Solid Waste Fund – Lease Purchase Agreement Payable – Caterpillar Financial Services Corp. #3** - On September 5, 2013, the County entered into a lease-purchase agreement in the original amount of \$82,444 to purchase an excavator at an interest rate of 3.2% with monthly payments of \$1,489 including interest beginning September 5, 2013. The final payment is due September 5, 2018. The excavator acquired through this agreement is included in the solid waste fund totaling \$50,191 (cost of \$81,391 less accumulated depreciation of \$31,200).

Annual debt service requirements to maturity as of June 30, 2015 are as follows:

Year	Principal	Interest	Total
2016	\$ 16,384	\$ 1,481	\$ 17,865
2017	16,916	949	17,865
2018	17,465	400	17,865
2019	2,967	10	2,977
	<u>\$ 53,732</u>	<u>\$ 2,840</u>	<u>\$ 56,572</u>

**Solid Waste Fund – Lease Purchase Agreement Payable – Caterpillar Financial Services Corp. #4** - On November 5, 2014, the County entered into a lease-purchase agreement in the original amount of \$94,644 to purchase a backhoe loader at an interest rate of 3.2% with monthly payments of \$1,709 including interest beginning November 5, 2014. The final payment is due November 5, 2019. The backhoe loader acquired through this agreement is included in the solid waste fund totaling \$86,757 (cost of \$94,644 less accumulated depreciation of \$7,887).

Annual debt service requirements to maturity as of June 30, 2015 are as follows:

Year	Principal	Interest	Total
2016	\$ 17,072	\$ 3,436	\$ 20,508
2017	18,659	1,849	20,508
2018	19,265	1,243	20,508
2019	19,891	617	20,508
2020	9,478	67	9,545
	<u>\$ 84,365</u>	<u>\$ 7,212</u>	<u>\$ 91,577</u>



**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Harris County Development Authority** – The Development Authority has two outstanding bond issues at June 30, 2015.

**Revenue Bonds, Series 2008** - The Harris County Development Authority (HCDA) issued revenue bonds on September 26, 2008 in the amount of \$6,005,000, to fund the construction and expansion of the JCI building. Annual principal payments for the bonds began May 5, 2009 and continue through August 1, 2018 with interest accruing at 5.45% through 6.45% per annum, payable quarterly.

Annual debt service requirements to maturity as of June 30, 2015 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2016	\$ 384,057	\$ 218,721	\$ 602,778
2017	406,082	196,696	602,778
2018	429,376	173,402	602,778
2019	2,814,526	130,648	2,945,174
Total	<u>\$ 4,034,041</u>	<u>\$ 719,467</u>	<u>\$ 4,753,508</u>

**Revenue Bonds, Series 2010** - The Harris County Development Authority (HCDA) issued revenue bonds on December 29, 2010 in the amount of \$5,515,000, to fund the construction and expansion of the JCI building. Annual principal payments for the bonds began August 1, 2012 and continue through August 1, 2030 with interest accruing at 4.49% per annum, payable semiannually.

Annual debt service requirements to maturity as of June 30, 2015 are as follows:

Fiscal Year Ending	Principal	Interest	Total
2016	\$ 35,000	\$ 242,797	\$ 277,797
2017	35,000	241,225	276,225
2018	35,000	239,654	274,654
2019	35,000	238,082	273,082
2020	20,000	236,848	256,848
2021-2025	730,000	1,156,400	1,886,400
2026-2030	3,695,000	617,936	4,312,936
2031	840,000	18,858	858,858
Total	<u>\$ 5,425,000</u>	<u>\$ 2,991,800</u>	<u>\$ 8,416,800</u>

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

**Changes in Long-term Debt** - Changes in the County's long-term obligations consisted of the following for the year ended June 30, 2015:

Governmental Activities	Restated Total Outstanding		Reductions	Total Outstanding		Amounts Due in One Year	Long-term Portion
	7/1/2014	Additions		6/30/2015			
2009 GEFA Loan #LC2006016	\$ 1,507,391	\$ -	\$ 100,111	\$ 1,407,280	\$ 103,091	\$ 1,304,189	
Harris County Public Improvement Authority 2010 revenue bonds	7,200,000	-	330,000	6,870,000	350,000	6,520,000	
Net deferred discounts	(43,232)	-	(2,208)	(41,024)	-	(41,024)	
Harris County Public Improvement Authority 2015 revenue bonds	-	5,400,000	-	5,400,000	-	5,400,000	
<b>Total bonded debt</b>	<b>8,664,159</b>	<b>5,400,000</b>	<b>427,903</b>	<b>13,636,256</b>	<b>453,091</b>	<b>13,183,165</b>	
2013 Caterpillar capital lease #5	-	62,578	6,796	55,782	10,939	44,843	
2013 Caterpillar capital lease #6	-	102,422	11,123	91,299	17,904	73,395	
2013 Caterpillar capital lease #7	-	102,422	11,123	91,299	17,904	73,395	
2013 Caterpillar capital lease #8	-	102,422	11,123	91,299	17,904	73,395	
2013 Caterpillar capital lease #9	-	50,393	5,473	44,920	8,809	36,111	
2013 Caterpillar capital lease #10	-	75,376	8,186	67,190	13,176	54,014	
Compensated absences	265,635	200,830	212,508	253,957	203,166	50,791	
Net pension liability	2,545,070	-	89,814	2,455,256	-	2,455,256	
<b>Total Governmental Activities Debt</b>	<b>\$ 11,474,864</b>	<b>\$ 6,096,443</b>	<b>\$ 784,049</b>	<b>\$ 16,787,258</b>	<b>\$ 742,893</b>	<b>\$ 16,044,365</b>	
<b>Business-type Activities</b>							
2003 GEFA Loan #DWSRF-11-013	\$ 94,872	\$ -	\$ 10,256	\$ 84,616	\$ 10,256	\$ 74,360	
Harris County Public Improvement Authority Series 2012A revenue bonds	7,280,000	-	435,000	6,845,000	435,000	6,410,000	
Net deferred premiums	170,994	-	12,745	158,249	12,745	145,504	
<b>Total bonded debt</b>	<b>7,545,866</b>	<b>-</b>	<b>458,001</b>	<b>7,087,865</b>	<b>458,001</b>	<b>6,629,864</b>	
2013 Caterpillar capital lease #1	253,487	-	27,296	226,191	33,419	192,772	
2014 Caterpillar capital lease #3	39,645	-	6,917	32,728	8,549	24,179	
2014 Caterpillar capital lease #2	66,991	-	13,259	53,732	16,384	37,348	
2015 Caterpillar capital lease #4	-	94,644	10,279	84,365	17,072	67,293	
Landfill postclosure	264,035	-	14,265	249,770	20,232	229,538	
Compensated absences	63,429	54,415	50,743	67,101	53,681	13,420	
Net pension liability	477,579	-	16,863	460,716	-	460,716	
<b>Total Business-type Activities</b>	<b>\$ 8,711,032</b>	<b>\$ 149,059</b>	<b>\$ 597,623</b>	<b>\$ 8,262,468</b>	<b>\$ 607,338</b>	<b>\$ 7,655,130</b>	

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

Changes in the Development Authority's long-term obligations consisted of the following for the year ended June 30, 2015:

	Total Outstanding 7/1/2014	Additions	Reductions	Total Outstanding 6/30/2015	Amounts Due in One Year	Long-term Portion
Harris County Development Authority						
Series 2008 revenue bonds	\$ 4,397,273	\$ -	\$ 363,232	\$ 4,034,041	\$ 384,057	\$ 3,649,984
Series 2010 revenue bonds	5,455,000	-	30,000	5,425,000	35,000	5,390,000
<b>Total Harris County Development Authority</b>	<b>\$ 9,852,273</b>	<b>\$ -</b>	<b>\$ 393,232</b>	<b>\$ 9,459,041</b>	<b>\$ 419,057</b>	<b>\$ 9,039,984</b>

For governmental and business type activities, the public improvement authority retires the outstanding revenue bonds. The Callaway debt service fund retires the governmental GEFA loan outstanding. The business-type activity GEFA loan is retired by the water fund. The governmental capital leases are retired by the general fund and the business-type activity capital leases are retired by the solid waste fund.

The compensated absences liabilities are paid by each governmental and enterprise fund where the employee works. The net pension liability is retired from the general fund and each applicable enterprise fund. The solid waste retires the postclosure care liability.

**3-1. Pension**

***The Defined Benefit Pension Plan***

**Plan Description.** The Harris County Defined Benefit Pension Plan and Trust, (the "Plan"), is affiliated with the Association of County Commissioners of Georgia Defined Benefit Plan (ACCG), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating counties in Georgia. The authority for the Plan, benefits, vesting and contributions are established by the Board of Commissioners. The Plan is administered by the Government Employee Benefits Corporation of Georgia (GEB Corp). GEB Corp issues a publicly available financial report that includes financial statements and required supplementary information for ACCG. The Plan is a defined benefit pension plan that provides retirement, disability and death benefits to Plan members and beneficiaries.

The ACCG, in its role as the Plan Sponsor, has the sole authority to amend the provisions of the ACCG Plan, as provided in Section 19.03 of the ACCG Plan document. The County retains the authority to amend the adoption agreement, which defines the specific operational provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document.

The Plan is divided into two solo plans, Plan A, which is non-contributory and Plan B which is contributory.

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 3 - Detailed Notes on All Funds (Continued)**

Employees become vested after five years of service to the County. All full-time eligible employees hired prior to January 1, 2015 were participants in the ACCG Plan (Plan) upon employment.

Current membership is as follows:

Retirees, beneficiaries, and disablees currently receiving benefits	77
Terminated participants entitled to but not yet receiving benefits	101
Active employees participating in the plan	254
Total number of participants	432

A copy of the plan’s financial report may be obtained from:

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

**Benefits Provided.**

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to a monthly benefit in the amount of 0.75 percent of average annual compensation up to \$6,600, plus 1.25 percent of average annual compensation over \$6,600, plus \$36 for each year of service payable as a life annuity. Service is limited to 35 years. Compensation is averaged over the highest consecutive five-year period out of the last ten years prior to retirement or termination. These benefit provisions were established by an adoption agreement executed by the County Board of Commissioners.

**Contributions.**

*Plan A:*

County employees are not required to contribute to the Plan. The County contributes the entire cost of the Plan, using the actuarial basis described in the annual valuation report. Section 47-20 of the Georgia Code sets forth the minimum funding standards for local municipal defined benefit pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement.

*Plan B*

The required employee contribution is currently 1.75% of earnings.

The Georgia Constitution enables the governing authority of the County, the Board of Commissioners, to establish, and amend from time-to-time the contribution rates for the County and its plan participants.

The County’s actuarially determined contribution rate for the fiscal year ended December 31, 2014 was \$784,977, or 8.9% of covered-employee payroll. The County’s covered payroll for employees participating in the Plan as of January 1, 2014, (the most recent actuarial valuation date) was \$8,802,806 (based on covered earnings for the preceding year). The County Commissioner provides for the benefits and funding policy through County ordinance and maintains the authority to change the policy.

The Georgia Constitution enables the governing authority of the County, the County Board of Commissioners, to establish, and amend from time-to-time contribution rates for the County and its Plan participants.

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 3 - Detailed Notes on All Funds (Continued)**

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions.** At June 30, 2014, the County reported a net pension liability of \$2,915,982. The net pension liability was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2014. For the year ended June 30, 2015, the County recognized pension expense of \$586,803.

The components of the net pension liability are as follows:

	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability (a)-(b)</b>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Balances at June 30, 2014</b>	\$ 12,055,278	\$ 9,032,629	\$ 3,022,649
Changes for the year:			
Service cost	404,205	-	404,205
Interest	887,863	-	887,863
Employer contributions	-	784,977	(784,977)
Employee Contribution	-	93,811	(93,811)
Net investment income	-	645,094	(645,094)
Benefit payments	(434,221)	(434,221)	-
Administrative expense	-	(43,613)	43,613
Other changes	-	(81,534)	81,534
	<u>          </u>	<u>          </u>	<u>          </u>
Net changes	857,847	964,514	(106,667)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Balances at June 30, 2015</b>	<u>\$ 12,913,125</u>	<u>\$ 9,997,143</u>	<u>\$ 2,915,982</u>
Plan fiduciary net position as a percentage of the total pension liability		77.42%	
Covered employee payroll		\$ 8,802,806	
Net pension liability as a percentage of covered employee payroll		33.13%	

At June 30, 2015, the County reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

	<b>Deferred Outflows of Resources</b>
	<u>          </u>
Pension contributions subsequent to measurement date	\$ -
Net difference between projected and actual earnings on pension plan investments	<u>72,531</u>
Total	<u>\$ 72,531</u>

Any deferred outflows of resources resulting from the County's contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2016. Other amounts reported as deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 3 - Detailed Notes on All Funds (Continued)**

Year Ending December 31		
2016	\$	18,133
2017		18,133
2018		18,133
2019		18,132
Totals	\$	<u>72,531</u>

**Actuarial Assumptions.** The total pension liability in the January 1, 2014 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Future salary increases	4.50% per year with an age based scale
Cost of living adjustments	N/A
Net investment rate of return	7.50%

Healthy mortality rates were based on the RP-2000 Combined Healthy Mortality Table. Disabled rates were derived from a 1977 Social Security Administration study.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 are summarized in the following table:

Benchmark	Asset Allocation	Average 20 Year Return	Weighted 20 Year Return	Average 30 Year Return	Weighted 30 Year Return
S&P 500	30%	8.80%	2.64%	10.74%	3.22%
Barlay's Agg.	30%	5.75%	1.73%	7.80%	2.34%
MSCI EAFE	15%	5.44%	0.82%	9.51%	1.43%
Citi Non US WEBI	5%	5.48%	0.27%	5.48%	0.27%
NAREIT Equity	5%	9.91%	0.50%	11.35%	0.57%
Russell 2000	5%	8.96%	0.45%	9.37%	0.47%
Russell 3000	5%	8.89%	0.44%	10.58%	0.53%
S&P Mid Cap	5%	11.83%	0.59%	13.21%	0.66%
Weighted Return			<u>7.44%</u>		<u>9.49%</u>

**Discount Rate.** The discount rate used to measure the total pension liability was 7.50 percent. The discount rate is determined through a blend of using a building blocks approach based on 20-year benchmarks (25%) and 30-year benchmarks (25%), as well as the forward-looking capital market assumptions for a moderate asset allocation (50%), as determined by UBS. The projection of cash flows used to determine the discount rate assumed that contributions from employer will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

*Sensitivity of the Net Pension Liability to Changes in the Discount Rate.* The following presents what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.50 percent) or one percentage-point higher (8.50 percent) than the current rate:

	Discount Rate	Net Pension Liability
1% decrease	6.50%	\$ 4,629,726
Current discount rate	7.50%	2,915,982
1% increase	8.50%	1,507,730

Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued Association County Commissioners of Georgia GEBCorp financial report.

**Other Plans**

In addition to the plan above, various County employees are covered under the following plans: Georgia Firefighters' Pension Fund, Georgia State Employees' Retirement System (ERS), Magistrates' Retirement Fund of Georgia, Peace Officers' Annuity and Benefit Fund of Georgia, Probate Judges' Retirement Fund of Georgia, Sheriffs' Retirement Fund of Georgia, and Superior Court Clerks' Retirement Fund of Georgia. Further information regarding these plans can be obtained from the plans' annual reports.

**3-J. Fund Equity**

**Fund Balances** – Fund balances are classified as follows:

- **Nonspendable** – The following fund balances are nonspendable because they are not in spendable form:

**General Fund:**

Prepaid items	\$ 104,761
Inventories	333,766
Total	\$ 438,527

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 3 - Detailed Notes on All Funds (Continued)**

- **Restricted** – The following fund balances are legally restricted to specified purposes:

**General Fund**

LMIG-Road projects	\$ 533,179
	<u><u>533,179</u></u>

**2009 SPLOST**

Capital projects	\$ 4,547,017
	<u><u>4,547,017</u></u>

**2014 SPLOST**

Capital projects	\$ 2,707,667
	<u><u>2,707,667</u></u>

**Callaway Debt Service Fund**

Debt service	\$ 24,560
	<u><u>24,560</u></u>

**Public Improvement Authority Fund**

Capital projects	\$ 2,571,476
------------------	--------------

Debt service	532,711
	<u><u>532,711</u></u>

<b>Total Capital Projects/Debt Service Purposes</b>	<b>\$ 3,104,187</b>
	<u><u>3,104,187</u></u>

**Nonmajor Special Revenue Funds:**

Judicial - law library	\$ 54,669
------------------------	-----------

Public safety	539,460
	<u><u>539,460</u></u>

<b>Total Nonmajor Special Revenue Funds:</b>	<b>\$ 594,129</b>
	<u><u>594,129</u></u>

**Nonmajor Capital Projects Funds**

Capital projects	\$ 618,200
	<u><u>618,200</u></u>

- **Committed** – The following fund balance are committed to specified purposes:

**General Fund:**

Recreation facilities	\$ 360,000
	<u><u>360,000</u></u>

- **Assigned** – The following fund balance is assigned to specific purposes:

**Nonmajor Special Revenue Funds**

Health and welfare	\$ 179,426
	<u><u>179,426</u></u>



**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 3 - Detailed Notes on All Funds (Continued)**

- **Unassigned** – The following fund balances include the unassigned amounts:

**General Fund:**

Unassigned	\$ 11,499,343
------------	---------------

**Transportation Investment Act Fund:**

Unassigned (deficit)	\$ (456,182)
----------------------	--------------

**Nonmajor Capital Projects Fund:**

Unassigned (deficit)	\$ (17,504)
----------------------	-------------

**Net Investment in Capital Assets**

The “net investment in capital assets” reported on the government-wide statement of net position as of June 30, 2015 are as follows:

	Governmental Activities	Business-type Activities
Net investment in capital assets		
Cost of capital assets	\$ 81,143,352	\$ 37,016,926
Less accumulated depreciation	36,416,465	14,750,246
Book value	44,726,887	22,266,680
Less capital related debt	14,078,045	7,484,881
Net investment in capital assets	\$ 30,648,842	\$ 14,781,799

**Note 4 - Other Notes**

**4-A. Risk Management**

**Interlocal Risk Management Agency** - The County is exposed to various risks of losses related to torts, thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has joined together with other counties in the state as part of the Interlocal Risk Management Agency (IRMA) for property and liability insurance operated by Association County Commissioners of Georgia (ACCG) and the ACCG-Group Self-Insurance Workers' Compensation Fund (WCSIF), public entity risk pools currently operating as common risk management and insurance programs for member local governments. The ACCG administers both risk pools.

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member governments' contracts and in accordance with the workers' compensation laws of Georgia. The funds are to pay all cost taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation or defense.

*Harris County, Georgia*  
*Notes to the Basic Financial Statements*  
*For the Year Ended June 30, 2015*

**Note 4 - Detailed Notes on All Funds (Continued)**

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

There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

**4-B. Contingent Liabilities**

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

The County was a defendant in several lawsuits at June 30, 2015. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

**4-C. Subsequent Events**

**Airport:**

**Corporate Hangers and Jumbo Hanger** – On July 21, 2015, the Board of County Commissioners voted to proceed to build at the airport, two corporate hangers and a jumbo hanger at an estimated cost of \$1.2 million. On October 2, 2015, the bid award was made for this project at a cost of \$992,648.

**Airport Hanger and Taxilane Development** – On October 2, 2015, the Board of County Commissioners voted to proceed to grade and pave site at the airport at a cost of \$500,510.

**Roads:**

**Washington Road Paving** - On October 2, 2015, the Board of County Commissioners voted to proceed to pave Washington Road at a cost of \$1,353,901.

**Resurfacing Two Roads** – On October 2, 2015, the Board of County Commissioners voted to resurface two roads at a cost of \$1,107,536.

**King's Gap Road** - On October 18, 2015, the Board of County Commissioners voted to pave roads within Kings GAP at a cost of \$465,572 funded by CDBG.

**Library:**

**Construction of New Library** - On December 15, 2015, the Board of County Commissioners voted to proceed to construct a new library at an estimated cost of \$4.825 million.

**Water Treatment Improvements:**

**Water Treatment Plant Improvements – Sedimentation Basin** - On April 5, 2016, the Board of County Commissioners voted to proceed to award a contract for water treatment plant improvements at a cost of \$2,514,000. This project is funded via a loan from Georgia Environmental Facilities Authority (GEFA). The original loan amount from GEFA was \$2,000,000 and on May 3, 2016 the loan amount was increased to \$2,750,000. The interest rate is 1.4%.

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

**Note 4 - Detailed Notes on All Funds (Continued)**

**4-D. Hotel/Motel Lodging Tax**

The County levies a 3% lodging tax in accordance with O.C.G.A. 48-13-51 and expends approximately 75% of the hotel/motel tax collections for the purpose of promoting tourism.

A summary of the transactions for the year ended June 30, 2015 follows:

Lodging tax receipts	<u>\$ 50,188</u>
Disbursements to:	
Harris County Chamber of Commerce	\$ 26,794
Georgia Department of Natural Resources	9,658
Harris County General Fund	<u>13,736</u>
Total tax and investment earnings disbursements	<u>\$ 50,188</u>

**4-E. Prior Period Adjustment**

There are two prior period adjustments for/as of June 30 2015.

**Interfund Reporting** – At June 30, 2014, the County omitted the reporting of a note receivable and a related unearned revenue at the fund level, therefore requiring a restatement of prior periods.

<u>June 30, 2014</u>	<u>Callaway Debt Service Fund</u>	<u>Government-wide</u>
Net position, As Previously Reported	\$ 24,560	\$ 57,204,197
Add note receivable	1,490,934	
Less unearned revenue	<u>(1,490,934)</u>	<u>-</u>
Net Position, As Restated	<u>\$ 24,560</u>	<u>\$ 57,204,197</u>

**Pensions** - The County has implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*, and GASB Statement No. 71 – *Pension Transition for Contributions Made Subsequent to the Measurement Date* in this fiscal year. These statements require the County to restate net position at June 30, 2014 at the government-wide financial reporting level.

**Harris County, Georgia**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2015**

	Water Works Fund	Solid Waste Fund	Airport Fund	Government Wide	Total
Fund balance/net position as previously reported at June 30, 2014	\$ 10,498,762	\$ 4,534,519	\$ 3,400,733	\$ 57,204,197	\$ 75,638,211
Pensions:					
Delete net pension assets obligation	-	-	-	25,899	25,899
Add beginning net pension liability	(332,491)	(132,997)	(12,091)	(2,545,070)	(3,022,649)
Add beginning deferred outflows	86,348	34,539	3,140	660,951	784,978
Fund balance/net position, as restated at June 30, 2014	<u>\$ 10,252,619</u>	<u>\$ 4,436,061</u>	<u>\$ 3,391,782</u>	<u>\$ 55,345,977</u>	<u>\$ 73,426,439</u>

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

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>
<b>Revenues</b>				
Taxes	\$ 11,925,217	\$ 11,869,517	\$ 12,525,148	\$ 655,631
Licenses and permits	168,700	266,000	268,473	2,473
Intergovernmental	557,607	1,041,164	771,699	(269,465)
Charges for services	2,498,650	2,670,801	2,650,497	(20,304)
Fines and forfeitures	500,000	550,000	816,509	266,509
Investment earnings	40,000	58,000	84,971	26,971
Contributions and donations	-	-	-	-
Miscellaneous	3,400	3,400	9,714	6,314
<b>Total Revenues</b>	<u>15,693,574</u>	<u>16,458,882</u>	<u>17,127,011</u>	<u>668,129</u>
<b>Expenditures</b>				
<b>Current:</b>				
General government	5,064,428	5,064,428	5,049,802	14,626
Judicial	1,085,133	1,085,133	1,157,216	(72,083)
Public safety	7,596,447	7,596,447	7,489,488	106,959
Public works	2,539,805	2,539,805	2,544,479	(4,674)
Health and welfare	296,136	296,136	289,819	6,317
Culture and recreation	992,891	990,990	935,654	55,336
Housing and development	349,999	342,499	337,403	5,096
<b>Debt Service:</b>				
Principal	-	-	53,824	(53,824)
Interest	-	-	8,822	(8,822)
<b>Total Expenditures</b>	<u>17,924,839</u>	<u>17,915,438</u>	<u>17,866,507</u>	<u>48,931</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(2,231,265)</u>	<u>(1,456,556)</u>	<u>(739,496)</u>	<u>717,060</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from the sale of capital assets	15,000	-	-	-
Insurance proceeds	-	-	6,285	6,285
Inception of capital leases	-	-	495,613	495,613
Transfers in	-	-	1,070,845	1,070,845
Transfers (out)	-	-	(494,841)	(494,841)
<b>Total Other Financing Sources (Uses)</b>	<u>15,000</u>	<u>-</u>	<u>1,077,902</u>	<u>1,077,902</u>
<b>Net Change in Fund Balances</b>	<u>\$ (2,216,265)</u>	<u>\$ (1,456,556)</u>	338,406	<u>\$ 1,794,962</u>
<b>Fund Balances Beginning of Year</b>			<u>12,492,643</u>	
<b>Fund Balances End of Year</b>			<u>\$ 12,831,049</u>	

**Harris County, Georgia**  
**Required Supplementary Information**  
**Schedule of Changes in the Net Pension Liability and Related Ratios**  
**Last Ten Years**  
**Harris County Defined Benefit Plan**  
**For the Year Ended December 31, 2015**  
**(Unaudited)**

	<b>Year End</b>
	<b>2015</b>
<b>Total pension liability</b>	
Service cost	\$ 404,205
Interest on total pension liability	904,146
Benefit payments, including refunds of employee contributions	(450,504)
Net change in total pension liability	857,847
Total pension liability - beginning	12,055,278
<b>Total pension liability - ending (a)</b>	<b>\$ 12,913,125</b>
 <b>Plan fiduciary net position</b>	
Contributions - employer	\$ 784,977
Contributions - employee	94,654
Net investment income	645,094
Benefit payments, including refunds of employee contributions	(435,064)
Administrative expense	(43,613)
Other	(81,534)
Net change in total pension liability	964,514
Plan fiduciary net position - beginning	9,032,629
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 9,997,143</b>
 <b>Net pension liability (asset) - ending : (a) - (b)</b>	<b>\$ 2,915,982</b>
 Plan's fiduciary net position as a percentage of the total pension liability	77.42%
 Covered-employee payroll	\$ 8,802,806
 Net pension liability as a percentage of covered-employee payroll	33.13%

Note: 2015 was the first year of implementation. Therefore, only one year is shown.

**Harris County, Georgia**  
*Required Supplementary Information*  
*Schedule of Contributions*  
*Last Ten Years*  
**Harris County Defined Benefit Plan**  
**June 30, 2015**  
*(Unaudited)*

	<b>Year End</b>
	<b>2015</b>
Actuarially determined contribution	\$ 784,977
Contributions in relation to the actuarially determined contribution	(784,977)
Contribution deficiency (excess)	\$ -
Covered-employee payroll	\$ 8,802,806
Contributions as a percentage of covered-employee payroll	8.92%

Note: 2015 was the first year of implementation. Therefore, only one year is shown.

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

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,800,081	\$ 4,727,763
Investments	5,392,989	5,661,005
Restricted cash	1,064,540	422,240
Receivables:		
Accounts	-	214,764
Property taxes	190,944	214,476
TAVT	195,853	34,529
Sales taxes	159,195	157,099
Intergovernmental	109,148	68,000
Interest	21,958	3,550
Interfund	4,371,200	2,149,087
Development authority	15	825
Inventory	333,766	502,083
Prepaid items	104,761	183,622
<b>Total Assets</b>	<u>\$ 13,744,450</u>	<u>\$ 14,339,043</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 327,772	\$ 1,184,839
Retainage payable	1,262	-
Accrued expenditures payable	499,082	522,916
Interfund payable	16,572	60,435
<b>Total Liabilities</b>	844,688	1,768,190
<b>Deferred Inflows of Resources - Property Taxes</b>	68,713	78,046
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>913,401</u>	<u>1,846,236</u>
<b>Fund Balances</b>		
Non-spendable - not in spendable form	438,527	685,705
Restricted for roads	533,179	-
Committed for recreation facilities	360,000	-
Assigned	-	297,220
Unassigned	11,499,343	11,509,879
<b>Total Fund Balances</b>	<u>12,831,049</u>	<u>12,492,804</u>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<u>\$ 13,744,450</u>	<u>\$ 14,339,040</u>



**Harris County, Georgia**  
**General Fund**  
*Comparative Statement of Revenues, Expenditures and*  
*Changes in Fund Balances*  
*For the Years Ended June 30, 2015 and 2014*

	<b>2015</b>	<b>2014</b>
<b>Revenues</b>		
Taxes	\$ 12,525,148	\$ 12,299,747
Intergovernmental	771,699	771,633
Licenses and permits	268,473	221,019
Charges for services	2,650,497	2,524,223
Fines and forfeitures	816,509	812,939
Investment earnings	84,971	31,950
Contributions and donations	-	700,000
Miscellaneous	9,714	2,298
<b>Total Revenues</b>	<b>17,127,011</b>	<b>17,363,809</b>
<b>Expenditures</b>		
<b>Current:</b>		
General government	5,049,802	5,593,859
Judicial	1,157,216	1,075,261
Public safety	7,489,488	7,134,230
Public works	2,544,479	3,400,000
Health and welfare	289,819	285,242
Culture and recreation	935,654	1,657,982
Housing and development	337,403	334,226
Principal	53,824	-
Interest	8,822	7,957
<b>Total Expenditures</b>	<b>17,866,507</b>	<b>19,488,757</b>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	<b>(739,496)</b>	<b>(2,124,948)</b>
<b>Other Financing Sources (Uses)</b>		
Proceeds from capital asset dispositions	-	360,000
Insurance proceeds	6,285	13,879
Inception of capital leases	495,613	-
Transfers in	1,070,845	992,852
Transfers (out)	(494,841)	(938,996)
<b>Other Financing Sources (Uses)</b>	<b>1,077,902</b>	<b>427,735</b>
<b>Net Change in Fund Balances</b>	<b>338,406</b>	<b>(1,697,213)</b>
<b>Fund Balances Beginning of Year</b>	<b>12,492,643</b>	<b>14,190,017</b>
<b>Fund Balances End of Year</b>	<b>\$ 12,831,049</b>	<b>\$ 12,492,804</b>

**Harris County, Georgia**  
**General Fund**  
*Schedule of Revenues and Other Financing Sources - Budget and Actual*  
*For the Year Ended June 30, 2015*  
*(With Comparative Actual Amounts for The Year Ended June 30, 2014)*

	<b>2015</b>			<b>2014</b>	
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>	<b>Actual</b>
<b>Revenues</b>					
<b>Taxes</b>					
Real property					
Current	\$ 7,074,999	\$ 6,930,000	\$ 6,919,297	\$ (10,703)	\$ 6,911,391
Delinquent	172,000	57,775	75,408	17,633	161,201
Timber	22,000	25,163	29,611	4,448	34,564
Personal property					
Motor vehicle tax	515,000	749,900	329,300	(420,600)	457,165
Motor vehicle title ad valorem tax (TAVT)	-	374,900	1,276,083	901,183	898,439
Mobile home	12,000	12,000	9,750	(2,250)	10,232
Intangibles	168,000	117,200	134,230	17,030	133,487
Railroad	5,000	5,000	5,195	195	10,330
Real estate transfer tax	27,000	27,000	34,199	7,199	36,621
Franchise taxes	75,000	41,000	41,633	633	66,785
Local option sales and use tax	2,042,000	1,650,000	1,801,228	151,228	1,745,401
Business taxes					
Alcoholic beverage excise tax	180,000	180,000	178,124	(1,876)	178,696
Business and occupation tax	80,000	55,000	52,282	(2,718)	53,574
Financial institutions	25,000	25,000	25,858	858	25,060
Insurance premium tax	1,319,218	1,359,579	1,359,579	-	1,288,299
Penalties and interest on delinquent taxes					
FIFA	18,000	32,000	32,234	234	39,095
Interest and penalties	190,000	228,000	221,137	(6,863)	249,407
<b>Total Taxes</b>	<b>11,925,217</b>	<b>11,869,517</b>	<b>12,525,148</b>	<b>655,631</b>	<b>12,299,747</b>
<b>Licenses and Permits</b>					
Business licenses - alcoholic beverages	47,700	47,700	49,130	1,430	49,507
Non - business licenses and permits					
Building permits	120,000	216,000	216,243	243	170,512
Manufactured housing permits	1,000	2,300	3,100	800	1,000
<b>Total Licenses and Permits</b>	<b>168,700</b>	<b>266,000</b>	<b>268,473</b>	<b>2,473</b>	<b>221,019</b>
<b>Intergovernmental</b>					
State					
LMIG - PW	548,000	533,000	533,179	179	535,007
DOT - PW	-	407,000	210,853	(196,147)	197,098
EMA - PS	9,607	33,907	11,750	(22,157)	10,107
CDBG - PW	-	67,257	-	(67,257)	-
Wellness grant - GG	-	-	1,056	1,056	3,000
Miscellaneous - GG	-	-	14,861	14,861	26,421
<b>Total Intergovernmental</b>	<b>557,607</b>	<b>1,041,164</b>	<b>771,699</b>	<b>(269,465)</b>	<b>771,633</b>
Totals carried forward	12,651,524	13,176,681	13,565,320	388,639	13,292,399

(continued)

**Harris County, Georgia**  
**General Fund**  
*Schedule of Revenues and Other Financing Sources - Budget and Actual*  
*For the Year Ended June 30, 2015*  
*(With Comparative Actual Amounts for The Year Ended June 30, 2014)*

(continued)

	2015			2014	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Brought forward	\$ 12,651,524	\$ 13,176,681	\$ 13,565,320	\$ 388,639	\$ 13,292,399
<b>Revenues</b>					
<b>Charges for Services</b>					
General government					
Sale of maps	600	600	1,676	1,076	1,620
Sale of computer lists	250	250	-	(250)	723
Copies and facsimiles	500	500	505	5	583
Commissions on tax collections	550,000	570,000	570,223	223	569,946
Judicial					
Superior court website fees	2,800	2,800	3,800	1,000	3,600
Public safety					
Ambulance	635,000	635,000	665,314	30,314	604,713
Corrections - boarding	800,000	943,000	874,395	(68,605)	831,981
Corrections - reimbursements	2,500	2,500	2,328	(172)	774
State inmate boarding	105,000	65,000	64,519	(481)	51,719
Federal prison commission	35,000	35,000	40,368	5,368	33,648
Telephone - jail	15,000	15,000	7,722	(7,278)	12,037
Telephone - corrections	10,000	10,000	14,044	4,044	17,463
Sheriff receipts	20,000	29,000	36,956	7,956	49,192
School resource officer	50,000	50,000	50,816	816	50,816
Child support fees	-	-	484	484	684
Public works					
DOT crew	60,000	39,500	39,500	-	98,139
Pipe sales	46,000	46,000	37,587	(8,413)	36,932
Work crew - City of Manchester	43,000	43,000	44,005	1,005	39,625
Road funding - cities	-	28,651	28,651	-	-
Animal control fees	500	500	1,732	1,232	760
Culture and recreation					
Community center	115,000	97,000	104,549	7,549	113,788
Agricenter - cattlemen's association	-	50,000	50,000	-	-
Health and welfare					
Mental retardation center	1,000	1,000	-	(1,000)	-
Mental health center	1,000	1,000	-	(1,000)	-
Housing and development					
Zoning fees and appeals	500	500	1,290	790	460
Soil and erosion permits	500	500	530	30	-
Plat and plan review fees	4,500	4,500	9,503	5,003	5,020
<b>Total Charges for Services</b>	<b>2,498,650</b>	<b>2,670,801</b>	<b>2,650,497</b>	<b>(20,304)</b>	<b>2,524,223</b>
<b>Fines and Forfeitures</b>					
Superior court - general	165,000	125,000	117,392	(7,608)	140,405
Superior court - criminal	78,000	102,000	95,290	(6,710)	81,959
Magistrate court	52,000	52,000	45,885	(6,115)	52,525
Probate court	500,000	550,000	557,942	7,942	538,050
<b>Total Fines and Forfeitures</b>	<b>795,000</b>	<b>829,000</b>	<b>816,509</b>	<b>(12,491)</b>	<b>812,939</b>
<b>Investment Earnings</b>	<b>40,000</b>	<b>58,000</b>	<b>84,971</b>	<b>26,971</b>	<b>31,950</b>
<b>Contributions and Donations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>700,000</b>
<b>Miscellaneous</b>					
Rents and royalties	900	900	870	(30)	838
Other					
Commissions on child support	1,000	1,000	-	(1,000)	-
Vendor discount	1,000	1,000	-	(1,000)	903
Timber rights receipts	500	500	-	(500)	511
Sale of surplus property	-	-	8,683	8,683	-
Miscellaneous	-	-	161	-	46
<b>Total Miscellaneous</b>	<b>3,400</b>	<b>3,400</b>	<b>9,714</b>	<b>6,153</b>	<b>2,298</b>
<b>Total Revenues</b>	<b>15,988,574</b>	<b>16,737,882</b>	<b>17,127,011</b>	<b>388,968</b>	<b>17,363,809</b>
<b>Other Financing Sources:</b>					
Proceeds from the sale of capital assets	-	-	-	-	360,000
Insurance proceeds	-	-	6,285	6,285	13,879
Inception of capital lease	-	-	495,613	495,613	-
Transfers in					
Public improvement authority	-	947,000	947,458	458	-
2014 SPLOST	-	-	46,037	46,037	-
Transportation Investment Act	110,000	63,000	63,614	614	981,114
E911	550,000	495,000	-	(495,000)	-
..	15,000	15,000	13,736	(1,264)	11,738
<b>Total Other Financing Sources</b>	<b>675,000</b>	<b>1,520,000</b>	<b>1,572,743</b>	<b>52,743</b>	<b>1,366,731</b>
<b>Total Revenues and Other Financing Sources</b>	<b>\$ 16,663,574</b>	<b>\$ 18,257,882</b>	<b>\$ 18,699,754</b>	<b>\$ 441,711</b>	<b>\$ 18,730,540</b>

**Harris County, Georgia**  
**General Fund**  
*Schedule of Expenditures and Other Financing Uses - Budget and Actual*  
*For the Year Ended June 30, 2015*  
*(With Comparative Actual Amounts for The Year Ended June 30, 2014)*

	2015			Variance With Final Budget	2014
	Original Budget	Final Budget	Actual		Actual
<b>Expenditures</b>					
<b>General Government</b>					
<b>Voter Registration</b>					
Personal services	\$ 19,854	\$ 19,854	\$ 21,735	\$ (1,881)	\$ 21,558
Purchased/contracted services	30,185	30,185	28,634	1,551	27,192
Supplies	600	600	346	254	629
<b>Total Elections</b>	<u>50,639</u>	<u>50,639</u>	<u>50,715</u>	<u>(76)</u>	<u>49,379</u>
<b>General Administration</b>					
Personal services	401,798	401,798	400,050	1,748	377,640
Purchased/contracted services	259,965	259,965	269,127	(9,162)	235,490
Supplies	20,600	20,600	17,198	3,402	17,592
Capital outlay	22,000	22,000	19,170	2,830	4,107
<b>Total Administration</b>	<u>704,363</u>	<u>704,363</u>	<u>705,545</u>	<u>(1,182)</u>	<u>634,829</u>
<b>Tax Commissioner</b>					
Personal services	245,469	245,469	236,741	8,728	222,299
Purchased/contracted services	66,042	66,042	59,522	6,520	57,948
Supplies	10,000	10,000	9,491	509	11,728
Capital outlay	1,000	1,000	788	212	5,004
<b>Total Tax Commissioner</b>	<u>322,511</u>	<u>322,511</u>	<u>306,542</u>	<u>15,969</u>	<u>296,979</u>
<b>Tax Assessor</b>					
Personal services	347,735	347,735	313,037	34,698	319,061
Purchased/contracted services	58,575	58,575	51,192	7,383	68,545
Supplies	9,450	9,450	9,092	358	7,451
Capital outlay	-	-	788	(788)	-
<b>Total Tax Assessor</b>	<u>415,760</u>	<u>415,760</u>	<u>374,109</u>	<u>41,651</u>	<u>395,057</u>
Totals carried forward	<u>1,493,273</u>	<u>1,493,273</u>	<u>1,436,911</u>	<u>56,362</u>	<u>1,376,244</u>

(continued)

**Harris County, Georgia**  
**General Fund**  
*Schedule of Expenditures and Other Financing Uses - Budget and Actual*  
*For the Year Ended June 30, 2015*  
*(With Comparative Actual Amounts for The Year Ended June 30, 2014)*

	2015			2014	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 1,493,273	\$ 1,493,273	\$ 1,436,911	\$ 56,362	\$ 1,376,244
<b>Expenditures</b>					
<b>Buildings and Plant</b>					
Personal services	137,826	137,826	138,937	(1,111)	129,948
Purchased/contracted services	95,600	111,800	84,673	27,127	165,345
Supplies	353,800	337,600	331,167	6,433	365,800
Capital outlay	-	-	706	(706)	25,456
<b>Total Buildings and Plant</b>	<b>587,226</b>	<b>587,226</b>	<b>555,483</b>	<b>31,743</b>	<b>686,549</b>
<b>Operations</b>					
Purchased/contracted services	159,951	319,614	191,660	127,954	194,341
Supplies	137,000	137,000	67,967	69,033	102,497
Capital outlay	102,050	176,050	175,163	887	909,298
Intergovernmental	214,963	74,800	76,963	(2,163)	361,498
<b>Total Operations</b>	<b>613,964</b>	<b>707,464</b>	<b>511,753</b>	<b>195,711</b>	<b>1,567,634</b>
<b>Pensions and Insurance</b>					
Pensions	775,000	907,000	865,169	41,831	729,877
Unemployment	18,000	38,000	31,923	6,077	19,842
Workers compensation	213,182	277,182	240,149	37,033	115,068
Property and casualty	176,783	330,783	174,335	156,448	161,570
Group health/life	1,187,000	1,097,000	1,234,079	(137,079)	937,075
<b>Total Pensions and Insurance</b>	<b>2,369,965</b>	<b>2,649,965</b>	<b>2,545,655</b>	<b>104,310</b>	<b>1,963,432</b>
<b>Total General Government</b>	<b>5,064,428</b>	<b>5,437,928</b>	<b>5,049,802</b>	<b>388,126</b>	<b>5,593,859</b>
<b>Judicial</b>					
<b>Superior Court</b>					
Personal services	267,522	267,522	267,065	457	260,341
Purchased/contracted services	65,811	65,811	61,897	3,914	56,772
Supplies	15,000	15,000	12,516	2,484	14,118
Capital outlay	1,000	1,000	813	187	271
<b>Total Superior Court</b>	<b>349,333</b>	<b>349,333</b>	<b>342,291</b>	<b>7,042</b>	<b>331,502</b>
<b>Probate Court</b>					
Personal services	165,424	165,424	146,854	18,570	147,004
Purchased/contracted services	7,295	7,295	5,429	1,866	5,785
Supplies	8,000	8,000	11,597	(3,597)	12,639
Capital outlay	1,000	1,000	246	754	796
<b>Total Probate Court</b>	<b>181,719</b>	<b>181,719</b>	<b>164,126</b>	<b>17,593</b>	<b>166,224</b>
<b>Court Services</b>					
Personal services	358,502	358,502	358,502	-	-
Purchased/contracted services	150,920	150,920	149,380	1,540	135,792
Supplies	185,200	185,200	170,109	15,091	177,313
Capital outlay	1,000	1,000	1,218	(218)	2,376
Capital outlay	-	-	-	-	14,975
<b>Total Court Services</b>	<b>337,120</b>	<b>337,120</b>	<b>320,707</b>	<b>16,413</b>	<b>330,456</b>
<b>Magistrate Court</b>					
Personal services	165,553	165,553	151,865	13,688	149,526
Purchased/contracted services	10,300	10,300	8,708	1,592	10,125
Supplies	2,200	2,200	2,459	(259)	1,558
Capital outlay	300	300	399	(99)	2,151
<b>Total Magistrate Court</b>	<b>178,353</b>	<b>178,353</b>	<b>163,431</b>	<b>14,922</b>	<b>163,360</b>
Totals carried forward	6,110,953	6,484,453	6,040,357	444,096	6,585,401

**Harris County, Georgia**  
**General Fund**  
*Schedule of Expenditures and Other Financing Uses - Budget and Actual*  
*For the Year Ended June 30, 2015*  
*(With Comparative Actual Amounts for The Year Ended June 30, 2014)*

	<b>2015</b>			<b>2014</b>	
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>	<b>Actual</b>
Totals brought forward	\$ 6,110,953	\$ 6,484,453	\$ 6,040,357	\$ 444,096	\$ 6,585,401
<b>Expenditures</b>					
<b>Judicial (Continued)</b>					
<b>Assistant District Attorney</b>					
Personal services	251,419	251,419	235,172	16,247	111,027
Purchased/contracted services	9,450	9,450	15,691	(6,241)	4,601
Supplies	12,000	12,000	6,561	5,439	10,401
Capital outlay	3,000	3,000	1,516	1,484	2,209
District attorney reimbursement	(58,908)	(58,908)	(92,279)	33,371	(44,519)
<b>Total Assistant District Attorney</b>	<b>216,961</b>	<b>216,961</b>	<b>166,661</b>	<b>50,300</b>	<b>83,719</b>
<b>Total Judicial</b>	<b>1,085,133</b>	<b>1,085,133</b>	<b>1,157,216</b>	<b>91,348</b>	<b>1,075,261</b>
Totals carried forward	6,327,914	6,701,414	6,207,018	494,396	6,669,120

(continued)

**Harris County, Georgia**  
**General Fund**  
*Schedule of Expenditures and Other Financing Uses - Budget and Actual*  
*For the Year Ended June 30, 2015*  
*(With Comparative Actual Amounts for The Year Ended June 30, 2014)*

	<b>2015</b>			<b>2014</b>	
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>	<b>Actual</b>
Totals brought forward	\$ 6,327,914	\$ 6,701,414	\$ 6,207,018	\$ 494,396	\$ 6,669,120
<b>Expenditures</b>					
<b>Public Safety</b>					
<b>Sheriff</b>					
Personal services	2,088,548	2,088,548	2,012,502	76,046	1,994,315
Purchased/contracted services	132,881	132,881	111,171	21,710	88,993
Supplies	331,500	331,500	280,707	50,793	319,552
Capital outlay	32,520	32,520	275,404	(242,884)	39,847
<b>Total Sheriff</b>	<b>2,585,449</b>	<b>2,585,449</b>	<b>2,679,784</b>	<b>(94,335)</b>	<b>2,442,707</b>
<b>Emergency Medical</b>					
Personal services	1,441,153	1,441,153	1,432,881	8,272	1,415,826
Purchased/contracted services	64,700	64,700	103,931	(39,231)	64,237
Supplies	126,500	126,500	103,770	22,730	104,623
Capital outlay	-	-	189	(189)	2,389
<b>Total Courthouse Security</b>	<b>1,632,353</b>	<b>1,632,353</b>	<b>1,640,771</b>	<b>(8,418)</b>	<b>1,587,075</b>
<b>Jail Operations</b>					
Personal services	925,483	925,483	923,003	2,480	879,758
Purchased/contracted services	384,501	384,501	376,532	7,969	367,659
Supplies	7,500	7,500	7,204	296	3,891
Capital outlay	13,000	13,000	20,396	(7,396)	3,383
<b>Total Jail Operations</b>	<b>1,330,484</b>	<b>1,330,484</b>	<b>1,327,135</b>	<b>3,349</b>	<b>1,254,691</b>
<b>Law Enforcement Center</b>					
Purchased/contracted services	34,795	34,795	36,639	(1,844)	33,472
Supplies	91,000	91,000	73,668	17,332	77,326
<b>Total Law Enforcement Center</b>	<b>125,795</b>	<b>125,795</b>	<b>110,307</b>	<b>15,488</b>	<b>110,798</b>
<b>Corrections</b>					
Personal services	906,811	906,811	828,967	77,844	817,651
Purchased/contracted services	211,583	211,583	185,423	26,160	210,324
Supplies	251,300	251,300	231,285	20,015	251,099
Capital outlay	99,043	99,043	26,975	72,068	-
<b>Total Corrections</b>	<b>1,468,737</b>	<b>1,468,737</b>	<b>1,272,650</b>	<b>196,087</b>	<b>1,279,074</b>
Totals carried forward	13,470,732	13,844,232	13,237,665	606,567	13,343,465

**Harris County, Georgia**  
**General Fund**  
*Schedule of Expenditures and Other Financing Uses - Budget and Actual*  
*For the Year Ended June 30, 2015*  
*(With Comparative Actual Amounts for The Year Ended June 30, 2014)*

	<b>2015</b>			<b>2014</b>	
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>	<b>Actual</b>
Totals brought forward	\$ 13,470,732	\$ 13,844,232	\$ 13,237,665	\$ 606,567	\$ 13,343,465
<b>Expenditures</b>					
<b>Public Safety (Continued)</b>					
<b>Coroner</b>					
Personal services	16,396	16,396	13,133	3,263	12,918
Purchased/contracted services	22,950	22,950	24,212	(1,262)	21,941
Supplies	1,750	1,750	844	906	458
<b>Total Coroner/Medical Examiner</b>	<b>41,096</b>	<b>41,096</b>	<b>38,189</b>	<b>2,907</b>	<b>35,317</b>
<b>Fire Prevention</b>					
Purchased/contracted services	311,533	311,533	283,184	28,349	207,777
Supplies	1,000	1,000	(309)	1,309	859
Capital outlay	100,000	100,000	137,777	(37,777)	215,932
<b>Total Fire Prevention</b>	<b>412,533</b>	<b>412,533</b>	<b>420,652</b>	<b>(8,119)</b>	<b>424,568</b>
<b>Total Public Safety</b>	<b>7,596,447</b>	<b>7,596,447</b>	<b>7,489,488</b>	<b>106,959</b>	<b>7,134,230</b>
<b>Public Works</b>					
<b>Road Maintenance</b>					
Personal services	576,641	576,641	561,090	15,551	516,071
Purchased/contracted services	82,750	82,750	81,985	765	79,928
Supplies	353,900	353,900	273,373	80,527	294,879
Capital outlay	1,216,129	1,216,129	1,154,487	61,642	2,230,795
<b>Total Road Maintenance</b>	<b>2,229,420</b>	<b>2,229,420</b>	<b>2,070,935</b>	<b>158,485</b>	<b>3,121,673</b>
<b>Animal Control</b>					
Personal services	56,685	56,685	56,976	(291)	43,985
Purchased/contracted services	4,927	4,927	10,597	(5,670)	2,150
Supplies	7,796	7,796	6,268	1,528	6,888
Capital outlay	1,473	1,473	867	606	2,069
<b>Total Animal Control</b>	<b>70,881</b>	<b>70,881</b>	<b>74,708</b>	<b>(3,827)</b>	<b>55,092</b>
<b>Vehicle Maintenance</b>					
Personal services	196,994	196,994	197,916	(922)	172,731
Purchased/contracted services	11,110	11,110	10,505	605	9,412
Supplies	23,500	23,500	180,978	(157,478)	17,967
Capital outlay	7,900	7,900	9,437	(1,537)	23,125
<b>Total Vehicle Maintenance</b>	<b>239,504</b>	<b>239,504</b>	<b>398,836</b>	<b>(159,332)</b>	<b>223,235</b>
<b>Total Public Works</b>	<b>2,539,805</b>	<b>2,539,805</b>	<b>2,544,479</b>	<b>(4,674)</b>	<b>3,400,000</b>
Totals carried forward	16,464,166	16,837,666	16,240,985	596,681	17,203,350

(continued)



**Harris County, Georgia**  
**General Fund**  
*Schedule of Expenditures and Other Financing Uses - Budget and Actual*  
*For the Year Ended June 30, 2015*  
*(With Comparative Actual Amounts for The Year Ended June 30, 2014)*

	<b>2015</b>			<b>2014</b>	
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance With Final Budget</b>	<b>Actual</b>
Totals brought forward	\$ 16,464,166	\$ 16,837,666	\$ 16,240,985	\$ 596,681	\$ 17,203,350
<b>Expenditures</b>					
<b>Health and Welfare</b>					
<b>Child Support</b>					
Personal services	5,821	5,821	5,652	169	5,371
Purchased/contracted services	245	245	161	84	165
<b>Total Child Support</b>	<b>6,066</b>	<b>6,066</b>	<b>5,813</b>	<b>253</b>	<b>5,536</b>
<b>Health Department</b>					
Purchased/contracted services	256,000	256,000	256,000	-	256,007
<b>Public Services</b>					
Purchased/contracted services	26,570	26,570	23,905	2,665	20,106
Supplies	7,500	7,500	4,101	3,399	3,593
<b>Total Public Services</b>	<b>34,070</b>	<b>34,070</b>	<b>28,006</b>	<b>6,064</b>	<b>23,699</b>
<b>Total Health and Welfare</b>	<b>296,136</b>	<b>296,136</b>	<b>289,819</b>	<b>6,317</b>	<b>285,242</b>
<b>Culture and Recreation</b>					
<b>Culture:</b>					
Libraries	225,907	225,907	206,320	19,587	214,864
<b>Recreation:</b>					
Personal services	197,052	197,052	194,153	2,899	189,050
Purchased/contracted services	135,475	135,475	117,565	17,910	132,559
Supplies	90,400	90,400	81,022	9,378	82,552
Capital outlay	14,200	14,200	12,537	1,663	700,693
<b>Total Recreation</b>	<b>437,127</b>	<b>437,127</b>	<b>405,277</b>	<b>31,850</b>	<b>1,104,854</b>
<b>Community Center:</b>					
Personal services	134,257	82,356	117,453	(35,097)	117,951
Purchased/contracted services	78,850	78,850	90,993	(12,143)	53,403
Supplies	114,850	114,850	114,617	233	115,385
<b>Total Community Center</b>	<b>327,957</b>	<b>276,056</b>	<b>323,063</b>	<b>(47,007)</b>	<b>286,739</b>
<b>Agricultural Center</b>					
Purchased/contracted services	\$ -	\$ -	\$ 494	\$ (494)	\$ -
Supplies	1,900	1,900	-	1,900	1,089
Capital outlay		50,000	500	49,500	50,436
<b>Total Agricultural Center</b>	<b>1,900</b>	<b>51,900</b>	<b>994</b>	<b>50,906</b>	<b>51,525</b>
<b>Total Culture and Recreation</b>	<b>992,891</b>	<b>990,990</b>	<b>935,654</b>	<b>55,336</b>	<b>1,657,982</b>
Totals carried forward	17,753,193	18,124,792	17,466,458	658,334	19,146,574

(continued)

**Harris County, Georgia**  
**General Fund**  
*Schedule of Expenditures and Other Financing Uses - Budget and Actual*  
*For the Year Ended June 30, 2015*  
*(With Comparative Actual Amounts for The Year Ended June 30, 2014)*

	2015			2014	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
Totals brought forward	\$ 17,753,193	\$ 18,124,792	\$ 17,466,458	\$ 658,334	\$ 19,146,574
<b>Expenditures</b>					
<b>Housing and Development (Continued)</b>					
<b>County Engineer</b>					
Purchased/contracted services	-	-	-	-	28,173
<b>Community Development</b>					
Personal services	233,429	233,429	235,212	(1,783)	198,288
Purchased/contracted services	12,812	12,812	8,868	3,944	12,237
Supplies	14,200	14,200	12,299	1,901	10,952
Capital outlay	2,300	2,300	1,500	800	-
<b>Total Community Development</b>	<b>262,741</b>	<b>262,741</b>	<b>257,879</b>	<b>4,862</b>	<b>221,477</b>
<b>Extension Services</b>					
Personal services	58,458	58,458	57,717	741	54,944
Purchased/contracted services	19,300	19,300	19,807	(507)	16,260
Supplies	2,000	2,000	2,000	-	3,478
<b>Total Extension Services</b>	<b>79,758</b>	<b>79,758</b>	<b>79,524</b>	<b>234</b>	<b>74,682</b>
<b>Economic Development</b>					
Purchased/contracted services	7,500	-	-	-	9,894
<b>Total Housing and Development</b>	<b>349,999</b>	<b>342,499</b>	<b>337,403</b>	<b>5,096</b>	<b>334,226</b>
<b>Debt Service</b>					
Principal	-	-	53,824	(53,824)	-
Interest	-	-	8,822	(8,822)	7,957
<b>Total Debt Service</b>	<b>-</b>	<b>-</b>	<b>62,646</b>	<b>(62,646)</b>	<b>7,957</b>
<b>Total Expenditures</b>	<b>18,103,192</b>	<b>18,467,291</b>	<b>17,866,507</b>	<b>600,784</b>	<b>19,488,757</b>
<b>Other Financing Uses</b>					
Transfers out:					
E-911	550,000	-	56,493	(56,493)	45,849
2009 SPLOST	-	-	209,224	(209,224)	-
2014 SPLOST	-	-	-	-	133
Airport	-	356,067	229,124	126,943	893,014
<b>Total Other Financing Uses</b>	<b>550,000</b>	<b>356,067</b>	<b>494,841</b>	<b>(138,774)</b>	<b>938,996</b>
<b>Total Expenditures and Other Financing Uses</b>	<b>\$ 18,653,192</b>	<b>\$ 18,823,358</b>	<b>\$ 18,361,348</b>	<b>\$ 462,010</b>	<b>\$ 20,427,753</b>

**Harris County, Georgia**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds - By Fund Type**  
**June 30, 2015**

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 1,391,281	\$ 672,181	\$ 2,063,462
Receivables:			
Accounts	122,289	-	122,289
Intergovernmental	-	56,482	56,482
Interfund	-	5,269	5,269
<b>Total Assets</b>	<b>\$ 1,513,570</b>	<b>\$ 733,932</b>	<b>\$ 2,247,502</b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable	\$ 10,872	\$ -	\$ 10,872
Accrued expenditures payable	13,392	-	13,392
Interfund payable	715,751	133,236	848,987
<b>Total Liabilities</b>	<b>740,015</b>	<b>133,236</b>	<b>873,251</b>
<b>Fund Balances</b>			
Restricted	594,129	618,200	1,212,329
Assigned	179,426	-	179,426
Unrestricted (deficit)	-	(17,504)	(17,504)
<b>Total Fund Balances</b>	<b>773,555</b>	<b>600,696</b>	<b>1,374,251</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,513,570</b>	<b>\$ 733,932</b>	<b>\$ 2,247,502</b>

**Harris County, Georgia**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
**Nonmajor Governmental Funds - By Fund Type**  
*For the Year Ended June 30, 2015*

	<b>Nonmajor Special Revenue Funds</b>	<b>Nonmajor Capital Projects Funds</b>	<b>Total Nonmajor Governmental Funds</b>
<b>Revenues</b>			
Taxes	\$ 50,188	\$ -	\$ 50,188
Intergovernmental	-	132,239	132,239
Charges for services	653,851	-	653,851
Fines and forfeitures	83,430	-	83,430
Miscellaneous	-	5,269	5,269
<b>Total Revenues</b>	<u>787,469</u>	<u>137,508</u>	<u>924,977</u>
<b>Expenditures</b>			
<b>Current:</b>			
Judicial	4,634	-	4,634
Public safety	669,222	-	669,222
Housing and development	36,452	153,343	189,795
<b>Intergovernmental</b>	-	11,819	11,819
<b>Capital Outlay</b>	<u>109,477</u>	<u>63,027</u>	<u>172,504</u>
<b>Total Expenditures</b>	<u>819,785</u>	<u>228,189</u>	<u>1,047,974</u>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	<u>(32,316)</u>	<u>(90,681)</u>	<u>(122,997)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers in	56,493	-	56,493
Transfers out	(13,736)	-	(13,736)
<b>Total Other Financing Sources</b>	<u>42,757</u>	<u>-</u>	<u>42,757</u>
<b>Net Change in Fund Balances</b>	10,441	(90,681)	(80,240)
<b>Fund Balances Beginning of Year</b>	<u>763,114</u>	<u>691,377</u>	<u>1,454,491</u>
<b>Fund Balances End of Year</b>	<u>\$ 773,555</u>	<u>\$ 600,696</u>	<u>\$ 1,374,251</u>

**Harris County, Georgia**  
**Combining Balance Sheet**  
**Nonmajor Special Revenue Funds**  
**June 30, 2015**

	<b>Hotel Motel Tax</b>	<b>Emergency 911</b>	<b>Law Library</b>	<b>Mental Health Center</b>	<b>Mental Retardation Center</b>	<b>Drug Abuse Treatment</b>	<b>Jail Fee</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Assets</b>								
Cash and cash equivalents	\$ 2,925	\$ 616,048	\$ 54,669	\$ 74,319	\$ 105,107	\$ 64,534	\$ 473,679	\$ 1,391,281
Accounts receivable	12,531	108,511	-	-	-	244	1,003	122,289
<b>Total Assets</b>	<b>\$ 15,456</b>	<b>\$ 724,559</b>	<b>\$ 54,669</b>	<b>\$ 74,319</b>	<b>\$ 105,107</b>	<b>\$ 64,778</b>	<b>\$ 474,682</b>	<b>\$ 1,513,570</b>
<b>Total Liabilities and Fund Balances</b>								
<b>Liabilities</b>								
Accounts payable	\$ 10,872	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,872
Accrued expenditures payable	-	13,392	-	-	-	-	-	13,392
Interfund payable	4,584	711,167	-	-	-	-	-	715,751
<b>Total Liabilities</b>	<b>15,456</b>	<b>724,559</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>740,015</b>
<b>Fund Balances</b>								
Restricted	-	-	54,669	-	-	64,778	474,682	594,129
Assigned	-	-	-	74,319	105,107	-	-	179,426
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>54,669</b>	<b>74,319</b>	<b>105,107</b>	<b>64,778</b>	<b>474,682</b>	<b>773,555</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 15,456</b>	<b>\$ 724,559</b>	<b>\$ 54,669</b>	<b>\$ 74,319</b>	<b>\$ 105,107</b>	<b>\$ 64,778</b>	<b>\$ 474,682</b>	<b>\$ 1,513,570</b>

**Harris County, Georgia**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Special Revenue Funds**  
**For the Year Ended June 30, 2015**

	<b>Hotel Motel Tax</b>	<b>E911</b>	<b>Law Library</b>	<b>Mental Health Center</b>	<b>Mental Retardation Center</b>	<b>Drug Abuse Treatment</b>	<b>Jail Fee</b>	<b>Nonmajor Special Revenue Funds</b>
<b>Revenues</b>								
Taxes	\$ 50,188	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,188
Charges for services	-	596,768	-	6,000	6,000	45,083	-	653,851
Fines and forfeitures	-	-	10,595	-	-	-	72,835	83,430
<b>Total Revenues</b>	<u>50,188</u>	<u>596,768</u>	<u>10,595</u>	<u>6,000</u>	<u>6,000</u>	<u>45,083</u>	<u>72,835</u>	<u>787,469</u>
<b>Expenditures</b>								
<b>Current:</b>								
Judicial	-	-	4,634	-	-	-	-	4,634
Public safety	-	653,261	-	-	-	-	15,961	669,222
Housing and development	36,452	-	-	-	-	-	-	36,452
<b>Capital Outlay</b>	-	-	-	-	-	109,477	-	109,477
<b>Total Expenditures</b>	<u>36,452</u>	<u>653,261</u>	<u>4,634</u>	<u>-</u>	<u>-</u>	<u>109,477</u>	<u>15,961</u>	<u>819,785</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>13,736</u>	<u>(56,493)</u>	<u>5,961</u>	<u>6,000</u>	<u>6,000</u>	<u>(64,394)</u>	<u>56,874</u>	<u>(32,316)</u>
<b>Other Financing Sources (Uses)</b>								
Transfers in	-	56,493	-	-	-	-	-	56,493
Transfers out	(13,736)	-	-	-	-	-	-	(13,736)
<b>Total Other Financing Sources (Uses)</b>	<u>(13,736)</u>	<u>56,493</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,757</u>
<b>Net Change in Fund Balances</b>	<u>-</u>	<u>-</u>	<u>5,961</u>	<u>6,000</u>	<u>6,000</u>	<u>(64,394)</u>	<u>56,874</u>	<u>10,441</u>
<b>Fund Balances Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>48,708</u>	<u>68,319</u>	<u>99,107</u>	<u>129,172</u>	<u>417,808</u>	<u>763,114</u>
<b>Fund Balances End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 54,669</u>	<u>\$ 74,319</u>	<u>\$ 105,107</u>	<u>\$ 64,778</u>	<u>\$ 474,682</u>	<u>\$ 773,555</u>

**Harris County, Georgia**  
**Comparative Balance Sheet**  
**Hotel/Motel Tax Fund**  
**June 30, 2015 and 2014**

---

---

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in pooled cash and investments	\$ 2,925	\$ 3,439
Accounts receivable	<u>12,531</u>	<u>12,073</u>
<b>Total Assets</b>	<u>\$ 15,456</u>	<u>\$ 15,512</u>
<b>Liabilities</b>		
Accounts payable	\$ 10,872	\$ 11,586
Interfund payable	<u>4,584</u>	<u>3,926</u>
<b>Total Liabilities</b>	<u>\$ 15,456</u>	<u>\$ 15,512</u>

**Harris County, Georgia**  
**Comparative Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Hotel/Motel Tax Fund**  
**For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>2015</u>	<u>Variance With Final Budget</u>	<u>2014</u>
<b>Revenues</b>					
Hotel/Motel taxes	\$ 48,000	\$ 48,000	\$ 50,188	\$ 2,188	\$ 44,289
<b>Expenditures</b>					
<b>Current</b>					
Housing and development	48,000	48,000	36,452	11,548	33,391
<b>Excess of Revenue Over Expenditures</b>	-	-	13,736	13,736	10,898
<b>Other Financing Uses</b>					
Transfers out - general fund	-	-	(13,736)	(13,736)	(11,737)
<b>Net Changes in Fund Balances</b>	-	-	-	-	(839)
<b>Fund Balances Beginning of Year</b>	-	-	-	-	839
<b>Fund Balances End of Year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**Harris County, Georgia**  
**E-911 Fund**  
**Comparative Balance Sheets**  
**June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 616,048	\$ 495,823
Accounts receivable	108,511	127,791
<b>Total Assets</b>	<u>\$ 724,559</u>	<u>\$ 623,614</u>
<b>Liabilities</b>		
Accrued expenditures	\$ 13,392	\$ 12,691
Interfund payable	711,167	610,923
<b>Total Liabilities</b>	<u>\$ 724,559</u>	<u>\$ 623,614</u>

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

	2015			2014	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
<b>Revenues</b>					
Charges for services - landline	\$ 196,666	\$ 242,021	\$ 213,498	\$ (28,523)	\$ 237,387
Charges for services - cell	319,334	392,979	383,270	(9,709)	385,454
<b>Total Revenues</b>	516,000	635,000	596,768	(38,232)	622,841
<b>Expenditures</b>					
<b>Current:</b>					
Public safety	516,000	732,419	653,261	79,158	668,690
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	(97,419)	(56,493)	40,926	(45,849)
<b>Other Financing Sources</b>					
Transfers in	-	-	56,493	56,493	45,849
<b>Net Change in Fund Balances</b>	\$ -	\$ (97,419)	-	\$ 97,419	-
<b>Fund Balances Beginning of Year</b>			-		-
<b>Fund Balances End of Year</b>			\$ -		\$ -

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

---

---

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash and cash equivalents	\$ 54,669	\$ 47,929
Interfund receivables	-	779
<b>Total Assets</b>	<u>\$ 54,669</u>	<u>\$ 48,708</u>
<b>Fund Balances</b>		
Restricted for law library	<u>\$ 54,669</u>	<u>\$ 48,708</u>

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

	2015			2014	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
<b>Revenues</b>					
Fines and forfeitures	\$ 9,800	\$ 9,800	\$ 10,595	\$ 795	\$ 9,571
<b>Expenditures</b>					
<b>Current:</b>					
Judicial	4,200	4,200	4,634	(434)	14,435
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 5,600</u>	<u>\$ 5,600</u>	5,961	<u>\$ 361</u>	(4,864)
<b>Fund Balances Beginning of Year</b>			<u>48,708</u>		<u>53,572</u>
<b>Fund Balances End of Year</b>			<u>\$ 54,669</u>		<u>\$ 48,708</u>

**Harris County, Georgia**  
***Mental Health Center Fund***  
***Comparative Balance Sheets***  
***June 30, 2015 and 2014***

---

---

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash and cash equivalents	<u>\$ 74,319</u>	<u>\$ 68,319</u>
<b>Fund Balances</b>		
Assigned for building maintenance and insurance	<u>\$ 74,319</u>	<u>\$ 68,319</u>

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

	2015			2014	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
<b>Revenues</b>					
Charges for services	\$ 1,000	\$ 1,000	\$ 6,000	\$ 5,000	\$ 6,000
<b>Expenditures</b>					
<b>Current:</b>					
Health and welfare	1,000	1,000	-	1,000	-
<b>Excess of Revenues Over Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	6,000	<u>\$ 6,000</u>	6,000
<b>Fund Balances Beginning of Year</b>			<u>68,319</u>		<u>62,319</u>
<b>Fund Balances End of Year</b>			<u>\$ 74,319</u>		<u>\$ 68,319</u>

**Harris County, Georgia**  
***Mental Retardation Center Fund***  
***Comparative Balance Sheets***  
***June 30, 2015 and 2014***

---

---

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Cash and cash equivalents	<u>\$ 105,107</u>	<u>\$ 99,107</u>
<b>Fund Balances</b>		
Assigned for building maintenance and insurance	<u>\$ 105,107</u>	<u>\$ 99,107</u>

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

	2015			2014	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
<b>Revenues</b>					
Charges for services	\$ 1,000	\$ 1,000	\$ 6,000	\$ 5,000	\$ 6,000
<b>Expenditures</b>					
<b>Current:</b>					
Health and welfare	1,000	1,000	-	1,000	-
<b>Excess of Revenues Over Expenditures</b>	<u>\$ -</u>	<u>\$ -</u>	6,000	<u>\$ 6,000</u>	6,000
<b>Fund Balances Beginning of Year</b>			<u>99,107</u>		<u>93,107</u>
<b>Fund Balances End of Year</b>			<u>\$ 105,107</u>		<u>\$ 99,107</u>



**Harris County, Georgia**  
**Drug Abuse Fund**  
**Comparative Balance Sheets**  
**June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 64,534	\$ 126,106
Receivables:		
Accounts	244	161
Interfund	-	2,905
	\$ 64,778	\$ 129,172
<b>Total Assets</b>	<b>\$ 64,778</b>	<b>\$ 129,172</b>
<b>Fund Balances</b>		
Restricted for public safety	\$ 64,778	\$ 129,172

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

	2015			2014	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
<b>Revenues</b>					
Charges for services	\$ 36,000	\$ 36,000	\$ 45,083	\$ 9,083	\$ 43,240
<b>Expenditures</b>					
<b>Current:</b>					
Health and welfare	-	-	-	-	456
<b>Capital Outlay</b>	-	-	109,477	(109,477)	-
<b>Expenditures</b>	-	-	109,477	(109,477)	456
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 36,000</u>	<u>\$ 36,000</u>	(64,394)	<u>\$ (100,394)</u>	42,784
<b>Fund Balances Beginning of Year</b>			<u>129,172</u>		<u>86,388</u>
<b>Fund Balances End of Year</b>			<u>\$ 64,778</u>		<u>\$ 129,172</u>

**Harris County, Georgia**  
**Jail Fee Fund**  
*Comparative Balance Sheets*  
*June 30, 2015 and 2014*

	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 473,679	\$ 413,797
Receivables:		
Accounts	1,003	-
Interfund	-	4,011
<b>Total Assets</b>	<b>\$ 474,682</b>	<b>\$ 417,808</b>
<b>Fund Balances</b>		
Restricted for public safety	\$ 474,682	\$ 417,808

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

	2015			2014	
	Original Budget	Final Budget	Actual	Variance With Final Budget	Actual
<b>Revenues</b>					
Court fees	\$ 60,000	\$ 60,000	\$ 72,835	\$ 12,835	\$ 63,782
<b>Expenditures</b>					
<b>Current:</b>					
Public safety	-	-	15,961	(15,961)	21,007
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 60,000</u>	<u>\$ 60,000</u>	56,874	<u>\$ (3,126)</u>	42,775
<b>Fund Balances Beginning of Year</b>			<u>417,808</u>		<u>375,033</u>
<b>Fund Balances End of Year</b>			<u>\$ 474,682</u>		<u>\$ 417,808</u>

**Harris County, Georgia**  
**Comparative Balance Sheet**  
**Callaway Debt Service Fund**  
**June 30, 2015 and 2014**

	<b>2015</b>	<b>Restated 2014</b>
<b>Assets</b>		
Equity in pooled cash and investments	\$ 24,560	\$ 24,560
Notes receivable	1,390,321	1,490,934
<b>Total Assets</b>	<b>\$ 1,414,881</b>	<b>\$ 1,515,494</b>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Unearned revenue	\$ 1,390,321	\$ 1,490,934
<b>Fund Balances</b>		
Restricted for debt service	24,560	24,560
	-	
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,414,881</b>	<b>\$ 1,515,494</b>

**Harris County, Georgia**  
**Comparative Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Callaway Debt Service Fund**  
**For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Revenues</b>		
Charges for services	\$ 100,613	\$ 97,644
Interest	43,344	46,324
<b>Total Revenues</b>	<u>143,957</u>	<u>143,968</u>
<b>Expenditures</b>		
<i>Debt Service</i>		
Principal	100,111	97,156
Interest	43,846	46,812
<b>Total Expenditures</b>	<u>143,957</u>	<u>143,968</u>
<b>Excess (Deficiency) of Revenues</b>		
<b>Over (Under) Expenditures</b>	-	-
<b>Fund Balances Beginning of Year</b>	<u>24,560</u>	<u>24,560</u>
<b>Fund Balances End of Year</b>	<u><u>\$ 24,560</u></u>	<u><u>\$ 24,560</u></u>

**Harris County, Georgia**  
**Comparative Balance Sheet**  
**2009 SPLOST Fund**  
**June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in pooled cash and investments	\$ 3,917,200	\$ 4,525,580
Restricted cash	8,387	1,775,295
Investments	1,830,039	-
Interest receivable	6,016	3,549
<b>Total Assets</b>	<u>\$ 5,761,642</u>	<u>\$ 6,304,424</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 7,038	\$ 143,204
Interfund payable	1,207,587	723,243
<b>Total Liabilities</b>	1,214,625	866,447
<b>Transfers in - general fund</b>		
Restricted for capital projects	4,547,017	5,437,977
<b>Total Liabilities and Fund Balances</b>	<u>\$ 5,761,642</u>	<u>\$ 6,304,424</u>

**Harris County, Georgia**  
**Comparative Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**2009 SPLOST Fund**  
**For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Revenues</b>		
Sales taxes	\$ -	\$ 1,791,933
Investment earnings	14,978	13,436
<b>Total Revenues</b>	<u>14,978</u>	<u>1,805,369</u>
<b>Expenditures</b>		
<i>Intergovernmental</i>	44,475	330,397
<i>Capital Outlay</i>	503,857	1,209,488
<b>Total Expenditures</b>	<u>548,332</u>	<u>1,539,885</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(533,354)</u>	<u>265,484</u>
<b>Transfers in - general fund</b>		
Transfers out - PIA fund	(357,606)	(555,483)
Transfers out - water works fund	-	(11,645)
Transfers out - nonmajor governmental funds	-	(136,539)
<b>Total Other Financing Uses</b>	<u>(357,606)</u>	<u>(703,667)</u>
<b>Net Changes in Fund Balances</b>	(890,960)	(438,183)
<b>Fund Balances Beginning of Year</b>	<u>5,437,977</u>	<u>5,876,160</u>
<b>Fund Balances End of Year</b>	<u>\$ 4,547,017</u>	<u>\$ 5,437,977</u>



**Harris County, Georgia**  
**Comparative Balance Sheet**  
**2014 SPLOST Fund**  
**June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in pooled cash and investments	\$ 1,234,626	\$ 141,056
Restricted cash	1,801	-
Investments	466,136	-
Receivables:		
Accounts	700	47,170
Sales taxes	217,465	214,521
Interest	407	-
Interfund	1,216,001	377,525
<b>Total Assets</b>	<u>\$ 3,137,136</u>	<u>\$ 780,272</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Accounts payable	\$ 59,077	\$ -
Interfund payable	370,392	186,094
<b>Total Liabilities</b>	429,469	186,094
<b>Fund Balances</b>		
Restricted for capital projects	2,707,667	594,178
<b>Total Liabilities and Fund Balances</b>	<u>\$ 3,137,136</u>	<u>\$ 780,272</u>

**Harris County, Georgia**  
**Comparative Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**2014 SPLOST Fund**  
**For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Revenues</b>		
Sales taxes	\$ 2,460,020	\$ 594,046
Investment earnings	4,043	
<b>Total Revenues</b>	<u>2,464,063</u>	<u>594,046</u>
<b>Expenditures</b>		
<i>Intergovernmental</i>	131,698	-
<i>Capital Outlay</i>	172,839	-
<b>Total Expenditures</b>	<u>304,537</u>	<u>-</u>
<b>Excess of Revenues Over Expenditures</b>	<u>2,159,526</u>	<u>594,046</u>
<b>Other Financing Sources (Uses)</b>		
Transfers in - general fund	-	132
Transfers out - general fund	(46,037)	-
<b>Other Financing Sources (Uses)</b>	<u>(46,037)</u>	<u>132</u>
<b>Net Changes in Fund Balances</b>	2,113,489	594,178
<b>Fund Balances Beginning of Year</b>	<u>594,178</u>	<u>-</u>
<b>Fund Balances End of Year</b>	<u><u>\$ 2,707,667</u></u>	<u><u>\$ 594,178</u></u>

**Harris County, Georgia**  
**Comparative Balance Sheet**  
**Public Improvements Authority Fund**  
**June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
Cash and cash equivalents	\$ -	\$ 947,458
Restricted cash and cash equivalents	3,087,615	449,916
Interfund receivable	16,572	16,572
<b>Total Assets</b>	<b>\$ 3,104,187</b>	<b>\$ 1,413,946</b>
<b>Fund Balances</b>		
Restricted for debt service	\$ 532,711	\$ 1,413,946
Restricted for construction	2,571,476	-
<b>Total Fund Balances</b>	<b>\$ 3,104,187</b>	<b>\$ 1,413,946</b>

**Harris County, Georgia**  
**Comparative Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Public Improvements Authority Fund**  
**For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Revenues</b>		
Intergovernmental	\$ 55,456	\$ 111,055
Interest	113,400	-
Investment earnings	151	146
<b>Total Revenues</b>	<u>169,007</u>	<u>111,201</u>
<b>Expenditures</b>		
<i>Capital Outlay</i>	2,724,650	-
<i>Debt Service</i>		
Principal	330,000	325,000
Interest	339,488	344,730
Bond issuance costs	104,000	-
<b>Total Expenditures</b>	<u>3,498,138</u>	<u>669,730</u>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	<u>(3,329,131)</u>	<u>(558,529)</u>
<b>Other Financing Sources (Uses)</b>		
Issuance of revenue bonds	5,400,000	-
Transfers in - 2009 SPLOST fund	357,606	555,483
Transfers in - general fund	209,224	-
Transfers out - general fund	(947,458)	-
<b>Total Other Financing Sources (Uses)</b>	<u>5,019,372</u>	<u>555,483</u>
<b>Net Changes in Fund Balances</b>	1,690,241	(3,046)
<b>Fund Balances Beginning of Year</b>	<u>1,413,946</u>	<u>1,416,992</u>
<b>Fund Balances End of Year</b>	<u><u>\$ 3,104,187</u></u>	<u><u>\$ 1,413,946</u></u>

**Harris County, Georgia**  
**Comparative Balance Sheet**  
**Transportation Investment Act Fund**  
**June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in pooled cash and investments	\$ 473,490	\$ 404,528
Taxes receivable	160,603	151,373
<b>Total Assets</b>	<u>\$ 634,093</u>	<u>\$ 555,901</u>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Interfund payable	\$ 1,090,275	\$ 207,414
<b>Fund Balances</b>		
Restricted for capital projects	-	348,487
Unrestricted (deficit)	(456,182)	-
<b>Total Fund Balance</b>	<u>(456,182)</u>	<u>348,487</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 634,093</u>	<u>\$ 555,901</u>

**Harris County, Georgia**  
**Comparative Statement of Revenues, Expenditures**  
**and Changes in Fund Balances**  
**Transportation Investment Act Fund**  
**For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Revenue</b>		
Taxes	\$ 939,640	\$ 904,091
<b>Expenditures</b>		
<i>Capital Outlay</i>	<u>1,680,695</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(741,055)	904,091
<b>Other Financing Uses</b>		
Transfers out - general fund	<u>(63,614)</u>	<u>(981,114)</u>
<b>Net Changes in Fund Balances</b>	(804,669)	(77,023)
<b>Fund Balances Beginning of Year</b>	<u>348,487</u>	<u>425,510</u>
<b>Fund Balances End of Year</b>	<u><u>\$ (456,182)</u></u>	<u><u>\$ 348,487</u></u>

**Harris County, Georgia**  
**Combining Balance Sheet**  
**Nonmajor Capital Projects Funds**  
**June 30, 2015**  
*(With Comparative Totals at June 30, 2014)*

	2015			Total Nonmajor Capital Projects Funds
	1999 SPLOST	2004 SPLOST	CDBG	
<b>Assets</b>				
Cash and cash equivalents	\$ 260,260	\$ 411,821	\$ 100	\$ 672,181
Receivables:				
Intergovernmental	-	-	56,482	56,482
Interfund	-	5,269	-	5,269
<b>Total Assets</b>	<u>\$ 260,260</u>	<u>\$ 417,090</u>	<u>\$ 56,582</u>	<u>\$ 733,932</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Interfund payable	\$ 5,269	\$ 53,881	\$ 74,086	\$ 133,236
<b>Fund Balances</b>				
Restricted	254,991	363,209	-	618,200
Unrestricted (deficit)	-	-	(17,504)	(17,504)
<b>Total Fund Balances</b>	<u>254,991</u>	<u>363,209</u>	<u>(17,504)</u>	<u>600,696</u>
<b>Total Liabilities Fund Balances</b>	<u>\$ 260,260</u>	<u>\$ 417,090</u>	<u>\$ 56,582</u>	<u>\$ 733,932</u>

**Harris County, Georgia**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Capital Funds**  
**For the Year Ended June 30, 2015**  
*(With Comparative Totals For the Year Ended June 30, 2014)*

	2015			Total Nonmajor Capital Projects Funds
	1999 SPLOST	2004 SPLOST	CDBG	
<b>Revenues</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	132,239	132,239
Miscellaneous	-	5,269	-	5,269
<b>Total Revenues</b>	<b>-</b>	<b>5,269</b>	<b>132,239</b>	<b>137,508</b>
<b>Expenditures</b>				
<i>Current:</i>				
Housing and development	-	-	153,343	153,343
<i>Intergovernmental</i>	11,819	-	-	11,819
<i>Capital Outlay</i>	3,644	59,383	-	63,027
<b>Total Expenditures</b>	<b>15,463</b>	<b>59,383</b>	<b>153,343</b>	<b>228,189</b>
<b>(Deficiency) of Revenues (Under) Expenditures</b>	<b>(15,463)</b>	<b>(54,114)</b>	<b>(21,104)</b>	<b>(90,681)</b>
<b>Fund Balances Beginning of Year</b>	<b>270,454</b>	<b>417,323</b>	<b>3,600</b>	<b>691,377</b>
<b>Fund Balances End of Year</b>	<b>\$ 254,991</b>	<b>\$ 363,209</b>	<b>\$ (17,504)</b>	<b>\$ 600,696</b>



**Harris County, Georgia**  
**Comparative Balance Sheet**  
**1999 SPLOST Fund**  
**June 30, 2015 and 2014**

---

	<u>2015</u>	<u>2014</u>
<b>Assets</b>		
Equity in pooled cash and investments	\$ 260,260	\$ 270,454
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Interfund payable	\$ 5,269	\$ -
<b>Fund Balances</b>		
Restricted for capital projects	<u>254,991</u>	<u>270,454</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 260,260</u>	<u>\$ 270,454</u>

**Harris County, Georgia**  
**Comparative Statement of Expenditures**  
**and Changes in Fund Balances**  
**1999 SPLOST Fund**  
**For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Expenditures</b>		
<i>Intergovernmental</i>	\$ 11,819	\$ 2,948
<i>Capital Outlay</i>	3,644	3,799
<b>Total Expenditures</b>	15,463	6,747
<b>Fund Balances Beginning of Year</b>	<u>270,454</u>	<u>277,201</u>
<b>Fund Balances End of Year</b>	<u>\$ 254,991</u>	<u>\$ 270,454</u>

**Harris County, Georgia**  
**Comparative Balance Sheet**  
**2004 SPLOST Fund**  
**June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
Equity in pooled cash and investments	\$ 411,821	\$ 471,204
Interfund receivable	5,269	-
<b>Total Assets</b>	<b>\$ 417,090</b>	<b>\$ 471,204</b>
<b>Liabilities and Fund Balances</b>		
<b>Liabilities</b>		
Interfund loan payable	\$ 53,881	\$ 53,881
<b>Fund Balances</b>		
Restricted for capital projects	363,209	417,323
<b>Total Liabilities and Fund Balances</b>	<b>\$ 417,090</b>	<b>\$ 471,204</b>

**Harris County, Georgia**  
**Comparative Statement of Expenditures**  
**and Changes in Fund Balances**  
**2004 SPLOST Fund**  
**For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Expenditures</b>		
<i>Capital Outlay</i>	\$ 59,383	\$ 320,723
<i>Intergovernmental</i>	(5,269)	-
<b>Total Expenditures</b>	54,114	320,723
<b>Other Financing Sources</b>		
Transfers in	-	136,541
<b>Net Changes in Fund Balances</b>	(54,114)	(184,182)
		-
<b>Fund Balances Beginning of Year</b>	417,323	601,505
<b>Fund Balances End of Year</b>	<u>\$ 363,209</u>	<u>\$ 417,323</u>

**Harris County, Georgia**  
**CDBG Health Fund**  
**Comparative Balance Sheets**  
**June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 100	\$ 3,700
Intergovernmental receivable	56,482	-
<b>Total Assets</b>	<b>\$ 56,582</b>	<b>\$ 3,700</b>
<b>Liabilities and Fund Balance</b>		
<b>Liabilities</b>		
Interfund payable	\$ 74,086	\$ 100
<b>Fund Balances</b>		
Restricted for health and welfare	-	3,600
Unrestricted (deficit)	(17,504)	-
<b>Total Fund Balances</b>	<b>(17,504)</b>	<b>3,600</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 56,582</b>	<b>\$ 3,700</b>

**Harris County, Georgia**  
**CDBG Health Fund**  
*Comparative Statement of Expenditures*  
*and Changes in Fund Balances*  
*For the Fiscal Years Ended June 30, 2015 and 2014*

	<u>2015</u>	<u>2014</u>
<b>Revenues</b>		
Intergovernmental	\$ 132,239	\$ 6,300
Miscellaneous	-	2,500
<b>Total Revenues</b>	132,239	8,800
<b>Expenditures</b>		
<i>Current:</i>		
Housing and development	153,343	5,200
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	(21,104)	3,600
<b>Fund Balances Beginning of Year</b>	3,600	-
<b>Fund Balances End of Year</b>	<u>\$ (17,504)</u>	<u>\$ 3,600</u>

**Harris County, Georgia**  
**Comparative Statement of Net Position**  
**Proprietary Fund - Water Works Fund**  
**June 30, 2015 and 2014**

<b>Assets</b>	<b>2015</b>	<b>Restated 2014</b>
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 786,373	\$ 845,901
Restricted cash	768,296	775,250
Investments	1,731,248	1,648,770
Receivable:		
Accounts (net)	510,215	448,637
Interest	742	411
Interfund	-	11,645
Prepaid items	58,915	59,261
Inventories	184,644	247,858
<b>Total Current Assets</b>	<b>4,040,433</b>	<b>4,037,733</b>
<b>Noncurrent Assets:</b>		
Capital assets:		
Nondepreciable	3,102,027	335,735
Depreciable, net	14,341,625	14,378,415
<b>Total Noncurrent Assets</b>	<b>17,443,652</b>	<b>14,714,150</b>
<b>Deferred Outflow of Resources</b>	<b>158,437</b>	<b>248,924</b>
<b>Total Assets and Deferred Inflows</b>	<b>21,642,522</b>	<b>19,000,807</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	39,819	119,613
Accrued expenses payable	39,162	25,733
Accrued interest payable	15,677	16,402
Interfund payable	238,699	237,572
Customer deposits payable	431,955	423,283
Compensated absences payable	40,566	37,782
Revenue bonds payable	435,000	435,000
GEFA loans payable	10,256	10,256
<b>Total Current Liabilities</b>	<b>1,251,134</b>	<b>1,305,641</b>
<b>Long-term Liabilities (net of current portion):</b>		
Compensated absences payable	10,141	9,446
Revenue bonds payable	6,568,249	7,015,994
GEFA loans payable	74,360	84,616
Net pension liability payable	320,758	332,491
<b>Total Long-term Liabilities</b>	<b>6,973,508</b>	<b>7,442,547</b>
<b>Total Liabilities</b>	<b>8,224,642</b>	<b>8,748,188</b>
<b>Net Position</b>		
Net investment in capital assets	10,355,787	7,168,284
Restricted	270,152	270,152
Unrestricted	2,791,941	2,814,183
<b>Total Net Position</b>	<b>\$ 13,417,880</b>	<b>\$ 10,252,619</b>

**Harris County, Georgia**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**Proprietary Fund - Water Works Fund**  
**For the Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Operating Revenues</b>		
Charges for services	\$ 4,930,434	\$ 4,106,859
<b>Operating Expenses</b>		
Personal services	1,585,875	1,288,964
Purchased services	1,521,777	1,345,514
Materials and supplies	514,472	499,936
Depreciation	662,857	569,540
<b>Total Operating Expenses</b>	<u>4,284,981</u>	<u>3,703,954</u>
<b>Operating Income</b>	<u>645,453</u>	<u>402,905</u>
<b>Non-Operating Revenues (Expenses)</b>		
Investment earnings	3,887	3,577
Interest and fiscal charges	(208,729)	(199,695)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>(204,842)</u>	<u>(196,118)</u>
<b>Income Before Transfers In and Contributions</b>	440,611	206,787
<b>Transfer In</b>	-	11,645
<b>Transfer Out</b>	-	-
<b>Contributions</b>	<u>2,724,650</u>	<u>-</u>
<b>Change in Net Position</b>	3,165,261	218,432
<b>Net Position Beginning of Year - As Restated</b>	<u>10,252,619</u>	<u>10,034,187</u>
<b>Net Position End of Year</b>	<u>\$ 13,417,880</u>	<u>\$ 10,252,619</u>



**Harris County, Georgia**  
**Comparative Statement of Cash Flows**  
**Proprietary Fund - Water Works Fund**  
**For the Years Ended June 30, 2015 and 2014**

	<u>2015</u>	<u>2014</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>		
<b>Cash Flows from Operating Activities</b>		
Cash received from customers	\$ 4,877,528	\$ 4,119,537
Cash payments to employees for services	(1,515,760)	(1,041,136)
Cash payments for goods and services	(2,039,054)	(2,143,157)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>1,322,714</u>	<u>935,244</u>
<b>Cash Flows from Noncapital Financing Activities</b>		
Interfund receivable	11,645	-
Interfund payable	1,127	
Transfers in from other funds	-	11,645
Transfers out to other funds	-	192,458
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>12,772</u>	<u>204,103</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Principal paid on GEFA loan	(10,256)	(10,256)
Principal paid in revenue bonds	(435,000)	(420,000)
Interest paid on capital debt	(209,454)	(201,021)
Acquisition of capital assets	(668,336)	(190,113)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>(1,323,046)</u>	<u>(821,390)</u>
<b>Cash Flows from Investing Activities</b>		
Investment earnings	<u>3,556</u>	<u>3,165</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	15,996	321,122
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>3,269,921</u>	<u>2,948,799</u>
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ 3,285,917</u>	<u>\$ 3,269,921</u>
<b>Reconciliation to Statement of Net Position</b>		
Cash and cash equivalents	\$ 786,373	\$ 845,901
Restricted	768,296	775,250
Investments	1,731,248	1,648,770
<b>Total Cash and Cash Equivalents</b>	<u>\$ 3,285,917</u>	<u>\$ 3,269,921</u>

(continued)

**Harris County, Georgia**  
**Comparative Statement of Cash Flows**  
**Proprietary Fund - Water Works Fund**  
**For the Years Ended June 30, 2015 and 2014**

(continued)

	<b>2015</b>	<b>2014</b>
<b>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities</b>		
<b>Operating Income</b>	\$ 645,453	\$ 402,905
<b>Adjustments:</b>		
Depreciation and amortization	662,857	569,540
<b>(Increase) Decrease in Assets:</b>		
Accounts receivable	(61,578)	15,815
Prepaid items	346	-
Inventories	63,214	(46,899)
<b>Increase (Decrease) in Liabilities:</b>		
Accounts payable	(79,794)	39,989
Accrued expenses payable	13,429	4,648
Customer deposits	8,672	8,508
Compensated absences payable	3,479	-
Other net	66,636	(59,262)
<b>Net Cash Provided by (Used in) Operating Activities</b>	\$ 1,322,714	\$ 935,244
<b>Non-cash Capital Activities:</b>		
Contributions of capital assets constructed in the public improvement authority fund	\$ 2,724,650	\$ -

**Harris County, Georgia**  
**Comparative Statement of Net Position**  
**Proprietary Fund - Solid Waste Fund**  
**June 30, 2015 and 2014**

<b>Assets</b>	<b>2015</b>	<b>Restated 2014</b>
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 3,478,053	\$ 2,274,694
Investments	2,762,842	2,218,483
Receivable:		
Accounts (net)	44,093	46,547
Interest	4,586	5,269
Prepaid items	15,076	9,381
<b>Total Current Assets</b>	<b>6,304,650</b>	<b>4,554,374</b>
<b>Noncurrent Assets:</b>		
Capital assets:		
Nondepreciable	199,250	199,250
Depreciable, net	1,099,930	876,821
<b>Total Noncurrent Assets</b>	<b>1,299,180</b>	<b>1,076,071</b>
<b>Total Assets</b>	<b>7,603,830</b>	<b>5,630,445</b>
<b>Deferred Outflow of Resources</b>	<b>3,191</b>	<b>34,539</b>
<b>Total Assets and Deferred Inflows</b>	<b>7,607,021</b>	<b>5,664,984</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	44,795	-
Accrued expenses payable	11,172	5,939
Interfund payable	1,784,533	449,628
Compensated absences payable	12,371	12,150
Capital leases payable	75,424	32,728
<b>Total Current Liabilities</b>	<b>1,928,295</b>	<b>500,445</b>
<b>Long-term Liabilities (net of current portion):</b>		
Compensated absences payable	3,093	4,051
Closure and post-closure care payable	249,770	264,035
Capital leases payable	321,592	327,395
Net pension liability payable	128,304	132,997
<b>Total Long-term Liabilities</b>	<b>702,759</b>	<b>728,478</b>
<b>Total Liabilities</b>	<b>2,631,054</b>	<b>1,228,923</b>
<b>Net Position</b>		
Net investment in capital assets	902,164	715,948
Unrestricted	4,073,803	3,720,113
<b>Total Net Position</b>	<b>\$ 4,975,967</b>	<b>\$ 4,436,061</b>

**Harris County, Georgia**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**Proprietary Fund - Solid Waste Fund**  
**For the Years Ended June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Operating Revenues</b>		
Charges for services	\$ 1,989,770	\$ 1,958,858
Miscellaneous	39,603	990
<b>Total Operating Revenues</b>	<b>2,029,373</b>	<b>1,959,848</b>
<b>Operating Expenses</b>		
Personal services	613,715	521,252
Purchased services	78,193	92,288
Purchased services - tipping fees	517,335	514,021
Materials and supplies	144,337	195,312
Depreciation	223,465	208,969
<b>Total Operating Expenses</b>	<b>1,577,045</b>	<b>1,531,842</b>
<b>Operating Income</b>	<b>452,328</b>	<b>428,006</b>
<b>Non-Operating Revenues (Expenses)</b>		
Gain on disposition of capital assets	66,816	-
Investment earnings	29,538	25,609
Interest and fiscal charges	(8,776)	(8,877)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>87,578</b>	<b>16,732</b>
<b>Change in Net Position</b>	<b>539,906</b>	<b>444,738</b>
<b>Net Position Beginning of Year</b>	<b>4,436,061</b>	<b>3,991,323</b>
<b>Net Position End of Year</b>	<b>\$ 4,975,967</b>	<b>\$ 4,436,061</b>

**Harris County, Georgia**  
**Comparative Statement of Cash Flows**  
**Proprietary Fund - Solid Waste Fund**

	<u>2015</u>	<u>2014</u>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>		
<b>Cash Flows from Operating Activities</b>		
Cash received from customers	\$ 2,031,827	\$ 1,968,078
Cash payments to employees for services	(582,565)	(415,556)
Cash payments for goods and services	(727,419)	(969,607)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<u>721,843</u>	<u>582,915</u>
<b>Cash Flows from Noncapital Financing Activities</b>		
Interfund payable	1,334,905	-
Transfers in	-	464,874
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<u>1,334,905</u>	<u>464,874</u>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Insurance recovery	87,316	-
Principal paid on capital leases	(53,824)	(52,653)
Interest paid on notes	(8,776)	(8,877)
Acquisition of capital assets	(363,967)	(199,562)
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<u>(339,251)</u>	<u>(261,092)</u>
<b>Cash Flows from Investing Activities</b>		
Investment earnings	30,221	24,210
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	1,747,718	810,907
<b>Cash and Cash Equivalents Beginning of Year</b>	<u>4,493,177</u>	<u>3,682,270</u>
<b>Cash and Cash Equivalents End of Year</b>	<u>\$ 6,240,895</u>	<u>\$ 4,493,177</u>
<b>Reconciliation to Statement of Net Position</b>		
Cash and cash equivalents	\$ 3,478,053	\$ 2,274,694
Investments	2,762,842	2,218,483
<b>Total Cash and Cash Equivalents</b>	<u>\$ 6,240,895</u>	<u>\$ 4,493,177</u>

(continued)

**Harris County, Georgia**  
**Comparative Statement of Cash Flows**  
**Proprietary Fund - Solid Waste Fund**  
**For the Years Ended June 30, 2015 and 2014**

(continued)

	2015	2014
<b>Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities</b>		
<b>Operating Income</b>	\$ 452,328	\$ 428,006
<b>Adjustments:</b>		
Depreciation and amortization	223,465	208,969
<b>(Increase) Decrease in Assets:</b>		
Accounts receivable	2,454	8,230
Prepaid items	(5,695)	-
<b>Increase (Decrease) in Liabilities:</b>		
Accounts payable	44,795	(39,041)
Accrued expenses payable	5,233	(23,249)
Compensated absences payable	(737)	-
Net pension liability	-	-
<b>Net Cash Provided by (Used in) Operating Activities</b>	\$ 721,843	\$ 582,915
<b>Non-cash Capital Activities:</b>		
	\$ -	\$ -

**Harris County, Georgia**  
**Comparative Statement of Net Position**  
**Proprietary Fund - Airport Fund**  
**June 30, 2015 and 2014**

<b>Assets</b>	<b>2015</b>	<b>Restated 2014</b>
<b>Current Assets:</b>		
Interfund receivable	\$ -	\$ 43,863
Prepaid items	1,257	2,130
Inventories	51,997	64,450
<b>Total Current Assets</b>	<b>53,254</b>	<b>110,443</b>
<b>Noncurrent Assets:</b>		
Capital assets:		
Nondepreciable	559,532	547,654
Depreciable, net	2,964,316	2,848,230
<b>Total Noncurrent Assets</b>	<b>3,523,848</b>	<b>3,395,884</b>
<b>Total Assets</b>	<b>3,577,102</b>	<b>3,506,327</b>
<b>Deferred Outflow of Resources</b>	<b>290</b>	<b>3,140</b>
<b>Total Assets and Deferred Inflows</b>	<b>3,577,392</b>	<b>3,509,467</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	-	38,791
Retainage payable	10,000	-
Accrued expenses payable	1,294	1,327
Compensated absences payable	744	-
Interfund payable	51,997	65,476
<b>Total Current Liabilities</b>	<b>64,035</b>	<b>105,594</b>
<b>Long-term Liabilities (Net of current portion)</b>		
Compensated absences payable	186	-
Net pension liability payable	11,664	12,091
<b>Total Long-term Liabilities</b>	<b>11,850</b>	<b>12,091</b>
<b>Total Liabilities</b>	<b>75,885</b>	<b>117,685</b>
<b>Net Position</b>		
Investment in capital assets	3,523,848	3,395,884
Unrestricted	(22,341)	(4,102)
<b>Total Net Position</b>	<b>\$ 3,501,507</b>	<b>\$ 3,391,782</b>

**Harris County, Georgia**  
**Comparative Statement of Revenues,**  
**Expenses and Changes in Fund Net Position**  
**Proprietary Fund - Airport Fund**  
**For the Years Ended June 30, 2015 and 2014**

	<b>2015</b>	<b>Restated 2014</b>
<b>Operating Revenues</b>		
Hanger fees	\$ 49,277	\$ 27,988
Fuel sales	299,598	220,304
<b>Total Operating Revenues</b>	<b>348,875</b>	<b>248,292</b>
<b>Operating Expenses</b>		
Personal services	54,582	44,782
Cost of sales	268,787	201,090
Purchased services	59,154	16,584
Materials and supplies	11,218	11,689
Depreciation	113,109	87,050
<b>Total Operating Expenses</b>	<b>506,850</b>	<b>361,195</b>
<b>Operating Loss Before Contributions and Transfers In</b>	<b>(157,975)</b>	<b>(112,903)</b>
<b>Contributions</b>	38,576	-
<b>Transfer In</b>	229,124	893,014
<b>Total Contributions and Transfers In</b>	<b>267,700</b>	<b>893,014</b>
<b>Change in Net Position</b>	109,725	780,111
<b>Net Position Beginning of Year, as Restated</b>	<b>3,391,782</b>	<b>2,611,671</b>
<b>Net Position End of Year</b>	<b>\$ 3,501,507</b>	<b>\$ 3,391,782</b>



**Harris County, Georgia**  
**Comparative Statement of Cash Flows**  
**Proprietary Fund - Airport Fund**  
**For the Years Ended June 30, 2015 and 2014**

	<b>2015</b>	<b>2014</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>		
<b>Cash Flows from Operating Activities</b>		
Cash received from customers	\$ 348,875	\$ 250,343
Cash payments to employees for services	(51,229)	(44,087)
Cash payments for goods and services	(354,657)	(259,104)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>(57,011)</b>	<b>(52,848)</b>
<b>Cash Flows from Noncapital Financing Activities</b>		
Interfund receivable	43,863	-
Interfund payable	(13,479)	-
Transfers in	229,124	52,848
<b>Net Cash Provided by (Used in) Noncapital Financing Activities</b>	<b>259,508</b>	<b>52,848</b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Capital grants	38,576	-
Acquisition of capital assets	(241,073)	-
<b>Net Cash Provided by (Used in) Capital and Related Financing Activities</b>	<b>(202,497)</b>	<b>-</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>-</b>	<b>-</b>
<b>Cash and Cash Equivalents Beginning of Year</b>	<b>-</b>	<b>-</b>
<b>Cash and Cash Equivalents End of Year</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Reconciliation to Statement of Net Position</b>		
Cash and cash equivalents	\$ -	\$ -
Investments	-	-
<b>Total Cash and Cash Equivalents</b>	<b>\$ -</b>	<b>\$ -</b>

(continued)

**Harris County, Georgia**  
**Comparative Statement of Cash Flows**  
**Proprietary Fund - Airport Fund**  
**For the Years Ended June 30, 2015 and 2014**

(continued)

	2015	2014
<b>Reconciliation of Operating (Loss) to Net Cash Provided by (Used in) Operating Activities</b>		
<b>Operating Loss</b>	\$ (157,975)	\$ (112,903)
<b>Adjustments:</b>		
Depreciation and amortization	113,109	87,050
<b>(Increase) Decrease in Assets:</b>		
Prepaid items	873	-
Inventories	12,453	(9,562)
<b>Increase (Decrease) in Liabilities:</b>		
Accounts payable	(38,791)	38,791
Retainage payable	10,000	-
Accrued expenses payable	(33)	695
Compensated absences payable	930	-
Transfers from other funds	-	(56,406)
Net pension liability	2,423	(513)
<b>Net Cash Provided by (Used in) Operating Activities</b>	\$ (57,011)	\$ (52,848)

**Harris County, Georgia**  
*Schedule of Projects Constructed with Special Sales Tax Proceeds*  
*For the Fiscal Year Ended June 30, 2015*

During fiscal year 1999, the County began collections of a five year special sales tax, which expired in 2004. The County has ceased collection of these funds, but previously collected funds are still being expended.

Expenditures to date are as follows:

Project	Original Estimated Cost	Expenditures		
		Prior Years	Current Year	Total
Road improvements	\$ 5,207,000	\$ 3,313,443	\$ 3,000	\$ 3,316,443
Parking deck	250,000	57,661	-	57,661
Fire trucks and equipment	878,000	993,490	-	993,490
Courthouse renovation	700,000	713,380	644	714,024
Courthouse renovation-furniture	130,000	128,139	-	128,139
800 Mhz Radios	600,000	623,114	-	623,114
Radio Tower	1,250,000	1,246,289	-	1,246,289
Water line extension	600,000	600,000	-	600,000
Parks	500,000	500,000	-	500,000
Cities				
Shiloh	25,000	25,000	-	25,000
Pine Mountain	200,000	130,007	11,819	141,826
Waverly Hall	200,000	200,277	-	200,277
Computers	360,000	360,000	-	360,000
Mtn Hill Library	100,000	99,874	-	99,874
Totals	<u>\$ 11,000,000</u>	<u>\$ 8,990,674</u>	<u>\$ 15,463</u>	<u>\$ 9,006,137</u>

During fiscal year 2004, the County began collections of a five year special sales tax which expired in 2009. The County has ceased collection of these funds, but previously collected funds are still being expended.

Expenditures to date are as follows:

Project	Original estimated cost	Expenditures		
		Prior Years	Current Year	Total
Cities				
Hamilton	\$ 173,000	\$ 173,000	\$ -	\$ 173,000
Pine Mountain	436,000	441,249	-	441,249
Shiloh	165,000	162,118	-	162,118
Waverly Hall	276,000	276,000	-	276,000
West Point	276,000	276,000	-	276,000
Parks	600,000	298,517	26,208	324,725
Economic Development	3,500,000	3,489,582	-	3,489,582
Walking Trail	100,000	100,001	-	100,001
Community Center	800,000	800,000	-	800,000
EMS & Fire Services	500,000	451,971	-	451,971
Roads	7,174,000	6,295,418	33,175	6,328,593
Totals	<u>\$ 14,000,000</u>	<u>\$ 12,763,856</u>	<u>\$ 59,383</u>	<u>\$ 12,823,239</u>

During fiscal year 2009, the County began collections of a five year special sales tax which expired in 2014. The County has ceased collection of these funds, but previously collected funds are still being expended.

Expenditures to date are as follows:

Project	Original estimated cost	Expenditures		
		Prior Years	Current Year	Total
Economic Development	\$ 2,000,000	\$ 1,535,357	\$ 154,946	\$ 1,690,303
Library	1,500,000	-	-	-
Recreation	2,200,000	1,842,394	357,606	2,200,000
EMS/Fire	2,000,000	1,461,389	338,792	1,800,181
Roads	10,930,000	205,203	10,120	215,323
Cities				
Hamilton	350,000	313,455	15,686	329,141
Pine Mountain	765,000	765,000	-	765,000
Shiloh	290,000	256,680	3,033	259,713
Waverly Hall	500,000	487,817	25,756	513,573
West Point	465,000	348,750	-	348,750
Totals	<u>\$ 21,000,000</u>	<u>\$ 7,216,045</u>	<u>\$ 905,939</u>	<u>\$ 8,121,984</u>

**Harris County, Georgia**  
*Schedule of Projects Constructed with Special Sales Tax Proceeds*  
*For the Fiscal Year Ended June 30, 2015*

During fiscal year 2014, the County began collections of a five year special sales tax. The fund will continue to collect these taxes through April 2019.

Expenditures to date are as follows:

Project	Original estimated cost	Expenditures		
		Prior Years	Current Year	Total
Economic Development	\$ 1,000,000	-	\$ -	\$ -
Public Library Construction	500,000	-	-	-
Recreation	2,700,000	-	35,900	35,900
Public Safety	80,000	-	-	-
Fire	3,152,000	-	-	-
Water System Improvements	1,000,000	-	41,949	41,949
AgriCenter	500,000	-	94,990	94,990
Roads				
County	2,500,000	-	46,037	46,037
Hamilton	60,000	-	-	-
Shiloh	100,000	-	-	-
Waverly Hall	200,000	-	-	-
West Point	100,000	-	-	-
Cities				
Hamilton	240,000	-	5,487	5,487
Pine Mountain	961,000	-	-	-
Shiloh	270,000	-	28,565	28,565
Waverly Hall	376,000	-	15,851	15,851
West Point	475,000	-	81,794	81,794
Debt reduction/public safety/roads/airport	4,786,000	-	-	-
Totals	<u>\$ 19,000,000</u>	<u>\$ -</u>	<u>\$ 350,573</u>	<u>\$ 350,573</u>

The table below reflects the status of the above sales tax projects:

Year began	Authorized amount to be collected	Amount collected to date	Interest collected to date	Expenditures to date	Amount available for future expenditures
1999	<u>\$ 11,000,000</u>	<u>\$ 8,904,142</u>	<u>\$ 356,986</u>	<u>\$ 9,006,137</u>	<u>\$ 254,991</u>
2004	<u>\$ 14,000,000</u>	<u>\$ 12,558,478</u>	<u>\$ 622,701</u>	<u>\$ 12,823,239</u>	<u>\$ 357,940</u>
2009	<u>\$ 21,000,000</u>	<u>\$ 12,613,034</u>	<u>\$ 49,889</u>	<u>\$ 8,121,984</u>	<u>\$ 4,540,939</u>
2014	<u>\$ 19,000,000</u>	<u>\$ 3,008,028</u>	<u>\$ 4,176</u>	<u>\$ 350,573</u>	<u>\$ 2,661,631</u>

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

Harris County Board of Commissioners  
Harris County, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Harris County, Georgia (the "County") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 3, 2017.

***Internal Control over Financial Reporting***

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies, 2015-1 and 2015-2, described in the Schedule of Findings and Responses to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency, 2015-3, described in the accompanying Schedule of Findings and Responses to be a significant deficiency.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance, 2015-4 and 2015-5, required to be reported under *Government Auditing Standards*, described in the accompanying Schedule of Findings and Responses.

### **The County's Response to Findings**

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

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Robinson, Grimes + Company, P.C.*

Certified Public Accountants

March 3, 2017

## **FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

### **MATERIAL WEAKNESS**

#### **2015-1 Internal Control over Financial Reporting**

**Condition and Criteria** – Traditionally, the County has maintained and presented its internal financial statements in a budget comparison format, along with a comparative balance sheet, and County management had requested that the external auditors prepare the year-end financial statements and related disclosures due to their familiarity with financial statement presentation in accordance with U.S. generally accepted accounting principles (“GAAP”). During the current year, the County has elected to prepare its own year-end financial statements. However, significant audit adjustments were required to be made to various accounts in order to present financial statements in accordance with GAAP.

**Cause** – The County lacked the appropriate monitoring to maintain accounting records in accordance with GAAP and was unable to timely provide audit backup to enable financial statements to be audited and presented for executive management and board oversight.

**Effect** – The County’s opening balances for the 2015 fiscal year did not agree to the audited ending balances for the 2014 fiscal year. The financial statements required significant adjustments in order to comply with GAAP standards. Due to the number of adjustments required and since the auditor’s work cannot be considered a part of the County’s internal control system, a material weakness exists in regard to the year-end financial reporting process.

**Recommendation** – The County should devote appropriate resources to staffing and training and documentation of accounts and year-end close processes. This would limit the number of audit adjustments needed to complete the year-end financial reporting process.

**Response** – The County concurs with the auditor’s recommendation and will establish processes and procedures over financial reporting and devote additional resources to staffing and training.

## **FINDINGS RELATED TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **2015-2 Signatory Authority Related to Cash and Cash Equivalents**

**Condition and Criteria** – The County assigns signature authority over various bank accounts and certificates of deposit to certain County employees and County Commissioners. Terminated employees were still listed as signatories with various banks on multiple bank accounts and certificates of deposit.

**Cause** – The County did not timely initiate corporate resolutions to change signatories and provide this information to certain banks.

**Effect** – The County was at risk of improper access to County resources and also had limited access and information related to these accounts.

**Recommendation** – The County should maintain accurate records of all bank accounts and certificates of deposit and authorized signatories. This information should be updated and communicated timely to the related banks in order to safeguard County resources.

**Response** – The County concurs with the auditor’s recommendation and has subsequently updated corporate resolutions and communicated this information to the relevant banks and will establish processes and procedures to ensure this information is maintained.

## **SIGNIFICANT DEFICIENCY**

### **2015-3 Limited Segregation of Duties**

**Condition and Criteria** – Limited segregation of duties in certain County offices is presently in place.

**Cause** – Due to the limited number of accounting employees and the size of certain County offices, there is not adequate segregation of duties as it relates to certain accounting procedures and the financial reporting process.

**Effect** – The resulting effect is increased risk of errors and irregularities that could lead to misstatement of the financial statements.

**Recommendation** –The Board of Commissioners and management should be conscious of this limited segregation of duties and provide for adequate review of all financial information and provide oversight where practical.

**Response** – The County concurs with the auditor’s recommendation and will provide appropriate oversight.



## **FINDINGS RELATED TO COMPLIANCE**

### 2015-4 Pledges of Collateral

**Condition and Criteria** – State statutes require public funds to be insured by specific venues as outlined in Georgia Code 50-17-59. The insurance should be 110% of the uninsured deposited public funds. Public funds may not be on deposit at any one time in any depository for a time longer than ten days without proper collateral. At year-end, deposits held in an investment account as cash were not reinvested within 10 days leaving cash in the amount of approximately \$360,000 uninsured and uncollateralized.

**Cause** – Certificates of Deposit managed by the County's investment broker matured near year end and were not reinvested within ten days.

**Effect** – The deposited public funds were subject to credit risk.

**Recommendation** –The County should establish processes and procedures through which cash balances are reviewed by the County on a timely basis for compliance with collateralization requirements and retain documentation on file to support pledged collateral. Legal advice should be obtained when necessary.

**Response** – The County concurs with the auditor's recommendation and will establish appropriate procedures.

### 2015-5 Late filing of audited financial statements

**Condition and Criteria** – State statutes require local governments forward a copy of their annual audit report to the State Auditor for review within 180 days after the close of the local government's fiscal year as outlined in Georgia Code 36-81-7.

**Cause** – The County did not provide the adequate training of the County's accounting system to the Finance Officer hired during the fiscal year ended June 30, 2015.

**Effects** – 1) The delay in completing the audit limits the Board's oversight and monitoring of financial controls and processes, and 2) the County is at risk of not receiving state grant funds.

**Recommendation** – The County should establish procedures for training accounting personnel on the County's accounting processes and software.

**Response** – The County concurs with the auditor's recommendation and will establish appropriate procedures.

**SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

2014-1 Internal Control over Financial Reporting

**Condition and Criteria** – Traditionally, the County has maintained and presented its internal financial statements in a budget comparison format, along with a comparative balance sheet. County management requested that the external auditors prepare the 2014 financial statements and related disclosures due to their familiarity with financial statement presentation in accordance with U.S. generally accepted accounting principles (“GAAP”). While a number of year-end entries have been necessary to convert these statements into those used for external purposes, the basic internal financial statements have normally required minimal adjustment. During the current year, significant additional adjustments were required to be made to various accounts in order to present financial statements in accordance with GAAP.

**Status** – Unresolved: See current year financial audit finding 2015-1.

2014-3 Pledges of Collateral

**Condition and Criteria** – State statutes require public funds to be insured by specific venues as outlined in Georgia Code 50-17-59. The insurance should be 110% of the uninsured deposited public funds. Public funds may not be on deposit at any one time in any depository for a time longer than ten days without proper collateral. At year-end, deposits were held in an investment account as cash were not reinvested within 10 days leaving cash in the amount of \$296,231 uninsured. These funds were appropriately collateralized by July 31, 2015.

**Status** – Unresolved: See current year financial audit finding 2015-4.