

FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION

WARE COUNTY, GEORGIA

For The Fiscal Year Ended June 30, 2012



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WARE COUNTY, GEORGIA
FINANCIAL STATEMENTS AND ADDITIONAL INFORMATION
For The Year Ending June 30, 2012

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
of Ware County, Georgia
Waycross, Georgia

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Ware County, Georgia, as of and for the year ended June 30, 2012, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Ware County, Georgia's elected officials and management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the component unit financial statements of the Ware County Board of Health, whose statements reflect total assets of \$4,237,062 as of June 30, 2012 and total revenues of \$16,854,839 for the year then ended, or the component unit financial statements for the Okefenokee Area Development Authority, whose statements reflect total assets of \$1,207,024 as of June 30, 2012, and total revenues of \$112,564 for the year then ended. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinion on the basic financial statements, insofar as it relates to the amounts included for the Ware County Board of Health and the Okefenokee Area Development Authority is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Ware County, Georgia, as of June 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5th, 2013, on our consideration of Ware County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 13 and 59 through 68 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.

Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise Ware County, Georgia's basic financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Ware County, Georgia. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The combining and individual nonmajor fund financial statements, schedules listed in the table of contents and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The accompanying Schedules of Projects Constructed with Special Sales Tax Proceeds is presented for purposes of additional analysis as required by Official Code of Georgia 48-8-121, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Carly Riggs & Ingram, L.L.C.

March 5, 2013
Tifton, Georgia

MANAGEMENT DISCUSSION AND ANALYSIS

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2012

As Management of Ware County, Georgia, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the year ending June 30, 2012. We encourage our readers to consider the information presented within this Management's discussion and analysis in conjunction with the basic financial statements. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Financial Highlights

Key financial highlights for FY12 are as follows:

The County's total net assets decreased by \$628,498 to \$109,089,402. The County's investment in capital assets net of related debt is \$96,568,908 and there is \$12,235,177 of net assets that are restricted for various purposes, leaving \$285,317 in unrestricted net assets.

At the end of the current year, the County's governmental funds reported an ending fund balance of \$14,815,207, an increase of \$1,281,554 from the prior year fund balance. A large portion of the fund balance is restricted for various purposes in the amount of \$12,305,682 and \$2,509,525 is assigned for property tax rollback, leaving no unreserved fund balance. The County is working toward having a positive unassigned fund balance to assure adequate cash reserves and to reduce tax anticipation loan balances.

Net assets for business-type activities decreased \$82,613 to \$8,883,932.

The County spent most of their remaining SPLOST funds from prior SPLOST on road improvements as most other capital projects have been completed. The current SPLOST referendum has been used to obtain public safety and public works equipment as well as acquire property near the Courthouse to provide more space for County government and its funds are currently going toward the building of new recreation facilities.

Overview of the Financial Statements

This annual report consists of a series of financial statements. These statements are organized so the reader can understand the County as a financial whole or as an entire operating entity. The statements also provide a detailed look at specific financial conditions.

The County's basic financial statements are comprised of three components: the County-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2012

Government-Wide Financial Statements

The Government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

Statement of Net Assets and the Statement of Activities

The statement of net assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. The statement of activities presents information showing how the County's net assets changed during the current year. These statements are prepared using the accrual basis of accounting similar to the accounting method used by private sector companies. This basis of accounting takes into consideration all of the current year's revenues and expenses, regardless of when the cash is received or paid.

The change in net assets is important because it tells the reader whether, for the County as a whole, the financial position of the County has improved or diminished. However, in evaluating the overall position of the County, nonfinancial information such as changes in the County's tax base and the condition of the County's capital assets will also need to be evaluated.

In the statement of net assets and the statement of activities, the County is divided into three kinds of activities:

Governmental Activities—Most of the County's programs and services are reported here, including general government, judicial, public safety, public works, health, human services, culture and recreation and housing and development. These services are funded primarily by taxes and intergovernmental revenues, including federal and state grants and other shared revenues.

Business-Type Activities—These services are provided on a charge for goods or services basis to recover all or most of the cost of the services provided. The County's Emergency Telephone, Substance Center, Airport and Regional Landfill operations are reported here.

Component Units—The County's financial statements include financial data of the Ware County Board of Health and the Okefenokee Area Development Authority. These component units are described in the notes to the financial statements. The component units are separate and may buy, sell, lease, and mortgage property in their own name and can sue or be sued in their own name.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objects. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. Fund financial statements provide detailed information about the County's major funds. Based on the restriction on the use of moneys, the County has established many funds that account for the multitude of services provided to our residents.

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2012

The County's major governmental funds are the General Fund and the Capital Projects Funds which include the the 2003 and 2008 Special Purpose Sales Tax Funds.

Governmental Funds—Governmental funds are used to account for essentially the same functions reported as governmental activities on the government-wide financial statements. Most of the County's basic services are reported in these funds that focus on how money flows into and out of the funds and the year end balances available for spending. These funds are reported on the modified accrual basis of accounting that measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the County's general government operations and the basic services being provided, along with the financial resources available.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements.

By doing so, readers may better understand the long-term effect of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains a multitude of individual governmental funds. Information is presented separately on the governmental fund balance sheet and on the governmental fund statement of revenues, expenditures, and changes in fund balances for the major funds, which were identified earlier. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds— Enterprise funds are used to report the same functions presented as business-type activities on the government-wide financial statements. The County uses enterprise funds to account for the Emergency Telephone, Substance Abuse Center, Airport and Regional Landfill. Internal Service funds are used to account for the financing of goods or services provided by one department to other departments of the County on a cost-reimbursement basis. The County used internal service funds to account for Workers Compensation and Health Insurance.

Fiduciary Funds—Fiduciary funds are used to account for resources held for the benefit of parties outside the County. Fiduciary funds are not reflected on the government-wide financial statements because the resources from those funds are not available to support the County's programs. The accounting method used for fiduciary funds is much like that used for the proprietary funds.

Notes to the Financial Statements—The notes provide additional information that is essential to a full understanding of the data provided on the government-wide and fund financial statements.

Other Information—In addition to the basic financial statements and accompanying notes, this report also presents combining and individual fund statements and schedules.

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2012

Government-Wide Financial Analysis

The following table reflects the condensed Statement of Net Assets for the years ending June 30, 2011 and 2012:

Ware County's Net Assets
(in millions of dollars)

	Governmental		Business-Type		Total		Total Percentage Change 2011-2012
	Activities		Activities				
	2011	2012	2011	2012	2011	2012	
	Restated						
Assets							
Current and other assets	\$ 18.37	\$ 19.68	\$ (0.04)	\$ (0.27)	\$ 18.33	\$ 19.41	5.89%
Capital assets, net	91.45	89.77	11.96	11.36	103.41	101.13	-2.20%
Total Assets	109.82	109.45	11.92	11.09	121.74	120.54	-0.99%
Liabilities							
Current and other liabilities	5.25	4.93	0.93	0.91	6.18	5.84	-5.50%
Long-term liabilities	3.82	4.31	2.02	1.30	5.84	5.61	-3.94%
Total Liabilities	9.07	9.24	2.95	2.21	12.02	11.45	-4.74%
Net Assets							
Invested in capital assets, net of related debt	88.96	87.32	9.12	9.25	98.08	96.57	-1.54%
Restricted	11.65	12.24	-	-	11.65	12.24	5.06%
Unrestricted	0.14	0.65	(0.15)	(0.37)	(0.01)	0.28	-2900.00%
Total Net Assets	\$ 100.75	\$ 100.21	\$ 8.97	\$ 8.88	\$ 109.72	\$ 109.09	-0.57%

As noted earlier, the County's net assets, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities by \$109,089,402 (\$100,205,470 in governmental activities and \$8,883,932 in business-type activities) as of June 30, 2012. The largest portion of the County's net assets (88.52 percent) reflects its investment in capital assets (e.g., land and improvements, buildings and building improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. Another 9.99% of net assets are restricted for use on capital projects.

An additional portion of the County's net assets (1.23 percent) represents resources that are subject to other restrictions on how they can be used. The remaining balance of unrestricted assets represents \$285,317.

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2012

The next table shows the changes in net assets for the years ending June 30, 2012 and 2011:

Changes in Ware County's Net Assets
(in millions of dollars)

	Governmental		Business-Type		Total		Total Percentage Change 2011-2012
	Activities		Activities		2011 2012		
	2011	2012	2011	2012	2011	2012	
Revenues							
Program Revenues							
Charges for services	\$ 5.19	\$ 5.13	\$ 1.23	\$ 1.27	\$ 6.42	\$ 6.40	(0.31) %
Operating grants and contributions	0.85	1.34	-	-	0.85	1.34	57.65 %
Capital grants and contributions	1.25	1.00	0.16	-	1.41	1.00	(29.08) %
Total Program Revenues	7.29	7.47	1.39	1.27	8.68	8.74	0.69 %
General Revenues							
Property taxes	12.67	11.20	-	-	12.67	11.20	(11.60) %
Sales taxes	10.36	10.90	-	-	10.36	10.90	5.21 %
Occupation taxes	0.20	0.17	-	-	0.20	0.17	(15.00) %
Other taxes	1.32	1.22	-	-	1.32	1.22	(7.58) %
Investment earnings	0.11	-	-	-	0.11	-	(100.00) %
Miscellaneous	0.16	0.21	-	0.01	0.16	0.22	37.50 %
Total General Revenues	24.82	23.70	-	0.01	24.82	23.71	(4.47) %
Total Revenues	32.11	31.17	1.39	1.28	33.50	32.45	(3.13) %

Overall revenues increased for governmental funds in FY12. Sales tax grew after several years of declines.

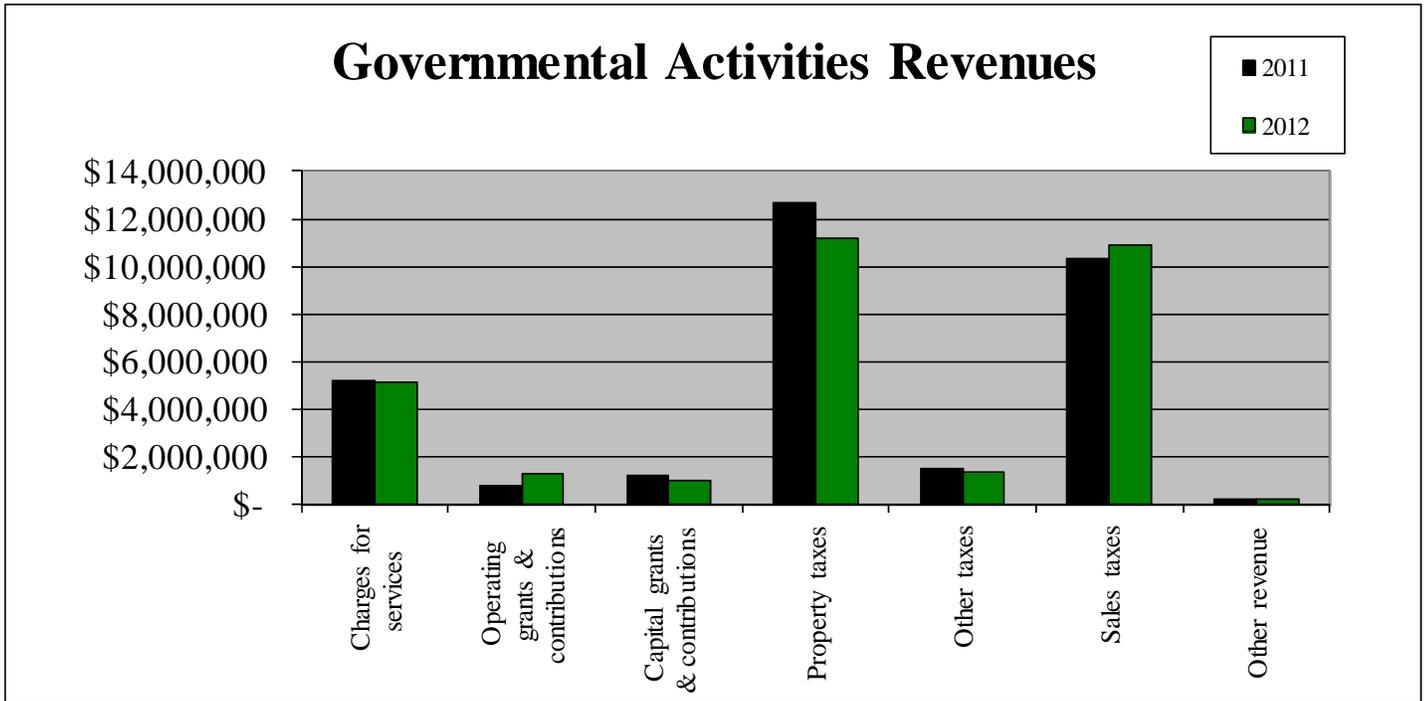
WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2012

Changes in Ware County's Net Assets
(in millions of dollars)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change 2011-2012
	2011	2012	2011	2012	2011	2012	
Expenses							
Governmental Activities:							
General Government							
Legislative and executive	\$ 6.57	\$ 4.33	\$ -	\$ -	\$ 6.57	\$ 4.33	(34.09) %
Judicial	2.91	2.99	-	-	2.91	2.99	2.75 %
Public safety	12.59	12.10	-	-	12.59	12.10	(3.89) %
Public works	7.10	6.89	-	-	7.10	6.89	(2.96) %
Health and welfare	0.87	0.84	-	-	0.87	0.84	(3.45) %
Culture and recreation	1.58	1.67	-	-	1.58	1.67	5.70 %
Housing and development	0.22	0.29	-	-	0.22	0.29	31.82 %
Intergovernmental	1.86	1.96	-	-	1.86	1.96	5.38 %
Interest on long-term debt	0.11	0.05	-	-	0.11	0.05	(54.55) %
Business-type Activities:							
Emergency telephone	-	-	0.79	0.80	0.79	0.80	1.27 %
Substance abuse	-	-	0.10	0.09	0.10	0.09	(10.00) %
Airport	-	-	1.07	1.07	1.07	1.07	- %
Regional landfill	-	-	-	-	-	-	- %
Total Expenses	33.81	31.12	1.96	1.96	35.77	33.08	(7.52) %
Revenue Over (Under) Expenses	(1.70)	0.05	(0.57)	(0.68)	(2.27)	(0.63)	(72.25)
Transfers	(0.39)	(0.59)	0.39	0.59	-	-	- %
Increase (Decrease) in Net Assets	(2.09)	(0.54)	(0.18)	(0.09)	(2.27)	(0.63)	(72.25) %
Net Assets, Beginning Restated	102.84	100.75	9.15	8.97	111.99	109.72	(2.03) %
Net Assets, Ending	\$ 100.75	\$ 100.21	\$ 8.97	\$ 8.88	\$ 109.72	\$ 109.09	(0.57) %

WARE COUNTY, GEORGIA
 Management's Discussion and Analysis
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Government Activities



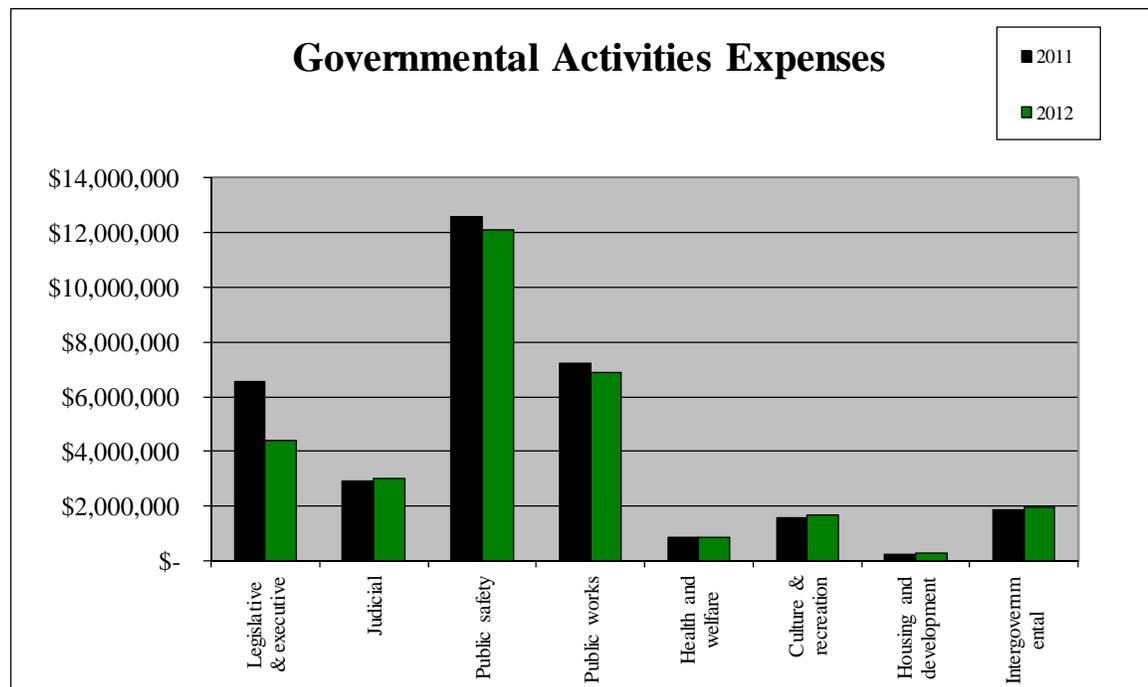
The largest portion of the County's program revenue is from charges for services which accounted for \$5,126,183 or 69% of total program revenues. These charges include licenses and permits, fines and forfeitures related to judicial activity, fees for real estate transfers, fees associated with the collection of property taxes and fees charged through various County governmental departments.

Property tax revenues are the major contributor to general revenues and account for \$11,192,438 or 47% of total general revenues. Another major component was sales taxes, which accounted for \$10,894,385 or 46% of total general revenues.

WARE COUNTY, GEORGIA
 Management's Discussion and Analysis
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Government Activities – Continued

The following chart compares governmental activities expenses for the year ending June 30, 2011 and 2012:



The following table provides the total cost of services and the net cost of services for the governmental activities. The statement of activities reflects the cost of program services and the charges for services, and sales, grants, and contributions offsetting these services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Net Cost of Ware County's Governmental Activities
(in millions of dollars)

<u>Function</u>	<u>Total Cost of Services</u>		<u>Percentage Change</u>	<u>Net Cost of Services</u>		<u>Percentage Change</u>
	<u>2011</u>	<u>2012</u>	<u>2011-2012</u>	<u>2011</u>	<u>2012</u>	<u>2011-2012</u>
General Government						
Legislative and executive	\$ 6.57	\$ 4.33	(34.09) %	\$ 6.03	\$ 3.12	(48.29) %
Judicial	2.91	2.99	2.75 %	1.55	1.23	(20.93) %
Public safety	12.59	12.10	(3.89) %	9.14	8.69	(4.88) %
Public works	7.10	6.89	(2.96) %	6.08	6.17	1.44 %
Health and welfare	0.87	0.84	(3.45) %	0.52	0.75	44.35 %
Culture and recreation	1.58	1.67	5.70 %	1.34	1.40	4.62 %
Housing and development	0.22	0.29	31.82 %	(0.10)	0.29	(392.88) %
Intergovernmental	1.86	1.96	5.38 %	1.86	1.96	5.27 %
Interest on long-term debt	0.11	0.05	(54.55) %	0.11	0.06	(49.18) %
Total	\$ 33.81	\$ 31.12	(7.96) %	\$ 26.53	\$ 23.66	(10.82) %

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2012

Business-Type Activities

The net assets for business-type activities decreased by \$82,613 during the year ending June 30, 2012. The major source of revenue was from charges for services which amounted to \$1,265,477.

Financial Analysis of County Funds

The County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the County's net resources available for spending at the end of the year.

As of June 30, 2012, the County's governmental funds reported a combined ending fund balance of \$14,815,207 an increase of \$1,281,554. Most of the of the fund balance is restricted to indicate that it is not available for new spending because it has already been committed to a variety of other restricted purposes. An amount of \$2,509,525 is assigned for a property tax roll back from prior year local option sales tax.

Major Funds

The General Fund is the primary operating fund of the County. At the end of June 30, 2012, the assigned fund balance for property tax relief was \$2,509,525. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Total fund balance represents 11.82% percent of the total fund expenditures.

The Capital Projects 2003 SPLOST Fund expended \$835,586 in capital improvement funds and public works and received \$222,907 in intergovernmental revenues and investment income. The expenditures exceeded revenue resulting in a decrease in the fund balance by \$612,679 to \$2,606,352, which is restricted for capital projects.

The Capital Projects 2008 SPLOST Fund expended \$3,587,730 in capital improvement funds, debt service and public works and paid out \$1,958,106 to city government and received \$7,172,365 in sales tax revenues and investment income. The revenues exceeded expenditures resulting in an increase in the fund balance of \$1,626,529 to \$7,351,430, which is restricted for capital projects.

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
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For the Year Ended June 30, 2012

Enterprise Funds

The County's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Emergency Telephone Fund oversees the operations of the 911 call center. The fund is supported by fees assessed to all telephone users and assistance from the County general fund.

The Regional Landfill Fund oversees the operations of a landfill that was constructed but never opened.

The Substance Abuse Center Fund oversees the rental and payment of bonded indebtedness for a substance abuse facility.

The Airport Fund oversees the operations of the airport. The fund is supported by charges for services and assistance from the County general fund.

Budgetary Highlights

By State statute, the Board of County Commissioners adopts the annual operating budget for the County on or before the first day of the fiscal year.

For the General Fund, changes from the original to the final budget created no net change in fund balance. The budget changes were for personnel changes and capital outlay changes during the year and were all covered by higher than expected revenues. For the Special Revenue Funds, changes from the original to the final budget were due to higher than expected expenditures of current revenues and prior year fund balances.

Capital Assets

The County's investment in capital assets for governmental and business-type activities as of June 30, 2012, was \$101,091,593 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure.

Major capital asset events during FY12 included continued improvements to roads, renovations of buildings for government services, acquisition of public safety and public works equipment and construction of recreation facilities.

Note 6 (Capital Assets) provides additional information about capital asset activity during FY12.

WARE COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2012

Debt

At June 30, 2012 the County had revenue bonds of \$550,000 which were retired after year end with sale of the building to the tenant. The County also has a note payable of \$500,000 outstanding that will be paid in two years from contributions from the general fund. Other outstanding debt included a TAN loan payable of \$1,900,000 and capital leases in the amount of \$3,175,685.

In addition to the bonded debt, the County's long-term obligations include compensated absences and closure/postclosure liability. Additional information on the County's long-term debt can be found in Notes 13 to 16 of this report.

Economic Factors

The Net M&O tax digest growth grew by 3.7% which is the second year of over 3.5% growth.

Sales tax revenues grew during FY12 consistently for the first time in several years.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Ware County Clerk, P.O. Box 1069, Waycross, GA 31502.

BASIC FINANCIAL STATEMENTS

WARE COUNTY, GEORGIA
 STATEMENT OF NET ASSETS
 June 30, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total Primary Government	Okefenokee Area Development Authority	Ware County Board of Health
ASSETS					
Cash	\$ 14,738,049	\$ 287,970	\$ 15,026,019	\$ 17,122	\$ 1,448,175
Investments	194,876	-	194,876	-	-
Receivables (net of allowance for doubtful accounts)					
Taxes	795,937	-	795,937	-	-
Accounts	903,657	128,237	1,031,894	384,414	-
Sales tax	888,704	-	888,704	-	-
Internal balances	914,323	(914,323)	-	-	-
Prepaid expense	-	-	-	1,100	-
Due from other governments	691,965	144,994	836,959	-	1,162,901
Inventory	70,505	73,019	143,524	-	-
Deferred bond issue cost	-	14,472	14,472	-	-
Deferred expense	199,690	-	199,690	-	-
Net pension obligation asset	277,670	-	277,670	-	-
Nondepreciable capital assets	3,521,770	5,455,858	8,977,628	770,000	-
Depreciable capital assets, net	86,244,522	5,902,443	92,146,965	34,388	1,625,986
TOTAL ASSETS	109,441,668	11,092,670	120,534,338	1,207,024	4,237,062

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 STATEMENT OF NET ASSETS - CONTINUED
 June 30, 2012

	Primary Government			Component Units	
	Governmental Activities	Business-Type Activities	Total Primary Government	Okefenokee Area Development Authority	Ware County Board of Health
LIABILITIES					
Accounts payable	\$ 1,040,618	\$ 18,931	\$ 1,059,549	\$ -	\$ 460,203
Accrued wages	199,418	10,750	210,168	-	-
Accrued liabilities	27,660	12,080	39,740	-	-
Due to other governments	160,668	330,000	490,668	770,000	156,846
Deferred revenue	42,238	31,581	73,819	-	-
Long-term liabilities:					
Due within one year:					
Compensated absences payable	604,765	16,384	621,149	-	367,628
Capital lease obligations	162,559	141,789	304,348	-	-
Bonds payable	-	95,000	95,000	-	-
Notes payable	1,900,000	250,000	2,150,000	-	-
Landfill postclosure cost	101,390	-	101,390	-	-
Due in more than one year					
Compensated absences payable	403,177	10,923	414,100	-	245,085
Capital lease obligations	2,285,037	586,300	2,871,337	-	-
Bonds payable	-	455,000	455,000	-	-
Due to other governments	-	-	-	-	-
Notes payable	-	250,000	250,000	95,365	-
Net other postemployment benefits	686,416	-	686,416	-	-
Landfill postclosure cost	1,622,252	-	1,622,252	-	-
TOTAL LIABILITIES	9,236,198	2,208,738	11,444,936	865,365	1,229,762
NET ASSETS					
Invested in capital assets, net of related debt	87,318,696	9,580,212	96,898,908	709,023	1,625,986
Restricted for:					
Drug education and treatment	532,740	-	532,740	-	-
Fire protection	53,021	-	53,021	-	-
Capital projects	10,895,033	-	10,895,033	-	-
Jail operations	185,999	-	185,999	-	-
Drug enforcement operations	55,978	-	55,978	-	-
Law library	186,654	-	186,654	-	-
Victim assistance	325,752	-	325,752	-	-
Special programs	-	-	-	-	344,478
Prior year program fee income	-	-	-	-	881,798
Unrestricted	651,597	(696,280)	(44,683)	(367,364)	155,038
TOTAL NET ASSETS	\$ 100,205,470	\$ 8,883,932	\$ 109,089,402	\$ 341,659	\$ 3,007,300

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 STATEMENT OF ACTIVITIES
 For The Year Ended June 30, 2012

FUNCTION/PROGRAM	Expenses	Program Revenues		
		Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest
GOVERNMENTAL ACTIVITIES				
General Government				
Legislative and Executive	\$ 4,327,065	\$ 656,832	\$ 551,826	\$ -
Judicial	2,993,455	1,309,801	457,994	-
Public Safety	12,097,840	2,852,274	264,904	296,750
Public Works	6,886,656	2,400	5,065	711,554
Health and Welfare	842,267	38,297	53,351	-
Culture and Recreation	1,674,797	266,579	6,300	-
Housing and Development	292,875	-	-	-
Intergovernmental	1,958,106	-	-	-
Interest on Long-term Debt	55,898	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	31,128,959	5,126,183	1,339,440	1,008,304
BUSINESS-TYPE ACTIVITIES				
Emergency Telephone	793,890	444,299	-	-
Substance Abuse Center	89,913	135,000	-	-
Airport	1,062,585	686,178	-	-
Regional Landfill	-	-	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	1,946,388	1,265,477	-	-
TOTAL PRIMARY GOVERNMENT	\$ 33,075,347	\$ 6,391,660	\$ 1,339,440	\$ 1,008,304
COMPONENT UNITS				
Okefenokee Area Development Authority	\$ 93,532	\$ 3,265	\$ 109,299	\$ -
Ware County Board of Health	16,634,606	887,710	15,967,129	-
TOTAL COMPONENT UNITS	\$ 16,728,138	\$ 890,975	\$ 16,076,428	\$ -
GENERAL REVENUES				
Property Taxes Levied for:				
General Operating				
Alcoholic Beverage Taxes				
Occupational Taxes				
Franchise Taxes				
Insurance Premium Taxes				
Sales Taxes				
Surplus Sales				
Miscellaneous				
Interest				
TOTAL GENERAL REVENUES				
EXCESS BEFORE TRANSFERS				
TRANSFERS IN (OUT)				
CHANGES IN NET ASSETS				
RESTATED BEGINNING NET ASSETS				
NET ASSETS AT END OF YEAR				

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenue and Changes in Net Assets

Primary Government			Component Units	
Governmental Activities	Business-Type Activities	Total	Okefenokee Area Development Authority	Ware County Board of Health
\$ (3,118,407)	\$ -	\$ (3,118,407)	\$ -	\$ -
(1,225,660)	-	(1,225,660)	-	-
(8,683,912)	-	(8,683,912)	-	-
(6,167,637)	-	(6,167,637)	-	-
(750,619)	-	(750,619)	-	-
(1,401,918)	-	(1,401,918)	-	-
(292,875)	-	(292,875)	-	-
(1,958,106)	-	(1,958,106)	-	-
(55,898)	-	(55,898)	-	-
(23,655,032)	-	(23,655,032)	-	-
-	(349,591)	(349,591)	-	-
-	45,087	45,087	-	-
-	(376,407)	(376,407)	-	-
-	-	-	-	-
-	(680,911)	(680,911)	-	-
\$ (23,655,032)	\$ (680,911)	\$ (24,335,943)	\$ -	\$ -
\$ -	\$ -	\$ -	\$ 19,032	\$ -
-	-	-	-	220,233
\$ -	\$ -	\$ -	\$ 19,032	\$ 220,233
11,192,438	-	11,192,438	-	-
188,034	-	188,034	-	-
171,453	-	171,453	-	-
129,398	-	129,398	-	-
906,467	-	906,467	-	-
10,894,385	-	10,894,385	-	-
189,570	-	189,570	-	-
25,080	10,460	35,540	-	-
-	160	160	-	-
23,696,825	10,620	23,707,445	-	-
41,793	(670,291)	(628,498)	19,032	220,233
(587,678)	587,678	-	-	-
(545,885)	(82,613)	(628,498)	19,032	220,233
100,751,355	8,966,545	109,717,900	322,627	2,787,067
\$ 100,205,470	\$ 8,883,932	\$ 109,089,402	\$ 341,659	\$ 3,007,300

WARE COUNTY, GEORGIA
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 June 30, 2012

	<u>General</u>	<u>Capital Projects Funds</u>		<u>Other Governmental Funds</u>	<u>Total</u>
		<u>2003 SPLOST</u>	<u>2008 SPLOST</u>		
ASSETS					
Cash	\$ 2,269,082	\$ 2,616,356	\$ 7,235,853	\$ 2,100,240	\$ 14,221,531
Certificates of deposit	-	-	-	194,876	194,876
Receivables (net of allowance for doubtful accounts)					
Taxes	795,937	-	-	-	795,937
Accounts	829,170	-	-	74,490	903,660
Sales Tax	304,030	-	584,673	-	888,703
Inventory	70,505	-	-	-	70,505
Due from other governments	462,870	-	-	229,095	691,965
Interfund receivable	1,354,494	-	-	-	1,354,494
TOTAL ASSETS	\$ 6,086,088	\$ 2,616,356	\$ 7,820,526	\$ 2,598,701	\$ 19,121,671

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 GOVERNMENTAL FUNDS
 BALANCE SHEET - CONTINUED
 June 30, 2012

	General	Capital Projects Funds		Other Governmental Funds	Total
		2003 SPLOST	2008 SPLOST		
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 655,883	\$ 5,477	\$ 298,812	\$ 78,282	\$ 1,038,454
Accrued liabilities	221,748	1,430	2,775	1,124	227,077
Due to other governments	935	-	159,733	-	160,668
Interfund payable	13,633	3,097	7,776	199,662	224,168
Deferred revenue	713,859	-	-	42,238	756,097
Note payable	1,900,000	-	-	-	1,900,000
TOTAL LIABILITIES	3,506,058	10,004	469,096	321,306	4,306,464
FUND BALANCES					
Nonspendable	70,505	-	-	-	70,505
Restricted for:					
Drug education and treatment	-	-	-	532,740	532,740
Fire protection	-	-	-	53,021	53,021
Capital projects	-	2,606,352	7,351,430	937,251	10,895,033
Jail operations	-	-	-	185,999	185,999
Drug enforcement operations	-	-	-	55,978	55,978
Law library	-	-	-	186,654	186,654
Victim assistance	-	-	-	325,752	325,752
Assigned for:					
Property tax roll back	2,509,525	-	-	-	2,509,525
Unassigned reported in:					
General Fund	-	-	-	-	-
TOTAL FUND BALANCES	2,580,030	2,606,352	7,351,430	2,277,395	14,815,207
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,086,088	\$ 2,616,356	\$ 7,820,526	\$ 2,598,701	\$ 19,121,671

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
 TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
 June 30, 2012

Total Governmental Funds Balances \$ 14,815,207

**Amounts reported for governmental activities on the
 statement of net assets are different because of the following:**

Net Pension Obligation

Pension assets resulting from contributions in excess on the annual
 required contribution 277,670

Capital assets used in governmental activities are not
 financial resources and, therefore, are not reported in the funds. 89,766,292

Internal service funds are used by management to charge the cost
 of certain activities, such as health insurance and workers compensation to
 individual funds. The assets and liabilities of the internal service
 funds are included in the governmental activities in the government-wide
 statement of net assets.

Net assets 498,038

Revenues are not available to pay for current period expenditures
 and, therefore, are not reported in the funds.

Deferred revenue 713,859

Some liabilities are not due and payable in the current
 period and, therefore, are not reported in the funds:

Landfill postclosure cost (1,723,642)
 Compensated absences payable (1,007,942)
 Net other postemployment benefits (686,416)
 Capital leases payable (2,447,596)

Net Assets of Governmental Activities \$ 100,205,470

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For The Year Ended June 30, 2012

	General	Capital Project Funds		Other Governmental Funds	Total
		2003 SPLOST	2008 SPLOST		
REVENUES:					
Taxes	\$ 16,207,382	\$ -	\$ 7,167,299	\$ -	\$ 23,374,681
Licenses and permits	171,453	-	-	-	171,453
Intergovernmental revenues	615,074	220,584	-	1,395,718	2,231,376
Charges for services	3,412,891	-	-	565,502	3,978,393
Fines and forfeitures	620,068	-	-	292,410	912,478
Investment income	6,086	2,323	5,066	4,452	17,927
Miscellaneous	799,186	-	-	83,192	882,378
TOTAL REVENUES	21,832,140	222,907	7,172,365	2,341,274	31,568,686
EXPENDITURES					
Current					
General Government					
Legislative and executive	3,695,228	-	-	86,045	3,781,273
Judicial	2,524,445	-	-	381,221	2,905,666
Public safety	10,509,805	-	-	1,139,292	11,649,097
Public works	2,228,330	204,580	547,497	-	2,980,407
Health and welfare	758,151	-	-	70,556	828,707
Culture and recreation	1,192,284	-	-	-	1,192,284
Housing and development	295,927	-	-	-	295,927
Intergovernmental	-	-	1,958,106	-	1,958,106
Capital outlay	-	631,006	2,746,282	590,482	3,967,770
Debt service					
Principal retirement	611,147	-	195,580	-	806,727
Interest	6,169	-	98,371	-	104,540
TOTAL EXPENDITURES	21,821,486	835,586	5,545,836	2,267,596	30,470,504
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,654	(612,679)	1,626,529	73,678	1,098,182
OTHER FINANCING SOURCES (USES):					
CAPITAL LEASE FINANCING	771,050	-	-	-	771,050
TRANSFER IN	80,000	-	-	32,536	112,536
TRANSFER OUT	(587,678)	-	-	(112,536)	(700,214)
TOTAL OTHER FINANCING SOURCES (USES)	263,372	-	-	(80,000)	183,372
NET CHANGES IN FUND BALANCE	274,026	(612,679)	1,626,529	(6,322)	1,281,554
FUND BALANCE, RESTATED	2,306,004	3,219,031	5,724,901	2,283,717	13,533,653
FUND BALANCE, END OF YEAR	\$ 2,580,030	\$ 2,606,352	\$ 7,351,430	\$ 2,277,395	\$ 14,815,207

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
 For The Year Ended June 30, 2012

Net Change in Fund Balances - Total Governmental Funds \$ 1,281,554

**Amounts reported for governmental activities on the
 statement of activities are different because of the following:**

Net Pension Obligation

Change in pension assets resulting from contributions in excess of the annual required contribution (53,424)

Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current year:

Capital outlay - construction in progress	3,350,168	
Capital outlay - depreciable capital assets	1,559,922	
Depreciation	<u>(6,049,761)</u>	
		(1,139,671)

Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:

Property taxes	<u>142,221</u>	
		142,221

Revenues not reported on the statement of activities that provide current financial resources are reported as revenues in governmental funds:

Funds from sale of equipment for pay off of capital lease	(540,156)	
Capital lease funds	<u>(771,050)</u>	
		(1,311,206)

Some expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Internal service funds	74,411	
Landfill postclosure cost	83,321	
Other postemployment benefits	(332,772)	
Compensated absences	<u>(97,046)</u>	
		(272,086)

Repayment of principle is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of activities.

Capital lease payments	806,727	
		<u>806,727</u>

Changes in Net Assets of Governmental Activities \$ (545,885)

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS
 June 30, 2012

	Business-Type Activities-Enterprise Funds					Governmental
	Emergency <u>Telephone</u>	Substance Abuse <u>Center</u>	<u>Airport</u>	Regional <u>Landfill</u>	<u>Total</u>	Internal <u>Service Funds</u>
ASSETS						
CURRENT ASSETS						
Cash	\$ 73,419	\$ 21,846	\$ 192,705	\$ -	\$ 287,970	\$ 516,516
Receivables (net of allowance for doubtful accounts):						
Accounts	69,615	-	58,622	-	128,237	-
Due from other governments	-	-	144,994	-	144,994	-
Interfund receivable	-	-	13,633	-	13,633	-
Prepaid expenses	-	-	-	-	-	199,690
Inventory	-	-	73,019	-	73,019	-
TOTAL CURRENT ASSETS	<u>143,034</u>	<u>21,846</u>	<u>482,973</u>	<u>-</u>	<u>647,853</u>	<u>716,206</u>
NONCURRENT ASSETS						
Deferred bond issue cost	-	14,472	-	-	14,472	-
Capital Assets						
Land	-	-	1,043,408	4,412,450	5,455,858	-
Depreciable capital assets, net	134,836	562,942	5,204,665	-	5,902,443	-
TOTAL NONCURRENT ASSETS	<u>134,836</u>	<u>577,414</u>	<u>6,248,073</u>	<u>4,412,450</u>	<u>11,372,773</u>	<u>-</u>
TOTAL ASSETS	<u>277,870</u>	<u>599,260</u>	<u>6,731,046</u>	<u>4,412,450</u>	<u>12,020,626</u>	<u>716,206</u>

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF NET ASSETS - CONTINUED
 June 30, 2012

	Business-Type Activities-Enterprise Funds					Governmental
	Emergency <u>Telephone</u>	Substance Abuse <u>Center</u>	<u>Airport</u>	Regional <u>Landfill</u>	<u>Total</u>	Internal <u>Service Funds</u>
LIABILITIES						
CURRENT LIABILITIES						
Accounts payable	14,554	-	4,377	-	18,931	2,164
Accrued expenses	8,872	-	1,878	-	10,750	-
Current portion of compensated absences payable	9,491	-	6,893	-	16,384	-
Due to other governments	-	-	-	330,000	330,000	-
Accrued interest payable	-	12,080	-	-	12,080	-
Interfund payable	609,750	-	-	318,206	927,956	216,004
Deferred revenue	-	-	31,581	-	31,581	-
Current portion of note payable	-	-	-	250,000	250,000	-
Current portion of capital lease obligations	-	-	141,789	-	141,789	-
Current portion of bonds payable	-	95,000	-	-	95,000	-
TOTAL CURRENT LIABILITIES	642,667	107,080	186,518	898,206	1,834,471	218,168
LONG-TERM LIABILITIES						
Compensated absences payable	6,327	-	4,596	-	10,923	-
Note payable	-	-	-	250,000	250,000	-
Capital lease obligations	-	-	586,300	-	586,300	-
Bonds payable	-	455,000	-	-	455,000	-
TOTAL LONG-TERM LIABILITIES	6,327	455,000	590,896	250,000	1,302,223	-
TOTAL LIABILITIES	648,994	562,080	777,414	1,148,206	3,136,694	218,168
NET ASSETS						
Invested in capital assets, net of related debt	134,836	12,942	5,519,984	3,912,450	9,580,212	-
Restricted for workers compensation and health claims	-	-	-	-	-	498,038
Unrestricted	(505,960)	24,238	433,648	(648,206)	(696,280)	-
TOTAL NET ASSETS	\$ (371,124)	\$ 37,180	\$ 5,953,632	\$ 3,264,244	\$ 8,883,932	\$ 498,038

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET ASSETS
 For The Year Ended June 30, 2012

	Business-Type Activities-Enterprise Funds					Governmental Activities
	Emergency Telephone	Substance Abuse Center	Airport	Regional Landfill	Total	Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 444,299	\$ 135,000	\$ 686,178	\$ -	\$ 1,265,477	\$ 3,801,238
Contributions	-	-	-	-	-	18,714
Miscellaneous	10,460	-	-	-	10,460	9,165
TOTAL OPERATING REVENUES	454,759	135,000	686,178	-	1,275,937	3,829,117
OPERATING EXPENSES						
Personal services	451,202	-	97,905	-	549,107	-
Payroll taxes	33,408	-	7,430	-	40,838	-
Fringe benefits	165,862	-	30,499	-	196,361	-
Contractual services	98,190	-	85,513	-	183,703	-
Materials and supplies	9,530	-	529,052	-	538,582	-
Claims paid	-	-	-	-	-	390,709
Other services and charges	15,490	-	-	-	15,490	3,364,434
Amortization of bond issue cost	-	3,074	-	-	3,074	-
Depreciation	20,145	50,413	279,421	-	349,979	-
TOTAL OPERATING EXPENSES	793,827	53,487	1,029,820	-	1,877,134	3,755,143
OPERATING INCOME (LOSS)	(339,068)	81,513	(343,642)	-	(601,197)	73,974
NON-OPERATING REVENUES (EXPENSES)						
Interest income	59	9	92	-	160	436
Interest expense	(63)	(36,426)	(32,765)	-	(69,254)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(4)	(36,417)	(32,673)	-	(69,094)	436
INCOME (LOSS) BEFORE TRANSFERS	(339,072)	45,096	(376,315)	-	(670,291)	74,410
TRANSFERS IN (OUT)	250,028	-	87,650	250,000	587,678	-
CHANGE IN NET ASSETS	(89,044)	45,096	(288,665)	250,000	(82,613)	74,410
NET ASSETS AT BEGINNING OF YEAR	(282,080)	(7,916)	6,242,297	3,014,244	8,966,545	423,628
NET ASSETS AT END OF YEAR	\$ (371,124)	\$ 37,180	\$ 5,953,632	\$ 3,264,244	\$ 8,883,932	\$ 498,038

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 For The Year Ended June 30, 2012

	Business-Type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	Emergency Telephone	Substance Abuse Center	Airport	Regional Landfill	Total	
<u>Increase (Decrease) in Cash and Cash Equivalents</u>						
<u>Cash Flows From Operating Activities</u>						
Cash received from customers	\$ 457,890	\$ 146,250	\$ 679,432	\$ -	\$ 1,283,572	\$ 3,836,394
Cash received from interfund transactions	92,155	-	-	-	92,155	216,004
Cash payments for personal services	(662,857)	-	(138,096)	-	(800,953)	(396,923)
Cash payments for contractual services	(94,644)	-	(85,513)	-	(180,157)	-
Cash payments for other services and charges	(15,490)	-	-	-	(15,490)	(3,512,968)
Cash payments for interfund transactions	-	-	(28,071)	-	(28,071)	-
Cash payments for materials and supplies	(9,530)	-	(522,613)	-	(532,143)	-
Net Cash Provided by (Used For)						
Operating Activities	<u>(232,476)</u>	<u>146,250</u>	<u>(94,861)</u>	<u>-</u>	<u>(181,087)</u>	<u>142,507</u>
<u>Cash Flows From Noncapital Financing Activities</u>						
Cash received from transfer-in	<u>250,028</u>	<u>-</u>	<u>87,650</u>	<u>-</u>	<u>337,678</u>	<u>-</u>
Net Cash Provided By Noncapital Financing Activities	<u>250,028</u>	<u>-</u>	<u>87,650</u>	<u>-</u>	<u>337,678</u>	<u>-</u>
<u>Cash Flows From Capital and Related Financing Activities</u>						
Cash received from intergovernmental revenue	-	-	150,000	-	150,000	-
Cash received from note payable	-	-	-	-	-	-
Cash payments for the construction of capital assets	-	-	-	-	-	-
Cash payments for principle on debt	(12,835)	(90,000)	(124,992)	-	(227,827)	-
Cash payments for interest on debt	(63)	(38,402)	(29,824)	-	(68,289)	-
Net Cash Provided by (Used For) Capital and Related Financing Activities	<u>(12,898)</u>	<u>(128,402)</u>	<u>(4,816)</u>	<u>-</u>	<u>(146,116)</u>	<u>-</u>
<u>Cash Flows From Investing Activities</u>						
Cash received from interest	<u>59</u>	<u>9</u>	<u>92</u>	<u>-</u>	<u>160</u>	<u>436</u>
Net Cash Flows Provided By Investing Activities	<u>59</u>	<u>9</u>	<u>92</u>	<u>-</u>	<u>160</u>	<u>436</u>
Net Increase (Decrease) in Cash and Cash Equivalents	4,713	17,857	(11,935)	-	10,635	142,943
Cash and Cash Equivalents at Beginning of Year	\$ 68,706	\$ 3,989	\$ 204,640	\$ -	277,335	373,573
Cash and Cash Equivalents at End of Year	<u>\$ 73,419</u>	<u>\$ 21,846</u>	<u>\$ 192,705</u>	<u>\$ -</u>	<u>\$ 287,970</u>	<u>\$ 516,516</u>

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS - CONTINUED
 For The Year Ended June 30, 2012

	Business-Type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	Emergency Telephone	Substance Abuse Center	Airport	Regional Landfill	Total	
Reconciliation of Operating Income (Loss) To						
<u>Net Cash Provided by (Used For) Operating Activities</u>						
Operating Income (Loss)	\$ (339,068)	\$ 81,513	\$ (343,642)	\$ -	\$ (601,197)	\$ 73,974
Adjustments to Reconcile Operating Income (Loss) To						
<u>Net Cash Provided by (Used For) Operating Activities</u>						
Depreciation	20,145	50,413	279,421	-	349,979	-
Amortization	-	3,074	-	-	3,074	-
Changes in Assets and Liabilities:						
(Increase) decrease in accounts receivable	3,131	11,250	(7,046)	-	7,335	7,277
(Increase) decrease in inventory	-	-	10,485	-	10,485	-
(Increase) decrease in prepaid items	-	-	-	-	-	(127,915)
(Increase) decrease in interfund receivable	-	-	(13,633)	-	(13,633)	-
Increase (decrease) in accounts payable	3,546	-	(4,046)	-	(500)	(20,619)
Increase (decrease) in compensated absences payable	2,829	-	846	-	3,675	-
Increase (decrease) in interfund payable	92,155	-	(14,438)	-	77,717	216,004
Increase (decrease) in deferred revenues	-	-	300	-	300	-
Increase (decrease) in accrued expenses	(15,214)	-	(3,108)	-	(18,322)	(6,214)
Net Cash Provided By (Used For)						
Operating Activities	<u>(232,476)</u>	<u>146,250</u>	<u>(94,861)</u>	<u>-</u>	<u>(181,087)</u>	<u>142,507</u>

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
 June 30, 2012

	<u>Agency Funds</u>
ASSETS	
Cash	\$ <u>1,759,105</u>
TOTAL ASSETS	<u>\$ 1,759,105</u>
LIABILITIES	
Due to others governments	\$ 295,047
Due to others	<u>1,464,058</u>
TOTAL LIABILITIES	<u>1,759,105</u>
NET ASSETS	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 1 – Reporting Entity

These financial statements present Ware County, Georgia (the primary government) which is governed by an elected five - member board, Ware County Board of Health and the Okefenokee Area Development Authority which are discretely presented component units. Also included are five elected constitutional officers: Clerk of the Superior Court, Sheriff, Tax Commissioner, Probate Judge and Magistrate Judge.

The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

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

Joint Ventures

Based on the criteria of GASB 2100, the following entities are considered joint venture organizations between the City of Waycross and Ware County:

The Southern Georgia Regional Commission is a joint venture of the members in the South Georgia 8 county area. Further information is provided in Note 20.

Component Units

Based on the criteria of GASB 2100, the following entities are considered a component unit of Ware County, Georgia:

The Ware County Board of Health is a component unit based on the criteria of the County appointing a voting majority to the board and the County's ability to impose its will upon the Ware County Board of Health. The financial statements for the Ware County Board of Health are presented in these financial statements using the method of discrete presentation. The Ware County Board of Health fiscal year end is June 30. A complete set of financial statements for the Ware County Board of Health is presented in a separate report and can be obtained from the Ware County Board of Health, 1101 Church Street, Waycross, Georgia 31501.

The Okefenokee Area Development Authority is a component unit based on the criteria of the County appointing a voting majority to the board. The financial statements for the Okefenokee Area Development Authority are presented in these financial statements using the method of discrete presentation. The Okefenokee Area Development Authority fiscal year end is December 31. A complete set of financial statements for the Okefenokee Area Development Authority is presented in a separate report and can be obtained from the Okefenokee Area Development Authority, 402 Elizabeth Street, Waycross, Georgia 31501.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 1 – Reporting Entity – Continued

Related Organizations

The Ware County Board of Commissioners are also responsible for appointing board members to other organizations, but the County’s accountability for these organizations does not extend beyond making appointments. The Commissioners appoint members to the boards of the Clean Community Committee, Satilla Community Services Board, South Georgia Regional Community Services Board, Ware County Airport Advisory Committee, Ware County Department of Family and Children Services Board, Ware County Forestry Board, Ware County Hospital Authority, Ware County Recreation Board, Ware County Tax Assessors Board, Waycross-Ware County Board of Zoning Appeals, Waycross-Ware County Development Authority, Waycross-Ware County Library Board and the Waycross Ware County Planning Commission.

Note 2 - Summary of Significant Accounting Policies

The financial statements of Ware County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The County has elected to apply Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989, to its business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements.

The following are the more significant of the County’s accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the County that are governmental in nature and those that are considered business-type activities.

The statement of net assets presents the financial condition of the governmental and business-type activities of the County at year end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the County’s governmental activities and business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program, and interest earned on grants that is required to be used to support a particular program. Revenues that are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental program or business activity is self-financing or draws from the general revenues of the County.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies - Continued

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. The focus of governmental and proprietary fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

B. Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions of the County 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 purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

General Fund. The General Fund accounts for all financial resources, except those required to be accounted for in another fund. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the General Fund.

Capital Projects Special Sales Tax 2003 Fund. The Capital Projects Special Sales Tax 2003 Fund accounts for the special purpose local option sales tax that was renewed for the fifth time by referendum. The revenue is restricted to the stated purposes of the referendum.

Capital Projects Special Sales Tax 2008 Fund. The Capital Projects Special Sales Tax 2008 Fund accounts for the special purpose local option sales tax that was renewed for the sixth time by referendum. The revenue is restricted to the stated purposes of the referendum.

The other governmental funds of the County account for grants and other resources whose use is restricted for a particular purpose; the accumulation of resources for, and the payment of debt; and the acquisition or construction of major capital facilities.

Note 2 - Summary of Significant Accounting Policies - Continued

Proprietary Funds

Proprietary Fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows. Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principle ongoing operations. All other revenues and expenses not meeting this definition are considered nonoperating. The County's enterprise funds may be used to account for any activity for which a fee is charged to external users of goods or services. The following are the County's major enterprise funds:

Emergency Telephone Fund. The fund accounts for fees collected to provide the emergency 911 call center.

Substance Abuse Center. The fund accounts for the rental of the building for the Substance Abuse Department. Rental fees are based on costs of maintaining the building and the annual debt service payments.

Airport Fund. The fund accounts for the operations of the Ware County Airport.

Regional Landfill. The fund accounts for the development and future operations of a regional landfill.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to the other departments of the County on a cost-reimbursement basis. The County has two internal service funds:

Health Fund. The fund accounts for charges to other funds and contributions from employees and for the payment of health insurance premiums and benefits.

Workers Compensation Fund. The fund accounts for transactions related to worker's compensation claims by the County.

In the Statement of Activities, internal service fund transactions have been eliminated, however those transactions between governmental and business-type activities have not been eliminated.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies - Continued

Fund Financial Statements - Continued

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The County's agency funds account for assets held by the County for political subdivisions in which the County acts as fiscal agent and for taxes, state-levied shared revenues, and fines and forfeitures collected and distributed to other political subdivisions.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets.

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 are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects 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 reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

Like the government-wide financial statements, the enterprise and internal service funds are accounted for using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statement of changes in revenues, expenses, and changes in fund net assets presents increases (i.e., revenues) and decreases (i.e., expenses) in total net assets. The statement of cash flows reflects how the County finances and meets the cash flow needs of its enterprise and internal service activities.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide and enterprise and internal service fund financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; enterprise funds and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 2 – Summary of Significant Accounting Principles – Continued

Revenues—Exchange and Nonexchange Transactions

Revenues 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 recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty days after year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes are recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, 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 the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: sales taxes, charges for services, fines and forfeitures, grants, interest, and rent.

Deferred Revenues

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Property taxes for which there was an enforceable legal claim at June 30, 2012, but were levied to finance FY12 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies - Continued

E. Budgetary Process

An annual budget is adopted (as required by law) by the County for the general, special revenue and capital projects funds. Although not legally required, the County also adopts a budget for the enterprise funds and internal service funds. The budgets are adopted on a basis substantially consistent with U.S. generally accepted accounting principles.

The County uses the following procedures in establishing the annual budgets:

1. Prior to July 1, the County Manager submits to the Board of Commissioners a proposed budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments. Notice is given at least ten days in advance by publication in the official organ of Ware County.
3. The budget is legally enacted through passage of an ordinance.
4. The County has a policy of budgeting on a departmental basis.
5. Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue, capital project, internal service and enterprise funds.
6. Budgeted amounts are shown as amended throughout the year.
7. Departments can, with County Manager approval, amend their budgets without Board approval on all expenditures excluding personal services.

F. Encumbrances

Encumbrance accounting, under which major purchase orders, contracts, and other commitments for the expenditures of monies are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration. Ware County does not utilize encumbrance accounting.

G. Cash and Cash Equivalents

For the proprietary fund types a statement of cash flows is presented, as is required by GASB Statement 9, instead of a statement of changes in financial position. For this statement, cash equivalents are defined as short term, highly liquid investments with a maturity of three months or less when purchased, that are readily convertible to known amounts of cash and so near their maturity that they present insignificant rates of changes in value because of changes in interest rates.

H. Investments

All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies - Continued

I. Prepaid Expenses

Prepaid balances are for payments made by the County in the current year to provide services occurring the subsequent fiscal year.

J. Inventory

Inventory is presented at the lower of cost or market on a first-in, first-out basis and is expensed when used. Inventory consists of expendable supplies held for consumption.

K. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset.

L. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of \$5,000. The County's infrastructure consists of roads, bridges, and culverts. Improvements 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 not capitalized. All infrastructure acquired prior to the implementation of GASB 34 has been capitalized and reported. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

All capital assets are depreciated, except for land and improvements 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.

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Building Improvements	40–100 years
Improvements Other Than Buildings	40 years
Machinery and Equipment	5–20 years
Vehicles	6–20 years
Infrastructure	5–50 years

Note 2 - Summary of Significant Accounting Policies - Continued

M. Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as “Interfund Receivables/Payables.” Interfund balances within governmental activities and within business-type activities are eliminated on the government-wide statement of net assets. The only interfund balances which remain on the government-wide statement of net assets are those between governmental and business-type activities. These amounts are reflected as “Internal Balances.”

N. 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 the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation time when earned for all employees.

Sick leave benefits are not accrued as a liability.

The entire compensated absences liability is reported on the government-wide financial statements.

On governmental fund financial statements, compensated absences are not recognized as a liability and expenditure. For enterprise funds, the entire amount of compensated absences is reported as a fund liability.

O. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise funds are reported on the enterprise fund financial statements.

In general, governmental fund payables and accrued liabilities are recognized as fund liabilities when incurred. However, required pension contributions that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Loans and capital leases are recognized as a liability on the fund financial statements when due.

P. 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 assets.

Fund Balance

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

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies – Continued

P. Fund Equity - Continued

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

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

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

Assigned: Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the Board of Commissioners has authorized the County's Finance Director to assign fund balances.

Unassigned: Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. Positive unassigned fund balance may be reported only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions

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

Net Assets

Net assets represent the difference between assets and liabilities in reporting which utilizes the economic resources measurement focus. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used (i.e., the amount that the County has spent) for the acquisition, construction or improvement of those assets. Net assets are reported as restricted using the same definition as used for restricted fund balance as described in the section above. All other net assets are reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 2 - Summary of Significant Accounting Policies – Continued

Q. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the County, these revenues are charges for services for water and sewer and street lighting. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as nonoperating.

R. Interfund Transactions

Transfers between governmental and business-type activities on the government-wide financial statements are reported in the same manner as general revenues.

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 nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

S. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Deficit Net Assets

The following fund had a deficit at June 30, 2012:

Enterprise Fund:	<u>Deficit</u>
Emergency Telephone Fund	\$371,124

The County will be increasing appropriations to the Emergency Telephone Fund from the General Fund to cover increasing cost that cannot be covered by fees.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 3 – Deposits and Investments

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

Credit Risk. State statutes authorize the County to invest in obligations of the State of Georgia or other states; obligations issued by the U.S. government; obligations fully insured or guaranteed by the U. S. government or by a government agency of the United States; obligations of any corporation of the U. S. government; prime banker's acceptances; the local government investment pool established by state law; repurchase agreements; and obligations of other political subdivisions of the State of Georgia.

Custodial Credit Risk – Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the County will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. State statutes require all deposits and investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U. S. government, or bonds of public authorities, counties or municipalities.

Custodial Credit Risk – Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require all investments (other than federal or state government instruments) to be collateralized by depository insurance, obligations of the U. S. government, or bonds of public authorities, counties or municipalities.

Note 4 – Property Taxes

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the County. The property taxes for Ware County are collected by the Ware County Tax Commissioners Office and remitted to the County monthly.

The property tax calendar is as follows:

- January 1 - Assessment date
- July 1 - Tax Assessors send returns to Tax Commissioner
- July 25 - Millage rate is set by the County Commission
- July 28 - County tax digest is submitted to the State Revenue Commissioner
- September 30 - Bills are mailed by Tax Commissioner
- December 20 - Due date for property taxes other than motor vehicles
- December 21 - Execution date for unpaid taxes

Taxes are collected throughout the year.

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 5 – Receivables

Receivables at June 30, 2012, consisted of accounts (billings for user charged services, including unbilled utility services), sales taxes, accrued interest, grants, interfund, and property taxes. All amounts due from other governments are considered collectible in full. Delinquent property taxes may be certified and collected as a special assessment, subject to foreclosure for nonpayment.

Receivables are recognized to the extent the amounts are determined material and substantiated, not only by supporting documentation but also by a reasonable systematic method of determining their existence, completeness, valuation, and collectibility.

A summary of the amounts due from other governments is as follows:

General Fund

District Attorney Cost - Other Counties	\$ 31,349
Franchise Taxes	129,398
Waycross city court	1,334
FEMA	<u>300,789</u>
Total - General Fund	<u>\$ 462,870</u>

Special Revenue Funds

Nonmajor funds:

Victim Assistance Fines - Other Governments	\$ 6,247
Criminal Justice Coordinating Council	62,545
Georgia Emergency Management Agency	102,024
Georgia Department of Transportation	8,050
Department of Justice	15,514
Drug Fines - Other Governments	<u>4,715</u>
Total - Special Revenue Funds	<u>\$ 199,095</u>

Capital Project Funds:

Nonmajor funds:

Georgia Department of Community Affairs	<u>\$ 30,000</u>
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Total - Due From Other Governments	<u><u>\$ 691,965</u></u>
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WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 6 – Capital Assets

Capital asset activity for the year ended June 30, 2012 was as follows:

	<u>Balance at July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2012</u>
Primary Government				
Governmental Activities:				
Nondepreciable Capital Assets:				
Land and improvements	\$ 109,860	\$ -	\$ -	\$ 109,860
Construction in progress	<u>3,268,621</u>	<u>3,350,168</u>	<u>3,206,879</u>	<u>3,411,910</u>
Total Nondepreciable Capital Assets	<u>3,378,481</u>	<u>3,350,168</u>	<u>3,206,879</u>	<u>3,521,770</u>
Depreciable Capital Assets:				
Buildings and building improvements	\$ 24,307,604	\$ -	\$ -	\$ 24,307,604
Improvements other than buildings	10,894,279	-	-	10,894,279
Infrastructure	157,487,203	3,206,879	-	160,694,082
Machinery and equipment	<u>11,969,559</u>	<u>1,559,922</u>	<u>1,454,861</u>	<u>12,074,620</u>
Total Depreciable Capital Assets	<u>204,658,645</u>	<u>4,766,801</u>	<u>1,454,861</u>	<u>207,970,585</u>
Less Accumulated Depreciation for:				
Buildings and building improvements	7,446,624	531,067	-	7,977,691
Improvements other than buildings	1,788,184	371,479	-	2,159,663
Infrastructure	100,038,997	4,462,236	-	104,501,233
Machinery and equipment	<u>7,317,202</u>	<u>684,979</u>	<u>914,705</u>	<u>7,087,476</u>
Total Accumulated Depreciation	<u>116,591,007</u>	<u>6,049,761</u>	<u>914,705</u>	<u>121,726,063</u>
Total Depreciable Capital Assets, Net	<u>88,067,638</u>	<u>(1,282,960)</u>	<u>540,156</u>	<u>86,244,522</u>
Governmental Activities Capital Assets, Net	<u>\$ 91,446,119</u>	<u>\$ 2,067,208</u>	<u>\$ 3,747,035</u>	<u>\$ 89,766,292</u>

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 6 – Capital Assets – Continued

	<u>Balance at July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2012</u>
Business Type Activities:				
Nondepreciable Capital Assets:				
Land and improvements	\$ 1,043,408	\$ 4,662,450	\$ 250,000	\$ 5,455,858
Construction in progress	<u>4,662,450</u>	<u>-</u>	<u>4,662,450</u>	<u>-</u>
Total Nondepreciable Capital Assets	<u>5,705,858</u>	<u>4,662,450</u>	<u>4,912,450</u>	<u>5,455,858</u>
Depreciable Capital Assets:				
Buildings and building improvements	\$ 3,547,446	\$ -	\$ -	\$ 3,547,446
Improvements other than buildings	6,173,355	-	-	6,173,355
Machinery and equipment	<u>651,237</u>	<u>-</u>	<u>-</u>	<u>651,237</u>
Total Depreciable Capital Assets	<u>10,372,038</u>	<u>-</u>	<u>-</u>	<u>10,372,038</u>
Less Accumulated Depreciation for:				
Buildings and building improvements	1,422,495	117,007	-	1,539,502
Improvements other than buildings	2,291,231	205,834	-	2,497,065
Machinery and equipment	<u>405,890</u>	<u>27,138</u>	<u>-</u>	<u>433,028</u>
Total Accumulated Depreciation	<u>4,119,616</u>	<u>349,979</u>	<u>-</u>	<u>4,469,595</u>
Total Depreciable Capital Assets, Net	<u>6,252,422</u>	<u>(349,979)</u>	<u>-</u>	<u>5,902,443</u>
Business Type Activities Capital Assets, Net	<u>\$ 11,958,280</u>	<u>\$ 4,312,471</u>	<u>\$ 4,912,450</u>	<u>\$ 11,358,301</u>

Depreciation was charged to governmental functions as follows:

Governmental activities:

General Government

Legislative and Executive	\$ 188,180
Judicial	29,950
Public Safety	774,792
Public Works	4,686,906
Health and Welfare	356,194
Culture and Recreation	<u>13,739</u>

Total Depreciation Expense - Governmental Activities \$ 6,049,761

Business-type activities:

Emergency Telephone	\$ 20,145
Substance Abuse Center	50,413
Airport	<u>279,421</u>

Total Depreciation Expense - Business-type Activities \$ 349,979

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 7 – Interfund Balances and Transfers

The composition of interfund balances and transfers as of June 30, 2012, is as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund				
Emergency Telephone Fund	\$ 609,750	\$ -	\$ -	\$ 250,028
Airport Fund	-	13,633	-	87,650
Regional Landfill Fund	318,206	-	-	250,000
Workers Compensation Fund	216,003	-	-	-
SPLOST 2003 Fund	3,097	-	-	-
SPLOST 2008 Fund	7,776	-	-	-
Nonmajor Governmental Funds	<u>199,662</u>	<u>-</u>	<u>80,000</u>	<u>-</u>
	<u>1,354,494</u>	<u>13,633</u>	<u>80,000</u>	<u>587,678</u>
Special Revenue Funds				
Nonmajor Governmental Funds				
General Fund	-	199,662	-	80,000
Nonmajor Governmental Funds	-	-	32,536	32,536
Nonmajor Governmental Funds	<u>-</u>	<u>-</u>	<u>32,536</u>	<u>32,536</u>
	<u>-</u>	<u>199,662</u>	<u>32,536</u>	<u>112,536</u>
Capital Project Fund				
SPLOST 2003 Fund				
General Fund	-	3,097	-	-
SPLOST 2008 Fund	-	7,776	-	-
General Fund	<u>-</u>	<u>7,776</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>10,873</u>	<u>-</u>	<u>-</u>
Total Governmental Funds	<u>\$ 1,354,494</u>	<u>\$ 224,168</u>	<u>\$ 112,536</u>	<u>\$ 700,214</u>

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 7 – Interfund Balances and Transfers - Continued

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Enterprise Funds				
Emergency Telephone Fund				
General Fund	\$ -	\$ 609,750	\$ 250,028	\$ -
Airport Fund				
General Fund	13,633	-	87,650	-
Regional Landfill Fund				
General Fund	<u>-</u>	<u>318,206</u>	<u>250,000</u>	<u>-</u>
Total Enterprise Funds	<u>13,633</u>	<u>927,956</u>	<u>587,678</u>	<u>-</u>
Internal Service Funds				
Workers Compensation Fund				
General Fund	<u>-</u>	<u>216,003</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>216,003</u>	<u>-</u>	<u>-</u>
Total Enterprise and Internal Service Funds	<u>13,633</u>	<u>1,143,959</u>	<u>587,678</u>	<u>-</u>
Total All Funds	<u>\$ 1,368,127</u>	<u>\$ 1,368,127</u>	<u>\$ 700,214</u>	<u>\$ 700,214</u>

The difference in interfund receivables and payables for government funds is due to amounts due to and from enterprise funds shown above. The interfund balances resulted from loans made to provide working capital for operations and projects and the time lag between dates that payments between funds are made.

Funds were advanced from the General Fund to cover the cost of projects for the 2003 and 2008 SPLOST Funds and were paid back in July 2012.

A large workers compensation claim required advancing funds from the General Fund. Funds were also advanced to the intergovernmental grants fund for grant expenditures that were reimbursed after year end.

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 8 – Risk Management

A. Property and Liability

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County established a Workers' Compensation Fund (internal service fund) to account for and finance its uninsured risks of loss. Under this program, the Workers' Compensation Fund provides coverage for up to a maximum of \$250,000 for each worker's compensation claim, \$2,500 for each enforcement claim. The coverage has a \$1,000,000 cap. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

All funds of the County participate in the program and make payments to the Workers' Compensation Fund based on estimates of the amounts needed to pay prior and current-year claims and to establish a reserve for catastrophe losses. The Workers' Compensation Fund had a fund balance of \$95,342 as of June 30, 2012. At June 30, 2012, the Workers' Compensation Fund had a claims liability of \$2,164 reported based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

B. Health Care

The County was self-insured for medical claims by the employees and employee's dependents that are covered under the medical plan. The plan was a self funded welfare benefit plan providing health and hospitalization benefits. Claims under the plan were paid solely from the general assets of the County. Losses greater than \$60,000 per aggregate individual claim are insured by a private insurance company. Effective January 1, 2011 the County became fully insured and has discontinued the self-insurance plan.

Changes in the Health Plan Fund's claim liability amount in fiscal year 2011 and 2012 were:

	Beginning of Fiscal Year Liability	Current Year Claims and Changes In Estimates	Claim Payments	Balance At Fiscal Year End
2010-2011	\$ 322,759	1,381,471	1,698,016	\$ 6,214
2011-2012	\$ 6,214	-	6,214	\$ -

C. Workers' Compensation

The County participates in the ACCG - Group Self-Insurance Workers' Compensation Fund to pay all costs taxed against members in any legal proceeding defended by the members, all interest accruing after entry of judgment, and all expenses incurred for investigation, negotiation, or defense.

Settled claims in the past three years have not exceeded the coverage. There was no significant reduction in insurance coverage from the prior year.

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 9 – Defined Benefit Pension Plan

The county contributes to the Association of County Commissioners of Georgia Restated Pension Plan for Ware County Employees (The Plan), which is a defined benefit pension plan.

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

Membership

As of January 1, 2012, the most recent actuarial valuation date, the Plan membership consisted of the following categories of participants:

Retirees and beneficiaries receiving benefits	69
Terminated plan members entitled to but not yet receiving benefits	99
Active plan members	11
Total number of plan participants	<u>179</u>

Funding Policy

The County is required to contribute an actuarially determined amount annually to the Plan’s trust. The contribution amount is determined using actuarial methods and assumptions approved by the ACCG Plan trustees and must satisfy the minimum contribution requirement contained in the State of Georgia statutes. Plan members are not required to contribute.

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.

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENT

Note 9 – Defined Benefit Pension Plan - Continued

Annual Pension Cost

The County’s annual pension cost and net pension obligation for the current fiscal year were determined as follows:

Derivation of Annual Pension Cost:

Annual required contribution	\$	51,629
Interest on net pension obligation		(25,660)
Amortization of net pension obligation (asset)		27,455
Annual pension cost	\$	<u>53,424</u>

Derivation of Net Pension Obligation

Annual pension cost	\$	53,424
Actual contributions to plan		-
Increase in net pension obligation (asset)		53,424
Net pension obligation (asset) beginning of year		(331,094)
Net pension obligation (asset) end of year	\$	<u>(277,670)</u>

Basis of Valuation and Actuarial Assumptions

Current valuation date	January 1, 2012
Annual return on invested plan assets	7.75%
Projected annual salary increases	4.0%-6.5% based on age
Expected annual inflation	3.00%
Actuarial value of assets	Market Value
Actuarial funding method	Projected Unit Credit
Amortization method	Level Percent of Pay (closed)
Remaining Amortization Period*:	10

* - Represents the estimated amortization period for all unfunded liabilities combined into one

The following is a schedule of funding progress:

Calendar Year	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded AAL UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2011	\$ 2,552,296	\$ 3,006,651	\$ 454,355	84.9%	\$ 337,347	134.7%
2010	2,791,483	3,103,188	311,705	90.0%	350,563	88.9%

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan net assets is increasing or decreasing over time relative to the actuarial accrued liability. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of January 1, 2012.

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENT

Note 9 – Defined Benefit Pension Plan - Continued

Trend Information for the Plan

Fiscal Year Ending	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation (Asset)
June 30, 2012	\$ 53,424	\$ -	0%	\$ (277,670)
June 30, 2011	41,162	-	0%	(331,094)
June 30, 2010	39,142	-	0%	(372,256)
June 30, 2009	11,138	308,098	2766%	(411,398)
June 30, 2008	23,613	59,290	251%	(114,438)

In addition to the above retirement plan, of which the County is administrator, the following retirement plans are in effect but are not under the direct control of the County:

- 1) Probate Judges' Retirement Fund of Georgia
- 2) Clerk of Superior Court Retirement Fund
- 3) Sheriffs' Retirement Fund/Peace Officers' Annuity and Benefit Fund

These plans provide for certain sums from marriage licenses, fees, fines and forfeitures to be remitted directly to the pension plans before the payment of any costs or other claims.

A copy of both financial reports can be obtained at the following address:

GEBCorp
 1100 Circle 75 Parkway
 Suite 300
 Atlanta, Georgia 30339

Note 10 - Deferred Compensation Plan

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Beginning with fiscal year 1999, deferred compensation plan transactions formerly reported in the Agency Fund are excluded from the County's financial reporting.

As of July 1, 1999, the County implemented a new standard requiring changes to the accounting and financial reporting for the deferred compensation plans created in accordance with Internal Revenue Code 457. The plans are administered by independent plan administrators through administrative service agreements. The County's administrative involvement is limited to transmitting amounts withheld from payroll to the plan administrator, who performs investing functions.

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 10 - Deferred Compensation Plan - Continued

Amendments to the laws governing Section 457 plans substantially became effective January 1, 1999. The County approved plan amendments such that the plan assets are held in trust for the benefit of the plan participants and their beneficiaries. The assets will not be diverted to any other purpose. Therefore, the financial activity of these plans is no longer reported in the County’s Agency Fund.

Note 11– Other Post Employment Benefits

Plan Description

In addition to providing pension benefits, in accordance with County resolution, the County provides certain health care benefits for retired employees under the Ware County Other Post Employment Benefits Plan (the Plan). Retirees who are full time employees with at least 15 years of service and who have reached age 59 ½ may stay on the health care plan until they become eligible for Medicare by making the required monthly contribution. Dependents are not eligible for this benefit. These benefits are provided by the Ware County Board of Commissioners each year and are not statutory, contractual, or required by other authority. Currently, 4 retirees are receiving group health benefits under the Plan.

The plan is a a single employer plan and does not issue separate financial statements. OPEB obligations are generally liquidated by the General Fund. The Ware County Board of Commissioners administers the plan.

Funding Policy

The contribution requirements of plan members and the County are established and may be amended by the Board of Commissioners. The required contribution is based on a projected pay-as-you-go financing requirement as determined by the Board of Commissioners.

The monthly retiree contributions are as follows:

	Non-Medicare Eligible Retiree
Medical Tier Retiree Only	\$ 129.74

Annual OPEB Cost and Net OPEB Obligation

The County’s annual Other Postemployment Benefit (OPEB) cost is calculated based on the Annual Required Contribution of the Employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or unfunded excess) over a period not to exceed 30 years.

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 11– Other Post Employment Benefits - Continued

Funded Status and Funding Progress

Funding is provided through the general fund as required to a fully insured fund. Premiums paid by retired employees were \$6,228 and the County’s funding was \$21,531.

The annual required contribution amount was determined using actuarial methods

Annual Required Contribution	\$ 353,644
Interest on net OPEB Obligation	14,146
Adjustment to annual required contribution	<u>(13,514)</u>
Annual OPEB cost	354,276
Employer contributions for period ending June 30, 2012	<u>(21,531)</u>
Increase in net OPEB Obligation	332,745
Net OPEB obligation beginning of year	<u>353,644</u>
Net OPEB obligation end of year	<u><u>\$ 686,389</u></u>

The annual required contribution was determined as part of the January 1, 2011 actuarial valuation. The chart below shows the annual OPEB cost for the current fiscal year, along with the percentage actually contributed by the County.

Fiscal Year <u>Ending</u>	Annual OPEB <u>Cost (AOC)</u>	Percentage of <u>AOC Contributed</u>	Net OPEB <u>Obligation</u>
6/30/2012	\$ 354,276	6.08%	\$ 686,389
6/30/2011	353,644	0.00%	353,644

As of the most recent valuation date, January 1, 2011, the funded status of the OPEB Plan is as follows:

Actuarial Valuation <u>Date</u>	Actuarial Value <u>of Assets</u>	Actuarial Accrued <u>Liability</u>	Unfunded AAL <u>UAAL</u>	Funded <u>Ratio</u>	Covered <u>Payroll</u>	UAAL as a Percentage Covered <u>Payroll</u>
1/1/2011	\$ -	\$ 2,675,545	\$ 2,675,545	0.0%	\$ 8,370,156	31.97%

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 11– Other Post Employment Benefits - Continued

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continued revision as a result are compared to past expectations and new estimates are made about the future Actuarial calculations reflect a long-term perspective.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefits costs between the employer and plan members at that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.

Calculations are based on the plan in effect at January 1, 2011. The assumptions used in the January 1, 2011 actuarial valuation are as follows:

Valuation date	January 1, 2011
Actuarial cost method	Projected unit credit
Amortization method	Level Percentage of Pay, open
Amortization period	30 Years
Asset valuation method	Market Value of Assets
Actuarial assumptions:	
Investment rate of return*	4.00%
Pre-Medicare trend rate	10.50%-5.00%
Post-Medicare trend rate	8.50%-5.00%
*Includes inflation at	3.00%

Note 12 – Compensated Absences

It is the County’s policy to permit employees to accumulate earned but unused leave benefits. A maximum of 192 hours of unused leave benefits will be paid to employees upon separation from County service. In the normal course of business, all payments of these accumulated benefits will be funded from appropriations of the year in which they are to be paid from the fund for which the employee’s compensation is funded. While the General Fund covers a majority of the cost of compensated absences, the Emergency Telephone and Airport funds also contribute to compensated absences for employees paid through those funds.

	Balance at <u>July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	Balance at <u>June 30, 2012</u>	Amount Due <u>In One Year</u>
Primary Government:					
Governmental Activities:					
Compensated absences	\$ 910,896	\$ 643,584	\$ 546,538	\$ 1,007,942	\$ 604,765
Business Type Activities:					
Compensated absences	23,632	17,854	14,179	27,307	16,384
Total Primary Government	<u>\$ 934,528</u>	<u>\$ 661,438</u>	<u>\$ 560,717</u>	<u>\$ 1,035,249</u>	<u>\$ 621,149</u>
Component Unit - Board of Health:					
Compensated absences	<u>\$ 622,692</u>	<u>\$ 363,636</u>	<u>\$ 373,615</u>	<u>\$ 612,713</u>	<u>\$ 367,628</u>

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 13 – Notes Payable

The County entered into a Georgia Tax Anticipation Note, Series 2012, In May 2012 for \$1,900,000 at a fixed interest rate of 1.29% and a maturity date of December 31, 2012. The loan provides assistance with cash flow shortages due to property tax collections not occurring until September through November.

	Balance at July 1, 2011	Additions	Reductions	Balance at June 30, 2012	Amount Due In One Year
<u>Governmental Activities</u>					
Note Payable	\$ 1,500,000	\$ 1,900,000	\$ 1,500,000	\$ 1,900,000	\$ 1,900,000
Total Governmental Activities	<u>\$ 1,500,000</u>	<u>\$ 1,900,000</u>	<u>\$ 1,500,000</u>	<u>\$ 1,900,000</u>	<u>\$ 1,900,000</u>

Note 14 - Capital Leases

Various capital leases have been entered into for the acquisition of public works and public safety equipment and for building improvements over several years. There were new capital leases in FY12 for Caterpillar Graders. Additional information is provided on each capital lease in Note 15.

Note 15 – Long-Term Debt

The following is a summary of long-term debt transactions of the County for the year ended June 30, 2012:

	Balance at July 1, 2011	Additions	Reductions	Balance at June 30, 2012	Amount Due In One Year
<u>Governmental Activities</u>					
Capital leases	\$ 2,483,273	\$ 771,050	\$ 806,727	\$ 2,447,596	\$ 162,559
Total Governmental Activities	<u>\$ 2,483,273</u>	<u>\$ 771,050</u>	<u>\$ 806,727</u>	<u>\$ 2,447,596</u>	<u>\$ 162,559</u>

	Balance at July 1, 2011	Additions	Reductions	Balance at June 30, 2012	Amount Due In One Year
<u>Business - Type Activities</u>					
Capital leases	\$ 865,916	\$ -	\$ 137,827	\$ 728,089	\$ 141,789
Notes payable	1,000,000	-	500,000	500,000	250,000
Revenue bonds	640,000	-	90,000	550,000	95,000
Total Business-Type Activities	<u>\$ 2,505,916</u>	<u>\$ -</u>	<u>\$ 727,827</u>	<u>\$ 1,778,089</u>	<u>\$ 486,789</u>

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 15 – Long-Term Debt - Continued

The original issue date, interest rate and original issue amount for the County’s long-term obligations are as follows:

	<u>Purpose</u>	<u>Original Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Maturity Date</u>	<u>Annual Installments</u>
Governmental Activities						
Capital Lease	Patrol Cars and Trucks	2007	3.81%	\$ 163,756	2012	\$ 36,017
Capital Lease	Emergency Facility Storage Trailer	2007	4.14%	\$ 104,250	2012	\$ 23,118
Capital Lease	Medical Equipment for Ambulances	2007	3.99%	\$ 70,010	2012	\$ 15,467
Capital Lease	Courthouse Improvements	2007	4.48%	\$ 2,000,000	2026	\$ 152,884
Capital Lease	Ambulance	2007	4.09%	\$ 90,185	2012	\$ 19,975
Capital Lease	Fire Pumper Truck	2007	3.83%	\$ 226,266	2012	\$ 49,794
Capital Lease	Wheel Loader	2011	3.40%	\$ 129,404	2016	\$ 15,684
Capital Lease	Motor Graders	2012	3.40%	\$ 771,050	2016	\$ 76,265
Business Activities						
Capital Lease	Voice Logger/CAD/GIS Equipment	2007	3.81%	\$ 174,537	2012	\$ 38,396
Capital Lease	T Hangers	2007	4.08%	\$ 1,529,036	2017	\$ 186,502
Revenue Bonds	Substance Abuse Center	1992	Fixed	\$ 1,600,000	2017	Variable
Note Payable	Landfill Improvements	2011	3.00%	\$ 750,000	2013	\$ 250,000

The following is a summary of the Count’s future annual debt service requirements on long-term obligations:

Year Ending June 30,	Governmental Activities					
	<u>Capital Leases</u>					
	<u>Principal</u>	<u>Interest</u>				
2013	\$ 162,559	\$ 98,638				
2014	152,086	92,507				
2015	158,337	86,256				
2016	729,812	77,933				
2017	97,993	54,891				
2018-2022	562,085	202,332				
2023-2027	584,724	61,291				
Total	<u>\$ 2,447,596</u>	<u>\$ 673,848</u>				
Year Ending June 30,	Business Activities					
	<u>Revenue Bonds</u>		<u>Capital Lease</u>		<u>Note Payable</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2013	\$ 95,000	\$ 36,437	\$ 141,789	\$ 27,101	\$ 250,000	\$ 15,000
2014	105,000	30,144	147,689	21,200	250,000	7,500
2015	110,000	23,187	153,835	15,055	-	-
2016	115,000	15,900	160,237	8,653	-	-
2017	125,000	8,281	124,539	2,128	-	-
Total	<u>\$ 550,000</u>	<u>\$ 113,949</u>	<u>\$ 728,089</u>	<u>\$ 74,137</u>	<u>\$ 500,000</u>	<u>\$ 22,500</u>

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 16 – Landfill Postclosure Cost

State and federal laws and regulations require the County to cover a landfill and maintain monitoring functions for thirty years after closure. The County has accrued the expected postclosure cost for the landfill that closed in 1997. The amount accrued of \$1,723,642 represents 100% of the total estimated remaining postclosure cost which is made up of estimated monitoring costs and maintenance costs. This estimate is subject to change based on changes in technology or applicable laws and regulations. The County plans to fund post closure costs through its general fund budget.

	<u>Balance at July 1, 2011</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2012</u>	<u>Due Within One Year</u>
Governmental Activities:					
Postclosure care cost	\$ 1,806,963	\$ -	\$ 83,321	\$ 1,723,642	\$ 101,390

Note 17 – Component Unit

A. Ware County Board of Health

Basis of Presentation The financial statements of the Ware County Board of Health (Board) have been prepared in accordance with generally accepted accounting principles (GAAP) for local governmental units and, accordingly, reflect all significant receivables, payables, and other liabilities. The Board uses funds to report on its financial position and results of its operations. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results may differ from those estimates.

Basis of Accounting The accrual basis of accounting is followed by the Board. Revenues are recognized when an exchange takes place or when all eligibility requirements have been satisfied.

Cash and Cash Equivalents The Board considers all highly liquid instruments purchased with a maturity of less than three months to be cash equivalents.

Property and Equipment Property and equipment are carried at cost or, if donated, the fair value on the date donated. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Property and equipment as of June 30, 2012, was as follows:

Equipment	\$ 5,597,877
Less Accumulated Depreciation	<u>(3,971,891)</u>
Net Capital Assets	<u>\$ 1,625,986</u>

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 17 – Component Unit - Continued

A. Ware County Board of Health - Continued

Retirement Plan

The employees of the Board of Health participate in the Georgia State Employees Retirement System, a multi-employer, defined contribution plan. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The Georgia State Employees' Retirement System of Georgia requires ten years of continuous service to become fully vested. The total retirement contributions to the Georgia State Employees Retirement System for the year ended June 30, 2012 were \$589,505. Ten-year historical trend information and relevant actuarial information may be obtained from the Employee's Retirement System, Two Northside 75, Suite 300, Atlanta, Georgia 30316-7778 or calling 1-407-352-6400.

B. Okefenokee Area Development Authority

Basis of Presentation The financial statements of the Okefenokee Area Development Authority (Authority) have been prepared in accordance with generally accepted accounting principles (GAAP) for local governmental units and, accordingly, reflect all significant receivables, payables, and other liabilities. The Authority uses funds to report on its financial position and results of its operations. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results may differ from those estimates.

Basis of Accounting The accrual basis of accounting is followed by the Authority. Revenues are recognized when an exchange takes place or when all eligibility requirements have been satisfied.

Cash and Cash Equivalents The Authority considers all highly liquid instruments purchased with a maturity of less than three months to be cash equivalents.

Property and Equipment Property and equipment are carried at cost or, if donated, the fair value on the date donated. Depreciation is computed using the straight-line method over the estimated useful life of the asset. Property and equipment as of December 31, 2011, was as follows:

Land	\$ 770,000
Furniture, Fixtures and Equipment	<u>34,388</u>
Net Capital Assets	<u>\$ 804,388</u>

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 18 – Insurance Pools

A. ACCG – Group Self-Insurance Workers Compensation and Interlocal Risk Management Agency

The County may be subject to risk of loss due to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County covers these risks through the purchase of insurance coverage through ACCG - Group Self-Insurance Workers' Compensation Fund and the ACCG- Interlocal Risk Management Agency. These are public entity risk pools currently operating as common risk management and insurance programs for member local governments.

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

The funds are to defend and protect the members of the funds against liability or loss as prescribed in the member government contract and in accordance with the worker's compensation law 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 expense incurred for investigation, negotiation, or defense.

Settled claims in the past three years have not exceeded the coverage. There was no significant reduction in insurance coverage from the prior year.

Note 19 – Joint Ventures

The County, in conjunction with cities and counties in the (18) county South Georgia area are members of the Southern Georgia Regional Commission. Membership in a Regional Commission is automatic for each municipality and county in the state. The official Code Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the Regional Commissions. Each county and municipality in the state is required by law to pay minimum annual dues to the Regional Commission. The County paid annual dues in the amount of \$26,407 to the South Georgia Regional Commission for the year ended June 30, 2012. The Regional Commission Board membership includes the Chief elected official of each county and the Chief elected official of each municipality. The County Board members and municipal Board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality to serve as the non-public Board member from a County.

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

A copy of the financial report can be obtained at the following address:
Southern Georgia Regional Commission
3395 Harris Road
Waycross, Georgia 31503

WARE COUNTY, GEORGIA
NOTES TO THE FINANCIAL STATEMENTS

Note 20 – Contingent Liabilities

Possible Unasserted Claims. The County participates in federal and state assisted grant programs subject to program compliance audits by the grantors or their representatives. It is the County's opinion that no material unrecorded liabilities will arise from audits previously performed or to be performed. Regardless, receipt of these federal and state grant revenues is not assured in the future.

Commitments. On June 4, 1990, the County entered into an agreement proposed by the Hospital Authority of Ware County for the construction of a psychiatric and substance abuse hospital and for the expansion and renovation of Satilla Regional Medical Center. Whereby, the Board of Commissioners shall provide, by a contract to be entered into with the Authority, for the payment out of the general funds or tax revenues of Ware County, Georgia, amounts necessary, if any, to pay the principal and interest on the principal amount up to \$13,000,000 of revenue anticipation certificates. These certificates are to be retired from revenues generated from the operations of Satilla Regional Medical Center and the proposed psychiatric and substance abuse facility.

On February 1, 1992, the County entered into a lease agreement with the Hospital Authority of Ware County whereby Ware County has agreed to provide funds sufficient to meet the obligations (described in Section 5.01 of the Lease Agreement) relating to \$1,600,000 in bonds issued in accordance with the resolution dated March 5, 1992. These bonds have been recorded as a liability in the Substance Abuse Center Fund (Enterprise Fund).

On March 12, 2001 the County entered into an agreement proposed by the Hospital Authority of Ware County for the construction of a three-story addition to the Southwest side of Satilla Regional Medical Center. Whereby, the Board of Commissioners shall provide, by a contract to be entered into with the Authority, for the payment out of the general funds or tax revenues of Ware County, Georgia, amounts necessary, if any, to pay the principal and interest on the principal amount up to \$30,700,000 of revenue anticipation certificates. These certificates are to be retired from revenues generated from the operations of Satilla Regional Medical Center.

On April 4, 2001, the County entered into an agreement with the Hospital Authority of Ware County which obligated the County to make monthly payments to the Authority in amounts sufficient to enable the Authority to pay the principal and interest coming due on the next payment date, whether at maturity or mandatory sinking fund redemption, for the Prior Certificates and the Series 2001 Certificates to the extent the revenues of the Hospital on deposit in the Sinking Fund established under the Resolution are insufficient. Such amounts may be used by the Authority only to provide for the payment of the principal of and interest on the Prior Certificates and the Series 2001 Certificates as they become due and payable. Such payments shall be made by the County directly to the Authority and deposited into the Sinking Fund established under the Resolution. The Contract requires the County to levy, within and subject to the seven mill limitation now provided by law, or such greater millage as may be hereafter authorized by law, an annual ad valorem tax on all property subject to taxation for such purpose in the County sufficient to enable the County to make the payments required by the Contract if necessary. Amounts available for payment under the Contract may be reduced to the extent proceeds of such tax are applied to payment of amounts due under the 1992B Lease.

WARE COUNTY, GEORGIA
 NOTES TO THE FINANCIAL STATEMENTS

Note 20 – Contingent Liabilities - Continued

Litigation. The County is a defendant in a number of claims and lawsuits. The County Attorney has reviewed these claims and lawsuits, and has concluded that it is not possible to evaluate the probability of an unfavorable outcome or to estimate the amount of potential loss. As a result and pursuant to Financial Accounting Standards Board Statement No. 5 (Accounting for Contingencies), no liabilities have been recorded. County management is of the opinion that any actual losses will not be material to the County.

Liability Insurance. The County acquires insurance for liability claims. The County is responsible for the first \$5,000 per occurrence for general liability and the first \$10,000 per occurrence for Public Officials Liability, Law Enforcement Liability, errors, and omissions.

Note 21 – Prior Year Adjustment

Prior year adjustments for Ware County were as follows:

	Governmental <u>Activities</u>	
Net Assets, Beginning of Year	\$ 99,145,239	
Prior Year Adjustments:		
Adjustment to OPEB accrual	2,321,903	
Adjustment to sales tax accrual	<u>(715,787)</u>	
Net Assets, Restated	<u>\$ 100,751,355</u>	
	General <u>Fund</u>	SPLOST 2008 <u>Fund</u>
Fund Balance, Beginning of Year	\$ 2,604,536	\$ 6,142,156
Prior Year Adjustments:		
Adjustment to sales tax accrual	<u>(298,532)</u>	<u>(417,255)</u>
Fund Balance Restated	<u>\$ 2,306,004</u>	<u>\$ 5,724,901</u>

The OPEB liability for the prior year was overstated and has been corrected. The sales tax receivables were also overstated in the prior year and have been adjusted to reflect one month of receivable for both sales taxes.

Note 22 – Subsequent Event

Subsequent event were evaluated through March 5, 2013, which is the date the financial statements were available to be issued.

The sale of the Substance Abuse Center building was completed after year end which resulted in the retirement of the bonds payable.

REQUIRED SUPPLEMENTAL INFORMATION

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES:				
Taxes	\$ 16,239,600	\$ 16,209,600	\$ 16,207,382	\$ (2,218)
Licenses and permits	197,000	172,000	171,453	(547)
Intergovernmental revenues	548,309	612,809	615,074	2,265
Charges for services	3,543,755	3,408,755	3,412,891	4,136
Fines and forfeitures	660,500	620,500	620,068	(432)
Investment income	4,500	4,500	6,086	1,586
Miscellaneous	63,850	787,850	799,186	11,336
TOTAL REVENUES	21,257,514	21,816,014	21,832,140	16,126
EXPENDITURES:				
GENERAL GOVERNMENT				
Board of Commissioners				
Personal services	416,350	419,850	419,868	18
Supplies	11,000	11,000	8,731	(2,269)
Other services and charges	67,050	68,050	70,068	2,018
	494,400	498,900	498,667	(233)
Human Resources				
Personal services	105,622	85,622	85,020	(602)
Supplies	1,400	1,400	1,272	(128)
Other services and charges	21,800	21,800	21,342	(458)
	128,822	108,822	107,634	(1,188)
Board of Elections				
Personal services	113,337	115,337	114,132	(1,205)
Supplies	9,500	9,500	9,372	(128)
Other services and charges	34,864	97,864	98,025	161
	157,701	222,701	221,529	(1,172)
Information Technology Services				
Personal services	135,827	135,827	134,581	(1,246)
Supplies	8,300	8,300	4,305	(3,995)
Other services and charges	112,660	67,660	78,207	10,547
Capital outlay	66,000	51,000	42,401	(8,599)
	322,787	262,787	259,494	(3,293)

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Tax Commissioner				
Personal services	425,033	425,033	418,696	(6,337)
Supplies	5,000	5,000	4,675	(325)
Other services and charges	50,910	68,110	74,638	6,528
	<u>480,943</u>	<u>498,143</u>	<u>498,009</u>	<u>(134)</u>
Tax Assessors				
Personal services	566,532	566,532	581,936	15,404
Supplies	10,825	10,825	11,558	733
Other services and charges	102,900	102,900	82,057	(20,843)
	<u>680,257</u>	<u>680,257</u>	<u>675,551</u>	<u>(4,706)</u>
Board of Equalization				
Personal services	7,451	7,451	5,696	(1,755)
Supplies	250	250	46	(204)
Other services and charges	5,050	5,050	1,440	(3,610)
	<u>12,751</u>	<u>12,751</u>	<u>7,182</u>	<u>(5,569)</u>
Building Maintenance				
Personal services	407,369	407,369	385,443	(21,926)
Supplies	13,200	13,200	15,494	2,294
Other services and charges	415,350	421,350	438,708	17,358
Debt service	15,412	15,412	17,339	1,927
	<u>851,331</u>	<u>857,331</u>	<u>856,984</u>	<u>(347)</u>
General Administration				
Other services and charges	941,175	736,175	564,700	(171,475)
Debt service	50,000	50,000	22,817	(27,183)
	<u>991,175</u>	<u>786,175</u>	<u>587,517</u>	<u>(198,658)</u>
Total - General Government	<u>4,120,167</u>	<u>3,927,867</u>	<u>3,712,567</u>	<u>(215,300)</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
JUDICIAL				
Superior Court				
Personal services	201,933	210,433	208,625	(1,808)
Supplies	2,300	2,300	4,304	2,004
Other services and charges	123,000	123,000	122,550	(450)
	<u>327,233</u>	<u>335,733</u>	<u>335,479</u>	<u>(254)</u>
Clerk of Court				
Personal services	471,037	480,037	480,520	483
Supplies	17,000	17,000	17,334	334
Other services and charges	49,800	53,800	52,728	(1,072)
	<u>537,837</u>	<u>550,837</u>	<u>550,582</u>	<u>(255)</u>
District Attorney				
Personal services	256,500	256,500	250,924	(5,576)
Supplies	9,920	15,420	15,973	553
Other services and charges	24,600	24,600	29,340	4,740
	<u>291,020</u>	<u>296,520</u>	<u>296,237</u>	<u>(283)</u>
State Court				
Personal services	139,650	139,650	131,707	(7,943)
Supplies	600	600	1,077	477
Other services and charges	101,900	101,900	105,229	3,329
	<u>242,150</u>	<u>242,150</u>	<u>238,013</u>	<u>(4,137)</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Magistrate Court				
Personal services	425,764	425,764	422,339	(3,425)
Supplies	7,500	7,500	9,786	2,286
Other services and charges	34,000	34,000	31,839	(2,161)
	<u>467,264</u>	<u>467,264</u>	<u>463,964</u>	<u>(3,300)</u>
Probate Court				
Personal services	147,140	147,140	148,015	875
Supplies	4,000	4,000	3,640	(360)
Other services and charges	10,150	10,150	9,774	(376)
Debt Service	-	1,700	1,500	(200)
	<u>161,290</u>	<u>162,990</u>	<u>162,929</u>	<u>(61)</u>
Juvenile Court				
Personal services	115,327	115,327	116,681	1,354
Supplies	2,000	2,000	1,973	(27)
Other services and charges	40,915	40,915	35,111	(5,804)
	<u>158,242</u>	<u>158,242</u>	<u>153,765</u>	<u>(4,477)</u>
Public Defender				
Other services and charges	254,500	209,500	207,007	(2,493)
	<u>254,500</u>	<u>209,500</u>	<u>207,007</u>	<u>(2,493)</u>
Solicitor				
Personal services	101,209	101,209	102,330	1,121
Supplies	5,000	6,000	5,844	(156)
Other services and charges	7,575	9,375	8,295	(1,080)
	<u>113,784</u>	<u>116,584</u>	<u>116,469</u>	<u>(115)</u>
		<u>2,553,320</u>	<u>2,524,445</u>	<u>(15,375)</u>
PUBLIC SAFETY				
Sheriff				
Personal services	1,932,952	2,007,952	1,978,960	(28,992)
Supplies	21,250	24,250	21,929	(2,321)
Other services and charges	346,906	429,906	446,073	16,167
Capital outlay	5,000	5,000	19,379	14,379
Debt service	3,491	3,491	3,458	(33)
	<u>2,309,599</u>	<u>2,470,599</u>	<u>2,469,799</u>	<u>(800)</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Jail				
Personal services	3,650,488	3,650,488	3,636,530	(13,958)
Supplies	534,500	534,500	544,060	9,560
Other services and charges	717,800	657,800	659,589	1,789
Capital outlay	3,000	3,000	2,938	(62)
	<u>4,905,788</u>	<u>4,845,788</u>	<u>4,843,117</u>	<u>(2,671)</u>
Alternative Sentencing				
Other services and charges	50,000	30,000	26,830	(3,170)
	<u>50,000</u>	<u>30,000</u>	<u>26,830</u>	<u>(3,170)</u>
Emergency Management Agency				
Personal services	77,242	77,242	78,007	765
Supplies	1,350	1,350	1,559	209
Other services and charges	24,550	24,550	22,408	(2,142)
Capital outlay	1,350	1,350	1,288	(62)
	<u>104,492</u>	<u>104,492</u>	<u>103,262</u>	<u>(1,230)</u>
Coroner				
Personal services	13,082	13,082	13,325	243
Supplies	70	70	-	(70)
Other services and charges	8,250	13,450	13,151	(299)
	<u>21,402</u>	<u>26,602</u>	<u>26,476</u>	<u>(126)</u>
Emergency Medical Services				
Personal services	1,787,103	1,697,103	1,649,400	(47,703)
Supplies	71,000	71,000	89,037	18,037
Other services and charges	212,900	212,900	241,384	28,484
Debt service	31,143	31,143	29,412	(1,731)
	<u>2,102,146</u>	<u>2,012,146</u>	<u>2,009,233</u>	<u>(2,913)</u>
Fire Department				
Personal services	860,068	850,068	837,528	(12,540)
Supplies	5,700	5,700	4,754	(946)
Other services and charges	154,852	154,852	166,386	11,534
Debt service	49,794	49,794	49,794	-
	<u>1,070,414</u>	<u>1,060,414</u>	<u>1,058,462</u>	<u>(1,952)</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Animal Control				
Personal services	49,400	49,400	48,001	(1,399)
Supplies	2,750	2,750	507	(2,243)
Other services and charges	7,600	7,600	6,781	(819)
	<u>59,750</u>	<u>59,750</u>	<u>55,289</u>	<u>(4,461)</u>
Total - Public Safety	<u>10,623,591</u>	<u>10,609,791</u>	<u>10,592,468</u>	<u>(17,323)</u>
PUBLIC WORKS				
Administration				
Personal services	614,731	614,731	602,871	(11,860)
Supplies	57,800	57,800	46,700	(11,100)
Other services and charges	328,350	376,650	396,351	19,701
Capital outlay	-	770,700	770,700	-
Debt service	12,444	517,444	517,314	(130)
	<u>1,013,325</u>	<u>2,337,325</u>	<u>2,333,936</u>	<u>(3,389)</u>
Equipment Maintenance				
Personal services	391,704	393,504	394,153	649
Supplies	200	200	108	(92)
Other services and charges	13,200	18,200	17,447	(753)
	<u>405,104</u>	<u>411,904</u>	<u>411,708</u>	<u>(196)</u>
Total - Public Works	<u>1,418,429</u>	<u>2,749,229</u>	<u>2,745,644</u>	<u>(3,585)</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
HEALTH AND WELFARE				
Planning and Codes				
Personal services	300,790	285,790	285,833	43
Supplies	4,500	4,500	5,399	899
Other services and charges	28,550	23,050	20,226	(2,824)
	<u>333,840</u>	<u>313,340</u>	<u>311,458</u>	<u>(1,882)</u>
Vital Statistics				
Other services and charges	2,500	500	-	(500)
	<u>2,500</u>	<u>500</u>	<u>-</u>	<u>(500)</u>
Public Health Services				
Other services and charges	195,000	196,000	195,935	(65)
	<u>195,000</u>	<u>196,000</u>	<u>195,935</u>	<u>(65)</u>
MH/MR Health Services				
Other services and charges	62,964	64,964	64,792	(172)
	<u>62,964</u>	<u>64,964</u>	<u>64,792</u>	<u>(172)</u>
Senior Citizens Center				
Other services and charges	14,000	14,500	14,244	(256)
	<u>14,000</u>	<u>14,500</u>	<u>14,244</u>	<u>(256)</u>
Animal Shelter				
Other services and charges	140,500	140,500	140,500	-
	<u>140,500</u>	<u>140,500</u>	<u>140,500</u>	<u>-</u>
Welfare Services				
Other services and charges	67,900	32,900	31,222	(1,678)
	<u>67,900</u>	<u>32,900</u>	<u>31,222</u>	<u>(1,678)</u>
Total - Health and Welfare	<u>816,704</u>	<u>762,704</u>	<u>758,151</u>	<u>(4,553)</u>
CULTURE AND RECREATION				
Recreation				
Personal services	443,143	443,143	427,714	(15,429)
Supplies	16,100	16,100	15,153	(947)
Other services and charges	469,400	475,400	494,852	19,452
Capital outlay	15,000	15,000	11,565	(3,435)
	<u>943,643</u>	<u>949,643</u>	<u>949,284</u>	<u>(359)</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
Library				
Other services and charges	243,000	243,000	243,000	-
	243,000	243,000	243,000	-
Total - Culture & Recreation	1,186,643	1,192,643	1,192,284	(359)
HOUSING AND DEVELOPMENT				
Conservation - Water Resources				
Other services and charges	950	950	-	(950)
	950	950	-	(950)
Farm and Home Agent				
Personal services	79,500	90,500	92,935	2,435
Supplies	5,000	5,000	6,180	1,180
Other services and charges	62,257	65,057	61,337	(3,720)
Debt services	-	2,200	2,200	-
	146,757	162,757	162,652	(105)
Economic Development				
Other services and charges	133,275	133,275	133,275	-
	133,275	133,275	133,275	-
Total - Housing & Development	280,982	296,982	295,927	(1,055)
TOTAL EXPENDITURES	20,999,836	22,079,036	21,821,486	(257,550)
EXCESS OF REVENUES OVER EXPENDITURES	257,678	(263,022)	10,654	273,676
OTHER FINANCING SOURCES (USES)				
CAPITAL LEASE FINANCING	-	770,700	771,050	350
TRANSFERS IN	80,000	80,000	80,000	-
TRANSFERS (OUT)	(337,678)	(587,678)	(587,678)	-
TOTAL OTHER FINANCING SOURCES (USES)	(257,678)	263,022	263,372	350
NET CHANGE IN FUND BALANCE	-	-	274,026	274,026
FUND BALANCE, RESTATED	-	-	2,306,004	2,306,004
FUND BALANCE, END OF YEAR	\$ -	\$ -	\$ 2,580,030	\$ 2,580,030

See independent auditors' report.

WARE COUNTY, GEORGIA
NOTES TO BUDGETARY COMPARISON SCHEDULES
For the Year Ended June 30, 2012

Note 1 – Budgetary Basis of Accounting

An annual budget is adopted (as required by law) by the County for the general, special revenue and capital projects funds. Although not legally required, the County also adopts a budget for the enterprise funds and internal service funds. The budgets are adopted on a basis substantially consistent with U.S. generally accepted accounting principles.

WARE COUNTY, GEORGIA
 REQUIRED SUPPLEMENTARY INFORMATION
 June 30, 2012

SCHEDULE OF FUNDING PROGRESS – PENSION
 2006-2011
 (Unaudited)

Calendar Year	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded AAL UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
2011	\$ 2,552,296	\$ 3,006,651	\$ 454,355	84.9%	\$ 337,347	134.7%
2010	2,791,483	3,103,188	311,705	90.0%	350,563	88.9%
2009	2,965,068	3,085,230	120,162	96.1%	448,967	26.8%
2008	2,996,272	2,898,169	(98,103)	103.4%	703,132	-14.0%
2007	3,094,423	2,999,265	(95,158)	103.2%	722,007	-13.2%
2006	3,041,381	2,926,982	(114,399)	103.9%	907,601	-12.6%

Note: See assumptions used for the schedule of Funding Progress in Note 10 to the financial statements.

SCHEDULE OF FUNDING PROGRESS – OPEB
 2011
 (Unaudited)

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded AAL UAAL	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2011	\$ -	\$ 2,675,545	\$ 2,675,545	0.0%	\$ 8,370,156	31.97%

Note: See assumptions used for the schedule of Funding Progress in Note 12 to the financial statements.

OTHER SUPPLEMENTARY INFORMATION

COMBINING AND INDIVIDUAL FUND SCHEDULES

MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUND

The Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities.

Capital Projects 2003 Special Local Option Sales Tax Fund – To account for the special purpose local option sales tax that was renewed in 2003 by referendum. The revenue is restricted to the stated purposes of the referendum.

Capital Projects 2008 Special Local Option Sales Tax Fund – To account for the special purpose local option sales tax that was renewed in 2008 by referendum. The revenue is restricted to the stated purposes of the referendum.

WARE COUNTY, GEORGIA
 CAPITAL PROJECTS 2003 SPECIAL LOCAL OPTION SALES TAX FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ -	\$ 220,000	\$ 220,584	\$ 584
Investment income	7,500	7,500	2,323	(5,177)
TOTAL REVENUES	<u>7,500</u>	<u>227,500</u>	<u>222,907</u>	<u>(4,593)</u>
EXPENDITURES				
Current				
Public works	478,156	478,156	204,580	(273,576)
Capital outlay	2,000,000	2,220,000	631,006	(1,588,994)
TOTAL EXPENDITURES	<u>2,478,156</u>	<u>2,698,156</u>	<u>835,586</u>	<u>(1,862,570)</u>
EXCESS OF REVENUES OVER EXPENDITURES	(2,470,656)	(2,470,656)	(612,679)	1,857,977
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>3,219,031</u>	<u>3,219,031</u>
FUND BALANCE, END OF YEAR	<u>\$ (2,470,656)</u>	<u>\$ (2,470,656)</u>	<u>\$ 2,606,352</u>	<u>\$ 5,077,008</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 CAPITAL PROJECTS 2008 SPECIAL LOCAL OPTION SALES TAX FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Taxes	\$ 4,800,000	\$ 4,800,000	\$ 7,167,299	\$ 2,367,299
Investment income	6,200	6,200	5,066	(1,134)
TOTAL REVENUES	<u>4,806,200</u>	<u>4,806,200</u>	<u>7,172,365</u>	<u>2,366,165</u>
EXPENDITURES				
Current				
Public works	1,177,542	1,177,542	547,497	(630,045)
Intergovernmental	1,458,000	1,458,000	1,958,106	500,106
Capital outlay	4,850,000	4,850,000	2,746,282	(2,103,718)
Debt service	274,203	274,203	293,951	19,748
TOTAL EXPENDITURES	<u>7,759,745</u>	<u>7,759,745</u>	<u>5,545,836</u>	<u>(2,213,909)</u>
EXCESS OF REVENUES OVER EXPENDITURES	(2,953,545)	(2,953,545)	1,626,529	4,580,074
FUND BALANCE, RESTATED	<u>2,953,545</u>	<u>2,953,545</u>	<u>5,724,901</u>	<u>2,771,356</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,351,430</u>	<u>\$ 7,351,430</u>

See independent auditors' report.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

The Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted for specific purposes.

Jail Fee Fund – To account for funds accessed with fines and designated for the operations of jails.

Drug Court Fund – To account for funds received through fines, fees and grants to assist in treatment for drug abuse.

Sheriff's Drug & Equipment – To account for funds received through drug seizures.

Drug Abuse & Treatment – To account for funds accessed with fines and designated for drug abuse education and treatment programs.

Supplemental Juvenile Services – To account for fees that go toward juvenile services.

Jail Commissary – To account for funds generated from the commissary and used toward operations of the jail.

Law Library – To account for funds accessed with fines and designated for the maintenance of a law library.

Timber Sales – To account for funds generated from the sale of timber on County property.

D.A.'s Drug Forfeiture – To account for funds received through drug convictions.

Superior Court Victim Assistance – To account for funds accessed with fines and designated for the assistance programs for victims and witnesses.

State Court Victim Assistance – To account for funds accessed with fines and designated for the assistance programs for victims and witnesses.

Fire Safety House – To account for funds received through grants and contributions for fire safety education.

Intergovernmental Grants – To account for various grant revenues received.

Rural Fire Assistance – To account for grant funds received for fire equipment.

NONMAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

The Capital Project Funds account for financial resources to be used for the acquisition or construction of major capital facilities.

Capital Projects 1998 Special Local Option Sales Tax Fund - To account for the special purpose local option sales tax that was renewed in 1998 by referendum. The revenue is restricted to the stated purposes of the referendum.

CDBG FY10 – To account for grant funds provided for infrastructure improvements.

CDBG EIP Fund – To account for grant funds provided for infrastructure improvements.

CDBG EDA Fund – To account for grant funds provided for infrastructure improvements.

WARE COUNTY, GEORGIA
 ALL NONMAJOR GOVERNMENTAL FUNDS
 COMBINING BALANCE SHEET
 June 30, 2012

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash	\$ 1,208,416	\$ 891,824	\$ 2,100,240
Certificate of deposit	194,876	-	194,876
Due from other governments	199,095	30,000	229,095
Interfund receivable	-	-	-
Accounts receivable	74,490	-	74,490
	<u> </u>	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 1,676,877</u>	<u>\$ 921,824</u>	<u>\$ 2,598,701</u>
 LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$ 48,282	\$ 30,000	\$ 78,282
Accrued liabilities	1,124	-	1,124
Interfund payable	199,662	-	199,662
Deferred revenue	42,238	-	42,238
	<u> </u>	<u> </u>	<u> </u>
TOTAL LIABILITIES	<u>291,306</u>	<u>30,000</u>	<u>321,306</u>
 Fund Balance			
Restricted for drug education and treatment	532,740	-	532,740
Restricted for fire protection	53,021	-	53,021
Restricted for capital projects	45,427	891,824	937,251
Restricted for jail operations	185,999	-	185,999
Restricted for drug enforcement operations	55,978	-	55,978
Restricted for law library	186,654	-	186,654
Restricted for victim assistance	325,752	-	325,752
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUND BALANCE	<u>1,385,571</u>	<u>891,824</u>	<u>2,277,395</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 1,676,877</u>	<u>\$ 921,824</u>	<u>\$ 2,598,701</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 ALL NONMAJOR GOVERNMENTAL FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 For The Year Ending June 30, 2012

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
REVENUES			
Intergovernmental revenues	\$ 907,487	\$ 488,231	\$ 1,395,718
Charges for services	565,502	-	565,502
Fines and forfeitures	292,410	-	292,410
Investment income	4,035	417	4,452
Miscellaneous income	<u>83,192</u>	<u>-</u>	<u>83,192</u>
TOTAL REVENUES	<u>1,852,626</u>	<u>488,648</u>	<u>2,341,274</u>
EXPENDITURES			
Current			
General government			
Legislative and executive	86,045	-	86,045
Judicial	381,221	-	381,221
Public safety	1,139,292	-	1,139,292
Health and welfare	70,556	-	70,556
Capital outlay	<u>-</u>	<u>590,482</u>	<u>590,482</u>
TOTAL EXPENDITURES	<u>1,677,114</u>	<u>590,482</u>	<u>2,267,596</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	175,512	(101,834)	73,678
OTHER FINANCING SOURCES(USES):			
TRANSFERS IN	32,536	-	32,536
TRANSFERS (OUT)	<u>(112,536)</u>	<u>-</u>	<u>(112,536)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(80,000)</u>	<u>-</u>	<u>(80,000)</u>
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	95,512	(101,834)	(6,322)
FUND BALANCE, RESTATED	<u>1,290,059</u>	<u>993,658</u>	<u>2,283,717</u>
FUND BALANCE, END OF YEAR	<u>\$ 1,385,571</u>	<u>\$ 891,824</u>	<u>\$ 2,277,395</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
June 30, 2012

	Jail Fee Fund	Drug Court	Sheriff's Drug & Equipment	Drug Abuse & Treatment	Supplemental Juvenile Service	Jail Commissary
ASSETS						
Cash	\$ 30,454	\$ 285,861	\$ 7,364	\$ -	\$ 679	\$ 103,588
Certificates of deposit	-	194,876	-	-	-	-
Due from other governments	-	66,856	-	-	-	-
Interfund receivable	-	-	-	-	-	-
Accounts receivable	15,867	3,372	-	-	-	43,783
TOTAL ASSETS	\$ 46,321	\$ 550,965	\$ 7,364	\$ -	\$ 679	\$ 147,371
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ 7,693	\$ 18,185	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	40	-	-	-	-
Interfund payable	-	-	-	-	-	-
Deferred revenue	-	-	-	-	-	-
TOTAL LIABILITIES	7,693	18,225	-	-	-	-
FUND BALANCES						
Restricted for drug education and treatment	-	532,740	-	-	-	-
Restricted for fire protection	-	-	-	-	-	-
Restricted for capital projects	-	-	-	-	-	-
Restricted for jail operations	38,628	-	-	-	-	147,371
Restricted for drug enforcement operations	-	-	7,364	-	-	-
Restricted for law library	-	-	-	-	-	-
Restricted for victim assistance	-	-	-	-	679	-
TOTAL FUND BALANCES	38,628	532,740	7,364	-	679	147,371
TOTAL LIABILITIES AND FUND BALANCES	\$ 46,321	\$ 550,965	\$ 7,364	\$ -	\$ 679	\$ 147,371

See independent auditors' report.

<u>Law Library</u>	<u>Timber Sales</u>	<u>D.A.'S Drug Forfeiture</u>	<u>Superior Court Victim Assistance</u>	<u>State Court Victim Assistance</u>	<u>Fire Safety House</u>	<u>Inter-Governmental Grants</u>	<u>Rural Fire Assistance</u>	<u>Total</u>
\$ 184,245	\$ 125,427	\$ 48,072	\$ 264,498	\$ 49,801	\$ 29,802	\$ 55,406	\$ 23,219	\$ 1,208,416
-	-	-	-	-	-	-	-	194,876
-	-	463	5,784	-	-	125,992	-	199,095
-	-	-	-	-	-	-	-	-
<u>2,438</u>	<u>-</u>	<u>288</u>	<u>394</u>	<u>8,348</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,490</u>
<u>\$ 186,683</u>	<u>\$ 125,427</u>	<u>\$ 48,823</u>	<u>\$ 270,676</u>	<u>\$ 58,149</u>	<u>\$ 29,802</u>	<u>\$ 181,398</u>	<u>\$ 23,219</u>	<u>\$ 1,676,877</u>
\$ 29	\$ -	\$ 209	\$ 2,668	\$ -	\$ -	\$ 19,498	\$ -	\$ 48,282
-	-	-	640	444	-	-	-	1,124
-	80,000	-	-	-	-	119,662	-	199,662
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,238</u>	<u>-</u>	<u>42,238</u>
<u>29</u>	<u>80,000</u>	<u>209</u>	<u>3,308</u>	<u>444</u>	<u>-</u>	<u>181,398</u>	<u>-</u>	<u>291,306</u>
-	-	-	-	-	-	-	-	532,740
-	-	-	-	-	29,802	-	23,219	53,021
-	45,427	-	-	-	-	-	-	45,427
-	-	-	-	-	-	-	-	185,999
-	-	48,614	-	-	-	-	-	55,978
186,654	-	-	-	-	-	-	-	186,654
<u>-</u>	<u>-</u>	<u>-</u>	<u>267,368</u>	<u>57,705</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>325,752</u>
<u>186,654</u>	<u>45,427</u>	<u>48,614</u>	<u>267,368</u>	<u>57,705</u>	<u>29,802</u>	<u>-</u>	<u>23,219</u>	<u>1,385,571</u>
<u>\$ 186,683</u>	<u>\$ 125,427</u>	<u>\$ 48,823</u>	<u>\$ 270,676</u>	<u>\$ 58,149</u>	<u>\$ 29,802</u>	<u>\$ 181,398</u>	<u>\$ 23,219</u>	<u>\$ 1,676,877</u>

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – SPECIAL REVENUE FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Year Ending June 30, 2012

	Jail Fee Fund	Drug Court	Sheriff's Drug & Equipment Fund	Drug Abuse & Treatment	Supplemental Juvenile Service	Jail Commissary
REVENUES						
Intergovernmental revenues	\$ -	\$ 237,964	\$ -	\$ -	\$ -	\$ -
Charges for services	-	91,852	-	-	-	473,650
Fines and forfeitures	92,983	-	39,044	24,297	-	-
Investment income	26	3,037	2	16	1	624
Miscellaneous income	-	-	19,622	-	-	-
TOTAL REVENUES	<u>93,009</u>	<u>332,853</u>	<u>58,668</u>	<u>24,313</u>	<u>1</u>	<u>474,274</u>
EXPENDITURES						
Current:						
General Government						
Legislative and executive	-	-	-	-	-	-
Judicial	-	209,530	-	-	107	-
Public safety	97,520	-	69,590	-	-	524,785
Health and welfare	-	-	-	17,221	-	-
TOTAL EXPENDITURES	<u>97,520</u>	<u>209,530</u>	<u>69,590</u>	<u>17,221</u>	<u>107</u>	<u>524,785</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,511)	123,323	(10,922)	7,092	(106)	(50,511)
OTHER FINANCING SOURCES (USES):						
TRANSFER IN	-	32,536	-	-	-	-
TRANSFER (OUT)	-	-	-	(32,536)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>32,536</u>	<u>-</u>	<u>(32,536)</u>	<u>-</u>	<u>-</u>
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(4,511)	155,859	(10,922)	(25,444)	(106)	(50,511)
FUND BALANCE, BEGINNING OF YEAR	<u>43,139</u>	<u>376,881</u>	<u>18,286</u>	<u>25,444</u>	<u>785</u>	<u>197,882</u>
FUND BALANCE, END OF YEAR	<u>\$ 38,628</u>	<u>\$ 532,740</u>	<u>\$ 7,364</u>	<u>\$ -</u>	<u>\$ 679</u>	<u>\$ 147,371</u>

See independent auditors' report.

<u>Law Library</u>	<u>Timber Sales</u>	<u>D.A.'s Drug Forfeiture</u>	<u>Superior Court Victim Assistance</u>	<u>State Court Victim Assistance</u>	<u>Fire Safety House</u>	<u>Inter-governmental Grants</u>	<u>Rural Fire Assistance</u>	<u>Total</u>
\$ -	\$ -	\$ -	70,397	\$ -	\$ -	\$ 599,126	\$ -	\$ 907,487
-	-	-	-	-	-	-	-	565,502
36,808	-	10,829	44,375	44,074	-	-	-	292,410
-	42	34	201	25	15	-	12	4,035
-	63,570	-	-	-	-	-	-	83,192
<u>36,808</u>	<u>63,612</u>	<u>10,863</u>	<u>114,973</u>	<u>44,099</u>	<u>15</u>	<u>599,126</u>	<u>12</u>	<u>1,852,626</u>
-	-	-	-	-	-	86,045	-	86,045
11,513	-	2,901	105,941	37,806	-	13,423	-	381,221
-	-	-	-	-	1,074	446,323	-	1,139,292
-	-	-	-	-	-	53,335	-	70,556
<u>11,513</u>	<u>-</u>	<u>2,901</u>	<u>105,941</u>	<u>37,806</u>	<u>1,074</u>	<u>599,126</u>	<u>-</u>	<u>1,677,114</u>
25,295	63,612	7,962	9,032	6,293	(1,059)	-	12	175,512
-	-	-	-	-	-	-	-	32,536
-	(80,000)	-	-	-	-	-	-	(112,536)
-	(80,000)	-	-	-	-	-	-	(80,000)
25,295	(16,388)	7,962	9,032	6,293	(1,059)	-	12	95,512
<u>161,359</u>	<u>61,815</u>	<u>40,652</u>	<u>258,336</u>	<u>51,412</u>	<u>30,861</u>	<u>-</u>	<u>23,207</u>	<u>1,290,059</u>
<u>\$ 186,654</u>	<u>\$ 45,427</u>	<u>\$ 48,614</u>	<u>\$ 267,368</u>	<u>\$ 57,705</u>	<u>\$ 29,802</u>	<u>\$ -</u>	<u>\$ 23,219</u>	<u>\$ 1,385,571</u>

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
June 30, 2012

	CDBG FY10	CDBG EIP	CDBG EDA	1998 SPLOST	Total Nonmajor Capital Projects Funds
ASSETS					
Cash	\$ -	\$ -	\$ -	\$ 891,824	\$ 891,824
Due from other government	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>30,000</u>
TOTAL ASSETS	<u><u>\$ -</u></u>	<u><u>\$ 30,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 891,824</u></u>	<u><u>\$ 921,824</u></u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	<u>\$ -</u>	<u>\$ 30,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,000</u>
TOTAL LIABILITIES	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>30,000</u>
FUND BALANCES					
Restricted for capital projects	<u>-</u>	<u>-</u>	<u>-</u>	<u>891,824</u>	<u>891,824</u>
TOTAL FUND BALANCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>891,824</u>	<u>891,824</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ -</u></u>	<u><u>\$ 30,000</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 891,824</u></u>	<u><u>\$ 921,824</u></u>

See independent auditors' report.

WARE COUNTY, GEORGIA
NONMAJOR GOVERNMENTAL FUNDS – CAPITAL PROJECTS FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Year Ending June 30, 2012

	CDBG FY10	CDBG EIP	CDBG EDA	1998 SPLOST	Total Nonmajor Capital Projects Funds
REVENUES					
Intergovernmental revenues	\$ 451,115	\$ 30,000	\$ 7,116	\$ -	\$ 488,231
Investment income	-	-	-	417	417
TOTAL REVENUES	<u>451,115</u>	<u>30,000</u>	<u>7,116</u>	<u>417</u>	<u>488,648</u>
EXPENDITURES					
Current:					
Public works	-	30,000	7,116	-	37,116
Capital outlay	451,115	-	-	102,251	553,366
TOTAL EXPENDITURES	<u>451,115</u>	<u>30,000</u>	<u>7,116</u>	<u>102,251</u>	<u>590,482</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-	(101,834)	(101,834)
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>993,658</u>	<u>993,658</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 891,824</u>	<u>\$ 891,824</u>

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WARE COUNTY, GEORGIA
 JAIL FEE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 95,500	\$ 95,500	\$ 92,983	\$ (2,517)
Investment income	100	100	26	(74)
TOTAL REVENUES	<u>95,600</u>	<u>95,600</u>	<u>93,009</u>	<u>(2,591)</u>
EXPENDITURES				
Current:				
Public safety	105,600	105,600	97,520	(8,080)
TOTAL EXPENDITURES	<u>105,600</u>	<u>105,600</u>	<u>97,520</u>	<u>(8,080)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(10,000)	(10,000)	(4,511)	5,489
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>43,139</u>	<u>43,139</u>
FUND BALANCE, END OF YEAR	<u>\$ (10,000)</u>	<u>\$ (10,000)</u>	<u>\$ 38,628</u>	<u>\$ 48,628</u>

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WARE COUNTY, GEORGIA
 DRUG COURT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 22,000	\$ 162,000	\$ 237,964	\$ 75,964
Charges for services	69,400	69,400	91,852	22,452
Investment income	500	500	3,037	2,537
TOTAL REVENUES	<u>91,900</u>	<u>231,900</u>	<u>332,853</u>	<u>100,953</u>
EXPENDITURES				
Current:				
Judicial	91,900	231,900	209,530	(22,370)
TOTAL EXPENDITURES	<u>91,900</u>	<u>231,900</u>	<u>209,530</u>	<u>(22,370)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	123,323	123,323
OTHER FINANCING SOURCES (USES)				
TRANSFER IN	-	-	32,536	32,536
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>32,536</u>	<u>32,536</u>
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	-	-	155,859	155,859
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>376,881</u>	<u>376,881</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 532,740</u>	<u>\$ 532,740</u>

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WARE COUNTY, GEORGIA
 SHERIFF'S DRUG & EQUIPMENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 40,350	\$ 40,350	\$ 39,044	\$ (1,306)
Investment income	850	850	2	(848)
Miscellaneous	-	20,000	19,622	(378)
TOTAL REVENUES	<u>41,200</u>	<u>61,200</u>	<u>58,668</u>	<u>(2,532)</u>
EXPENDITURES				
Current:				
Public safety	41,200	71,200	69,590	(1,610)
TOTAL EXPENDITURES	<u>41,200</u>	<u>71,200</u>	<u>69,590</u>	<u>(1,610)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(10,000)	(10,922)	(922)
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>10,000</u>	<u>18,286</u>	<u>8,286</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,364</u>	<u>\$ 7,364</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 DRUG ABUSE AND TREATMENT
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 27,500	\$ 27,500	\$ 24,297	\$ (3,203)
Investment income	75	75	16	(59)
TOTAL REVENUES	<u>27,575</u>	<u>27,575</u>	<u>24,313</u>	<u>(3,262)</u>
EXPENDITURES				
Current:				
Health and welfare	19,200	19,200	17,221	(1,979)
TOTAL EXPENDITURES	<u>19,200</u>	<u>19,200</u>	<u>17,221</u>	<u>(1,979)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	8,375	8,375	7,092	(1,283)
OTHER FINANCING SOURCES (USES)				
TRANSFER (OUT)	(12,000)	(32,000)	(32,536)	536
TOTAL OTHER FINANCING SOURCES (USES)	<u>(12,000)</u>	<u>(32,000)</u>	<u>(32,536)</u>	<u>536</u>
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(3,625)	(23,625)	(25,444)	(1,819)
FUND BALANCE, BEGINNING OF YEAR	<u>3,625</u>	<u>23,625</u>	<u>25,444</u>	<u>1,819</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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WARE COUNTY, GEORGIA
 SUPPLEMENTAL JUVENILE SERVICES
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Charges for services	\$ 100	\$ 100	\$ -	\$ (100)
Investment income	5	5	1	(4)
TOTAL REVENUES	<u>105</u>	<u>105</u>	<u>1</u>	<u>(104)</u>
EXPENDITURES				
Current:				
General government				
Judicial	500	500	107	(393)
TOTAL EXPENDITURES	<u>500</u>	<u>500</u>	<u>107</u>	<u>(393)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(395)	(395)	(106)	(289)
FUND BALANCE, BEGINNING OF YEAR	<u>395</u>	<u>395</u>	<u>785</u>	<u>390</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 679</u>	<u>\$ (679)</u>

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WARE COUNTY, GEORGIA
 JAIL COMMISSARY
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Charges for services	\$ 378,500	\$ 478,500	\$ 473,650	\$ (4,850)
Investment income	1,500	1,500	624	(876)
TOTAL REVENUES	<u>380,000</u>	<u>480,000</u>	<u>474,274</u>	<u>(5,726)</u>
EXPENDITURES				
Current:				
Public safety	<u>380,000</u>	<u>525,000</u>	<u>524,785</u>	<u>(215)</u>
TOTAL EXPENDITURES	<u>380,000</u>	<u>525,000</u>	<u>524,785</u>	<u>(215)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(45,000)	(50,511)	(5,511)
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>45,000</u>	<u>197,882</u>	<u>152,882</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 147,371</u>	<u>\$ 147,371</u>

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WARE COUNTY, GEORGIA
LAW LIBRARY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 33,200	\$ 33,200	\$ 36,808	\$ 3,608
TOTAL REVENUES	<u>33,200</u>	<u>33,200</u>	<u>36,808</u>	<u>3,608</u>
EXPENDITURES				
Current:				
General government				
Judicial	33,200	33,200	11,513	(21,687)
TOTAL EXPENDITURES	<u>33,200</u>	<u>33,200</u>	<u>11,513</u>	<u>(21,687)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	25,295	25,295
FUND BALANCE, BEGINNING OF YEAR	-	-	161,359	161,359
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 186,654</u>	<u>\$ 186,654</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 TIMBER SALES
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Investment income	\$ 100	\$ 100	\$ 42	\$ (58)
Miscellaneous income	40,000	40,000	63,570	23,570
TOTAL REVENUES	<u>40,100</u>	<u>40,100</u>	<u>63,612</u>	<u>23,512</u>
EXPENDITURES				
Current:				
Public works	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	40,100	40,100	63,612	23,512
OTHER FINANCING SOURCES (USES)				
TRANSFER (OUT)	(80,000)	(80,000)	(80,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(80,000)</u>	<u>(80,000)</u>	<u>(80,000)</u>	<u>-</u>
REVENUE AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	(39,900)	(39,900)	(16,388)	23,512
FUND BALANCE, BEGINNING OF YEAR	<u>39,900</u>	<u>39,900</u>	<u>61,815</u>	<u>21,915</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,427</u>	<u>\$ 45,427</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
D. A.'S DRUG FORFEITURES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 25,000	\$ 25,000	\$ 10,829	\$ (14,171)
Investment income	200	200	34	(166)
TOTAL REVENUES	<u>25,200</u>	<u>25,200</u>	<u>10,863</u>	<u>(14,337)</u>
EXPENDITURES				
Current:				
General Government				
Judicial	<u>25,200</u>	<u>25,200</u>	<u>2,901</u>	<u>(22,299)</u>
TOTAL EXPENDITURES	<u>25,200</u>	<u>25,200</u>	<u>2,901</u>	<u>(22,299)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	7,962	7,962
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>40,652</u>	<u>40,652</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,614</u>	<u>\$ 48,614</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 SUPERIOR COURT VICTIM FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 7,000	\$ 27,000	\$ 70,397	\$ 43,397
Fines and forfeitures	56,005	56,005	44,375	(11,630)
Investment income	700	700	201	(499)
TOTAL REVENUES	<u>63,705</u>	<u>83,705</u>	<u>114,973</u>	<u>31,268</u>
EXPENDITURES				
Current:				
General Government				
Judicial	<u>87,231</u>	<u>107,231</u>	<u>105,941</u>	<u>(1,290)</u>
TOTAL EXPENDITURES	<u>87,231</u>	<u>107,231</u>	<u>105,941</u>	<u>(1,290)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(23,526)	(23,526)	9,032	32,558
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>258,336</u>	<u>258,336</u>
FUND BALANCE, END OF YEAR	<u>\$ (23,526)</u>	<u>\$ (23,526)</u>	<u>\$ 267,368</u>	<u>\$ 290,894</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
STATE COURT VICTIM ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Fines and forfeitures	\$ 37,500	\$ 38,000	\$ 44,074	\$ 6,074
Investment income	25	25	25	-
TOTAL REVENUES	<u>37,525</u>	<u>38,025</u>	<u>44,099</u>	<u>6,074</u>
EXPENDITURES				
Current:				
General Government				
Judicial	<u>37,525</u>	<u>38,025</u>	<u>37,806</u>	<u>(219)</u>
TOTAL EXPENDITURES	<u>37,525</u>	<u>38,025</u>	<u>37,806</u>	<u>(219)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	6,293	6,293
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>51,412</u>	<u>51,412</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,705</u>	<u>\$ 57,705</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 FIRE SAFETY HOUSE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Investment income	\$ 15	\$ 15	\$ 15	\$ -
TOTAL REVENUES	<u>15</u>	<u>15</u>	<u>15</u>	<u>-</u>
EXPENDITURES				
Current:				
Public safety	<u>30,518</u>	<u>30,518</u>	<u>1,074</u>	<u>(29,444)</u>
TOTAL EXPENDITURES	<u>30,518</u>	<u>30,518</u>	<u>1,074</u>	<u>(29,444)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(30,503)	(30,503)	(1,059)	29,444
FUND BALANCE, BEGINNING OF YEAR	<u>30,503</u>	<u>30,503</u>	<u>30,861</u>	<u>358</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 29,802</u>	<u>\$ 29,802</u>

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WARE COUNTY, GEORGIA
 INTERGOVERNMENTAL GRANTS
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Intergovernmental revenues	\$ 86,000	\$ 651,666	\$ 599,126	\$ (52,540)
TOTAL REVENUES	<u>86,000</u>	<u>651,666</u>	<u>599,126</u>	<u>(52,540)</u>
EXPENDITURES				
Current:				
General Government				
Legislative and executive	1,500	87,500	86,045	(1,455)
Judicial	34,500	34,500	13,423	(21,077)
Public safety	-	479,666	446,323	(33,343)
Health and welfare	50,000	50,000	53,335	3,335
TOTAL EXPENDITURES	<u>86,000</u>	<u>651,666</u>	<u>599,126</u>	<u>(52,540)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
RURAL FIRE ASSISTANCE
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Investment income	\$ 12	\$ 12	\$ 12	\$ -
TOTAL REVENUES	<u>12</u>	<u>12</u>	<u>12</u>	<u>-</u>
EXPENDITURES				
Current:				
Public safety	<u>23,218</u>	<u>23,218</u>	<u>-</u>	<u>(23,218)</u>
TOTAL EXPENDITURES	<u>23,218</u>	<u>23,218</u>	<u>-</u>	<u>(23,218)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(23,206)	(23,206)	12	23,218
FUND BALANCE, BEGINNING OF YEAR	<u>23,206</u>	<u>23,206</u>	<u>23,207</u>	<u>1</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,219</u>	<u>\$ 23,219</u>

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WARE COUNTY, GEORGIA
 CAPITAL PROJECTS
 CDBG FY10
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Intergovernmental revenue	\$ 500,000	\$ 500,000	\$ 451,115	\$ (48,885)
TOTAL REVENUES	<u>500,000</u>	<u>500,000</u>	<u>451,115</u>	<u>(48,885)</u>
EXPENDITURES				
Current:				
Public works	30,000	30,000	-	(30,000)
Capital outlay	<u>470,000</u>	<u>470,000</u>	<u>451,115</u>	<u>(18,885)</u>
TOTAL EXPENDITURES	<u>500,000</u>	<u>500,000</u>	<u>451,115</u>	<u>(48,885)</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 CAPITAL PROJECTS
 CDBG EIP
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Intergovernmental income	\$ 400,000	\$ 30,000	\$ 30,000	\$ -
TOTAL REVENUES	<u>400,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
EXPENDITURES				
Current:				
Public works	<u>400,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
TOTAL EXPENDITURES	<u>400,000</u>	<u>30,000</u>	<u>30,000</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 CAPITAL PROJECTS
 CDBG EDA
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Intergovernmental revenue	\$ -	\$ 8,000	\$ 7,116	\$ (884)
TOTAL REVENUES	<u>-</u>	<u>8,000</u>	<u>7,116</u>	<u>(884)</u>
EXPENDITURES				
Current:				
Public works	-	8,000	7,116	(884)
TOTAL EXPENDITURES	<u>-</u>	<u>8,000</u>	<u>7,116</u>	<u>(884)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 CAPITAL PROJECTS
 1998 SPECIAL LOCAL OPTION SALES TAX FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 For The Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
REVENUES				
Investment income	\$ 500	\$ 500	\$ 417	\$ (83)
TOTAL REVENUES	<u>500</u>	<u>500</u>	<u>417</u>	<u>(83)</u>
EXPENDITURES				
Capital outlay	<u>936,167</u>	<u>936,167</u>	<u>102,251</u>	<u>(833,916)</u>
TOTAL EXPENDITURES	<u>936,167</u>	<u>936,167</u>	<u>102,251</u>	<u>(833,916)</u>
EXCESS OF REVENUES (UNDER) EXPENDITURES	(935,667)	(935,667)	(101,834)	833,833
FUND BALANCE, BEGINNING OF YEAR	<u>935,667</u>	<u>935,667</u>	<u>993,658</u>	<u>57,991</u>
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 891,824</u>	<u>\$ 891,824</u>

See independent auditors' report.

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Workers Compensation Fund – to account for charges to other funds and contributions from employees and for the payment of workers compensation insurance premiums and benefits.

Health Fund – to account for charges to other funds and contributions from employees and for the payment of health insurance premiums and benefits.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
June 30, 2012

	Workers Compensation <u>Fund</u>	Health <u>Fund</u>	<u>Total</u>
ASSETS			
Current Assets			
Cash	\$ 113,820	\$ 402,696	\$ 516,516
Receivables (net of allowance for doubtful accounts):			
Accounts	-	-	-
Prepaid expenses	<u>199,690</u>	<u>-</u>	<u>199,690</u>
TOTAL ASSETS	<u>313,510</u>	<u>402,696</u>	<u>716,206</u>
LIABILITIES			
Current Liabilities			
Accounts payable	2,164	-	2,164
Interfund payable	<u>216,004</u>	<u>-</u>	<u>216,004</u>
TOTAL LIABILITIES	<u>218,168</u>	<u>-</u>	<u>218,168</u>
NET ASSETS			
Restricted for workers compensation claims	95,342	-	95,342
Restricted for health claims	<u>-</u>	<u>402,696</u>	<u>402,696</u>
TOTAL NET ASSETS	<u>\$ 95,342</u>	<u>\$ 402,696</u>	<u>\$ 498,038</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET ASSETS
For The Year Ending June 30, 2012

	Workers Compensation <u>Fund</u>	Health <u>Fund</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 417,456	\$ 3,383,782	\$ 3,801,238
Contributions	-	18,714	18,714
Miscellaneous	<u>9,165</u>	<u>-</u>	<u>9,165</u>
TOTAL OPERATING REVENUES	<u>426,621</u>	<u>3,402,496</u>	<u>3,829,117</u>
OPERATING EXPENSES			
Claims paid	377,591	13,118	390,709
Other services and charges	<u>250,987</u>	<u>3,113,447</u>	<u>3,364,434</u>
TOTAL OPERATING EXPENSES	<u>628,578</u>	<u>3,126,565</u>	<u>3,755,143</u>
OPERATING INCOME (LOSS)	<u>(201,957)</u>	<u>275,931</u>	<u>73,974</u>
NON-OPERATING REVENUES (EXPENSES)			
Interest revenue	<u>239</u>	<u>197</u>	<u>436</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>239</u>	<u>197</u>	<u>436</u>
CHANGE IN NET ASSETS	(201,718)	276,128	74,410
NET ASSETS AT BEGINNING OF YEAR	<u>297,060</u>	<u>126,568</u>	<u>423,628</u>
NET ASSETS AT END OF YEAR	<u>\$ 95,342</u>	<u>\$ 402,696</u>	<u>\$ 498,038</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For The Year Ending June 30, 2012

	Workers Compensation <u>Fund</u>	Health <u>Fund</u>	<u>Total</u>
<u>Increase (Decrease) in Cash and Cash Equivalents</u>			
<u>Cash Flows From Operating Activities</u>			
Cash received from customers	\$ 433,898	\$ 3,402,496	\$ 3,836,394
Cash received from interfund transactions	216,004	-	216,004
Cash payments for claims paid	(377,591)	(19,332)	(396,923)
Cash payments for other services and charges	<u>(396,350)</u>	<u>(3,116,618)</u>	<u>(3,512,968)</u>
Net Cash Provided by (Used for) Operating Activities	(124,039)	266,546	142,507
<u>Cash Flows From Investing Activities</u>			
Cash received from interest	<u>239</u>	<u>197</u>	<u>436</u>
Net Cash Flows Provided By Investing Activities	<u>239</u>	<u>197</u>	<u>436</u>
Net Increase in Cash	(123,800)	266,743	142,943
Cash at Beginning of Year	<u>237,620</u>	<u>135,953</u>	<u>373,573</u>
Cash at End of Year	<u>\$ 113,820</u>	<u>\$ 402,696</u>	<u>\$ 516,516</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For The Year Ending June 30, 2012

	Workers Compensation <u>Fund</u>	Health <u>Fund</u>	<u>Total</u>
Reconciliation of Operating Income (Loss) To			
<u>Net Cash Provided by (Used For) Operating Activities</u>			
Operating Income (Loss)	\$ (201,957)	\$ 275,931	\$ 73,974
Adjustments to Reconcile Operating Income (Loss) To			
<u>Net Cash Provided by (Used For) Operating Activities</u>			
Changes in Assets and Liabilities:			
(Increase) decrease in accounts receivable	7,277	-	7,277
(Increase) decrease in prepaid expenses	(127,915)	-	(127,915)
Increase (decrease) in accounts payable	(17,448)	(3,171)	(20,619)
Increase (decrease) in interfund payable	216,004	-	216,004
Increase (decrease) in accrued expenses	<u>-</u>	<u>(6,214)</u>	<u>(6,214)</u>
Net Cash Provided By (Used For)			
Operating Activities	<u>\$ (124,039)</u>	<u>\$ 266,546</u>	<u>\$ 142,507</u>

See independent auditors' report.

FIDUCIARY FUNDS

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or funds.

Tax Commissioner - to account for the collection of property taxes, motor vehicle taxes and title fees and mobile home fees, etc. which are disbursed to various taxing units.

Clerk of Superior Court - to account for the collection of various fines, forfeitures, jury fund receipts, real estate transfer taxes, recording of intangibles, fees, civil awards, etc. which are disbursed to other parties.

Magistrate Court - to account for the collection of fees in jurisdiction of small claims courts, which are disbursed to other parties.

Sheriff - to account for collection of cash bonds, fines, forfeitures, etc. which are disbursed to other parties.

Probation Office - to account for collection of fees, fines, forfeitures, etc. which are disbursed to other parties.

Probate Court - to account for the collection of fees from probating wills which are disbursed to other parties.

Juvenile Court - to account for the collection of fines and fees from juvenile court which are disbursed to other parties.

WARE COUNTY, GEORGIA
 AGENCY FUNDS
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 June 30, 2012

	AGENCY FUNDS							TOTAL
	OFFICE OF TAX COMMISSIONER	CLERK OF COURT	MAGISTRATE COURT	OFFICE OF SHERIFF	PROBATE COURT	JUVENILE COURT		
ASSETS								
Cash	\$ 525,287	\$ 163,491	\$ 57,332	\$ 152,382	\$ 853,121	\$ 7,492	\$ 1,759,105	
TOTAL ASSETS	<u>\$ 525,287</u>	<u>\$ 163,491</u>	<u>\$ 57,332</u>	<u>\$ 152,382</u>	<u>\$ 853,121</u>	<u>\$ 7,492</u>	<u>\$ 1,759,105</u>	
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Due to other governments	\$ 252,040	\$ 43,007	\$ -	\$ -	\$ -	\$ -	\$ 295,047	
Due to others	<u>273,247</u>	<u>120,484</u>	<u>57,332</u>	<u>152,382</u>	<u>853,121</u>	<u>7,492</u>	<u>1,464,058</u>	
TOTAL LIABILITIES	<u>525,287</u>	<u>163,491</u>	<u>57,332</u>	<u>152,382</u>	<u>853,121</u>	<u>7,492</u>	<u>1,759,105</u>	
NET ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

See independent auditors' report.

WARE COUNTY, GEORGIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 For The Year Ending June 30, 2012

	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>OFFICE OF TAX COMMISSIONER</u>				
ASSETS				
Cash	\$ 365,694	\$ 26,960,857	\$ 26,801,264	\$ 525,287
TOTAL ASSETS	<u>\$ 365,694</u>	<u>\$ 26,960,857</u>	<u>\$ 26,801,264</u>	<u>\$ 525,287</u>
LIABILITIES				
Due to other governments	\$ 89,866	\$ 14,981,400	\$ 14,819,226	\$ 252,040
Due to others	275,828	11,979,457	11,982,038	273,247
TOTAL LIABILITIES	<u>\$ 365,694</u>	<u>\$ 26,960,857</u>	<u>\$ 26,801,264</u>	<u>\$ 525,287</u>
<u>CLERK OF COURT</u>				
ASSETS				
Cash	\$ 146,178	\$ 1,735,600	\$ 1,718,287	\$ 163,491
TOTAL ASSETS	<u>\$ 146,178</u>	<u>\$ 1,735,600</u>	<u>\$ 1,718,287</u>	<u>\$ 163,491</u>
LIABILITIES				
Due to other governments	\$ 33,343	\$ 438,521	\$ 428,857	\$ 43,007
Due to others	112,835	1,297,079	1,289,430	120,484
TOTAL LIABILITIES	<u>\$ 146,178</u>	<u>\$ 1,735,600</u>	<u>\$ 1,718,287</u>	<u>\$ 163,491</u>
<u>MAGISTRATE COURT</u>				
ASSETS				
Cash	\$ 67,535	\$ 452,391	\$ 462,594	\$ 57,332
TOTAL ASSETS	<u>\$ 67,535</u>	<u>\$ 452,391</u>	<u>\$ 462,594</u>	<u>\$ 57,332</u>
LIABILITIES				
Due to other governments	\$ -	\$ 37,777	\$ 37,777	\$ -
Due to others	67,535	414,614	424,817	57,332
TOTAL LIABILITIES	<u>\$ 67,535</u>	<u>\$ 452,391</u>	<u>\$ 462,594</u>	<u>\$ 57,332</u>

See independent auditors' report.

WARE COUNTY, GEORGIA
 AGENCY FUNDS
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES - CONTINUED
 For The Year Ending June 30, 2012

	<u>Balance</u> <u>July 1, 2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2012</u>
<u>OFFICE OF SHERIFF</u>				
ASSETS				
Cash	\$ 129,002	\$ 1,187,342	\$ 1,163,962	\$ 152,382
TOTAL ASSETS	<u>\$ 129,002</u>	<u>\$ 1,187,342</u>	<u>\$ 1,163,962</u>	<u>\$ 152,382</u>
LIABILITIES				
Due to others	\$ 129,002	\$ 1,187,342	\$ 1,163,962	\$ 152,382
TOTAL LIABILITIES	<u>\$ 129,002</u>	<u>\$ 1,187,342</u>	<u>\$ 1,163,962</u>	<u>\$ 152,382</u>
<u>PROBATE COURT</u>				
ASSETS				
Cash	\$ 509,202	\$ 610,307	\$ 266,388	\$ 853,121
TOTAL ASSETS	<u>\$ 509,202</u>	<u>\$ 610,307</u>	<u>\$ 266,388</u>	<u>\$ 853,121</u>
LIABILITIES				
Due to others	\$ 509,202	\$ 610,307	\$ 266,388	\$ 853,121
TOTAL LIABILITIES	<u>\$ 509,202</u>	<u>\$ 610,307</u>	<u>\$ 266,388</u>	<u>\$ 853,121</u>
<u>JUVENILE COURT</u>				
ASSETS				
Cash	\$ 9,058	\$ 8,037	\$ 9,603	\$ 7,492
TOTAL ASSETS	<u>\$ 9,058</u>	<u>\$ 8,037</u>	<u>\$ 9,603</u>	<u>\$ 7,492</u>
LIABILITIES				
Due to others	\$ 9,058	\$ 8,037	\$ 9,603	\$ 7,492
TOTAL LIABILITIES	<u>\$ 9,058</u>	<u>\$ 8,037</u>	<u>\$ 9,603</u>	<u>\$ 7,492</u>

See independent auditors' report.

SPECIAL REPORTS SECTION

WARE COUNTY, GEORGIA
 1998 SPECIAL LOCAL OPTION SALES TAX
 SCHEDULE OF PROJECTS CONSTRUCTED
 WITH SPECIAL SALES TAX PROCEEDS
 Year Ended June 30, 2012

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Roads, Streets, and Bridges	\$ 16,250,000	\$ 13,919,298	\$ 12,925,223	\$ 102,251	\$ 13,027,474	93.59%
Recreation	4,000,000	4,503,070	4,503,070	-	4,503,070	100.00%
Fire Station	750,000	767,590	767,590	-	767,590	100.00%
Jail	<u>10,000,000</u>	<u>10,429,576</u>	<u>10,429,576</u>	<u>-</u>	<u>10,429,576</u>	100.00%
Totals	<u>\$ 31,000,000</u>	<u>\$ 29,619,534</u>	<u>\$ 28,625,459</u>	<u>\$ 102,251</u>	<u>\$ 28,727,710</u>	

See independent auditors' report.

WARE COUNTY, GEORGIA
 2003 SPECIAL LOCAL OPTION SALES TAX
 SCHEDULE OF PROJECTS CONSTRUCTED
 WITH SPECIAL SALES TAX PROCEEDS
 Year Ended June 30, 2012

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Roads, Streets, and Bridges	\$12,500,000	\$ 28,645,735	\$ 25,260,460	\$ 835,586	\$26,096,046	91.10%
Recreation	6,000,000	6,390,706	6,338,758	-	6,338,758	99.19%
Fire Station & Public Safety Building	1,500,000	1,500,613	1,500,613	-	1,500,613	100.00%
Public Safety Equipment	500,000	599,891	599,890	-	599,890	100.00%
Jail	5,000,000	5,052,275	5,052,275	-	5,052,275	100.00%
Industrial Development	1,000,000	1,000,000	1,000,000	-	1,000,000	100.00%
Economic Development	1,000,000	1,000,000	985,281	-	985,281	98.53%
Downtown Development	500,000	500,000	500,000	-	500,000	100.00%
Debt Retirement	<u>1,000,000</u>	<u>1,052,269</u>	<u>1,052,269</u>	<u>-</u>	<u>1,052,269</u>	100.00%
Totals	<u>\$29,000,000</u>	<u>\$45,741,489</u>	<u>\$42,289,546</u>	<u>\$ 835,586</u>	<u>\$43,125,132</u>	

See independent auditors' report.

WARE COUNTY, GEORGIA
 2008 SPECIAL LOCAL OPTION SALES TAX
 SCHEDULE OF PROJECTS CONSTRUCTED
 WITH SPECIAL SALES TAX PROCEEDS
 Year Ended June 30, 2012

	Original Estimated Cost	Current Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
Roads, Streets, and Bridges	\$11,093,188	\$ 5,885,565	\$ 1,815,255	\$ 507,137	\$ 2,322,392	39.46%
Fire Equipment & Facility Improvements	4,000,000	2,741,387	2,605,292	456	2,605,748	95.05%
Pursuit Vehicles, Ambulances & Public Work Equipment	2,000,000	2,017,969	1,377,687	430,311	1,807,998	89.59%
Retirement of Lease-Purchase Obligation For Courthouse Improvements	2,000,000	917,301	458,652	152,883	611,535	66.67%
Courthouse & County Administration Property Acquisition and Demolition	2,125,000	2,000,000	1,377,160	61,317	1,438,477	71.92%
Courthouse Security Facilities	875,000	875,000	306,209	23,831	330,040	37.72%
Renovation of City Auditorium*	1,000,000	-	-	-	-	0.00%
Debt Retirement or Construction of Administrative Building and Design Cost	9,500,000	9,057,882	111,122	95,824	206,946	2.28%
Construction of Multi-purpose Recreation Building Spec Building / Construction and Infrastructure for Economic Development	5,000,000	5,000,000	285,021	2,315,971	2,600,992	52.02%
	2,000,000	1,557,399	-	-	-	0.00%
City of Waycross	<u>13,509,264</u>	<u>10,881,948</u>	<u>5,437,118</u>	<u>1,958,106</u>	<u>7,395,224</u>	67.96%
Totals	<u>\$53,102,452</u>	<u>\$40,934,451</u>	<u>\$ 13,773,516</u>	<u>\$5,545,836</u>	<u>\$19,319,352</u>	

* - The percentage of SPLOST was increased to include the City Auditorium project in the City of Waycross direct funds. The City will manage this project and pay for it from the additional SPLOST funds they receive each month as their share of SPLOST receipts.

SOURCE and APPLICATION OF FUNDS SCHEDULE
Community Development Block Grant

Ware County, Georgia

09q-y-148-1-5220

For the Period Ending: June 30, 2012

Cumulative

I. Total Fiscal Year 2009 CDBG Funds Awarded to Recipient:	<u>\$ 500,000</u>
II. Total Amount of Drawdown by Recipient from DCA:	\$ 500,000
III. Less: CDBG Funds Expended by Recipient:	<u>\$ 500,000</u>
IV. Amount of Fiscal Year 2009 CDBG Funds held by Recipient:	<u><u>\$ -</u></u>

SOURCE and APPLICATION OF FUNDS SCHEDULE
Community Development Block Grant

Ware County, Georgia

10p-y-148-1-5278

For the Period Ending: June 30, 2012
Cumulative

I. Total Fiscal Year 2010 CDBG Funds Awarded to Recipient:	\$ <u>500,000</u>
II. Total Amount of Drawdown by Recipient from DCA:	\$ 451,115
III. Less: CDBG Funds Expended by Recipient:	\$ <u>451,115</u>
IV. Amount of Fiscal Year 2010 CDBG Funds held by Recipient:	\$ <u><u>-</u></u>

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PROJECT COST SCHEDULE

Recipient: Ware County, Georgia

Grant #: 09q-y-148-1-5220

For the Period Ending: June 30, 2012

Program Activity	CDBG Activity Number	Latest Approved Budget	Accumulative CDBG Expenditures To Date	Accumulative Expenditures To Date (Other Funds)	Grand Total of Expenditures To Date	Questioned Costs
Public Facilities and Improvemen	E-17B-00	\$ 435,016	\$ 435,016	\$ -	\$ 435,016	\$ -
Engineering	T-17B-00	\$ 34,984	\$ 34,984	\$ -	\$ 34,984	\$ -
Administration	A-21A-00	\$ 30,000	\$ 30,000	\$ -	\$ 30,000	\$ -
TOTAL		<u>\$ 500,000</u>	<u>\$ 500,000</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ -</u>

See independent auditors' report.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PROJECT COST SCHEDULE

Recipient: Ware County, Georgia

Grant #: 10p-y-148-1-5278

For the Period Ending: June 30, 2012

Program Activity	CDBG Activity Number	Latest Approved Budget	Accumulative CDBG Expenditures To Date	Accumulative Expenditures To Date (Other Funds)	Grand Total of Expenditures To Date	Questioned Costs
Street Improvements	P-03K-01	\$ 426,964	\$ 397,367	\$ -	\$ 397,367	\$ -
Street Improvements	P-03K-02	\$ 73,036	\$ 53,748	\$ -	\$ 53,748	\$ -
TOTAL		<u>\$ 500,000</u>	<u>\$ 451,115</u>	<u>\$ -</u>	<u>\$ 451,115</u>	<u>\$ -</u>

See independent auditors' report.

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

To the Board of Commissioners
of Ware County, Georgia
Waycross, Georgia

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Ware County, Georgia, as of and for the year ended June 30, 2012, which collectively comprise Ware County, Georgia's basic financial statements and have issued our report thereon dated March 5, 2012. We did not audit the financial statements of the Ware County Board of Health or the Okefenokee Area Development Authority. Those financial statements were audited by other auditors whose reports have been furnished to us. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Ware County, Georgia's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Ware County, Georgia's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Ware County, Georgia's internal control over financial reporting.

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies in internal control over financial reporting (Finding 2012-1). 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.

Compliance and Other Matters

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

Ware County, Georgia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Ware County, Georgia's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the Board of Commissioners of Ware County, Georgia, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

March 5, 2013
Tifton, Georgia

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133**

To the Board of Commissioners
of Ware County, Georgia
Waycross, Georgia

Compliance

We have audited Ware County, Georgia's compliance, with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Ware County, Georgia's major federal programs for the year ended June 30, 2012. Ware County, Georgia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Ware County Georgia's management. Our responsibility is to express an opinion on Ware County, Georgia's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Ware County, Georgia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Ware County, Georgia's compliance with those requirements.

In our opinion, Ware County, Georgia complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

Internal Control Over Compliance

The management of Ware County, Georgia is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered Ware County, Georgia's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Ware County, Georgia's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Ware County Board of Commissioners, management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Cam, Riggs & Ingram, L.L.C.

March 5, 2013
Tifton, Georgia

WARE COUNTY, GEORGIA
 SCHEDULE OF FINDINGS AND RESPONSES
 Year Ended June 30, 2012

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued Unqualified

Internal control over financial reporting
 Material weakness identified? _____ Yes X No

Significant deficiencies identified not
 considered to be material weakness? X Yes _____ None reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs
 Material weaknesses identified? _____ Yes X No

Significant deficiencies identified not
 considered to be material weaknesses? _____ Yes X None reported

Type of auditor’s report issued on compliance
 for major programs: Unqualified

Any audit findings disclosed that are required to be reported
 in accordance with Circular A-133, Section .510(a)? _____ Yes X No

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program</u>
14.218	Community Development Block Grant/Entitlement Grants
97.005	State and Local Homeland Security National Training Program

Dollar threshold used to distinguish between Type A and Type B programs: \$300,000

Auditee considered a low risk auditee _____ Yes X No

WARE COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2012

Section II – Financial Statement Findings

Current Year Findings

Significant Deficiencies – Not Considered a Material Weakness

2012-1 - Criteria

To the extent possible, duties should be segregated to serve as a check and balance on the employee's integrity and to maintain the best control system possible.

2012-1 - Condition - Lack of Segregation of Duties

Due to a limited number of people working in the finance department and each constitutional office, many critical duties are combined and given to the available employees. Presently the following duties are combined:

- Mail is opened by someone which is not independent of recording transactions in the accounting records;
- A list of incoming checks is not prepared by someone independent of recording transactions in the accounting records;
- Bank deposits are not made by someone other than a cashier or accounts receivable bookkeeper;
- Cashiers are not restricted from gaining access to accounts receivable records and bank and customer statements;
- Postings to the general ledger are not always made by a person independent of the person receiving the money;
- The check-signing function is not always independent of the functions of purchasing, bookkeeping, and preparation of checks.

2012-1 – Cause

In most offices there is not an adequate number of employees to provide for the proper segregation of duties and a plan has not been developed to assign duties or implement compensation controls to improve checks and balances in the control system.

WARE COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2012

2012-1 – Effect

This condition represents a significant deficiency in the design or operation of the County’s internal control structure and could possibly adversely affect the County’s ability to record, process, summarize, and report financial data consistent with assertions of management in the County’s financial statements.

2012-1 – Recommendation

The Board of Commissioners and elected officials of the constitutional offices should develop a plan to improve the lack of segregation of duties in each office. The assignment of responsibilities should be developed to provide adequate segregation of duties. The manpower resources in each constitutional office, the administrative office, financial office, and other offices could be utilized.

2012-1 – Management Response

Ware County management concurs with the finding and will work where possible to create better separation of duties.

Prior Year Findings

The current year finding 2012-1 was reported as finding 2011-1 in the prior year.

WARE COUNTY, GEORGIA
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended June 30, 2012

	Federal CFDA Number	Pass Through Grantor Number	Federal Expenditures
<u>Department of Housing and Urban Development</u>			
Pass Through the Georgia Department of Community Affairs			
Community Development Block Grant/Entitlement Grants	14.218	09q-y-148-1-5220	\$ 30,000
Community Development Block Grant/Entitlement Grants	14.218	10p-y-148-1-5278	451,115
Community Development Block Grant/Entitlement Grants	14.218	04-01-06	7,116
Total Department of Housing and Urban Development			<u>488,231</u>
<u>Department of Justice</u>			
Pass Through the Council of Juvenile Court Judges of Georgia			
Juvenile Accountability Incentive Block Grant	16.523	JB-09ST-0004	6,992
Juvenile Accountability Incentive Block Grant	16.523	JB-07ST-004/JB-08ST-0002	890
			<u>7,882</u>
Bullet Proof Vest Grant	16.710	2004BUBX04023559	<u>5,364</u>
Pass Through the Criminal Justice Coordinating Council			
FY10 Byrne Grant	16.803	B82-8-159	138,226
2009 Edward Byrne Memorial Justice Assistance Grant	16.803	2011-DJ-BX-2992	10,150
			<u>148,376</u>
Total Department of Justice			<u>161,622</u>
<u>Department of Transportation</u>			
Pass Through the Georgia Department of Transportation			
MIDS	20.509	GA-18-4032	<u>85,995</u>
Total Department of Transportation			<u>85,995</u>
<u>Department of Health and Human Services</u>			
Pass Through the National Association of County & City Health Officials			
NACCHO	93.008	5MRCSB101005-02	<u>1,000</u>
Pass Through the Southeast Georgia Agency on Aging			
Special Programs for the Aging, Title III, Part C, Nutrition	93.045	AAA-2012-33	<u>41,164</u>
Total Department of Health and Human Services			<u>42,164</u>
<u>Department of Homeland Security</u>			
Federal Emergency Management Agency			
Pass Through the Georgia Emergency Management Agency			
FY09 Fire Rescue Grant	97.005	2007-GE-T7-0054	99,021
Mobile Staging Vehicle	97.005	2009-SS-T9-0047	296,750
			<u>395,771</u>
2009 CERT Grant	97.007	2009-SS-T9-0047	1,071
2010 CERT Grant	97.007	2010-SS-T0-0034	3,536
Canine Grant	97.007	2009-SS-T9-0047	4,770
			<u>9,377</u>
HMGP Mass Alert System	97.039	HMGP 1833-0045	<u>16,875</u>
Total Department of Homeland Security			<u>422,023</u>
Total Expenditures of Federal Awards			<u>\$ 1,200,035</u>

WARE COUNTY, GEORGIA
NOTES TO THE SCHEDULE OF EXPENDITURES
OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2012

NOTE 1. GENERAL

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of Ware County, Georgia (the "County"). The County receives pass-through financial assistance from several state agencies.

NOTE 2. REPORTING ENTITY

The authoritative criteria for determining the programs, organizations and functions of government included in the financial statements of the County are as follows: oversight responsibility, including selection of governing authority, designation of management, and ability to significantly influence operations; accountability for fiscal matters, including budget, surplus/deficits, debt, fiscal management and revenue characteristics; scope of public service; and special financial relationships.

NOTE 3. BASIS OF ACCOUNTING

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities.

Ware County, Georgia
Certificate of 9-1-1 Expenditures
For the Year Ended June 30, 2012

Line No.	O.C.G.A. Reference:	
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):	
	_____ Special Revenue Fund <u> X </u> Enterprise Fund	
2	Expenditures (UCOA Activity 3800) Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)
	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
3	Emergency telephone equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:	
3a	Lease costs	46-5-134(f)(1)(A) \$ _____
3b	Purchase costs	46-5-134(f)(1)(A) \$ _____
3c	Maintenance costs	46-5-134(f)(1)(A) \$ _____
4	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(1)(B) \$ _____
5	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system and employees who work as directors as defined in O.C.G.A. §46-5-138.2	
5a	Salaries and wages	46-5-134(f)(1)(C) \$ 451,203
5b	Employee benefits	46-5-134(f)(1)(C) \$ 200,237
6	Cost of training of employees who work as dispatchers or directors	46-5-134(f)(1)(D) \$ 3,322
7	Office supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(1)(E) \$ 9,735
8	Building used as a public safety answering point:	
8a	Lease costs	46-5-134(f)(1)(F) \$ _____
8b	Purchase costs	46-5-134(f)(1)(F) \$ _____
9	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems and automatic vehicle location systems:	
9a	Lease costs	46-5-134(f)(1)(G) \$ 63
9b	Purchase costs	46-5-134(f)(1)(G) \$ _____
9c	Maintenance costs	46-5-134(f)(1)(G) \$ 0

Ware County, Georgia
Certificate of 9-1-1 Expenditures
For the Year Ended June 30, 2012

10	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(1)(H)	\$ _____
11	Logging recorders used at a public safety answering point to record telephone and radio traffic:		
11a	Lease costs	46-5-134(f)(1)(I)	\$ _____
11b	Purchase costs	46-5-134(f)(1)(I)	\$ _____
11c	Maintenance costs	46-5-134(f)(1)(I)	\$ _____
12	Insurance purchased to insure against risks and liability in the operation and maintenance of the 9-1-1 system on behalf of the local government or on behalf of employees hired by the local government solely for the operation and maintenance of the 9-1-1 system and employees who work as directors	46-5-134(f)(2)(B)(i)	\$ _____
13	Mobile communications vehicle and equipment, if the primary purpose and designation of such vehicle is to function as a backup 9-1-1 system center		
13a	Lease costs	46-5-134(f)(2)(B)(ii)	\$ _____
13b	Purchase costs	46-5-134(f)(2)(B)(ii)	\$ _____
13c	Maintenance costs	46-5-134(f)(2)(B)(ii)	\$ _____
14	Allocation of indirect costs associated with supporting the 9-1-1 system center and operations as identified and outlined in an indirect cost allocation plan approved by the local governing authority that is consistent with the costs allocated within the local government to both governmental and business-type activities	46-5-134(f)(2)(B)(iii)	\$ _____
15	Mobile public safety voice and data equipment, geo-targeted test messaging alert systems, or towers necessary to carry out the function of 9-1-1 system operations		
15a	Lease costs	46-5-134(f)(2)(B)(iv)	\$ _____
15b	Purchase costs	46-5-134(f)(2)(B)(iv)	\$ _____
15c	Maintenance costs	46-5-134(f)(2)(B)(iv)	\$ _____
16	Public safety voice and data communications systems located in the 9-1-1 system facility that further the legislative intent of providing the highest level of emergency response service on a local, regional, and state-wide basis, including equipment and associated hardware and software that supports the use of public safety wireless voice and data communication systems		
16a	Lease costs	46-5-134(f)(2)(B)(v)	\$ _____
16b	Purchase costs	46-5-134(f)(2)(B)(v)	\$ _____
16c	Maintenance costs	46-5-134(f)(2)(B)(v)	\$ _____

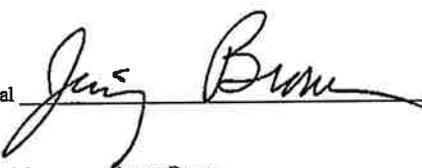
Ware County, Georgia
 Certificate of 9-1-1 Expenditures
 For the Year Ended June 30, 2012

17 Other expenditures not included in Lines 2 through 16 above.
 Identify by object and purpose.

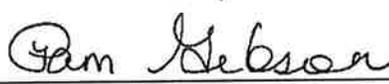
<u>Telephone</u>	\$ <u>3,895</u>
<u>Language interpreter</u>	\$ <u>503</u>
<u>Vehicle fuel and oil</u>	\$ <u>849</u>
<u>Advertising</u>	\$ <u>431</u>
<u>Line and administration fees</u>	\$ <u>92,259</u>
<u>Utilities</u>	\$ <u>9,263</u>
<u>Dues and subscriptions</u>	\$ <u>452</u>
<u>Depreciation</u>	\$ <u>20,145</u>
<u>Radio service</u>	\$ <u>1,533</u>
18 Total Expenditures (total of all amounts reported on Lines 2 through 17 above)	\$ <u><u>793,890</u></u>

Certification of Local Government Officials

I have reviewed the information presented in this report and certify that it is accurate and correct. I further certify that the 9-1-1 funds were expended in compliance with the expenditure requirements specified in the Official Code of Georgia Annotated (OCGA), Section 46-5-134. I understand that, in accordance with OCGA Section 46-5-134(m)(2), any local government which makes expenditures not in compliance with this Code section may be held liable for pro rata reimbursement to telephone and wireless telecommunications subscribers of amounts improperly expended. Further, the noncompliant local government shall be solely financially responsible for the reimbursement and for any costs associated with the reimbursement. Such reimbursement shall be accomplished by the service providers abating the imposition of the 9-1-1 charges and 9-1-1 wireless enhanced charges until such abatement equals the total amount of the rebate.

Signature of Chief Elected Official  Date 03/15/13
 Print Name of Chief Elected Official Jimmy Brown

Title of Chief Elected Official County Commission Chairman

Signature of Chief Financial Officer  Date 03/15/13

Print Name of Chief Financial Officer Pam Gibson