BLECKLEY COUNTY, GEORGIA
FINANCIAL STATEMENTS
AND
SUPPLEMENTAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2013
AND
INDEPENDENT AUDITORS' REPORT

BLECKLEY COUNTY, GEORGIA
Financial Statements
For the Fiscal Year Ended December 31, 2013

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Financial Section

INDEPENDENT AUDITORS' REPORT

D. M. Vickers & Assoc., P.C.

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INDEPENDENT AUDITORS' REPORT

To the County Commissioner
Bleckley County, Georgia

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Bleckley County, Georgia (the County), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents. We did not audit the financial statements of Bleckley County Public Health Center, which is a discretely presented component unit and 100.00 percent, respectively of the assets, net position, and revenues of the discretely presented component units.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Bleckley County Public Health Center, which represent 100.00 percent, respectively, of the assets, net position, and revenues of the discretely presented component units. Those financial statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Bleckley County Public Health Center, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Bleckley County, Georgia, as of December 31, 2013, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the schedule of funding progress as listed in the table of contents 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 and other auditors 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.

The County has omitted the Management's Discussion and Analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Bleckley County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and schedules, the schedule of special purpose local option sales tax expenditures, and other supplementary information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules, the schedule of special purpose local option sales tax expenditures, and other supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements and schedules, the schedule of special purpose local option sales tax expenditures, and other supplementary information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 10, 2014, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bleckley County, Georgia's internal control over financial reporting and compliance.

H. M. Vickers & Associates, P.C.

November 10, 2014

BLECKLEY COUNTY, GEORGIA
Statement of Net Position
December 31, 2013

	Primary Government Total	Component Unit
	Governmental Activities	Bleckley County Public Health Center
ASSETS:		
Cash	$ 3,764,535	$ 458,285
Receivables, net of allowance for uncollectibles:		
Taxes	537,764	-
Intergovernmental	201,092	-
Accounts	132,395	-
Employee cash	6,818	-
Prepaid expenses	66,710	-
Inventory, at cost	24,040	-
Capital assets:		
Capital assets not being depreciated	323,527	-
Capital assets being depreciated, net of accumulated depreciation	9,632,487	3,135
Total Assets	14,689,368	461,420
LIABILITIES:		
Accounts payable	302,616	-
Salaries and benefits payable	72,418	-
Due to other governments	48,502	-
Accrued interest payable	52,222	-
Net pension obligation	15,780	-
Landfill post-closure care costs due in one year	42,160	-
Landfill post-closure care cost due after one year	651,114	-
Compensated absences due within one year	50,010	3,415
Compensated absences due after one year	176,713	13,659
Capital leases due within one year	318,829	-
Capital leases due after one year	5,864,711	-
Unearned revenue	296,971	-
Total Liabilities	7,892,046	17,074
NET POSITION:		
Net investment in capital assets	3,772,474	3,135
Restricted for capital improvements	1,094,312	-
Restricted for prior year program income	-	39,000
Unrestricted	1,930,536	402,211
Total Net Position	$ 6,797,322	$ 444,346

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

BLECKLEY COUNTY, GEORGIA
Statement of Activities
For the Fiscal Year Ended December 31, 2013

FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Fees, Fines and Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Net (Expenses) Revenue and Changes in Net Position: Primary Government: Total	Net (Expenses) Revenue and Changes in Net Position: Component Unit: Bleckley County Public Health Center
PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES:							
General government	$ 1,362,953	$ 73,810	$ -	$ -	$ (1,289,143)	$ (1,289,143)	$ -
Public safety	3,192,340	368,140	184,073	8,978	(2,631,149)	(2,631,149)	-
Court system	644,119	311,329	-	-	(332,790)	(332,790)	-
Highways and streets	1,243,656	-	275,339	-	(968,317)	(968,317)	-
Public health and welfare	694,377	72,316	16,671	-	(605,390)	(605,390)	-
Culture and recreation	159,319	-	-	-	(159,319)	(159,319)	-
County agent	84,461	-	-	-	(84,461)	(84,461)	-
Natural resources	28,494	-	-	-	(28,494)	(28,494)	-
Interest	321,209	-	-	-	(321,209)	(321,209)	-
Total Governmental Activities	7,730,928	825,595	476,083	8,978	(6,420,272)	(6,420,272)	-
TOTAL PRIMARY GOVERNMENT	$ 7,730,928	$ 825,595	$ 476,083	$ 8,978	(6,420,272)	(6,420,272)	-
COMPONENT UNIT-							
Bleckley County Public Health Center	324,780	187,724	199,975	-	-	-	62,919
Total Component Unit	$ 324,780	$ 187,724	$ 199,975	$ -	-	-	62,919
General revenues:							
Property taxes					3,720,772	3,720,772	-
Alcoholic beverage taxes					50,516	50,516	-
Vehicle taxes					391,396	391,396	-
Sales taxes					1,538,418	1,538,418	-
Other taxes					394,970	394,970	-
Unrestricted interest earnings					57,317	57,317	-
Miscellaneous					115,101	115,101	22,835
Total general revenues					6,268,490	6,268,490	22,835
Change in net position					(151,782)	(151,782)	85,754
Net position, beginning of year					6,949,104	6,949,104	358,592
Net position, end of year					$ 6,797,322	$ 6,797,322	$ 444,346

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

BLECKLEY COUNTY, GEORGIA
Balance Sheet
Governmental Funds
December 31, 2013

	General Fund	Capital Projects SPLOST-2007	Capital Projects SPLOST-2013	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash	$ 2,477,236	$ 520,615	$ 560,156	$ 206,528	$ 3,764,535
Receivables, net of allowance for uncollectible:					
Taxes	537,764	-	-	-	537,764
Intergovernmental	105,369	-	75,843	19,880	201,092
Accounts	108,118	-	-	24,277	132,395
Due from other funds	71,267	-	-	-	71,267
Employee cash	6,818	-	-	-	6,818
Prepaid expenses	66,710	-	-	-	66,710
Inventory, at cost	24,040	-	-	-	24,040
Total Assets	$ 3,397,322	$ 520,615	$ 635,999	$ 250,685	$ 4,804,621
LIABILITIES:					
Accounts payable	$ 255,849	$ 13,800	$ -	$ 32,967	$ 302,616
Salaries and benefits payable	72,418	-	-	-	72,418
Due to other governments	-	-	48,502	-	48,502
Due to other funds	-	-	-	71,267	71,267
Unearned revenue	296,971	-	-	-	296,971
Total Liabilities	625,238	13,800	48,502	104,234	791,774
DEFERRED INFLOWS OF RESOURCES-					
Unavailable revenue-property taxes	349,393	-	-	-	349,393
FUND BALANCES:					
Nonspendable:					
Prepaid items	66,710	-	-	-	66,710
Inventory	24,040	-	-	-	24,040
Restricted for:					
Public safety	-	-	-	57,617	57,617
Law library	-	-	-	88,834	88,834
Capital projects	-	506,815	587,497	-	1,094,312
Unassigned-					
General Fund	2,331,941	-	-	-	2,331,941
Total Fund Balances	2,422,691	506,815	587,497	146,451	3,663,454
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 3,397,322	$ 520,615	$ 635,999	$ 250,685	$ 4,804,621

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

BLECKLEY COUNTY, GEORGIA
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
December 31, 2013

Difference in amounts reported for governmental activities in the statement of net position:

Fund balances, total governmental funds	$	3,663,454
Net pension asset (obligation) is not available (due) during the current period and is not reported in the governmental funds balance sheet		(15,780)
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		9,956,014
Some governmental revenues will not be collected for several months after the year end and are unavailable in the governmental funds		349,393
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		(7,155,759)
Net position of governmental activities	$	6,797,322

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

BLECKLEY COUNTY, GEORGIA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended December 31, 2013

	General Fund	Capital Projects SPLOST-2007	Capital Projects SPLOST-2013	Other Governmental Funds	Total Governmental Funds
REVENUES:					
Taxes	$ 4,879,662	$ -	$ 883,733	$ 212,784	$ 5,976,179
Licenses and permits	20,375	-	-	-	20,375
Fines and forfeitures.	229,673	-	-	31,373	261,046
Charges for services	204,886	-	-	212,401	417,287
Intergovernmental	543,999	-	-	-	543,999
Interest earnings	56,769	-	-	548	57,317
Miscellaneous	125,503	-	-	-	125,503
Total Revenues	6,060,867	-	883,733	457,106	7,401,706
EXPENDITURES:					
Current:					
General government.	1,300,951	-	-	-	1,300,951
Public safety	2,419,618	-	-	219,035	2,638,653
Court system	625,910	-	-	22,687	648,597
Highways and streets.	701,919	-	-	212,784	914,703
Public health and welfare	563,303	-	-	-	563,303
Culture and recreation.	88,675	-	-	-	88,675
County agent	83,541	-	-	-	83,541
Natural resources	28,494	-	-	-	28,494
Intergovernmental	-	-	294,486	-	294,486
Capital Outlay	-	247,817	1,750	-	249,567
Debt Service:					
Principal	44,727	105,000	-	-	149,727
Interest	13,602	255,385	-	-	268,987
Issuance costs	171,460	93,640	-	-	265,100
Total Expenditures	6,042,200	701,842	296,236	454,506	7,494,784
Excess of Revenues Over (Under) Expenditures	18,667	(701,842)	587,497	2,600	(93,078)
OTHER FINANCING SOURCES-					
Issuance of capital leases	158,860	-	-	-	158,860
Total Other Financing Sources	158,860	-	-	-	158,860
NET CHANGE IN FUND BALANCES	177,527	(701,842)	587,497	2,600	65,782
FUND BALANCE, BEGINNING OF YEAR	2,245,164	1,208,657	-	143,851	3,597,672
FUND BALANCE, END OF YEAR	$ 2,422,691	$ 506,815	$ 587,497	$ 146,451	$ 3,663,454

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

BLECKLEY COUNTY, GEORGIA
Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended December 31, 2013

Difference in amounts reported for governmental activities in the statement of activities:	
Net change in fund balances - total governmental funds	$ 65,782
Changes in the net pension asset (obligation) increase or decrease net assets of governmental activities but do not affect governmental funds as they are not current financial resources.	43
Capital outlay, reported as expenditures in governmental funds, are reported as capital assets in the statement of net position.	162,384
Depreciation expense on governmental capital assets is included in the governmental statement of activities. The cost of the assets is allocated to expense over the estimated useful lives of the assets.	(525,154)
Proceeds from the issuance of long-term debt, recorded as other financing sources in governmental funds, are included as an increase in long-term liabilities in the statement of net position	(158,860)
The decrease in liability for landfill post-closure care cost is reported as an expenditure in governmental funds, but as a reduction of long-term liabilities in the statement of net position	21,515
Expenses for compensated absences are reported for governmental activities but do not require the use of current financial resources and therefore are not reported as expenditures for governmental funds	7,563
Repayments of long-term debt principal is reported as an expenditure in governmental funds, but as a reduction of long-term liabilities in the statement of net position.	149,727
Expenses for accrued interest on long-term debt are reported for governmental activities but do not require the use of current financial resources and therefore are not reported as expenditures for governmental funds	(52,222)
Some governmental revenues will not be collected for several months after the year end and are deferred inflows of resources in the governmental funds:	
Unavailable revenue balance at current fiscal year end	349,393
Unavailable revenue balance at prior fiscal year end	(171,953)
Changes in net position of governmental activities in the statement of activities	$ (151,782)

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

BLECKLEY COUNTY, GEORGIA
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2013

	Agency Funds
ASSETS -	
Cash	$ 1,038,926
Total assets	$ 1,038,926
LIABILITIES -	
Accounts payable	$ 1,038,926
Total liabilities	$ 1,038,926

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Statement

The financial statements of Bleckley County, Georgia, (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (the "GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the County's accounting policies are described below.

A. Reporting Entity

Primary Government

Bleckley County, Georgia, the 145th county formed in Georgia, was created in 1912. The County operates under a sole commissioner form of government. The County provides various services, levies taxes, and issues licenses as provided by the Charter. These services include public safety, highways and streets, health and social services, emergency medical services, cultural and recreational programs and administrative services.

These financial statements present the County and its component units, entities for which the County is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. Discretely presented component units, on the other hand, are reported in a separate column in the combined financial statements to emphasize they are legally separate from the County.

Currently, the County has no blended component units. However, the Bleckley County Board of Health DBA Bleckley County Public Health Center is presented herein as a discretely presented component unit.

The County is responsible for appointing some of the members of the boards of other organizations, but the County's accountability for these organizations do not extend beyond making the appointments. These related organizations include the following:

Bleckley County Board of Family and Children Services
Bleckley-Cochran Industrial Development Authority
Cochran-Bleckley Recreation Authority
Bleckley County Hospital Authority

Disbursements to these organizations based on contractual agreements have been budgeted and expended as part of the regular operations of the County.

Discretely Presented Component Unit

Bleckley County Public Health Center - The Bleckley County Public Health Center (the Center) provides various health services for citizens in Bleckley County under a contract with the Georgia Department of Human Resources (DHR). Under this contractual agreement DHR provides certain administrative and other services to the Center in addition to the grant-in-aid funding. These services are funded through other governmental entities or directly by DHR. Based on the contract with DHR, fixed assets cannot be disposed of without approval of DHR. In the event the Center were to dissolve, all fixed assets would return to DHR or to the donating agency. Substantially all of the Center's capital assets are titled to DHR.

It is the goal of the Bleckley County Public Health Center (Center) to provide health services for the citizens of Bleckley County within the guidelines established by the Bleckley County Board of Public Health, the South Central Health District and the Georgia Department of Human Resources. The Center is responsible for health programs designed for prevention, early detection, treatment and referral.

The amounts included in these financial statements in the component unit columns are as of and for the fiscal year ended June 30, 2013.

The complete audited financial statements of the Bleckley County Public Health Center may be obtained from the office of the Bleckley County Commissioner.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County (the primary government) and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The County does not currently have business-type activities.

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

Separate financial statements are provided for governmental activities and, when applicable, for business-type activities.

Fund Financial Statements

The accounts of the County’s reporting entity are organized on the basis of separate funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Governmental Funds
Governmental funds are those through which most governmental functions of the County are financed. The acquisition, use, and balances of the County's expendable financial resources and the related liabilities are accounted for through governmental funds. Governmental Funds are accounted for on a flow of current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets.

The measurement focus is upon determination of changes in financial position, rather than upon net income determination. The County's governmental funds include the general fund, capital projects funds, and special revenue funds.

Fiduciary Funds
Agency Funds- Agency Funds are used to account for assets held by the County in a trustee capacity for the County or as an agent for other governmental units or other funds. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds are accounted for on the accrual basis.

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

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

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

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

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

The County reports the following major governmental funds:

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

The **Special Purpose Local Option Sales Tax (SPLOST-2007) Capital Projects Fund** accounts for capital outlay and other transactions related to the additional one-percent local option sales tax.

The **Special Purpose Local Option Sales Tax (SPLOST-2013) Capital Projects Fund** accounts for capital outlay and other transactions related to the additional one-percent local option sales tax currently in effect.

The government-wide financial statements are prepared using the accrual basis of accounting and the economic resources measurement focus. Government-wide financial statements do not provide information by fund or account group, but distinguish between the County's governmental activities and business type activities. Significantly, the statement of net position will include noncurrent assets which were previously reported in the General Fixed Asset Account Group and long-term

liabilities previously reported in the General Long-Term Debt Account Group. In addition, the government-wide statement of activities reflects depreciation expenses on the County's capital assets.

Major individual governmental funds and major individual proprietary funds, when applicable, are reported as separate columns in the fund financial statements.

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

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

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

- Committed
- Assigned
- Unassigned

D. Use of Estimates

Preparation of the County's financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent items at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

E. Advertising Costs

Advertising costs are recorded as expenditures or expenses, as appropriate, in the period incurred. No advertising costs are capitalized.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are reported in order to reserve that portion of applicable appropriations, is not employed by the County because it is considered impractical and not necessary to insure effective budgetary and cash planning and control.

G. Deposits and Investments

The County's cash is considered to be cash on hand, demand and interest-bearing deposits held in banks. Any bank deposit in excess of FDIC insured amounts must be secured by an equivalent amount of State of Georgia or U.S. Obligations.

H. Inventory

Inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. The consumption method is used to account for inventories. Under the consumption method, inventory items are recognized as expenditures when used.

I. Prepaid Items

Prepaid items are recorded as expenditures in the governmental funds during the period benefitted.

J. Capital Assets

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

Prior to July 1, 2003, governmental funds' infrastructure assets were not capitalized. No infrastructure assets were acquired or capitalized during the period between July 1, 2003 and December 31, 2003. Infrastructure assets acquired prior to July 1, 2003, are not reported in the basic financial statements. No infrastructure assets were added in the current year. General infrastructure assets will include all roads and bridges and other infrastructure assets acquired subsequent to July 1, 2003.

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

Major outlays for capital and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets is included as part of the capitalized value of the assets constructed. Property, plant, and equipment of the primary government is depreciated using the straight line method over the assets' estimated useful lives as follows:

Primary Government:

Asset Class	Estimated Useful Lives In Years	Capitalization Threshold
Buildings	50	$ 15,000
Building Improvements	20-30	$ 5,000
Machinery and equipment	5-10	$ 1,000
Vehicles	5-10	$ 5,000
Office equipment	5-10	$ 1,000
Computer equipment	3-10	$ 1,000
Infrastructure	30-40	$ 10,000

Component Unit:

Capital assets include equipment and various furniture and fixtures purchased during the performance of the Center's programs. Depreciation of capital assets is computed using the straight-line method. Equipment, furniture and fixtures with cost in excess of $1,000 are depreciated over a five-year life.

K. Accumulated Unpaid Vacation, Sick Pay, and Other Employee Benefits

Accumulated unpaid vacation, sick pay, and other employee benefits are not accrued by the county government when incurred in the funds because the amounts are considered immaterial.

L. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts, when applicable, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, except any portion related to prepaid insurance costs, are recorded as an expense in the period incurred.

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

M. Fund Equity

1. Government-wide Statements

Equity is classified as net position and displayed in three components:

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

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

c. Unrestricted net position - All other net position items that do not meet the definition of “net investment in capital assets” or “restricted net position”.

2. Fund Statements

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

- **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 Commissioner through the approval of a motion. Only the County Commissioner may modify or rescind the commitment.

- **Assigned-**Fund balances are reported as assigned when amounts are constrained by the County's intent to be used for specific purposes, but are neither restricted nor committed. Through resolution, the County Commissioner can authorize a designee 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 criteria. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

N. Interfund Transactions

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

All other interfund transactions are reported as transfers.

O. Allowance for Uncollectible Accounts

Allowances for uncollectible accounts are maintained for all types of receivables which historically experience uncollectible accounts.

P. Post-employment health care benefits

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the County provides healthcare benefits to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured for the actual month covered. This program is offered for a duration of 18 months after the termination date. There is no associated cost to the County under this program.

Q. Concentrations of Credit Risk

The County's solid waste transfer station serves customers within Bleckley County. The balance of receivables is composed mostly of residential and smaller commercial accounts. The County does not expect to incur significant losses as a result of these receivables. Management believes that the allowance for uncollectable is adequate to cover all anticipated future losses on these receivables.

2. DEPOSITS AND INVESTMENTS

Primary Government

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government 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. The County does not have a deposit policy for custodial credit risk. 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. As of December 31, 2013, the County had deposits of $4,913,633 and the carrying amount of these deposits was $4,810,279. The County's deposits were insured or collateralized with securities held by the County, an agent in the name of the County, or securities pledged by the financial institution in the name of the County. However, at year-end the County had balances exposed to custodial credit risk as uninsured and uncollateralized in the amount of $1,746,748 or 36% of total deposits.

Component Unit

State statutes requires all deposits and investments (other than federal or state governmental instruments) to be collateralized at 110% by depository insurance, obligations of the U.S. government, or bonds of public authorities, counties, or municipalities.

At June 30, 2013, the carrying amount of the Center's bank deposits was $458,235 and the bank balance was $469,210. The Center also had an imprest petty cash fund of $50. As of June 30, 2013, the Center did not have any balances exposed to custodial credit risk as uninsured and uncollateralized.

Reporting Entity

Georgia law authorizes local governments to invest in the following types of obligations:

- Obligations of the State of Georgia or any other state;
- Obligations issued by the United States;
- Obligations fully insured or guaranteed by the United States Government or governmental agency;
- Obligations of any corporation of the United States Government;
- Prime bankers' acceptances;
- The State of Georgia Local Government Investment Pool;
- Repurchase agreements; and
- Obligations of other political subdivisions of the State of Georgia.

The County maintains only checking and interest-bearing savings accounts in Georgia financial institutions as permitted by O.C.G.A. 36-83-4.

The carrying amount of the County's deposits is reconciled to the financial statements as follows:

Governmental Activities:	
Cash in banks	$ 3,764,158
Cash on hand	377
Subtotal	3,764,535
Employee cash	6,818
Fiduciary Funds -	
Agency Funds	1,038,926
Total Primary Government	4,810,279
Component Unit –Health Department	
Cash in banks	458,235
Cash on hand	50
Total Component Unit	458,285
Total Reporting Entity	$ 5,268,564

3. PROPERTY TAXES

The County levies property taxes on September 1st of each year. The due date for these taxes is December 20th and the lien date is the following April 1st. Taxes are collected throughout the year. Property taxes for the year ended December 31, 2013, were assessed at the rate of 14.963 mills on the dollar on a total assessed valuation of $261,803,001, compared to a total assessed valuation of $265,520,818 at a rate of 14.968 mills on the dollar in 2012.

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

In the government-wide financial statements, property taxes receivable and related revenue include all amounts due the County regardless of when cash is received. Over time, substantially all property taxes are collected.

4. RECEIVABLES

Primary Government

Receivables at December 31, 2013, for the County's individual major funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	General Fund	Capital Projects SPLOST 2013	Other Governmental Funds	Totals
Taxes	$ 755,740	$ -	$ -	$ 755,740
Intergovernmental	105,369	75,843	19,880	201,092
Accounts	188,076	-	24,277	212,353
Gross receivables	1,049,185	75,843	44,157	1,169,185
Less allowance for uncollectibles	(297,934)	-	-	(297,934)
Net receivables	$ 751,251	$ 75,843	$ 44,157	$ 871,251

Intergovernmental receivables are as follows:

State of Georgia	$ 97,738	$ 75,843	$ 19,880	$ 193,461
City of Cochran	7,631	-	-	7,631
Total	$ 105,369	$ 75,843	$ 19,880	$ 201,092

5. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013, was as follows:

Description	Balance Beginning	Additions	Retirements	Balance Ending
Primary Government				
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 323,527	$ -	$ -	$ 323,527
Total capital assets not being depreciated	323,527	-	-	323,527
Capital assets being depreciated:				
Infrastructure	1,450,525	-	-	1,450,525
Buildings and improvements	9,450,433	35,896	5,681	9,480,648
Machinery and equipment	5,006,511	126,488	3,670	5,129,329
Total capital assets being depreciated	15,907,469	162,384	9,351	16,060,502
Less accumulated depreciation for:				
Infrastructure	276,814	48,351	-	325,165
Buildings and improvements	1,841,671	205,659	5,681	2,041,649
Machinery and equipment	3,793,684	271,144	3,627	4,061,201
Total accumulated depreciation	5,912,169	525,154	9,308	6,428,015
Governmental activities capital assets, net of accumulated depreciation:				
Capital assets not being depreciated:				
Land	323,527	-	-	323,527
Total capital assets not being depreciated	323,527	-	-	323,527
Capital assets being depreciated, net of accumulated depreciation:				
Infrastructure	1,173,711	(48,351)	-	1,125,360
Buildings and improvements	7,608,762	(169,763)	-	7,438,999
Machinery and equipment	1,212,827	(144,656)	43	1,068,128
Total capital assets being depreciated, net of accumulated depreciation	9,995,300	(362,770)	43	9,632,487
Total governmental activities capital assets, net of accumulated depreciation	$ 10,318,827	$ (362,770)	$ 43	$ 9,956,014

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General government	$ 86,414
Public safety	343,562
Court system	1,300
Highways and streets	83,100
Public health and welfare	9,325
Culture and recreation	533
County agent	920
Total depreciation expense - governmental activities	$ 525,154

Description	Balance Beginning	Additions	Retirements	Balance Ending
Component Unit				
Bleckley County Public Health Center:				
Capital assets not being depreciated -				
Land	$ -	$ -	$ -	$ -
Capital assets being depreciated -				
Machinery and equipment	33,484	2,384	-	35,868
Total capital assets being depreciated	33,484	2,384	-	35,868
Less accumulated depreciation for -				
Machinery and equipment	31,977	756	-	32,733
Total accumulated depreciation	31,977	756	-	32,733
Public Health Center capital assets, net of accumulated depreciation:				
Capital assets not being depreciated -				
Land	-	-	-	-
Capital assets being depreciated, net of accumulated depreciation -				
Machinery and equipment	1,507	1,628	-	3,135
Total capital assets being depreciated, net of accumulated depreciation	1,507	1,628	-	3,135
Total Public Health Center capital assets, net of accumulated depreciation	$ 1,507	$ 1,628	$ -	$ 3,135

6. JOINT VENTURES

Primary Government

Heart of Georgia Altamaha Regional Commission

The Heart of Georgia Altamaha Regional Commission "HOGARC" is one the 12 regional commissions in Georgia established under H.B. 1216 (O.C.G.A. 50-8) in July, 2009. The HOGARC serves a 17 county region in south central and southeast Georgia, the same as its predecessor agency the Heart of Georgia Altamaha Regional Development Center (Est. 1996). The region is a large, rural region of Georgia encompassing 17 counties, 63 cities, and approximately 6,904 square miles. The members of the commission are required to pay annual dues to the commission. During the year ended December 31, 2013, Bleckley County paid $7,913 in such dues. The Official Code of Georgia Section 50-8-34 provides for the organizational structure of the RCs. The HOGARC 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 a nonpublic member and a minority member who must be an elected official to serve as board members from a County.

O.C.G.A. 50-8-39.1 provides that the member governments are liable for any debts or obligations of an RC. Separate financial statements for the HOGARC are available from: Heart of Georgia Altamaha Regional Commission, 5405 Oak Street, Eastman, GA 31023.

7. COMPLIANCE WITH LEGAL PROVISIONS

The County is in compliance with all significant finance-related legal and contractual provisions with the exception of the adoption of an annual balanced budget for the T-SPLOST Special Revenue Fund as required by OCGA 36-81-3(b).

Deficit Fund Balance-

The County had no individual funds with deficit fund balances at December 31, 2013.

Excess of expenditures over appropriations in individual departments-

No funds/departments had an excess of expenditures over appropriations for the current year.

8. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the County for the current year:

	Balance Beginning	Additions	Retirements	Balance Ending	Amounts Due Within One Year	Interest Paid
Governmental Activities:						
Capital Leases	$6,174,407	$ 158,860	$ 149,727	$ 6,183,540	$ 318,829	$ 318,615
Landfill post-closure	714,789	-	21,515	693,274	42,160	-
Compensated absences	234,286	-	7,563	226,723	50,010	-
Total Long-Term Debt	$7,123,482	$ 158,860	$ 178,805	$ 7,103,537	$ 410,999	$ 318,615

Total interest paid on long-term debt during the current year is summarized as follows:

Governmental Activities		
Total Interest	Less Direct Interest	Net Interest
$ 318,615	$ -	$ 318,615

The County leases machinery, equipment and vehicles under outstanding capital leases as of the end of the current year with a total original cost and accumulated depreciation of $6,759,885 and $711,807 respectively. Current depreciation on assets under capital leases is $156,656. These assets collateralize the leases payable as of the end of the current year. There are no special restrictions on assets collateralizing capital leases.

Of the total debt service principal and interest liquidated during the current year, the general fund paid a total of $44,727 and the special purpose local option sales tax fund (SPLOST Fund 2007) paid a total of $105,000. The general fund liquidated a total of $21,515 in landfill post-closure costs in the current year. Compensated absences are liquidated by the general fund for the governmental activities.

The County had no earnings on unexpended debt proceeds and, accordingly, federal arbitrage regulations do not currently apply.

	Balance Beginning	Increases	Decreases	Balance Ending
Debt issuance cost	$ 133,640	$ -	$ (133,640)	$ -
Less - accumulated amortization	(35,359)	-	35,359	-
Debt issuance cost, net of amortization	$ 98,281	$ -	$ (98,281)	$ -

The annual requirements to service principal and interest on all County long-term debt to maturity is as follows:

Year Ending December 31,	Capital Leases Payable			Governmental Activities Total		
	Principal	Interest	Total	Principal	Interest	Total
2014	$ 318,829	$ 173,915	$ 492,744	$ 318,829	$ 173,915	$ 492,744
2015	423,925	162,351	586,276	423,925	162,351	586,276
2016	303,259	150,741	454,000	303,259	150,741	454,000
2017	312,026	141,973	453,999	312,026	141,973	453,999
2018	423,045	131,498	554,543	423,045	131,498	554,543
2019-2023	2,305,917	466,798	2,772,715	2,305,917	466,798	2,772,715
2024-2028	2,096,539	121,631	2,218,170	2,096,539	121,631	2,218,170
Totals	$ 6,183,540	$ 1,348,907	$ 7,532,447	$ 6,183,540	$ 1,348,907	$ 7,532,447

The County has several annually renewable operating leases on buildings and office equipment with no contingent payments included thereon. Rentals under operating leases for the current year totaled $13,167.

Details of long-term debt are as follows:

	Balance Beginning	Additions	Retirements	Balance Ending	Amounts Due Within One Year	Interest Paid
Primary Government						
Capital Leases:						
6.50% Capital lease payable, original amount of $27,415, with annual payments of $9,719, including interest, made on May 19, 2011, with the final payment due May 19, 2013, incurred to purchase Sheriff's department vehicle	$ 9,126	$ -	$ 9,126	$ -	$ -	$ 593
3.75% Capital lease payable, original amount of $13,755, with annual payments of $7,273, including interest, made on June 3, 2011, with the final payment due on June 3, 2013, incurred to purchase Sheriff's department vehicle	6,998	-	6,998	-	-	273
6.50% Capital lease payable, original amount of $34,101, with annual payments of $12,090, including interest, made on December 17, 2012, with the final payment due on December 17, 2014, incurred to purchase Sheriff's department vehicle	22,011	-	10,660	11,351	11,352	1,431
7.907% Capital lease payable, original amount of $29,451, with annual payments of $10,600, including interest, made on February 6, 2012, with the final payment due on February 10, 2014, incurred to purchase Sheriff's department vehicle	18,851	-	9,054	9,797	9,797	1,546
5.00% Capital lease payable, original amount of $168,345, with monthly payments of $1,338, including interest, made on May 12, 2010, with the final payment due on June 12, 2015, incurred to purchase fire truck	147,421	-	8,889	138,532	9,344	7,165
2.85% Capital lease payable, original amount of $6,023,860 with annual payments of increasing amounts from $454,000 to $554,543, including interest, made on September 5, 2013, with the final payment due on March 1, 2027, incurred to construct a new county jail	5,970,000	158,860	105,000	6,023,860	288,336	307,607
Total Capital Leases	6,174,407	158,860	149,727	6,183,540	318,829	318,615
Landfill post-closure care costs	714,789	-	21,515	693,274	50,010	-
Compensated absences	234,286	-	7,563	226,723	42,160	-
Total	$7,123,482	$ 158,860	$ 178,805	$ 7,103,537	$ 410,999	$ 318,615

On September 15, 2013, the County entered into a modification agreement on an existing capital lease payable with an unpaid principal balance of $5,865,000 and an interest rate of 4.27% which resulted in a new principal balance of $6,023,860 and a new interest rate of 2.85%. The original maturity date of March 1, 2027 remains the same under the terms of the agreement. Issuance costs of $265,100 are included in debt service expenditures in the statement of revenues, expenditures and changes in fund balances of the governmental funds.

A summary of short-term debt activity of the County for the current year is as follows:

	Balance Beginning	Additions	Retirements	Balance Ending	Interest Paid
Tax anticipation notes used for general government activity	$ -	$ 300,000	$ 300,000	$ -	$ 2,594

Interest paid on short-term debt in the amount of $2,594, is charged directly to debt service expense in the statement of activities. The general fund liquidated all short-term debt during the current year.

Total interest paid on all County debt during the year was $321,209.

	Balance Beginning	Additions	Retirements	Balance Ending	Amounts Due Within One Year	Interest Paid
Component Unit						
Accrued Leave	$ 17,928	$ -	$ 854	$ 17,074	$ 3,415	$ -
Total	$ 17,928	$ -	$ 854	$ 17,074	$ 3,415	$ -

9. RESTRICTED ASSETS - CASH

As of December 31, 2013, the County did not have restricted cash balances.

10. GRANTS AND COMMITMENTS

In the normal course of operations, the County receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Bleckley County entered into an agreement on May 26, 2010, with the Hospital Authority of Bleckley County to levy an ad valorem tax up to the legally permissible millage rate to pay for certain indigent care obligations and to pay principal and interest on debt of the Authority borrowed to finance improvements and repairs to the hospital facility roof in the principal amount of $226,000, in order to permit future operations of the Authority. The County signed a consent agreement with the lender, that if the borrower (Authority) is in default under the financing agreement, then upon receipt by County of written notice from lender that borrower was in default and the lender elects to exercise its rights under the contract in accordance with the terms of the agreement, that all payments and revenues owing or assigned to borrower under the contract shall thereafter be paid to lender unconditionally and without defense or offset by the County. The County paid a total of $22,511 on this loan for the year ended December 31, 2013. While the Hospital Authority is not in default on the note, it is expected that the County will continue to make payments on the loan until it is paid in full. The unpaid principal balance of the loan as of the end of the current year is $180,800.

11. RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of

assets; errors and omissions; and natural disasters. The County maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the County. Settled claims have not exceeded this commercial coverage in any of the past five fiscal years. The County paid $180 in premiums for various commercial coverage during 2013. There have been no reductions in insurance coverage from the prior year.

The County is a member of the Association County Commissioners Self Insurance Workers Compensation Fund pursuant to Title 34, Chapter 9, Article 5 of the Official Code of Georgia Annotated. The Fund represents a self-insurance pool, whereby members agree to pay the workers compensation claims of other members of the fund. The County paid $78,474 to the fund during the year ended December 31, 2013. There were no assessments made against the County for additional losses incurred by the fund.

The liability of the fund to the employees of any employer is specifically limited to such obligations as are imposed by applicable state laws against the employer for workers' compensation and/or employer's liability. The fund is to defend, in the name of and on behalf of the members, any suits or other proceedings which may at any time be instituted against them on account of injuries or death within the purview of the Worker's Compensation Law of Georgia, or on the basis of employer's liability, including suits or other proceedings alleging such injuries and demanding of compensation therefore, although such suits, other proceedings, allegations or demands be wholly groundless, false or fraudulent. The Fund is 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.

The County has also become a member of the Association County Commissioners of Georgia - Interlocal Risk Management Agency for liability, motor vehicle and property damage risk self insurance. The County paid $77,672 to the fund during 2013. There were no assessments made against the County for additional losses incurred by the fund.

Chapter 85 of Title 36 of the Official Code of Georgia Annotated authorizes Georgia municipalities to form interlocal risk management agencies. The Georgia Interlocal Risk Management Agency (GIRMA) is a municipal interlocal risk management agency operating as an unincorporated nonprofit instrumentality of its member municipalities - GIRMA establishes and administers one or more group self insurance funds and a risk management service to prevent or lessen the incidence and severity of casualty and property losses occurring in the operation of municipal government. GIRMA is to defend and protect in accordance with the member government contract and related coverage descriptions any member of GIRMA against liability or loss. The County, among other requirements, must: pay all contributions, assessments or other sums due to GIRMA as such times and in such amounts as shall be established by GIRMA; select a person to serve as a member representative; allow GIRMA and its agents reasonable access to all facilities and all records of the County which relate to the purposes of GIRMA; allow attorneys appointed by the agency 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 Fund; assist and cooperate in the defense and settlement of claims against the County; furnish full cooperation to GIRMA's attorneys, claims adjusters, Service Company, and any agent, employee, officer or independent contractor of GIRMA relating to the purposes of GIRMA; follow loss reduction and prevention procedures established by the agency; furnish to GIRMA such budget, operating and underwriting information as may be requested; and report promptly as possible, and in accordance with any Coverage Descriptions issued, all incidents which could result in claims against the fund.

12. CONTINGENCIES

Litigation

The County was a defendant in lawsuits arising prior to and subsequent to December 31, 2013. In the opinion of County management, the resolution of these contingencies will not have a material effect on the financial position of the County.

13. PENSION PLAN

Primary Government

The County sponsors the Association County Commissioners of Georgia Restated Pension Plan for Bleckley County Employees (The Plan), which is a defined benefit pension plan.

The specific benefit provisions of the County's plan were established by an adoption agreement executed by the County Commissioner. The Plan provides retirement, disability and death benefits to plan participants and beneficiaries. The Plan, through execution of an adoption agreement, is affiliated with the Association 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 the authority to amend the adoption agreement, which defines the specific benefit provisions of the Plan, as provided in Section 19.02 of the ACCG Plan document. An outline of plan provisions follows:

All full-time County employees are eligible to participate in the Plan after completing three years of service. Benefits vest after five years of service. Participants become eligible to retire at age 65 with 3 years of participation in the Plan. Upon eligibility to retire, participants are entitled to an annual benefit in the amount of .5% of average annual compensation up to $6,600 plus 1.00% of average annual compensation in excess of $6,600 plus $36 multiplied by years of service. Compensation is averaged over a five-year period prior to retirement or other termination.

County employees are not required or permitted to contribute to the Plan. The annual County contribution to the Plan 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 Statute 47-20. The required contribution for the 2013 plan year was $171,957. This amount represents 10.8% of covered payroll.

Participant counts as of January 1, 2013 (the most recent actuarial valuation date) and covered compensation (based on covered earnings for the preceding year) are shown below:

Retirees, beneficiaries and disabled receiving benefits	23
Terminated plan participants entitled to but not yet receiving benefits	30
Active employees participating in the Plan	47
Total number of Plan Participants	100
Covered compensation for active participants	$ 1,591,191

Annual Pension Cost: The current year annual pension costs for the Plan are shown in the trend information presented below:

SUMMARY OF VALUATION RESULTS AND BASIS OF VALUATION:

- Actuarial Valuation Date: ..... January 1, 2013
- Expected Employee Contributions: ..... $ -0-
- Funding Method: Projected Unit Credit
- Actuarial Value of Plan Assets: Smoothed Actuarial Value
- 7.75% per annum return on investments (net of administrative expenses)
- 4.5% - 7.0% per annum projected salary increases (based on age)
- 3.0% per annum inflation
- 0% post-retirement benefit increase
- The unfunded actuarial accrued liability is being amortized as a level percent of pay amount on a closed basis. The estimated amortization period for all unfunded liabilities combined into one amortization base was 10 years.

TREND INFORMATION FOR THE PLAN

Fiscal Year Beginning	Annual Pension Cost	Actual County Contribution	Percentage of APC Contributed	Net Pension Obligation
01/01/13	$ 173,382	$ 171,957	99 %	15,780
01/01/12	$ 156,780	$ 156,866	100 %	15,866
01/01/11	$ 159,304	$ 160,698	101 %	17,260

Derivation of Net Pension Obligation	
Net Pension Obligation as of the Beginning of Prior Year	$ 15,866
Annual Pension Cost for Prior Year	156,780
Actual Contributions to Plan for Prior Year	(156,866)
Net Pension Obligation as of Beginning of the Year	$ 15,780
Derivation of Annual Pension Cost	
Annual Required Contribution	$ 173,468
Interest on Net Pension Obligation	1,223
Amortization of Net Pension Obligation	(1,309)
Annual Pension Cost	$ 173,382

PLAN FINANCIAL STATEMENTS

A copy of the plan financial statements may be obtained from GEBCorp, 400 Galleria Parkway, Suite 1250, Atlanta, Georgia 30339. The financial statements are prepared on an accrual basis, modified to include unrealized gains or losses on marketable securities owned by the Plan and incremental changes in the cash value of pre-retirement life insurance policies owned by the trust. Plan member contributions are recognized in the period in which contributions are due. County contributions are recognized when due and the County has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable.

Investments in securities are valued at current market prices. The trust fund is invested, approximately, in 60% equities and 40% fixed income securities on a cost basis.

CONTRIBUTIONS

The County is required to contribute at an actuarially determined rate. Section 47-20 of the Georgia Code sets forth the minimum funding standards for state and local governmental pension plans. Administrative expenses are based on total covered compensation of active plan participants and are added to the state-required annual funding requirement.

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

ANALYSIS OF FUNDING PROGRESS

Actuarial Valuation Date (01/01)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
2011	1,804,151	2,399,278	75.2 %	595,127	1,520,631	39.1 %
2012	1,927,241	2,520,945	76.4%	593,704	1,597,887	37.2%
2013	2,181,689	2,627,219	83.0%	445,530	1,591,191	28.0%

Analysis of the dollar amounts of actuarial value of assets available for benefits, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of funded status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

Trends in unfunded actuarial accrued liability and annual covered payroll are both affected by inflation. Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the Plan's progress in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Plan.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

OTHER RETIREMENT BENEFITS

The County makes contributions to the following pension and retirement plans which are not under the direct control of the County.

A. Probate Judges' Retirement Fund of Georgia

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

B. Clerk of Superior Court Retirement Fund

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

C. Sheriff's Retirement Fund/Peace Officers' Annuity and Benefit Fund

The Sheriff and sheriff deputies are covered under separate pension plans which require that certain sums from fines or bond forfeitures be remitted by the Probate Judge or Clerk of Superior Court to the pension plans before the payment of any costs or other claims. Contributions to the plans are not based on payroll, but rather on certain receipts.

Component Unit

The employees of the Center participate in the Georgia State Employees Retirement System. 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 retirement contribution for the year ended June 30, 2013, was $21,508. Contributions are fully vested to employees after ten (10) years of continuous service.

14. LANDFILL POST-CLOSURE CARE COSTS

State and federal laws and regulations require that a final cover be placed on the landfill when it stops accepting waste, and to perform certain maintenance and monitoring functions at the site after closure. The County's landfill stopped accepting waste on April 8, 1994. The closure certificate (Permit No. 012-004D(SL)) contains conditions requiring the County to conduct post-closure care for a period of five years from December 5, 1996, the date of the closure certificate. The certificate provided that the five-year period may be extended by the Director of the Environmental Protection Division if deemed necessary to adequately protect human health and the environment.

On July 27, 2008, the County was notified by Georgia Department of Natural Resources - Environmental Protection Division that they had reviewed the Assessment of Corrective Measures (ACM), Site Characterization and Evaluation of Corrective Measures report for Bleckley County, Georgia. In July 2006, the EPD approved the County's corrective action plan. Estimates indicate that the post-closure period would be extended an additional twenty-two years from 2005.

The estimated remaining cost of $693,274 to monitor the landfill during the remaining post-closure period is reflected as a liability in the statement of net position at December 31, 2013. The estimates are based on the latest opinion of probable post-closure care costs prepared by professional engineers for the County. The estimates are based on average or typical costs with provisions for potential changes due to inflation or deflation, technology, or applicable laws or regulations. However, actual costs may be higher.

15. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of December 31, 2013, is as follows:

Fund	Due from Other Funds	Due To Other Funds
General fund-		
Due from-		
T-SPLOST	$ 71,267	$ -
T-SPLOST-		
Due to-		
General fund	-	71,267
Total	$ 71,267	$ 71,267

The outstanding balances between funds resulted from a delay in the repayment of funds from the T-SPLOST account to the general fund account. Transfers in (out) are used to move revenue from the fund with collection authorization to the fund that advances funds for budgeted expenditures in prior year. There were no transfers in or out during the current year.

16. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

The County was required to implement GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* during the current year. The statement establishes accounting and financial reporting standards for deferred outflows and inflows of resources and the concept of net position as the residual of all other elements presented in the statement of net position.

Deferred outflows of resources represents a use of net position that applies to future periods and, as such, will be recognized as an outflow of resources (expenditure or expense, as applicable) in the future. Deferred inflows of resources represents an acquisition of net position that applies to future periods and, as such, will be recognized as an inflow of resources (revenue) in the future.

BLECKLEY COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES:				
Taxes:				
Property taxes	$ 4,089,000	$ 4,015,000	$ 4,019,750	$ 4,750
Alcoholic beverage tax	55,000	50,500	50,516	16
Insurance premium tax	350,000	350,000	367,495	17,495
Local option sales tax	550,000	440,000	441,901	1,901
Total Taxes	5,044,000	4,855,500	4,879,662	24,162
Licenses and Permits:				
Beer and wine licenses	5,250	4,500	4,500	-
Other licenses, permits and fees	15,000	15,000	15,875	875
Total Licenses and Permits	20,250	19,500	20,375	875
Fines and Forfeitures:				
Probate Court	160,000	150,000	152,743	2,743
Superior Court	56,000	40,000	42,595	2,595
Drug surcharges, etc.	35,000	34,000	34,335	335
Total Fines and Forfeitures	251,000	224,000	229,673	5,673
Charges for Services:				
Magistrate	14,954	15,000	15,098	98
Superior Court	55,000	55,000	58,090	3,090
Sheriff	50,000	48,000	48,276	276
Solid Waste fees	75,000	71,000	72,316	1,316
Tax Assessors	250	500	717	217
Transit fares	10,000	10,000	10,389	389
Total Charges for Services	205,204	199,500	204,886	5,386
Intergovernmental:				
Federal grants	-	50,000	57,361	7,361
State grants	354,952	350,000	348,529	(1,471)
Other intergovernmental	123,218	110,000	138,109	28,109
Total Intergovernmental	478,170	510,000	543,999	33,999
Interest Earnings	60,000	50,000	56,769	6,769
Miscellaneous:				
Nutrition program	28,564	16,000	16,671	671
Other	27,610	100,000	108,832	8,832
Total Miscellaneous	56,174	116,000	125,503	9,503
Total Revenues	6,114,798	5,974,500	6,060,867	86,367

The accompanying notes to required supplementary information are an integral part of this schedule.

BLECKLEY COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget
EXPENDITURES:				
Current:				
General Government:				
Administration	$ 192,139	$ 195,000	$ 192,767	$ 2,233
Courthouse	613,675	315,000	305,449	9,551
Tax commissioner	204,500	216,500	215,130	1,370
Voter registrars	36,145	45,500	44,667	833
Tax assessor	172,058	149,500	148,123	1,377
Building inspector	33,041	32,000	31,468	532
Non-departmental	108,666	370,000	363,347	6,653
Total General Government	1,360,224	1,323,500	1,300,951	22,549
Public Safety:				
Sheriff	802,197	810,500	809,633	867
Jail	733,942	743,000	741,559	1,441
Communications center and E-911	198,878	252,000	249,639	2,361
Fire department	37,500	73,000	71,873	1,127
Emergency management	49,929	110,000	97,814	12,186
Ambulance	391,800	396,000	394,986	1,014
Coroner	30,190	30,000	26,807	3,193
Animal control	32,000	30,000	27,307	2,693
Total Public Safety	2,276,436	2,444,500	2,419,618	24,882
Court System:				
Clerk of Superior Court	207,833	218,000	215,960	2,040
Superior Court	120,858	112,000	108,057	3,943
Probate Court	166,846	190,000	167,050	22,950
Magistrate Court	133,113	136,000	134,843	1,157
Juvenile Court	-	5,000	-	5,000
Total Court System	628,650	661,000	625,910	35,090
Highways and Streets	992,584	750,000	701,919	48,081
Public Health and Welfare:				
Public health and welfare appropriations	104,362	126,000	123,621	2,379
Sanitation	268,952	245,000	238,491	6,509
Senior center	72,091	70,000	68,077	1,923
Transit system	140,368	145,000	133,114	11,886
Total Public Health and Welfare	585,773	586,000	563,303	22,697
Culture and Recreation	98,100	98,000	88,675	9,325
County Agent	88,831	86,000	83,541	2,459

The accompanying notes to required supplementary information are an integral part of this schedule.

BLECKLEY COUNTY, GEORGIA

Schedule of Revenues, Expenditures, and Changes in
Fund Balances – Budget (GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget
EXPENDITURES-continued:				
Natural Resources	21,000	30,000	28,494	1,506
Debt Service:				
Principal	60,000	45,000	44,727	273
Interest	3,200	14,000	13,602	398
Issuance costs	-	171,500	171,460	40
Total Debt Service	63,200	230,500	229,789	711
Total Expenditures	6,114,798	6,209,500	6,042,200	167,300
Excess of Revenues Over (Under) Expenditures	-	(235,000)	18,667	253,667
OTHER FINANCING SOURCES-				
Issuance of capital leases	-	235,000	158,860	(76,140)
Total Other Financing Sources	-	235,000	158,860	(76,140)
Net Change in Fund Balances	-	-	177,527	177,527
FUND BALANCE, BEGINNING OF YEAR	2,245,164	2,245,164	2,245,164	-
FUND BALANCE, END OF YEAR	$ 2,245,164	$ 2,245,164	$ 2,422,691	$ 177,527

The accompanying notes to required supplementary information are an integral part of this schedule.

BLECKLEY COUNTY, GEORGIA
Required Supplementary Information
Schedule of Funding Progress – Defined Benefit Plan
For the Fiscal Year Ended December 31, 2013

Defined Benefit Pension Plan - Schedule of Funding Progress

Actuarial Valuation Date (01/01)	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1)/(2)	(4) Unfunded AAL (UAAL) (2)-(1)	(5) Annual Covered Payroll (prior year)	(6) UAAL as a Percentage of Covered Payroll (4)/(5)
2011	1,804,151	2,399,278	75.2 %	595,127	1,520,631	39.1 %
2012	1,927,241	2,520,945	76.4 %	593,704	1,597,887	37.2 %
2013	2,181,689	2,627,219	83.0 %	445,530	1,591,191	28.0 %

The assumptions used in the preparation of the above schedule are disclosed in Note 13 in the Notes to the Financial Statements.

The actuarial value of assets for the years 2011 through 2013 reflects the change to asset smoothing adopted by the ACCG Pension Plan and Trust Board of Trustees.

Budgets and Budgetary Control

Each fund's appropriated budget is prepared on a departmental basis. Revenues are budgeted by source. Expenditures are budgeted by department and class. This constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the County Commissioner.

The County follows these procedures in establishing the budgetary data reflected in required supplementary information:

1. The Sole Commissioner, with input from other elected officials, prepares an operating budget for the calendar year commencing on January 1. The operating budget includes proposed expenditures and the means by which those expenditures are to be financed.

2. The Sole Commissioner holds a public hearing on the budget, giving notice thereof at least ten days in advance by publication in the official organ of Bleckley County.

3. The budget so adopted may be revised during the year only by formal action of the Commissioner in a regular meeting and no increase shall be made therein without provision also being made for financing same.

4. Formal budgetary integration is not employed as a management control during the year for the general fund. The budget for the general fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).

5. Budgeted amounts are as originally adopted, and as amended by the Commissioner.

6. Legally adopted budgets are required and adopted for the general fund and special revenue funds. Project-length budgets are adopted for the capital projects funds.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are reported in order to reserve that portion of applicable appropriations, is not employed by the County because it is considered impractical and not necessary to insure effective budgetary and cash planning and control.

Excess of Expenditures over Appropriations in Individual Departments

No funds/departments had an excess of expenditures over appropriations for the current year.

BLECKLEY COUNTY, GEORGIA
Combining Balance Sheet
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2013

	Law Library Fund	E-911 Fund	Confiscated Assets Fund	Commissary Fund	T-SPLOST Fund	Total Nonmajor Governmental Funds
ASSETS:						
Cash…….	$ 88,834	$ 8,221	$ 10,677	$ 47,409	$ 51,387	$ 206,528
Receivables, net of allowance for uncollectibles:						
Intergovernmental	-	-	-	-	19,880	19,880
Accounts	-	24,277	-	-	-	24,277
Total Assets	$ 88,834	$ 32,498	$ 10,677	$ 47,409	$ 71,267	$ 250,685
LIABILITIES:						
Accounts payable…….	$ -	$ 32,498	$ -	$ 469	$ -	$ 32,967
Due to other funds	-	-	-	-	71,267	71,267
Total Liabilities	-	32,498	-	469	71,267	104,234
FUND BALANCES:						
Restricted for:						
Public safety	-	-	10,677	46,940	-	57,617
Law Library	88,834	-	-	-	-	88,834
Total Fund Balances	88,834	-	10,677	46,940	-	146,451
Total Liabilities and Fund Balances	$ 88,834	$ 32,498	$ 10,677	$ 47,409	$ 71,267	$ 250,685

BLECKLEY COUNTY, GEORGIA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended December 31, 2013

	Law Library Fund	E-911 Fund	Confiscated Assets Fund	Commissary Fund	T-SPLOST Fund	Total Nonmajor Governmental Funds
REVENUES:						
Taxes…….	$ -	$ -	$ -	$ -	$ 212,784	$ 212,784
Fines and forfeitures	8,468	-	22,905	-	-	31,373
Charges for services	-	147,118	-	65,283	-	212,401
Interest earnings	548	-	-	-	-	548
Total Revenues	9,016	147,118	22,905	65,283	212,784	457,106
EXPENDITURES:						
Current:						
Public safety…….	-	147,118	24,309	47,608	-	219,035
Court systems	22,687	-	-	-	-	22,687
Highways and streets	-	-	-	-	212,784	212,784
Total Expenditures	22,687	147,118	24,309	47,608	212,784	454,506
Excess of Revenues Over (Under) Expenditures	(13,671)	-	(1,404)	17,675	-	2,600
OTHER FINANCING SOURCES-						
Transfers In (Out)	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(13,671)	-	(1,404)	17,675	-	2,600
FUND BALANCE, BEGINNIG OF YEAR	102,505	-	12,081	29,265	-	143,851
FUND BALANCE, END OF YEAR	$ 88,834	$ -	$ 10,677	$ 46,940	$ -	$ 146,451

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget (GAAP Basis) and Actual
Nonmajor Special Revenue – Law Library Fund
For the Fiscal Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES:				
Fines and Forfeitures	$ 22,800	$ 22,800	$ 8,468	$ (14,332)
Interest Earnings	-	-	548	548
Total Revenues	22,800	22,800	9,016	(13,784)
EXPENDITURES-				
Current-				
Court System	22,800	22,800	22,687	113
Total Expenditures	22,800	22,800	22,687	113
NET CHANGE IN FUND BALANCES	-	-	(13,671)	(13,671)
FUND BALANCE, BEGINNING OF YEAR	102,505	102,505	102,505	-
FUND BALANCE, END OF YEAR	$ 102,505	$ 102,505	$ 88,834	$ (13,671)

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget (GAAP Basis) and Actual
Nonmajor Special Revenue – E-911 Fund
For the Fiscal Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES-				
Charges for Services	$ 139,000	$ 147,500	$ 147,118	$ (382)
Total Revenues	139,000	147,500	147,118	(382)
EXPENDITURES-				
Current-				
Public safety	139,000	147,500	147,118	382
Total Expenditures	139,000	147,500	147,118	382
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget (GAAP Basis) and Actual
Nonmajor Special Revenue – Confiscated Assets Fund
For the Fiscal Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES-				
Fines and Forfeitures	$ 10,000	$ 25,000	$ 22,905	$ (2,095)
Total Revenues	10,000	25,000	22,905	(2,095)
EXPENDITURES-				
Current-				
Public safety	10,000	25,000	24,309	691
Total Expenditures	10,000	25,000	24,309	691
NET CHANGE IN FUND BALANCES	-	-	(1,404)	(1,404)
FUND BALANCE, BEGINNING OF YEAR	12,081	12,081	12,081	-
FUND BALANCE, END OF YEAR	$ 12,081	$ 12,081	$ 10,677	$ (1,404)

BLECKLEY COUNTY, GEORGIA
Schedule of Revenues, Expenditures and Changes in Fund Balances-
Budget (GAAP Basis) and Actual
Nonmajor Special Revenue – Commissary Fund
For the Fiscal Year Ended December 31, 2013

	Original Budget	Final Budget	Actual	Variance With Final Budget
REVENUES-				
Charges for Services	$ 50,000	$ 50,000	$ 65,283	$ 15,283
Total Revenues	50,000	50,000	65,283	15,283
EXPENDITURES-				
Current-				
Public safety	50,000	50,000	47,608	2,392
Total Expenditures	50,000	50,000	47,608	2,392
NET CHANGE IN FUND BALANCES	-	-	17,675	17,675
FUND BALANCE, BEGINNING OF YEAR	29,265	29,265	29,265	-
FUND BALANCE, END OF YEAR	$ 29,265	$ 29,265	$ 46,940	$ 17,675

BLECKLEY COUNTY, GEORGIA
Combining Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2013

	Superior Court	Probate Court	Tax Commissioner	Magistrate	Sheriff	Tax Assessor	Building Department	Totals
ASSETS -								
Cash	$ 110,159	$ 15,133	$ 912,201	$ 866	$ 567	$ -	$ -	$ 1,038,926
Total assets	$ 110,159	$ 15,133	$ 912,201	$ 866	$ 567	$ -	$ -	$ 1,038,926
LIABILITIES -								
Accounts payable	$ 110,159	$ 15,133	$ 912,201	$ 866	$ 567	$ -	$ -	$ 1,038,926
Total liabilities	$ 110,159	$ 15,133	$ 912,201	$ 866	$ 567	$ -	$ -	$ 1,038,926

BLECKLEY COUNTY, GEORGIA
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2013

	Balance Beginning	Increase	Decrease	Balance Ending
ALL AGENCY FUNDS:				
Assets:				
Cash	$ 1,801,770	$ 9,587,225	$ 10,350,069	$ 1,038,926
Total Assets	$ 1,801,770	$ 9,587,225	$ 10,350,069	$ 1,038,926
Liabilities:				
Accounts payable	$ 1,801,770	$ 9,587,225	$ 10,350,069	$ 1,038,926
Total Liabilities	$ 1,801,770	$ 9,587,225	$ 10,350,069	$ 1,038,926
SUPERIOR COURT:				
Assets:				
Cash	$ 88,283	$ 349,678	$ 327,802	$ 110,159
Total Assets	$ 88,283	$ 349,678	$ 327,802	$ 110,159
Liabilities:				
Accounts payable	$ 88,283	$ 349,678	$ 327,802	$ 110,159
Total Liabilities	$ 88,283	$ 349,678	$ 327,802	$ 110,159
PROBATE COURT:				
Assets:				
Cash	$ 15,972	$ 256,358	$ 257,197	$ 15,133
Total Assets	$ 15,972	$ 256,358	$ 257,197	$ 15,133
Liabilities:				
Accounts payable	$ 15,972	$ 256,358	$ 257,197	$ 15,133
Total Liabilities	$ 15,972	$ 256,358	$ 257,197	$ 15,133
TAX COMMISSIONER:				
Assets:				
Cash	$ 1,696,144	$ 8,719,158	$ 9,503,101	$ 912,201
Total Assets	$ 1,696,144	$ 8,719,158	$ 9,503,101	$ 912,201
Liabilities:				
Accounts payable	$ 1,696,144	$ 8,719,158	$ 9,503,101	$ 912,201
Total Liabilities	$ 1,696,144	$ 8,719,158	$ 9,503,101	$ 912,201

BLECKLEY COUNTY, GEORGIA
Combining Statement of Changes in Fiduciary Assets and Liabilities
Agency Funds
For the Fiscal Year Ended December 31, 2013

	Balance Beginning	Increase	Decrease	Balance Ending
MAGISTRATE COURT:				
Assets:				
Cash	$ 804	$ 86,181	$ 86,119	$ 866
Total Assets	$ 804	$ 86,181	$ 86,119	$ 866
Liabilities:				
Accounts payable	$ 804	$ 86,181	$ 86,119	$ 866
Total Liabilities	$ 804	$ 86,181	$ 86,119	$ 866
SHERIFF:				
Assets:				
Cash	$ 567	$ 158,252	$ 158,252	$ 567
Total Assets	$ 567	$ 158,252	$ 158,252	$ 567
Liabilities:				
Accounts payable	$ 567	$ 158,252	$ 158,252	$ 567
Total Liabilities	$ 567	$ 158,252	$ 158,252	$ 567
TAX ASSESSOR:				
Assets:				
Cash	$ -	$ 1,723	$ 1,723	$ -
Total Assets	$ -	$ 1,723	$ 1,723	$ -
Liabilities:				
Accounts payable	$ -	$ 1,723	$ 1,723	$ -
Total Liabilities	$ -	$ 1,723	$ 1,723	$ -
BUILDING DEPARTMENT:				
Assets:				
Cash	$ -	$ 15,875	$ 15,875	$ -
Total Assets	$ -	$ 15,875	$ 15,875	$ -
Liabilities:				
Accounts payable	$ -	$ 15,875	$ 15,875	$ -
Total Liabilities	$ -	$ 15,875	$ 15,875	$ -

BLECKLEY COUNTY, GEORGIA
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Fiscal Year Ended December 31, 2013

Project	Original Estimated Cost	Current Estimated Cost	Expenditures			Estimated Percentage of Completion
			Prior Years	Current Year	Total	
Beginning 2007:						
County:						
Jail, capital projects	$ 2,345,000	$ 2,345,000	$ 1,773,782	$ 454,026	$ 2,227,808	95.00 %
Recreation department, capital projects	180,000	180,000	136,353	42,103	178,456	99.14 %
Public library, capital projects	15,000	15,000	8,940	1,660	10,600	70.67 %
Emergency management agency, capital projects	25,000	25,000	25,000	-	25,000	100.00 %
Fire department, capital projects	150,000	150,000	150,000	755	150,755	100.50 %
Courthouse, capital projects	200,000	200,000	198,018	13,800	211,818	105.91 %
Roads and bridges, capital projects	880,000	880,000	598,337	189,498	787,835	89.53 %
Total County	3,795,000	3,795,000	2,890,430	701,842	3,592,272	
City of Cochran:						
Recreation department; emergency management agency; streets, library, fire department, police department, sewage department and water department, capital outlay projects	2,205,000	2,205,000	2,375,359	-	2,375,359	107.73%
Total	$ 6,000,000	$ 6,000,000	$ 5,265,789	$ 701,842	$ 5,967,631	

BLECKLEY COUNTY, GEORGIA
Schedule of Expenditures of
Special Purpose Local Option Sales Tax Proceeds
For the Fiscal Year Ended December 31, 2013

Project	Original Estimated Cost	Current Estimated Cost	Expenditures: Prior Years	Expenditures: Current Year	Expenditures: Total	Estimated Percentage of Completion
Beginning 2013:						
County:						
Jail, capital projects	$ 2,724,600	$ 2,724,600			$ -	0.00 %
Recreation department, capital projects	175,200	175,200			-	0.00 %
Public library, capital projects	15,000	15,000			-	0.00 %
Emergency management agency, capital projects	24,120	24,120			-	0.00 %
Fire department, capital projects	24,120	24,120			-	0.00 %
Courthouse, capital projects	84,960	84,960			-	0.00 %
Roads and bridges, capital projects	952,200	952,200	-	1,750	1,750	0.18 %
Total County	4,000,200	4,000,200	-	1,750	1,750	
City of Cochran:						
Recreation department; emergency management agency; streets, library, fire department, police department, sewage department and water department, capital outlay projects	1,999,800	1,999,800	-	294,486	294,486	14.73%
Total	$ 6,000,000	$ 6,000,000	$ -	$ 296,236	$ 296,236	

Compliance Section

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*

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

To the County Commissioner
Bleckley County, Georgia

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the discretely presented component unit - Bleckley County Public Health Center, each major fund, and the aggregate remaining fund information of Bleckley County, Georgia, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Bleckley County, Georgia's basic financial statements and have issued our report thereon dated November 10, 2014. Our report includes a reference to other auditors who audited the financial statements of the Bleckley County Public Health Center, as described in our report on Bleckley County, Georgia's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Bleckley County, Georgia's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item numbers 2013-1 and 2013-2.

Bleckley County, Georgia's Response to Findings

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

Purpose of this Report

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

H. M. Vickers & Associates, P.C.

November 10, 2014

FINDINGS - FINANCIAL STATEMENT AUDIT

2007-1 Cash: General Government Operations

Condition: Due to the limited number of personnel, overlapping of duties exists in the County's operations, primarily in the areas of cash receipts and disbursements. This overlapping of duties presents a situation where unauthorized use of assets could occur and not be detected within a timely period.

Criteria: Internal controls should be in place that provide reasonable assurance that an individual cannot misappropriate funds without being detected during the normal course of business.

Effect: Failure to properly segregate duties between recording, processing and reconciliation of accounts can lead to misappropriation of funds that are not detected during the normal course of business.

Recommendation: That management continually exercise alert supervision of employees in order to protect the assets of the County. We further recommend that the County implement an internal audit review to be performed on a quarterly basis. This internal audit would serve to further mitigate the lack of segregation of duties.

Response: The Commissioner concurs with the recommendation. The Commissioner realizes that with limited personnel adequate segregation of duties is not possible. Therefore, to mitigate this, the Commissioner will exercise alert supervision over all employees. The Commissioner will consider the feasibility of performing quarterly internal audits in the future.

2013-1 Violation of County Leave Policy - Sheriff Department

Condition: A Sheriff Department employee is receiving "donation" of sick leave as other Sheriff Department employees are leaving the employment of the County.

Criteria: County policy sets requirements for the donation of sick leave between employees.

Effect: Fraud or significant abuse of the leave donation policy. If other employees become aware of this departure from policy, employee discontent and potential legal action could result.

Recommendation: The County should consult an employment attorney regarding the legality of donation of leave between employees and review the current policy. All departments of the County should follow the policy with no exceptions.

Response: The Commissioner concurs with the recommendation. The County will consult with an employment attorney to correct this abuse of the leave policy.

FINDINGS - FINANCIAL STATEMENT AUDIT (continued)

2013-2 Violation of Georgia Law - Special Revenue Fund Budget

Condition: An annual balanced budget was not prepared and adopted for the T-SPLOST Special Revenue Fund.

Criteria: State law requires the adoption of an annual balanced budget for all special revenue funds.

Effect: The County is in violation of Georgia law.

Recommendation: The County should prepare and adopt annual balanced budgets for all special revenue funds in accordance with O.C.G.A 36-83-3 (b).

Response: The Commissioner concurs with the recommendation. The County will prepare and adopt an annual balanced budget for the T-SPLOST Special Revenue Fund during 2014.