LANIER COUNTY, GEORGIA

ANNUAL FINANCIAL REPORT

For The Year Ended June 30, 2011

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INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Lanier 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 Lanier County, Georgia as of and for the year ended June 30, 2011, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Lanier County, Georgia's, management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lanier County, Georgia as of June 30, 2011, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated April 27, 2012, on our consideration of Lanier County, Georgia's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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* and should be considered in accessing the results of our audit.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 9 and 35 through 44 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lanier County, Georgia's basic financial statements. The combining and individual nonmajor fund financial statements and the Schedule of Projects Constructed With Special Sales Tax Proceeds are presented for purposes of additional analysis and are not a required part of the basic financial statements of Lanier County, Georgia. The combining and individual nonmajor fund statements and the Schedule of Projects Constructed With Special Sales Tax Proceeds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Tillman & Tillman, LLP

Valdosta, Georgia
April 27, 2012

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LANIER COUNTY, GEORGIA
Management's Discussion and Analysis
Required Supplemental Information
For the Year Ended June 30, 2011

As Management of the Lanier County, Georgia, we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the year ending June 30, 2011. We encourage our readers to consider the information presented within this Management's discussion and analysis in conjunction with the basic financial statements. The intent of this discussion and analysis is to look at the County's financial performance as a whole.

Financial Highlights

Key financial highlights for FY11 are as follows:

The County's total net assets increased by $119,260.

The County's governmental fund assets exceeded its liabilities at June 30, 2011 by $ 4,058,630 (net assets). Of this amount $362,380 (unrestricted net assets) may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current year, unreserved fund balance for the General Fund decreased by $161,248 resulting in a fund balance of $256,467.

Overview of the Financial Statements

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

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

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

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

Government-Wide Financial Statements

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

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Statement of Net Assets and the Statement of Activities

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

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

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

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

Component Unit - The County's financial statements include financial data of the Lanier County, Georgia Board of Health. This component unit is described in the notes to the financial statements. This component unit is separate and may buy, sell, lease, and mortgage property in its own name and can sue or be sued in its own name.

Fund Financial Statements

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

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

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

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

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

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

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

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Government-Wide Financial Analysis

The following table reflects the condensed Statement of Net Assets:

Lanier County's Net Assets

	Governmental Activities		Total Percentage Change
	2010 Restated	2011	2010-2011
Assets			
Current and other assets	$ 1,190,579	$ 1,229,212	3.24%
Capital assets, net	3,532,325	3,745,657	6.04%
Total Assets	**4,722,904**	**4,974,869**	5.33%
Liabilities			
Current and other liabilities	374,263	587,085	56.86%
Long-term liabilities	409,271	329,154	-19.58%
Total Liabilities	**783,534**	**916,239**	16.94%
Net Assets			
Invested in capital assets, net of related debt	2,969,161	3,330,165	12.16%
Restricted	408,204	366,085	-10.32%
Unrestricted	562,005	362,380	-35.52%
Total Net Assets	**$ 3,939,370**	**$ 4,058,630**	3.03%

As noted earlier, the County's net assets, when reviewed over time, may serve as a useful indicator of the County's financial position. In the case of the County, assets exceeded liabilities by $3,939,370 as of June 30, 2011. A large portion of the County's net assets (82%) reflects its investment in capital assets (e.g., land and improvements, buildings and building improvements, improvements other than buildings, machinery and equipment, vehicles, and infrastructure) less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets (9 percent) represents resources that are subject to restrictions on how they can be used. The remaining balance of unrestricted assets ($362,380) may be used to meet the County's ongoing obligations to citizens and creditors.

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The next table shows the changes in net assets for the year ending June 30, 2011.

Changes in Lanier County's Net Assets

	Governmental Activities		Total Percentage Change
	2010 Restated	2011	2010-2011
Revenues			
Program Revenues			
Charges for services	$ 555,334	$ 612,759	10.34%
Operating grants and contributions	647,133	65,087	-89.94%
Capital grants and contributions	-	539,889	100.00%
Total Program Revenues	1,202,467	1,217,735	1.27%
General Revenues			
Property taxes	2,069,969	2,304,330	11.32%
Sales taxes	810,018	832,555	2.78%
Timber taxes	34,930	19,461	-44.29%
Insurance premium taxes	221,081	215,018	-2.74%
Other taxes	48,076	89,900	87.00%
Interest, penalties and costs - taxes	110,868	145,782	31.49%
Investment earnings	13,824	-	-100.00%
Miscellaneous	70,013	82,752	100.00%
Total General Revenues	3,378,779	3,689,798	9.21%
Total Revenues	**4,581,246**	**4,907,533**	**7.12%**
Expenses			
Governmental Activities:			
General Government			
Legislative and executive	$ 1,198,797	$ 1,116,451	-6.87%
Judicial	399,056	399,081	0.01%
Public safety	1,560,861	1,980,867	26.91%
Public works	783,011	682,072	-12.89%
Health and welfare	315,912	106,657	-66.24%
Culture and recreation	138,137	173,860	25.86%
Housing and development	-	112,973	100.00%
Inteovernmental	202,285	208,857	3.25%
Interest on long-term debt	38,444	7,455	-80.61%
Total Expenses	4,636,503	4,788,273	3.27%
Change in Net Assets	**(55,257)**	**$ 119,260**	**-315.83%**
Net Assets, Beginning	3,994,627	3,939,370	-1.38%
Net Assets, Ending	**$ 3,939,370**	**$ 4,058,630**	**3.03%**

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Governmental Activities

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

Net Cost of Lanier County's Governmental Activities

Function	Total Cost of Services 2010	Total Cost of Services 2011	Percentage Change 2010-2011	Net Cost of Services 2010	Net Cost of Services 2011	Percentage Change 2010-2011
General Government						
Legislative and executive	$ 1,198,797	$ 1,116,451	-6.87%	$ 504,677	$ 978,340	93.85%
Judicial	399,056	399,081	0.01%	60,399	81,854	35.52%
Public safety	1,560,861	1,980,867	26.91%	1,419,180	1,737,192	22.41%
Public works	783,011	682,072	-12.89%	782,906	242,886	-68.98%
Health and welfare	315,912	106,657	-66.24%	315,912	101,645	-67.82%
Culture and recreation	138,137	173,860	25.86%	110,233	126,911	15.13%
Housing and development	-	112,973	100.00%	-	85,398	100.00%
Intergovernmental	202,285	208,857	100.00%	202,285	208,857	3.25%
Interest on long-term debt	38,444	7,455	-80.61%	38,444	7,455	-80.61%
Total	**$ 4,636,503**	**$ 4,788,273**	**3.27%**	**$ 3,434,036**	**$ 3,570,538**	**3.97%**

Financial Analysis of County Funds

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

Governmental Funds

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

As of June 30, 2011, the County's governmental funds reported a combined ending fund balance of $621,777, an decrease of $204,142. Of this total a deficit of $17,626 represents unassigned fund balance,

The General Fund is the primary operating fund of the County. At the end of June 30, 2011, the unassigned fund balance was a deficit of $ 5,819.

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Budgetary Highlights

By State statute, the Board of County Commissioners adopts the annual operating budget for the fiscal year on or before the fist day of the fiscal year. Changes were made to the adopted budget in some departments due to greater than expected expenditures such as rising gas prices and other unexpected cost and were offset by revenues exceeding the original budget.

Capital Assets

The County's investment in capital assets for governmental as of June 30, 2011, was $19,082,642 (net of accumulated depreciation and related debt). This investment in capital assets includes land and improvements, buildings and improvements, machinery and equipment, furniture and fixtures, vehicles and infrastructure.

Major capital asset events during FY11 included the acquisition of vehicles and equipment for various County departments and road improvements.

Note 7 (Capital Assets) provides additional information about capital asset activity during FY11.

Debt

At June 30, 2011, the County had total capital lease debt outstanding of $415,492.

In addition to the capital leases, the County's long-term obligations include compensated absences. Notes 9 and 11 provide information regarding these liabilities.

Economic Factors

The County taxable digest went up by 1.84% in FY11.

Local option sales tax increased 2.7% in FY11 after several years of decline.

Requests for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Lanier County Commission, County Clerk, 100 Main Street, Lakeland, Georgia 31635.

Component unit financial statements can be obtained from the South Health District office and should be addressed to the Finance Director, 325 West Savannah Avenue, Valdosta, Georgia 31603.

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LANIER COUNTY, GEORGIA
STATEMENT OF NET ASSETS
June 30, 2011

	Primary Government		Component Unit
	Governmental Activities	Total	Lanier County Board of Health
ASSETS			
Cash	$ 552,900	$ 552,900	$ 178,178
Prepaid expense	24,375	24,375	-
Taxes receivable	194,925	194,925	-
Accounts receivable	258,893	258,893	-
Notes receivable	50,000	50,000	-
Due from other governments	148,119	148,119	408
Nondepreciable capital assets	65,457	65,457	-
Depreciable capital assets, net	3,680,200	3,680,200	6,036
TOTAL ASSETS	4,974,869	4,974,869	184,622
LIABILITIES			
Accounts payable	146,056	146,056	-
Accrued liablities	3,344	3,344	-
Due to other governments	52,948	52,948	-
Long-term liabilities:			
Due within one year:			
Capital leases payable	122,506	122,506	-
Compensated absences	-	-	11,132
Landfill postclosure cost	12,056	12,056	
Note payable	250,175	250,175	-
Due in more than one year:			
Capital leases payable	292,986	292,986	-
Compensated absences	-	-	7,421
Landfill postclosure cost	36,168	36,168	-
TOTAL LIABILITIES	916,239	916,239	18,553
NET ASSETS			
Invested in capital assets (net of related debt)	3,330,165	3,330,165	6,036
Restricted for:			
Capital projects	124,210	124,210	-
Economic improvement loans	172,949	172,949	-
Drug enforcement	1,967	1,967	-
Drug education and treatment	11,032	11,032	-
Victim assistance	1,581	1,581	-
Law library	22,285	22,285	-
Burnt Church building	531	531	-
Public safety	42,562	42,562	-
Prior year program income	-	-	72,365
Special health programs	-	-	25,972
Unrestricted	362,380	362,380	61,696
TOTAL NET ASSETS	$ 4,058,630	$ 4,058,630	$ 166,069

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

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LANIER COUNTY, GEORGIA
STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2011

FUNCTION/PROGRAM	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants, Contributions, and Interest	Program Revenues: Capital Grants, Contributions, and Interest
Primary Government:				
GOVERNMENTAL ACTIVITIES				
General government				
Legislative	$ 1,116,451	$ 133,982	$ 4,129	$ -
Judicial	399,081	301,622	15,605	-
Public Safety	1,980,867	105,154	17,778	120,743
Public Works	682,072	20,040	-	419,146
Health and Welfare	106,657	5,012	-	-
Culture and Recreation	173,860	46,949	-	-
Housing and Development	112,973	-	27,575	-
Intergovernmental	208,857	-	-	-
Interest on Long-term Debt	7,455	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	4,788,273	612,759	65,087	539,889
TOTAL PRIMARY GOVERNMENT	$ 4,788,273	612,759	65,087	539,889
COMPONENTS UNITS				
Lanier County Board of Health	$ 286,068	$ 72,365	$ 147,347	$ -
TOTAL COMPONENT UNITS	$ 286,068	$ 72,365	$ 147,347	$ -
GENERAL REVENUES				
Property taxes, levied for general purposes				
Timber taxes				
Sales taxes				
Real estate transfer taxes				
Railroad equipment car taxes				
Insurance premium taxes				
Beer and wine taxes				
Intangible recording taxes				
Interest, penalties and costs - delinquent taxes				
Franchise tax				
Other revenues				
TOTAL GENERAL REVENUES				
CHANGES IN NET ASSETS				
NET ASSETS, RESTATED				
NET ASSETS AT END OF YEAR				

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

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Net (Expense) Revenue and Changes in Net Assets		
Primary Government		Component Unit
Governmental Activities	Total	Lanier County Board of Health
$ (978,340)	$ (978,340)	$ -
(81,854)	(81,854)	-
(1,737,192)	(1,737,192)	-
(242,886)	(242,886)	-
(101,645)	(101,645)	-
(126,911)	(126,911)	-
(85,398)	(85,398)	-
(208,857)	(208,857)	
(7,455)	(7,455)	-
(3,570,538)	(3,570,538)	-
(3,570,538)	(3,570,538)	-
$ -	$ -	$ (66,356)
$ -	$ -	$ (66,356)
2,304,330	2,304,330	-
19,461	19,461	-
832,555	832,555	-
8,489	8,489	-
3,993	3,993	-
215,018	215,018	-
38,261	38,261	-
38,097	38,097	
145,782	145,782	-
1,060	1,060	
82,752	82,752	-
3,689,798	3,689,798	-
119,260	119,260	(66,356)
3,939,370	3,939,370	232,425
$ 4,058,630	$ 4,058,630	$ 166,069

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LANIER COUNTY, GEORGIA
GOVERNMENTAL FUNDS
BALANCE SHEET
June 30, 2011

	General Fund	Capital Projects Funds: 2007 Special Purpose Sales Tax Fund	Capital Projects Funds: 2007 CDBG	Special Revenue Funds: Revolving Loan Fund	Special Revenue Funds: Jail Fund	Special Revenue Funds: Other Governmental Funds	Total
ASSETS							
Cash	$ 312,752	$ 80,033	$ -	$ 67,518	$ 13,646	$ 78,951	$ 552,900
Prepaid expense	24,375	-	-	-	-	-	24,375
Taxes receivable	194,925	-	-	-	-	-	194,925
Accounts receivable	201,096	-	-	55,431	1,464	902	258,893
Note receivable	-	-	-	50,000	-	-	50,000
Due from other governments	49,373	98,746	-	-	-	-	148,119
Interfund receivable	-	-	-	-	2,509	105	2,614
TOTAL ASSETS	782,521	178,779	-	172,949	17,619	79,958	1,231,826
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts payable	113,370	3,260	-	-	29,426	-	146,056
Accrued liabilities	3,344	-	-	-	-	-	3,344
Interfund payable	2,614	-	-	-	-	-	2,614
Due to other governments	1,639	51,309	-	-	-	-	52,948
Deferred revenues	154,912	-	-	-	-	-	154,912
Note payable	250,175	-	-	-	-	-	250,175
TOTAL LIABILITIES	526,054	54,569	-	-	29,426	-	610,049
FUND BALANCES							
Restricted for:							
Capital projects	-	124,210	-	-	-	-	124,210
Economic improvement loans	-	-	-	172,949	-	-	172,949
Drug enforcement	-	-	-	-	-	1,967	1,967
Drug education and treatment	-	-	-	-	-	11,032	11,032
Victim assistance	-	-	-	-	-	1,581	1,581
Law library	-	-	-	-	-	22,285	22,285
Burnt Church building	-	-	-	-	-	531	531
Public safety	-	-	-	-	-	42,562	42,562
Assigned for:							
Designated for property tax roll back	262,286	-	-	-	-	-	262,286
Unassigned reported in:							
General Fund	(5,819)	-	-	-	-	-	(5,819)
Special Revenue Fund	-	-	-	-	(11,807)	-	(11,807)
TOTAL FUND BALANCES	256,467	124,210	-	172,949	(11,807)	79,958	621,777
TOTAL LIABILITIES AND FUND BALANCES	$ 782,521	$ 178,779	$ -	$ 172,949	$ 17,619	$ 79,958	$ 1,231,826

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

LANIER COUNTY, GEORGIA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET ASSETS OF GOVERNMENTAL ACTIVITIES
June 30, 2011

Total Governmental Fund Balances		$ 621,777
Amounts report for governmental activities on the statement of net assets are different because of the following:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	$ 5,951,046	
Less accumulated depreciation	(2,205,389)	3,745,657
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in governmental activities.		
Capital leases payable	(415,492)	
Accrued postclosure cost	(48,224)	(463,716)
Deferred revenue in governmental activities are susceptible to full accrual in the government-wide statement of net assets.		
Deferred revenues		154,912
Net Assets of Governmental Activities		$ 4,058,630

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

LANIER COUNTY, GEORGIA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
For The Year Ended June 30, 2011

		Capital Projects Funds		Special Revenue Funds			
	General Fund	2007 Special Purpose Sales Tax Fund	2007 CDBG	Revolving Loan Fund	Jail Fund	Other Governmental Funds	Total
REVENUES							
Taxes	$ 3,033,885	$ 555,036	$ -	$ -	$ -	$ -	$ 3,588,921
Licenses and permits	44,907	-	-	-	-	-	44,907
Intergovernmental revenues	55,633	-	419,146	-	-	120,743	595,522
Charges for services	324,285	-	-	-	-	-	324,285
Fines and forfeitures	195,931	-	-	-	21,338	26,298	243,567
Investment income	2,415	923	-	6,005	-	111	9,454
Miscellaneous	82,752	-	-	-	-	-	82,752
TOTAL REVENUES	3,739,808	555,959	419,146	6,005	21,338	147,152	4,889,408
EXPENDITURES							
Current:							
General Government							
Legislative and executive	1,027,681	-	-	5	-	-	1,027,686
Judicial	389,178	-	-	-	-	9,903	399,081
Public safety	1,760,721	-	-	-	71,468	85,397	1,917,586
Public works	208,055	397,718	23,000	-	-	-	628,773
Health and welfare	100,416	-	-	-	-	-	100,416
Culture and recreation	162,522	-	-	-	-	-	162,522
Housing and development	110,853	-	-	-	-	-	110,853
Intergovernmental expense	-	208,857	-	-	-	-	208,857
Capital Outlay	46,601	-	396,146	-	-	-	442,747
Debt Service							
Principle retirement	87,574	-	-	-	-	-	87,574
Interest	7,455	-	-	-	-	-	7,455
TOTAL EXPENDITURES	3,901,056	606,575	419,146	5	71,468	95,300	5,093,550
NET CHANGE IN FUND BALANCE	(161,248)	(50,616)	-	6,000	(50,130)	51,852	(204,142)
FUND BALANCE, RESTATED	417,715	174,826	-	166,949	38,323	28,106	825,919
FUND BALANCE AT END OF YEAR	$ 256,467	$ 124,210	$ -	$ 172,949	$ (11,807)	$ 79,958	$ 621,777

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

LANIER COUNTY, GEORGIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For The Year Ended June 30, 2011

Net Change in Fund Balances - Total Governmental Funds		$ (204,142)
Amounts report for governmental activities in the statement of activities are different because of the following:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives:		
Expenditures for capital assets	514,054	
Current year depreciation expense	(315,265)	198,789
Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds:		
Net change in deferred revenues - property taxes		18,126
Some expenses reported in the statement of activities that do not require the use of current financial resources are not reported as expenditures in the governmental funds:		
Loss of disposal of capital assets	(50,255)	
Landfill postclosure cost	12,056	(38,199)
Repayment of principal on debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of activities:		
Payments on long-term debt		144,686
Change in Net Assets of Governmental Activities		$ (119,260)

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

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LANIER COUNTY, GEORGIA
FIDUCIARY FUNDS
STATEMENT OF FICUCIARY ASSETS AND LIABILITIES
June 30, 2011

	Agency Funds
ASSETS	
Cash	$ 361,806
TOTAL ASSETS	$ 361,806
LIABILITIES	
Due to others	$ 361,806
TOTAL LIABILITIES	361,806
NET ASSETS	$ -

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

Note 1 – Reporting Entity

The Entity. These financial statements present Lanier County, Georgia (the primary government) which is governed by an elected board and the Lanier County Board of Health, a discreetly presented component unit. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

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

Based on the criteria of GASB 2100, the following entity is considered a component unit of Lanier County, Georgia:

The Lanier County Board of Health is a component unit based on the criteria of the County appointing a voting majority to the board, the County's ability to impose its will and fiscal dependency. The balance sheet and statement of revenues, expenditures, and changes in fund balance for Lanier County Board of Health are presented in these financial statements using the method of discrete presentation. A complete set of financial statements for the Lanier County Board of Health is presented in a separate report and can be obtained from the South Health District office and should be addressed to the Finance Director, 325 West Savannah Avenue, Valdosta, Georgia 31603. Lanier County provided $64,918 in funding to the Board of Health for the year ending June 30, 2011

Joint Ventures The County, in conjunction with cities and counties in the (16) county Southeast Georgia area are members of the Southern Georgia Regional Commission. Membership in the Regional Commission is automatic for each municipality and county in the state. The official Code Georgia Section 50-8-34 (Georgia Planning Act of 1989) provides for the organizational structure of the Regional Commission's. Each county and municipality in the state is required by law to pay minimum annual dues to the Regional Commission. The County paid annual dues in the amount of $5,264 to the Regional Commission for the year ended June 30, 2011. The Regional Commission Board membership includes the Chief elected official of each county and municipality. The County Board members and municipal Board members from the same county elect one member of the Board who is a resident (but not an elected or appointed official or employee of the County or municipality) to serve as the non-public Board member from the County.

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

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

Southern Georgia Regional Commission
3395 Harris Road
Waycross. Georgia 31503

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Note 2 – Summary of Significant Accounting Policies

The financial statements of Lanier County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following are the more significant of the County's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government, except for fiduciary funds.

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

Fund Financial Statements

During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

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Note 2 - Summary of Significant Accounting Policies - Continued

B. Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions of the County are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the County's major governmental funds:

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

Capital Projects 2007 SPLOST Fund. The Capital Projects 2007 Special Purpose Sales Tax Fund accounts for the special purpose local option sales tax that was renewed by referendum. The revenue is restricted to the stated purposes of the referendum.

Capital Projects 2007 CDBG Fund. The Capital Projects 2007 CDBG Fund accounts for the CDBG grant funds used for road improvements.

Revolving Loan Fund. The Revolving Loan Fund accounts for financing of various projects with economic development impact on the citizens of Lanier County. The fund was established initially through federal and state grants.

Jail Fund. The Jail Fund accounts for the financial resources and activities of a special revenue fund designated for jail operations and prisoner housing. The activities are funded through add on fines that assessed for jail funds.

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

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Note 2 - Summary of Significant Accounting Policies - Continued

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The County's agency funds account for assets held by the County's Tax Commissioner, Clerk of Superior Court, Sheriff , Magistrate Court and Probate Judge for other governments or individuals.

C. Measurement Focus

Government-Wide Financial Statements

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

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the fund financial statements for governmental funds.

D. Basis of Accounting

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

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Note 2 - Summary of Significant Accounting Policies - Continued

Revenues—Exchange and Nonexchange Transactions

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recognized in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the County, available means expected to be received within sixty days after year end.

Nonexchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the year for which the taxes are levied. Revenue from sales taxes is recognized in the period in which the sales are made. Revenue from grants, entitlements, and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted; matching requirements, in which the County must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

Deferred Revenues

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

Property taxes for which there was an enforceable legal claim at June 30, 2011, but were levied to finance FY11 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

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

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred. Prepaid expenditures in governmental funds are recognized during the benefiting period.

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

Note 2 - Summary of Significant Accounting Policies – Continued

E. Budgetary Process

The County adopts annual budgets for the General Fund, Capital Projects Fund and Special Revenue Funds. The budgets are adopted on a basis substantially consistent with U.S. generally accepted accounting principles with the following exceptions. The County budget may present the use of appropriated beginning fund balances and the proceeds of short-term debt as other financing sources, and the repayment of short-term debt as other financing uses, when such elements are present in the adopted budget.

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

1. Prior to July 1, the Board of Commissioners prepares a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

2. Public hearings are conducted to obtain taxpayers' comments. Notice is given at least ten days in advance by publication in the official organ of Lanier County.

3. The budget is legally enacted through passage of an ordinance.

4. The budget is employed as a management control device during the year. Budgetary control is established at the department level. Management may not make changes without approval of the Board of Commissioners.

Budgeted amounts are presented as amended by the Lanier County Board of Commissioners.

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is no utilized in the governmental funds.

G. Cash and Investments

Cash and cash equivalents are defined as short-term, highly liquid investments with a maturity of three months or less when purchased, that are readily convertible to know amounts of cash, and so near their maturity that they present insignificant rates of changes in value because of changes in interest rates.

The County is authorized to invest in funds in (1) obligations which constitute direct obligations of, or are unconditionally guaranteed by, the United States of America; (2) certificates of deposit issued by state and national banks located in the state of Georgia when secured by acceptable collateral; (3) obligations of the Federal Land Bank, the Federal Home Loan Bank, the Federal Intermediate Credit Bank and Federal Bank of Cooperatives; and (4) bonds or other obligations issued by any public housing agency or municipality which are served by a pledge of annual contributors under contract with the United States Government, or project notes secured by a payment agreement with the United States Government.

H. Inventory

Materials purchased are shown as expenditures when acquired are not inventoried at year end due to a lack of materiality.

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Note 2 - Summary of Significant Accounting Policies - Continued

I. Restricted Assets

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

J. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The County maintains a capitalization threshold of $5,000. The County's infrastructure consists of roads, bridges, and culverts. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

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

Description	Estimated Lives
Buildings and Building Improvements	40 - 50 years
Machinery and Equipment	5 - 10 years
Furniture and Fixtures	5 - 10 years
Vehicles	5 - 10 years
Infrastructure	25 years

Capital assets include public domain (infrastructure) general capital assets consisting of improvements including roads and bridges for which historical cost information was available or could be estimated.

K. Interfund Receivables/Payables

On fund financial statements, receivables and payables resulting from short-term interfund loans or interfund services provided and used are classified as "Interfund Receivables/Payables." Interfund balances within governmental activities are eliminated on the government-wide statement of net assets.

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Note 2 - Summary of Significant Accounting Policies - Continued

L. Compensated Absences

Vacation and sick leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the County will compensate the employees for the benefits through paid time off or some other means. The County records a liability for accumulated unused vacation and sick leave when earned for all employees.

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

On governmental fund financial statements, compensated absences are not recognized as a liability and expenditure.

M. Accrued Liabilities and Long-Term Obligations

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

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

N. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consist of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

O. Fund Balances

The County has implemented GASB No. 54, Fund Balance Report and Governmental Fund Type Definitions. Under GASB Statement No. 54, fund balances are required to be reported in the following classifications:

Nonspendable fund balance – Includes amounts that cannot be spent because they are either not in spendable form , or, for legal or contractual reasons, must be kept intact.

Restricted fund balance – Constraints placed on the use of these resources are either externally imposed by creditors, grantors, contributors or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed fund balance – Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the County's highest level of decision-making authority, the County Board of Commissioners.

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Note 2 - Summary of Significant Accounting Policies - Continued

O. Fund Balances - Continued

Assigned fund balance – Amounts that are constrained by the County's intent to be used for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the County Board of Commissioners, or by an official to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned fund balances – This is the residual classification of the General Fund. Only the General Fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification, as the result of overspending for specific purposes for which amounts had been restricted, committed or assigned.

The Board of Commissioners has assigned amounts for specific purposes which are reflected in the Governmental Funds Balance Sheet. The Commissioners would expend funds that are committed for a specific purpose as that event occurs. Commissioners would expend unassigned amounts first and then use assigned amounts if necessary.

P. Interfund Transactions

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Q. Estimates

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

Note 3 – Accountability

The following fund had a deficit fund balance at June 30, 2011:

Special Revenue Fund:

Jail Fund – The fund deficit of $11,807 is due to increased prisoner housing cost. This deficit will be offset by jail fine income in the subsequent year.

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Note 4 – Expenditures in Excess of Appropriations

The following funds' expenditures/expenses exceeded appropriations:

	Expenditures/ Expenses Actual	Appropriations	Amount Exceeding Appropriations
General Fund:			
Jail Board	566,475	497,261	69,214
Fire Department	99,717	70,000	29,717
Emergency Management	6,383	6,155	228
Probate Court	146,461	145,896	565
Juvenile Court	14,941	14,200	741
Solid Waste & Recycling	26,672	24,500	2,172
Recreation/Parks Department	168,449	105,956	62,493
Extension Agency	86,603	85,824	779
Code Enforcement	2,146	-	2,146
Chamber	10,000	5,000	5,000
SPLOST 2007 Fund	606,575	553,579	52,996
Jail Fund	71,468	13,646	57,822
Sheriff's State Drug Fund	7,214	179	7,035
2006 Technology Grant	78,181	-	78,181

Note 5 - Cash And Investments

The County maintains separate checking and investment accounts for each fund. The County's cash in bank balances represent balances in all accounts including general fund, special revenue funds, capital projects funds, and fiduciary funds.

At June 30, 2011 all deposits were collateralized by FDIC insurance and pledged securities by the banking entities.

Note 6 – Due From Other Governments

Due from other governments consisted of the following:

General Fund	
Georgia Department of Revenue	$ 49,373
Total - General Fund	$ 49,373
Capital Project Funds	
2009 SPLOST Fund	
Georgia Department of Revenue	$ 98,746
Total - Due From Other Governments	$ 148,119

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Note 7- Property Taxes

The County sets its property tax millage on the tax levy date each year. Taxes are levied on October 20. The property tax lien attaches to property in existence at January 1 of each year and is payable by December 20 of that year. The County collects taxes on real and personal property including motor vehicles and mobile homes. The Lanier County Tax Commissioner acts as collection agent for the County, Board of Education, and State of Georgia for taxes on real and personal property and for the City of Lakeland for taxes on motor vehicles and mobile homes owned by City residents. Georgia stat law does not provide for maximum millage rates that the County may levy.

Deferred Revenue - Delinquent property taxes not collected within sixty (60) days after year-end is recognized as deferred revenue.

Note 8 – Capital Assets

A summary of the changes in general capital assets for the year ended June 30, 2011 is as follows:

Balance at July 1, 2010	Prior Year Adjustment	Additions	Reductions	Balance at June 30, 2011
$ 101,042	$ -	$ -	$ 35,585	$ 65,457
101,042	-	-	35,585	65,457
$ 1,558,084	$ -	$ 13,332	$ -	$ 1,571,416
995,261	63,190	396,146	-	1,454,597
171,329	-	3,906	-	175,235
878,153	3,000	14,000	137,191	757,962
1,949,389	-	86,670	109,680	1,926,379
5,552,216	66,190	514,054	246,871	5,885,589
677,124	-	41,979	-	719,103
36,702	-	19,905	-	56,607
118,427	-	7,739	-	126,166
454,700	1,392	73,845	124,470	405,467
833,980	-	171,797	107,731	898,046
2,120,933	1,392	315,265	232,201	2,205,389
3,431,283	64,798	198,789	14,670	3,680,200
$ 3,532,325	$ 64,798	$ 198,789	$ 50,255	$ 3,745,657

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Note 8 – Capital Assets – Continued

Depreciation was charged to governmental functions as follows:

Governmental activities:		
General Government		
Legislative and Executive	$	48,211
Public Safety		124,888
Public Works		122,467
Health and Welfare		6,241
Culture and Recreation		11,337
Housing and Development		2,121
Total Depreciation Expense - Governmental Activities	$	315,265

Note 9 – Interfund Balances

The composition of interfund balances as of June 30, 2011, is as follows:

	Interfund Receivable	Interfund Payable
General Fund		
Jail Fund	$ -	$ 2,509
Victim Assistance	-	105
	-	2,614
Jail Fund		
General Fund	2,509	-
Victim Assistance Fund		
General Fund	105	-
Total Governmental Funds	$ 2,614	$ -

Interfund receivables and payables are the result from for expenditures paid from special revenue funds that will need to be reimbursed from the general fund.

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Note 10 – Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused leave benefits. Unused leave benefits will be paid to employees upon separation from County services. The General Fund pays for any used compensated absences during a fiscal year.

	Balance at June 30, 2010	Additions	Reductions	Balance at June 30, 2011	Amount Due In One Year
Primary Government:					
Governmental Activities:					
Compensated absences	$ -	$ -	$ -	$ -	$ -
Total Primary Government	$ -	$ -	$ -	$ -	$ -
Component Unit - Board of Health:					
Compensated absences	$ 8,249	$ 14,429	$ 4,125	$ 18,553	$ 11,132

Note 11 – Tax Anticipation Note

During the fiscal year the County borrowed funds from a Tax Anticipation Note and repaid that loan by December 31, 2010. The County borrowed from another Tax Anticipation Note in May 2011 and drew down $250,000 as of June 30, 2011 and eventually drew down $800,000 and repaid that loan by December 31, 2011

	Balance at June 30, 2010	Additions	Reductions	Balance at June 30, 2011	Amount Due In One Year
Governmental Activities					
TAN Note Payable	$ -	$ 750,000	$ 500,000	$ 250,000	$ 250,000
Total Governmental Activities	$ -	$ 750,000	$ 500,000	$ 250,000	$ 250,000

Note 12 - Long-Term Debt

The following is a summary of the debt transactions of the County for the fiscal year ended June 30, 2011:

	Balance at 0-Jan-00	Prior Year Adjustment	Additions	Reductions	Balance at June 30, 2011	Amount Due In One Year
Governmental Activities						
Capital leases	$ 563,164	$ (2,986)	$ -	$ 144,686	$ 415,492	$ 122,506
Total Governmental Activities	$ 563,164	$ (2,986)	$ -	$ 144,686	$ 415,492	$ 122,506

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Note 12 - Long-Term Debt - Continued

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

	Purpose	Original Issue Date	Interest Rate	Original Issue Amount	Maturity Date
Governmental Activities					
Capital Lease	Motor Grader	2007	4.45%	$ 188,832	2012
Capital Lease	Motor Grader	2007	4.45%	$ 188,832	2012
Capital Lease	Power Pro Stretchers	2009	7.19%	$ 17,999	2012
Capital Lease	Tractor	2009	5.50%	$ 36,570	2014
Capital Lease	Motor Grader	2009	4.90%	$ 91,775	2014
Capital Lease	EMS Equipment	2007	5.06%	$ 85,275	2012
Capital Lease	Sheriff Vehicle	2007	5.49%	$ 24,646	2012
Capital Lease	Road Department Trucks	2007	2.23%	$ 33,800	2011
Capital Lease	Sheriff Vehicles	2008	5.55%	$ 55,988	2011
Capital Lease	EMS Equipment	2008	19.91%	$ 13,024	2011
Capital Lease	Recreation Vehicle	2008	6.25%	$ 18,850	2012
Capital Lease	Recreation Equipment	2009	6.25%	$ 22,900	2013
Capital Lease	Sheriff Vehicle	2009	7.10%	$ 29,230	2012

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

	Governmental Activities	
	Capital Leases	
Year Ending June 30,	Principal	Interest
2012	$ 122,506	$ 17,288
2013	255,216	5,305
2014	27,849	1,266
2015	9,921	111
Total	$ 415,492	$ 23,970

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Note 13 – Landfill-Postclosure Costs

The County owned and operated a solid waste landfill prior to 1992. During 1992, the landfill was closed. In compliance with State and Federal regulations, the County contracted with an engineering firm to conduct the necessary ground water and methane monitoring procedures.

The County has accrued the expected postclosure cost for the landfill. The amount accrued of $48,224 represents 100% of the total estimated remaining postclosure cost which is made up of estimated monitoring costs and maintenance costs. This estimate is subject to change based on changes in technology or applicable laws and regulations. The County plans to fund postclosure costs through the general fund budget.

	Balance at July1, 2010	Additions	Reductions	Balance at June 30, 2011	Amount Due In One Year
Governmental Activities					
Landfill postclosure cost	$ 60,280	$ -	$ 12,056	$ 48,224	$ 12,056
Total Governmental Activities	$ 60,280	$ -	$ 12,056	$ 48,224	$ 12,056

Note 14 – Component Units

Lanier County Board of Health

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

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

Cash and Cash Equivalents Cash and cash equivalents of the Board are not a part of the County's cash management pool and are reported as part of "Cash and Cash Equivalents in Segregated Accounts".

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

Property and equipment as of June 30, 2011, was as follows:

Equipment	$ 36,987
Less Accumulated Depreciation	(30,951)
Net Property and Equipment	$ 6,036

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Note 14 – Component Units - Continued

Lanier County Board of Health

Retirement Plan

The employees of the Health Department participate in the Georgia State Employees Retirement System, a multi-employer, defined contribution plan. The Plan is administered by the State of Georgia, and accumulated benefits and Plan assets are not determined or allocated to the individual participating governmental entities. The Georgia State Employees' Retirement System of Georgia requires ten years of continuous service to become fully vested. Employees are required to pay either 1.25% of gross earnings to the retirement account or .25% of gross earnings to the GLLI premiums. Employer contributions amount to 5.66% and 10.41% of covered compensation for the fiscal year for participants in the old and new plan respectively. The total employer retirement contributions to the Georgia State Employees Retirement System for the year ended June 30, 2011 were $10,697. Ten-year historical trend information and relevant actuarial information may be obtained from the Employee's Retirement System, Two Northside 75, Suite 300, Atlanta, Georgia 30316-7778 or calling 1-404-352-6400.

Note 15 – Operating Leases

The County leases office space to other governmental agencies under a one year lease agreement and on a month-to-month basis. Rental income was $13,800 for the year ending June 30, 2011. Beginning July 1, 2009. the County leased the County Annex Building from the Development Authority of Lanier County for a period of 12 months for $50,000 per year. The County has the option to renew the lease agreement for an additional twelve months and shall inform the Development Authority by June 1 of each year. Lease expense for the County Annex Building was $50,000 for the year ending June 30, 2011.

Note 16 – Contingent Liabilities

There was no pending litigation, claims, or assessments against the County at June 30, 2011. In the opinion of County management, there were no unasserted claims or assessments that might have a material effect on the financial condition of the County.

The County receives Federal and State Grants for specific purposes that are subject to review and audit by Federal and State agencies. Such audits could result in a request for reimbursement by the Federal and State Governments for expenditures disallowed under the terms and conditions of the appropriate agency. In the opinion of County management, such disallowances, if any, will not be significant.

Note 17 – Retirement Benefits

Defined Contribution Plan:

The County sponsors the Association County Commissioners of Georgia Defined Contribution Plan. The plan is an IRC Section 401(a)/457 Match Plan.

Under the plan, all full-time permanent employees are eligible for participation after completing ninety days of service. The plan provides retirement, disability and death benefits to plan participants and beneficiaries and, is administered by Government Employee Benefits Corporation of Georgia. The provisions of the plan may be amended at any time and from time to time by written amendment approved by the County.

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Note 17 – Retirement Benefits - Continued

Defined Contribution Plan:

The County makes a base contribution to the 401(a) plan equal to one percent (1%) of each participating employee's salary. For employees participating in the deferred compensation program, the County will make an additional matching contribution to the 401(a) plan equal to one percent (1%) of the employee's contribution up to a maximum of two percent (2%) of the employee's salary. During the year ended June 30, 2011, the plan members contributed $21,857 and the County contributed $17,532 to the plan.

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

Deferred Compensation Plan:

The Lanier County Board of Commissioners offers all Lanier County employees a deferred compensation plan created in accordance with the Internal Revenue Code, Section 457, as part of the match plan described in Note 7. The assets of the plans were held in trust, (custodial account or annuity contract) as described in IRC Section 457 (g) for the exclusive benefit of the participants (employees) and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this Section 457 plan, and the assets may not be diverted to any other use. The Administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account and all other matters. In accordance with the provisions of GASB Statement 32, plan balances and activities are not reflected in Lanier County, Georgia's financial statements.

Other Pension Plans:

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

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

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

A copy of financial reports for these pension plans can be obtained at the following address:

GEBCorp
400 Galleria Parkway
Suite 1250
Atlanta, Georgia 30339

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Note 18 – Risk Financing Activities

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

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

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

The County also carries commercial insurance for all risks of loss, including employee health, property and liability insurance programs.

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

Note 19 – Prior Year Adjustments

	Governmental Activities		General Fund
Net Assets, Beginning of Year	$ 3,786,550	Fund Balance, Beginning of Year	$ 330,214
Prior Year Adjustments:		Prior Year Adjustments:	
Correct accounts payables and receivables	85,036	Correct accounts payables and receivables	87,501
Correct capital leases	2,986		-
Correct capital assets	64,798		-
Net Assets, Restated	$ 3,939,370	Fund Balance, Restated	$ 417,715

Note 20 – Subsequent Event

Subsequent events were evaluated through April 27, 2012, which is the date of the financial statements were available to be issued.

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REQUIRED SUPPLEMENTAL INFORMATION

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LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ending June 30, 2011

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
Taxes				
Regular ad valorem taxes	$ -	$ -	$ 2,020,992	$ 2,020,992
Intangible recording taxes	-	-	38,097	38,097
Motor vehicle taxes	-	-	215,505	215,505
Mobile home taxes	-	-	49,708	49,708
Timber taxes	-	-	19,461	19,461
Interest and penalties	-	-	145,782	145,782
Local option sales tax	-	-	277,519	277,519
Real estate transfer tax	-	-	8,489	8,489
Railroad equipment car tax	-	-	3,993	3,993
Insurance premium tax	-	-	215,018	215,018
Franchise tax	-	-	1,060	1,060
Beer and wine tax	-	-	38,261	38,261
	-	-	3,033,885	3,033,885
Licenses and Permits				
Alcohol licenses	-	-	1,800	1,800
Business licenses	-	-	17,745	17,745
Building permits	-	-	25,362	25,362
	-	-	44,907	19,545
Intergovernmental Revenues				
U. S. Fish and Wildlife	-	-	1,714	1,714
State public defender reimbursement	-	-	15,294	15,294
Stete Juvenile Court reimbursement	-	-	200	200
DEA overtime reimbursement	-	-	12,778	12,778
EMA grant	-	-	5,000	5,000
Nutrition grants	-	-	20,647	20,647
	-	-	55,633	55,633

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LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ending June 30, 2011

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
Charges for Services				
Sheriff fees	-	-	74,044	74,044
Tag and title fees	-	-	11,168	11,168
Tax commisioners fees	-	-	14,605	14,605
Tax collector's commissions	-	-	61,682	61,682
EMS class fees	-	-	875	875
Scrap tire class fees	-	-	120	120
Return check fees	-	-	25	25
Probate Judge fees	-	-	37,111	37,111
Magistrate Court fees	-	-	5,908	5,908
Clerk of Court fees	-	-	49,826	49,826
Animal control fees	-	-	457	457
Recreation fees	-	-	46,949	46,949
Franchise fees	-	-	1,035	1,035
Qualifying fees	-	-	95	95
Culvert pipe fees	-	-	4,293	4,293
Road sign fees	-	-	140	140
Map sales	-	-	345	345
Ramps and pipe	-	-	15,607	15,607
	-	-	324,285	324,285
Fines and Forfeitures				
Superior Court fines	-	-	49,276	49,276
Magistrate Court fnes	-	-	11,831	11,831
Probate Judge fines	-	-	134,824	134,824
	-	-	195,931	49,276
Investment Income	-	-	2,415	2,415
Miscellaneous				
Rental income	-	-	13,800	13,800
Insurance reimbursements	-	-	25,921	25,921
Scrap tires and metals	-	-	3,970	3,970
Solid waste reimbursements	-	-	29,140	29,140
Other	-	-	9,921	9,921
	-	-	82,752	82,752
TOTAL REVENUES	**-**	**-**	**3,739,808**	**3,567,791**

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LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ending June 30, 2011

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
GENERAL GOVERNMENT				
Commissioners' Office				
Operating	$ 210,000	$ 210,000	197,708	(12,292)
Total	210,000	210,000	197,708	(12,292)
Courthouse / Administration				
Operating	394,172	394,172	373,338	(20,834)
Capital outlay	-	-	3,906	3,906
Total	394,172	394,172	377,244	(16,928)
Sundry				
Operating	100,000	100,000	44,437	(55,563)
Total	100,000	100,000	44,437	(55,563)
Tax Commissioner				
Operating	143,260	143,976	141,213	(2,763)
Total	143,260	143,976	141,213	(2,763)
Tax Assessors				
Operating	132,587	132,587	111,682	(20,905)
Total	132,587	132,587	111,682	(20,905)
Public Buildings				
Operating	80,000	80,000	79,674	(326)
Total	80,000	80,000	79,674	(326)
Church Street Building				
Operating	2,500	2,500	2,435	(65)
Total	2,500	2,500	2,435	(65)
Oak Street Building				
Operating	16,000	20,380	19,695	(685)
Total	16,000	20,380	19,695	(685)
Elections				
Operating	61,693	62,562	48,377	(14,185)
Capital outlay	-	-	9,700	9,700
Total	61,693	62,562	58,077	(4,485)
Total - General Government	**1,140,212**	**1,146,177**	**1,032,165**	**(114,012)**

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LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ending June 30, 2011

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
JUDICIAL				
Superior Court				
Operating	$ 146,290	$ 146,290	$ 140,122	$ (6,168)
	146,290	146,290	140,122	(6,168)
Public Defender				
Operating	33,257	34,532	33,959	(573)
	33,257	34,532	33,959	(573)
District Attorney				
Operating	15,900	15,900	12,885	(3,015)
	15,900	15,900	12,885	(3,015)
Magistrate Court				
Operating	45,328	45,328	40,810	(4,518)
	45,328	45,328	40,810	(4,518)
Probate Court				
Operating	145,896	145,896	146,461	565
	145,896	145,896	146,461	565
Juvenile Court				
Operating	14,200	14,200	14,941	741
	14,200	14,200	14,941	741
Law Library				
Operating	500	500	-	(500)
	500	500	-	(500)
Total - Judicial	**401,371**	**402,646**	**389,178**	**(13,468)**

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LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ending June 30, 2011

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
PUBLIC SAFETY				
Sheriff's Office				
Operating	$ 615,000	$ 927,009	915,048	(11,961)
	615,000	927,009	915,048	(11,961)
Jail Board				
Operating	475,000	497,261	566,475	69,214
	475,000	497,261	566,475	69,214
Fire Department				
Operating	70,000	70,000	99,717	29,717
	70,000	70,000	99,717	29,717
Patten Detention Work Detail				
Operating	19,750	19,750	18,104	(1,646)
	19,750	19,750	18,104	(1,646)
Emergency Medical Services				
Operating	90,000	90,000	52,813	(37,187)
Capital outlay	-	-	29,363	29,363
	90,000	90,000	82,176	(7,824)
Emergency Management				
Operating	6,155	6,155	6,383	228
	6,155	6,155	6,383	228
Office of the Coroner				
Operating	10,500	14,275	13,854	(421)
	10,500	14,275	13,854	(421)
911 Services				
Operating	137,257	137,257	120,366	(16,891)
	137,257	137,257	120,366	(16,891)
South Georgia Drug Task Force				
Operating	6,290	6,290	3,577	(2,713)
	6,290	6,290	3,577	(2,713)
Animal Control				
Operating	37,400	38,127	38,078	(49)
	37,400	38,127	38,078	(49)
Total - Public Safety	**1,467,352**	**1,806,124**	**1,863,778**	**57,654**

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LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ending June 30, 2011

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
PUBLIC WORKS				
Roads Department				
Operating	620,000	620,000	190,213	(429,787)
	620,000	620,000	190,213	(429,787)
Solid Waste & Recycling				
Operating	24,500	24,500	26,672	2,172
	24,500	24,500	26,672	2,172
Total - Public Works	**644,500**	**644,500**	**216,885**	**(427,615)**
HEALTH AND WELFARE				
Nutrition Department				
Operating	30,332	32,083	30,685	(1,398)
	30,332	32,083	30,685	(1,398)
Public Health Department				
Operating	58,924	60,257	60,207	(50)
	58,924	60,257	60,207	(50)
Department of Family and Children Services				
Operating	13,000	13,000	9,524	(3,476)
	13,000	13,000	9,524	(3,476)
Total - Health and Welfare	**102,256**	**105,340**	**100,416**	**(4,924)**

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LANIER COUNTY, GEORGIA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ending June 30, 2011

	Budgeted Amounts			Final Budget
	Original	Final	Actual	Over (Under)
CULTURE AND RECREATION				
Recreation / Park Department				
Operating	90,000	105,956	155,117	49,161
Capital outlay	-	-	13,332	13,332
	90,000	105,956	168,449	62,493
W. L. Miller Library				
Operating	16,000	20,340	19,332	(1,008)
	16,000	20,340	19,332	(1,008)
Total - Culture and Recreation	**106,000**	**126,296**	**187,781**	**61,485**
HOUSING AND DEVELOPMENT				
Forestry				
Operating	10,570	11,126	11,126	-
	10,570	11,126	11,126	-
Extension Agency				
Operating	85,824	85,824	86,603	779
	85,824	85,824	86,603	779
Code Enforcement				
Operating	-	-	2,146	2,146
	-	-	2,146	2,146
Soil Conservations				
Operating	1,000	1,000	978	(22)
	1,000	1,000	978	(22)
Chamber				
Operating	5,000	5,000	10,000	5,000
	5,000	5,000	10,000	5,000
Total - Housing and Development	**102,394**	**102,950**	**110,853**	**7,903**
TOTAL EXPENDITURES	**3,964,085**	**4,334,033**	**3,901,056**	**(432,977)**
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	**(3,964,085)**	**(4,334,033)**	**(161,248)**	**4,000,768**
FUND BALANCE, RESTATED	**-**	**-**	**417,715**	**417,715**
FUND BALANCE AT END OF YEAR	**$ (3,964,085)**	**$ (4,334,033)**	**$ 256,467**	**$ 4,418,483**

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LANIER COUNTY, GEORGIA
REVOLVING LOAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ending June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Investment income	$ 67,519	$ 67,519	$ 6,005	$ (61,514)
TOTAL REVENUES	67,519	67,519	6,005	(61,514)
EXPENDITURES				
Current:				
General government	67,519	67,519	5	(67,514)
TOTAL EXPENDITURES	67,519	67,519	5	(67,514)
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	-	-	6,000	6,000
FUND BALANCE BEGINNING OF YEAR	-	-	166,949	166,949
FUND BALANCE END OF YEAR	$ -	$ -	$ 172,949	$ 172,949

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LANIER COUNTY, GEORGIA
JAIL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For The Year Ending June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 13,646	$ 13,646	$ 21,338	$ 7,692
TOTAL REVENUES	13,646	13,646	21,338	7,692
EXPENDITURES				
Current:				
Public safety	13,646	13,646	71,468	57,822
TOTAL EXPENDITURES	13,646	13,646	71,468	57,822
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	-	-	(50,130)	(50,130)
FUND BALANCE BEGINNING OF YEAR	-	-	38,323	38,323
FUND BALANCE END OF YEAR	$ -	$ -	$ (11,807)	$ (11,807)

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Note 1 – Budgetary Basis of Accounting

While reporting financial position, results of operations, and changes in fund balances on the basis of generally accepted accounting principles (GAAP), the Budgetary Basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Schedules of Revenues, Expenditures, and Changes in Fund Balance—Budget and Actual for the general and major special revenue funds are presented on the Budgetary Basis to provide a meaningful comparison of actual results with the budget. Beginning fund balances were budgeted under the Budgetary Basis.

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COMBINING AND INDIVIDUAL FUND SCHEDULES

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MAJOR GOVERNMENTAL FUNDS

CAPITAL PROJECT FUNDS

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

Capital Projects 2007 Special Purpose Sales Tax Fund – To account for the special purpose local option sales tax that was approved by referendum. The revenue is restricted to the stated purposes of the referendum.

Capital Projects CDBG Fund – To account for the grant funds used for road improvements.

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LANIER COUNTY, GEORGIA
2007 SPECIAL PURPOSE SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Taxes	$ 552,675	$ 552,675	$ 555,036	$ 2,361
Investment income	904	904	923	19
TOTAL REVENUES	553,579	553,579	555,959	2,380
EXPENDITURES				
Intergovernmental expense	209,958	209,958	208,857	(1,101)
Public works	343,621	343,621	397,718	54,097
TOTAL EXPENDITURES	553,579	553,579	606,575	52,996
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	-	-	(50,616)	(50,616)
FUND BALANCE BEGINNING OF YEAR	-	-	174,826	174,826
FUND BALANCE END OF YEAR	$ -	$ -	$ 124,210	$ 124,210

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LANIER COUNTY, GEORGIA
2007 CDBG GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovernmental revenue	$ 419,146	$ 419,146	$ 419,146	$ -
TOTAL REVENUES	419,146	419,146	419,146	-
EXPENDITURES				
Public works	-	-	23,000	23,000
Capital outlay	419,146	419,146	396,146	(23,000)
TOTAL EXPENDITURES	419,146	419,146	419,146	-
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES				
Proceeds of capital asset disposition	-	-	-	-
EXCESS OF REVENUE AND OTHER FINANCIING SOURCES OVER EXPENDITURES			-	
FUND BALANCE BEGINNING OF YEAR	-	-	-	-
FUND BALANCE END OF YEAR	$ -	$ -	$ -	$ -

DRAFT

See independent auditors' report.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

Burnt Church Fund – To account for funds received through donations to restore a church building.

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

Victim Assistance Fund – To account for accounts for fine income specified for victim assistance and the revenue is restricted for those purposes.

D.A.T.E. Fund – To account for fine income specified for drug addiction treatment and education

2006 Technology Grant Fund – To account for grant income specified for public safety equipment.

State Drug and State Seizure Fund – To account for funds received through drug seizures in cooperation with state agencies.

Federal Seizure Equitable Sharing Fund – To account for funds received through drug seizures in cooperation with federal agencies.

DRAFT

LANIER COUNTY, GEORGIA
ALL NONMAJOR FUNDS
COMBINING BALANCE SHEET
June 30, 2011

	Special Revenue Funds							
	Burnt Church Fund	Law Library Fund	Victim Assistance Fund	D.A.T.E. Fund	2006 Technology Grant	State Drug And State Seizure Fund	Federal Seizure Equitable Sharing	Total
ASSETS								
Cash	$ 531	$ 22,285	$ 1,375	$ 10,231	$ 42,562	$ 179	$ 1,788	$ 78,951
Interfund receivable	-	-	105	-	-	-	-	105
Accounts receivable	-	-	101	801	-	-	-	902
TOTAL ASSETS	$ 531	$ 22,285	$ 1,581	$ 11,032	$ 42,562	$ 179	$ 1,788	$ 79,958
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Accounts payable	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	-	-	-	-	-	-	-
FUND BALANCES								
Restricted for:								
Law library	-	22,285	-	-	-	-	-	22,285
Burnt Church building	531	-	-	-	-	-	-	531
Drug education and treatment	-	-	-	11,032	-	-	-	11,032
Victim assistance	-	-	1,581	-	-	-	-	1,581
Drug enforcement	-	-	-	-	-	179	1,788	1,967
Jail operations	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	42,562	-	-	42,562
TOTAL FUND BALANCES	531	22,285	1,581	11,032	42,562	179	1,788	79,958
TOTAL LIABLILTIES AND FUND BALANCES	$ 531	$ 22,285	$ 1,581	$ 11,032	$ 42,562	$ 179	$ 1,788	$ 79,958

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See independent auditors' report.

LANIER COUNTY, GEORGIA
ALL NONMAJOR FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For The Year Ended June 30, 2011

	Special Revenue Funds							
	Burnt Church Fund	Law Library Fund	Victim Assistance Fund	D.A.T.E. Fund	2006 Technology Grant	State Drug And State Seizure Fund	Federal Seizure Equitable Sharing	Total
REVENUES								
Fines and forfeitures	$ -	$ 11,401	$ 1,445	$ 5,012	$ -	$ 6,652	$ 1,788	$ 26,298
Intergovermental revenue	-	-	-	-	120,743	-	-	120,743
Investment income	-	111	-	-	-	-	-	111
TOTAL REVENUES	-	11,512	1,445	5,012	120,743	6,652	1,788	147,152
EXPENDITURES								
Current:								
Judicial	-	9,903	-	-	-	-	-	9,903
Public safety	-	-	-	-	78,181	7,216	-	85,397
TOTAL EXPENDITURES	-	9,903	-	-	78,181	7,216	-	95,300
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	-	1,609	1,445	5,012	42,562	(564)	1,788	51,852
FUND BALANCE AT BEGINNING OF YEAR	531	20,676	-	6,156	-	743	-	28,106
PRIOR YEAR ADJUSTMENT	-	-	136	(136)	-	-	-	-
FUND BALANCE RESTATED	531	20,676	136	6,020	-	743	-	28,106
FUND BALANCE AT END OF YEAR	$ 531	$ 22,285	$ 1,581	$ 11,032	$ 42,562	$ 179	$ 1,788	$ 79,958

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See independent auditors' report.

LANIER COUNTY, GEORGIA
BURNT CHURCH FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Investment income	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES				
Current:				
Legislative and executive	531	531	-	(531)
TOTAL EXPENDITURES	531	531	-	(531)
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	(531)	(531)	-	531
FUND BALANCE BEGINNING OF YEAR	531	531	531	-
FUND BALANCE END OF YEAR	$ -	$ -	$ 531	$ 531

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See independent auditors' report.

LANIER COUNTY, GEORGIA
LAW LIBRARY FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ 21,632	$ 21,632	$ 11,401	$ (10,231)
Investment income	-	-	111	111
TOTAL REVENUES	21,632	21,632	11,512	(10,120)
EXPENDITURES				
Current:				
Judicial	21,632	21,632	9,903	(11,729)
TOTAL EXPENDITURES	21,632	21,632	9,903	(11,729)
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	-	-	1,609	1,609
FUND BALANCE BEGINNING OF YEAR	-	-	20,676	20,676
FUND BALANCE END OF YEAR	$ -	$ -	$ 22,285	$ 22,285

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See independent auditors' report.

LANIER COUNTY, GEORGIA
VICTIM ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ -	$ -	$ 1,445	$ 1,445
TOTAL REVENUES	-	-	1,445	1,445
EXPENDITURES				
Current:				
Health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	-	-	1,445	1,445
FUND BALANCE BEGINNING OF YEAR	-	-	-	-
PRIOR YEAR ADJUSTMENT	-	-	136	136
FUND BALANCE RESTATED	-	-	136	136
FUND BALANCE END OF YEAR	$ -	$ -	$ 1,581	$ 1,445

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See independent auditors' report.

LANIER COUNTY, GEORGIA
D.A.T.E. FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ -	$ -	$ 5,012	$ 5,012
TOTAL REVENUES	-	-	5,012	5,012
EXPENDITURES				
Current:				
Health and welfare	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	-	-	5,012	5,012
FUND BALANCE BEGINNING OF YEAR	-	-	6,156	6,156
PRIOR YEAR ADJUSTMENT	-	-	(136)	(136)
FUND BALANCE RESTATED	-	-	6,020	6,020
FUND BALANCE END OF YEAR	$ -	$ -	$ 11,032	$ 11,168

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See independent auditors' report.

LANIER COUNTY, GEORGIA
2006 TECHNOLOGY GRANT
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Intergovenmental revenue	$ -	$ -	$ 120,743	$ 120,743
TOTAL REVENUES	-	-	120,743	120,743
EXPENDITURES				
Current:				
Public safety	-	-	78,181	78,181
TOTAL EXPENDITURES	-	-	78,181	78,181
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	-	-	42,562	42,562
FUND BALANCE BEGINNING OF YEAR	-	-	-	-
FUND BALANCE END OF YEAR	$ -	$ -	$ 42,562	$ 42,562

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See independent auditors' report.

LANIER COUNTY, GEORGIA
STATE DRUG AND STATE SEIZURE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ -	$ -	$ 6,652	$ 6,652
TOTAL REVENUES	-	-	6,652	6,652
EXPENDITURES				
Current:				
Public safety	179	179	7,216	7,037
TOTAL EXPENDITURES	179	179	7,216	7,037
EXCESS (DEFICIT) OF REVENUE OVER EXPENDITURES	(179)	(179)	(564)	(385)
FUND BALANCE BEGINNING OF YEAR	179	179	743	564
FUND BALANCE END OF YEAR	$ -	$ -	$ 179	$ 179

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See independent auditors' report.

LANIER COUNTY, GEORGIA
FEDERAL SEIZURE EQUITABLE SHARING FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
For The Year Ended June 30, 2011

	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual	Over (Under)
REVENUES				
Fines and forfeitures	$ -	$ -	$ 1,788	$ 1,788
TOTAL REVENUES	-	-	1,788	1,788
EXPENDITURES				
Current:				
Public safety	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUE OVER EXPENDITURES	-	-	1,788	1,788
FUND BALANCE BEGINNING OF YEAR	-	-	-	-
FUND BALANCE END OF YEAR	$ -	$ -	$ 1,788	$ 1,788

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See independent auditors' report.

FIDUCIARY FUNDS

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

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

Probate Judge - to account for the collection of fees for a probate of wills, administration of estates, issuance of marriage licenses ad maintenance of other vital records which are disbursed to other parties.

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

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

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

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LANIER COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
June 30, 2011

	AGENCY FUNDS					
	TAX COMMISSIONER	PROBATE JUDGE	CLERK OF SUPERIOR COURT	OFFICE OF SHERIFF	MAGISTRATE COURT	TOTAL
ASSETS						
Cash	$ 261,782	$ 18,247	$ 72,394	$ 3,506	$ 5,877	$ 361,806
TOTAL ASSETS	$ 261,782	$ 18,247	$ 72,394	$ 3,506	$ 5,877	$ 361,806
LIABILITIES AND FUND BALANCE						
LIABILITIES						
Due to others	$ 261,782	$ 18,247	$ 72,394	$ 3,506	$ 5,877	$ 361,806
TOTAL LIABLITIES	$ 261,782	$ 18,247	$ 72,394	$ 3,506	$ 5,877	$ 361,806
NET ASSETS	$ -	$ -	$ -	$ -	$ -	$ -

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See independent auditors' report.

LANIER COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
For The Year Ending June 30, 2011

	Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
OFFICE OF TAX COMMISSIONER				
ASSETS				
Cash	$ 345,747	$ 6,336,016	$ 6,419,981	$ 261,782
Accounts receivable	651	-	651	-
TOTAL ASSETS	$ 346,398	$ 6,336,016	$ 6,420,632	$ 261,782
LIABILITIES				
Due to other governments	$ 342,085	$ -	$ 342,085	$ -
Due to others	4,313	6,336,016	6,078,547	261,782
TOTAL LIABILITIES	$ 346,398	$ 6,336,016	$ 6,420,632	$ 261,782
PROBATE JUDGE				
ASSETS				
Cash	$ 8,956	$ 273,832	$ 264,541	$ 18,247
TOTAL ASSETS	$ 8,956	$ 273,832	$ 264,541	$ 18,247
LIABILITIES				
Due to others	$ 8,956	$ 273,832	$ 264,541	$ 18,247
TOTAL LIABILITIES	$ 8,956	$ 273,832	$ 264,541	$ 18,247
CLERK OF COURT				
ASSETS				
Cash	$ 63,681	$ 384,563	$ 375,850	$ 72,394
TOTAL ASSETS	$ 63,681	$ 384,563	$ 375,850	$ 72,394
LIABILITIES				
Due to other governments	$ 5,522	$ -	$ 5,522	$ -
Due to others	58,159	384,563	370,328	72,394
TOTAL LIABILITIES	$ 63,681	$ 384,563	$ 375,850	$ 72,394

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See independent auditors' report.

LANIER COUNTY, GEORGIA
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES - CONTINUED
For The Year Ending June 30, 2011

		Balance July 1, 2010	Additions	Deductions	Balance June 30, 2011
OFFICE OF SHERIFF					
ASSETS					
Cash		$ -	$ 98,536	$ 95,030	$ 3,506
	TOTAL ASSETS	$ -	$ 98,536	$ 95,030	$ 3,506
LIABILITIES					
Due to others		$ -	$ 98,536	$ 95,030	$ 3,506
	TOTAL LIABILITIES	$ -	$ 98,536	$ 95,030	$ 3,506
MAGISTRATE COURT					
ASSETS					
Cash		$ 7,461	$ 97,589	$ 99,173	$ 5,877
	TOTAL ASSETS	$ 7,461	$ 97,589	$ 99,173	$ 5,877
LIABILITIES					
Due to others		$ 7,461	$ 97,589	$ 99,173	$ 5,877
	TOTAL LIABILITIES	$ 7,461	$ 97,589	$ 99,173	$ 5,877

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See independent auditors' report.

COMPLIANCE SECTION

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LANIER COUNTY, GEORGIA
SCHEDULE OF PROJECTS FUNDED BY SPECIAL PURPOSE SALES TAX PROCEEDS
For The Year Ended June 30, 2011

	Original Estimated Cost	Prior Years	Current Year	Total	Estimated Percentage of Completion
2007 SPLOST					
Roads, streets and bridge purposes	$ 3,115,000	$ 1,546,858	$ 397,718	$ 1,944,576	62.43%
City of Lakeland	1,885,000	512,616	208,857	721,473	38.27%
Totals	$ 5,000,000	$ 2,059,474	$ 606,575	$ 2,666,049	

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See independent auditors' report.

SOURCE and APPLICATION OF FUNDS SCHEDULE
Community Development Block Grant

Lanier County, Georgia

07P-y-086-1-3293

For the Period Ending: June 30, 2011
Cumulative

I. Total Fiscal Year 2007 CDBG Funds Awarded to Recipient:	$	482,336
II. Total Amount of Drawdown by Recipient from DCA:	$	482,336
III. Less: CDBG Funds Expended by Recipient:	$	482,336
IV. Amount of Fiscal Year 2007 CDBG Funds held by Recipient:	$	-

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See independent auditors' report.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PROJECT COST SCHEDULE

Recipient: Lanier County, Georgia

Grant #: 07P-y-086-1-3293

For the Period Ending: June 30, 2011

Program Activity	CDBG Activity Number	Latest Approved Budget	Accumulative CDBG Expenditures To Date	Accumulative Expenditures To Date (Other Funds)	Grand Total of Expenditures To Date	Questioned Costs
Street Improvements	P-03K-01	$ 383,336	$ -	$ -	$ -	$ -
Engineering Services	T-03K-00	$ 46,000	$ -	$ -	$ -	$ -
Program Administration	A-21A-00	$ 23,000	$ -	$ -	$ -	$ -
Contingency	C-022-00	$ 30,000	$ -	$ -	$ -	$ -
TOTAL		$ 482,336	$ -	$ -	$ -	$ -

DRAFT

See independent auditors' report.

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

To the Board of County Commissioners
Lanier County, Georgia

We have audited the financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Lanier County, Georgia as of and for the year ended June 30, 2011 which collectively comprise the County's basic financial statements and have issued our report thereon, dated April 27, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting noted as 2011-1. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

DRAFT

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lanier County, Georgia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing* and which are described in the accompanying schedule of findings and responses as items 2011-2.

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

This report is intended solely for the information and use of the Board of Commissioners, management, the State of Georgia Department of Audits and is not intended to be and should not be used by anyone other than these specified parties.

Tillman & Tillman, LLP

Valdosta, Georgia
April 27, 2012

DRAFT

LANIER COUNTY, GEORGIA
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2011

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unqualified
Internal control over financial reporting	
Material weakness identified?	____ Yes __X__ No
Significant deficiencies identified not considered to be material weakness?	__X__ Yes ____ None reported
Noncompliance material to financial statements noted?	__X__ Yes ____ No

Section II – Financial Statement Findings

Current Year Findings

2011-1 – Criteria – Lack of Segregation of Duties

Internal control systems are typically more effective when the number of employees is sufficient to create a proper separation of duties.

2011-1 – Condition

Due to the limited number of employees in each of the County's offices, there is not a proper separation of duties to create an effective system of internal control. This condition is common in most local government units.

2011-1 – Cause

Due to budget constraints of small governments, the addition of more personnel is difficult to obtain the proper level of segregation of duties.

2011-1 – Effect

Transactions might not be processed in conformity with the internal control system of the County and, if material, the financial statements might not conform with generally accepted accounting principles and-or lack of compliance with applicable laws and regulation could occur.

DRAFT

2011-1 Recommendation

While it may not be practical to hire sufficient personnel to create a more effective system of internal control in each office, we do recommend that the elected officials of each office be made aware of this condition and that it is their responsibility to monitor activities of their respective office and to properly account for all transactions of said office.

2011-1 – Management Response

Management shall stress again to the Elected Officials the importance of this finding. The County Clerk gives each office/department monthly a report of the budgeted expenditures by the month and year. It is the supervisor or elected official's responsibility to monitor and review reports given to the office on a monthly basis. This is needed for compliance with County policies and procedures and applicable laws and regulations.

2011-2 – Criteria – Appropriations In Excess of Budgets

Lanier County has established the "legal level of control" for budgetary purposes at the department level. Georgia Statutes, O.C.G.A. 36-81-3(d)(1) states, "Any increase in appropriation at the legal level of control of the local government, whether accomplished through a change in anticipated revenues in any fund or through a transfer of appropriations among departments, shall require the approval of the governing authority. Such amendment shall be adopted by ordinance or resolution."

2011-2 – Violation

Per Note 4 several departments in the General Fund and a special revenue fund had expenditures that exceeded appropriations.

2011-2 – Effect

The effect of this finding is a violation of Georgia Statutes (O.C.G.A. 36-81-3(d) (1)).

2011-2 – Cause

Unexpected expenditures in some department funds were incurred that did not result in amendments to the budget.

DRAFT

2011-2 Recommendation

The County should ensure that compliance with Georgia budgetary Statutes are met. Budgetary amendments should be made to ensure that all expenditures at the department level are within appropriations.

2011-2 – Management Response

Lanier County management concurs with the finding and will continue to improve the budgeting process to assure that expenditures do not exceed appropriations and stressing to Elected Officials that stay within the the budgets provided.

Prior Year Findings:

2011-1 was also a finding in the prior year.

2010-2 Posting of journal entries was addressed during FY2011 and corrections were made to assure that journal entries were posted correctly and in a timely fashion.

2010-3 Testing did not reveal a problem with supporting documentation and the County Clerk stresses the importance of providing proper documentation prior to payment.

2010-4 Bank reconciliations were corrected to remove voided checks and old outstanding checks.

2010-5 Year end internal financial statements were provided that required limited adjustments that were mainly due to accruals. Management continues to work toward improving their internal financial statements to be sure they provide an accurate reflection of their financial situation.

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INDEPENDENT AUDITOR'S REPORT

We have examined management's assertion included in the accompanying Annual Report of 9-1-1 Collections and Expenditures about Lanier County, Georgia's compliance during the fiscal year ended June 30, 2011 with the requirement to expend 9-1-1 funds in compliance with the expenditure requirements of the Official Code of Georgia Annotated, Section 46-5-134. Management is responsible for Lanier County, Georgia's compliance with this requirement. Our responsibility is to express an opinion on management's assertion about Lanier County, Georgia's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Lanier County, Georgia's compliance with this requirement and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Lanier County, Georgia's compliance with the specified requirement.

In our opinion, management's assertion that Lanier County, Georgia complied with the aforementioned requirement during the fiscal year ended June 30, 2011 is fairly stated, in all material respects.

This report is intended solely for the information and use of management and the Georgia Department of Audits and Accounts and is not intended to be and should not be used by anyone other than the specified parties.

Tillman & Tillman, LLP

Valdosta, Georgia
April 27, 2012

DRAFT

Lanier County, Georgia
Annual Report of 9-1-1 Collections and Expenditures
For the Year Ended June 30, 2011

Line No.		O.C.G.A. Reference:		
1	Indicate UCOA Fund Type Used to Account for 9-1-1 Activity (choose one):			
	_____ Special Revenue Fund _____ Enterprise Fund			
2	Monthly 9-1-1 charge billed to each exchange access facility subscriber:	46-5-134(a)(1)	$ 1.50	
3	Total revenue from exchange access facility subscribers:			$ -
4	Does 9-1-1 system provide automatic number identification of a wireless telecommunications connection? (choose one)			
	X Yes ____ No			
5	If the answer to Line 4 is "yes", indicate below which of the following apply (choose one)			
	X System provides location of base station or cell site	46-5-134(a)(2)(A)		
	_____ System provides automatic location identification	46-5-134(a)(2)(B)		
6	If the answer to Line 4 is "yes", identify the monthly 9-1-1 charge billed to each wireless telecommunications connection subscriber:	46-5-134(a)(2)	$ 1.50	
7	Total revenue from wireless telecommunications connection subscribers:			$ -
	All Communications revenues are received directly by Tri-County Joint E-911 Authority.			
8	Total Line 3 plus Line 7 (should equal UCOA Revenue Source 34.2500)			$ -
9	Additional revenue sources:			
9a	Federal (UCOA Revenue Source 33.1000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		$ -
9b	State (UCOA Revenue Source 33.4000) Identify each funding agency individually. Attach list, if necessary.	46-5-134(j)		$ -
9c	Local (UCOA Revenue Source 33.6000) Identify each unit of local government individually. Attach list, if necessary.	46-5-134(j)		$ -
9d	Private (UCOA Revenue Source 37.1000) Identify each private source individually. Attach list, if necessary.	46-5-134(j)		$ -

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10	Investment Income (UCOA Revenue Source 36.1000 through 36.3000)		$ -
11	Other revenue sources not included above. Identify each source individually. Transfers from other funds of the local government should be reported on Line 25 and not included here.		
	General Fund revenue used for 911 appropriation.		$ 120,366
12	Total Revenues (total of all amounts reported on Lines 8 through 11)		$ 120,366
	Expenditures (UCOA Activity 3800)		
13	Wireless service supplier cost recovery charges (identify each supplier individually on lines below - attach list, if necessary)	46-5-134(e)	
			$ -
14	Emergency Communications equipment, including necessary computer hardware, software, and data base provisioning, addressing, and nonrecurring costs of establishing a 9-1-1 system:		
14a	Lease costs	46-5-134(f)(1)	$ -
14b	Purchase costs	46-5-134(f)(1)	$ -
14c	Maintenance costs	46-5-134(f)(1)	$ -
15	Rates associated with the service suppliers 9-1-1 service and other service suppliers recurring charges	46-5-134(f)(2)	$ -
16	Employees hired by the local government solely for the operation and maintenance of the emergency 9-1-1 system: Number of employees classified as: Full time 34 Part time 0		
16a	Salaries and wages	46-5-134(f)(3)	$ -
16b	Employee benefits	46-5-134(f)(3)	$ -
17	Cost of training of employees who work as dispatchers	46-5-134(f)(3)	$ -
18	Supplies of the public safety answering points used directly in providing emergency 9-1-1 system services	46-5-134(f)(4)	$ -
19a	Building used as a public safety answering point:		
19a1	Lease costs	46-5-134(f)(5)	$ -
19a2	Purchase costs	46-5-134(f)(5)	$ -
19b	Has the local government completed its street addressing plan? (choose one)	46-5-134(f)(5)	$ -

X Yes _____ No

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20	Computer hardware and software used at a public safety answering point, including computer assisted dispatch systems:		
20a	Lease costs	46-5-134(f)(6)	$ -
20b	Purchase costs	46-5-134(f)(6)	$ -
20c	Maintenance costs	46-5-134(f)(6)	$ -
21	Supplies directly related to providing emergency 9-1-1 system services, including the cost of printing emergency 9-1-1 public education materials	46-5-134(f)(7)	$ -
22	Logging recorders used at a public safety answering point to record Communications and radio traffic:		
22a	Lease costs	46-5-134(f)(8)	$ -
22b	Purchase costs	46-5-134(f)(8)	$ -
22c	Maintenance costs	46-5-134(f)(8)	$ -
23	Other expenditures not included in Lines 13 through 22 above. Identify by object and purpose. Transfers to other funds of the local government should be reported on Line 26 and not included here.		
	Appropriation for 911 services provided by Tri-County Joint E-911 Authority		$ -
	for Atikinson, Clinch and Lanier Counties.		$ -
	General Fund Appropriations for the Fiscal Year Ending June 30, 2011		$ 120,366
24	Total Expenditures (total of all amounts reported on Lines 13 through 23 above)		$ 120,366
25	Transfers From Other Funds (identify by fund)		
			$ -
26	Transfers To Other Funds (identify by fund)		
			$
27	Proceeds from Capital Lease (identify by asset class and, if equipment, purpose)		
			$
28	Net Change in Fund Balance (Line 12 - Line 24 + Line 25 - Line 26 + Line 27)		$ -
29	Fund Balance - Beginning of Year		$ -
30	Fund Balance - End of Year		$ -

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31a Do amounts on Lines 12, 24, 28, 29, and 30 agree to amounts reported in the government's audited financial statements submitted to the Georgia Department of Audits and Accounts?

__X__ Yes _____ No

31b If the answer to Line 31a is "no", provide explanation (including amounts) to reconcile each line item specified in Line 31a above to government's audited financial statements. Reconciliation should be attached to this report.

Certification of Local Government Officials

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

Signature of Authority Board Officer_____ Date: April 23, 2012

Print Name of Authority Board Officer Alex Lee

Title of Authority Board Officer Commission Chairman

Signature of Chief Financial Officer_____ Date: April 23, 2012

Print Name of Chief Financial Officer Donna Studstill

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